



South Burnett
Regional Council

Minutes

Of The

General Council Meeting

Held in the Warren Truss Chamber, 45 Glendon Street Kingaroy

on Wednesday, 5 August 2015

Chief Executive Officer: Gary Wall



SOUTH BURNETT REGIONAL COUNCIL MINUTES

Wednesday, 5 August 2015

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Minutes of the meeting of the South Burnett Regional Council, held in the Warren Truss Chamber, 45 Glendon Street Kingaroy on 5 August 2015 at 9.01am

PRESENT:

Councillors:

Cr DW Kratzmann (Mayor), Cr KM Campbell, Cr KA Duff, Cr BL Green, Cr DJ Palmer, Cr DP Tessmann, Cr RLA Heit

Council Officers:

Gary Wall (Chief Executive Officer), Lester Schumacher (General Manager Finance), Stan Taylor (General Manager Corporate Services), Russell Hood (General Manager Infrastructure)

1. Leave Of Absence

Nil.

2. Prayers

A representative of the Kingaroy District Ministers Association, Rev Sue Algate from the Uniting Church offered prayers for Council and for the conduct of the Council meeting.

3. Confirmation of Minutes of Previous Meeting

3.1 South Burnett Regional Council Minutes

Officer's Recommendation

That the minutes of the previous meeting held on Wednesday 15 July 2015 as recorded be confirmed.

Resolution:

Moved Cr KA Duff, seconded Cr KM Campbell.

That the minutes of the previous meeting held on Wednesday 15 July 2015 as recorded be confirmed.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

CONSIDERATION OF BUSINESS SECTIONS INCLUDING BUSINESS ARISING OUT OF MINUTES OF PREVIOUS MEETINGS

See Business Function Headings

4. Portfolio - Economic Development, Governance and Communication

4.1 Economic Development, Governance and Communication Portfolio Report

Summary

Economic Development, Governance and Communication Portfolio Report to Council.

Officer's Recommendation

That the Economic Development, Governance and Communication Portfolio Report to Council be received.

Resolution:

Moved Cr DW Kratzmann, seconded Cr DJ Palmer.

That the Economic Development, Governance and Communication Portfolio Report to Council be received.

Governance

Corporate Plan 2014-18

The Corporate Plan under the Local Government Regulations 2012 provides the strategic direction for Council and is the financial document with which the annual budget and operational plan must be consistent. Council's corporate plan for 2014-18 will be presented to Council for adoption at this meeting.

Council's Website

www.southburnett.qld.gov.au has a new look with the content revised to ensure that information about Council business is easily available to the community. The website is the central point of truth on the internet for Council undertakings, projects and initiatives. The website has a number of features worth noting: –

- such as a direct feed of Council's social media Facebook page,*
- information about Council policies, budgets and operational activities,*
- a list of Council employment opportunities,*
- information about roads, community facilities, recreational spaces.*
- Fees and charges information*
- Listing of the local laws*
- Planning and building information and forms*
- One stop shop for everything Council*

We are keen to hear from the community, so please provide all feedback through the online form.

Communication Strategy

As an action in the operational plan 2015-16, Council have commenced the development of a comprehensive communication strategy. The strategy will help Council to engage effectively with the community and assist people to understand what Council does. The strategy will include elements such as community engagement policy/procedures, social media policy/procedures and a media protocol.

Bush Council's Convention

I recently attended this convention which provided an opportunity for Councils west of the Great Dividing Range to share and discuss current challenges and issues affecting our communities. This group of Councils came together to plan and drive a new policy platform focused on better

natural resource management, water security arrangements, strategic infrastructure planning and investment and improved communications and logistics.

Economic Development

Business Excellence Awards

Nominations for the 2015 South Burnett Business Excellence Awards are now open. All local businesses are encouraged to nominate.

Business Development Activities

A series of 6 workshops have been co-ordinated to assist local businesses which will be rolled out over the next 2 months as part of the Business Excellence Awards.

South Burnett Private Hospital

I am continuing to scope potential private hospital providers, and the community will be kept updated as to any progress.

National Stronger Regions Fund

South Burnett Regional Council has facilitated the submission of an application to the Federal Government's National Stronger Regions Fund Round 2 Program for the establishment of a Wine Bottling Plant located in the old Butter Factory at Murgon. South Burnett CTC is the principle proponent of the application supported by the South Burnett Wine Industry Association.

Tourism - Regional Flavours

The South Burnett was proudly represented at Regional Flavours showing local produce and products and cooking a new South Burnett pork wrap which was extremely popular. Approximately 90,000 people visited the event.

Tourism Reference Group

A South Burnett Event Strategy is currently being developed to maximise tourism visitation to the region. The objective is to grow quality events focussing on the experiences the South Burnett have to offer. An action plan has been prepared and feedback is now being sought.

Carried 7/0

FOR VOTE - Councillors voted unanimously

4.2 Governance

Officer's Report

4.2.1 G - 1484982 - Corporate Plan for 2014-2018

Summary

- The Corporate Plan is a legislative requirement under section 104(3) of the Local Government Act 2009. The Corporate Plan demonstrates to the community how Council intends to achieve planned outcomes over a five (5) year period (Local Government Regulation Division 1).
- The Corporate Plan establishes Council's overall policy framework and articulates its strategic direction.
- A draft plan was prepared by the Project Steering Group involving extensive consultation with:

- Councillors
 - Council's Leadership Management Team.
 - Community consultation from 15 June to 3 July 2015
-
- No submissions were received.
 - The draft plan was further reviewed by the Project Steering Group with the final version circulated to the Councillors and Leadership Management Team.

Officer's Recommendation

That Council adopt the following 2014-2018 Corporate Plan:

Our Vision

Our vision is what we are committed to, in essence a picture of how our region might desirably look in the future.

“Individual communities building a strong and vibrant region.”

Our Values

Our corporate values underpin our strategic direction, guiding the way we do business and deliver outcomes. Our values are shared beliefs about the things that are desirable for our region and are fundamental to our decision making processes.

- A Accountability:** *We accept responsibility for our actions and decisions in managing the regions resources.*
- C Community:** *Building partnerships and delivering quality customer service.*
- H Harmony:** *Our people working cooperatively to achieve common goals in a supportive and safe environment.*
- I Innovation:** *Encouraging an innovative and resourceful workplace.*
- E Ethical Behaviour:** *We behave fairly with open, honest and accountable behaviour and consistent decision-making.*
- V Vision:** *This is the driving force behind our actions and responsibilities.*
- E Excellence:** *Striving to deliver excellent environmental, social and economic outcomes.*

SBRC Corporate Plan 2014-2018 – Final DRAFT

PRIORITY 1. Enhancing Our Communities

Goal	Strategy	KPI	Link to Corporate Plan 2009-2013
<i>An informed and engaged community</i>	Develop a range of initiatives to engage and inform the community	<ul style="list-style-type: none"> Communication Strategy to be developed and adopted by 2015-16, implemented 2016-17 and reviewed 2017-18 	EXC5
<i>A community with the capacity to continue to develop the area of arts, culture and heritage</i>	Encourage and support community organisations to enhance their sustainability	<ul style="list-style-type: none"> Provide assistance and support in line with Council's grant and donation policies Council to facilitate community development opportunities through programs and workshops 	EC1
<i>An active, safe and healthy community</i>	Facilitate the development of a range of sporting and recreation facilities	<ul style="list-style-type: none"> Promote optimal utilisation of sporting and recreational facilities to meet community needs 	EC2
	Advocate and support community initiatives that promote healthy lifestyles	<ul style="list-style-type: none"> Maintain the Healthy Communities Management Advisory Committee 	EC2
	Consider and promote community safety based on Community needs	<ul style="list-style-type: none"> Consider the initiatives derived from the Community Safety committee when developing future relevant programs 	EC2
	Manage identified public health and environmental issues in accordance with relevant legislation	<ul style="list-style-type: none"> Council to implement relevant legislative requirements 	EC2
	Increase the proportion of residents meeting national guidelines for physical activity and healthy eating	<ul style="list-style-type: none"> 4% increase in proportion of residents reaching guidelines 	EC2
<i>Work towards a community being prepared and resilient to natural and man-made disasters</i>	Ensure the Local Disaster Management Plan enables the community to be prepared for, prevent, respond to and recover from disasters	<ul style="list-style-type: none"> Compliant with the Disaster Management Act 2003, plans and sub-plans 	EC3

STRATEGIC PRIORITY 2. Growth and Opportunity

Goal	Strategy	KPI	Link to Corporate Plan 2009-2013
<i>A strong and sustainable regional economy</i>	Continue to implement the Economic Development Strategy.	<ul style="list-style-type: none"> Actions as stated in Strategy are achieved 	GO2
<i>Balanced development that preserves and enhances our region</i>	Implement policies and plans that support appropriate planning and development for business, industry and community needs	<ul style="list-style-type: none"> Review of relevant policies and procedures in line with Legislation, planning scheme and development standards 	GO3
<i>The South Burnett is a recognised tourism destination</i>	Continue to promote the South Burnett as a premier tourist destination	<ul style="list-style-type: none"> Active involvement in the implementation of the Wide Bay Burnett Regional Planning process Implement a regional tourism strategy 	GO3 GO1

3/08/2015

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SBRC Corporate Plan 2014-2018 – Final DRAFT

STRATEGIC PRIORITY 3. Our Environment

Goal	Strategy	KPI	Link to Corporate Plan 2009-2013
<i>Our region's environment assets are promoted, protected and enhanced</i>	Consider natural resource management priorities in Council decision making	<ul style="list-style-type: none"> Engage and assist the community and private land owners in environmental stewardship through Council natural resource programs 	ENV1
	Protect and enhance the diverse array of natural assets that exist in the region in accordance with relevant legislation.	<ul style="list-style-type: none"> Recognise the value of native fauna and flora habitats including endangered, rare and vulnerable species through Council natural resource plans and policy Manage weed and pest infestations through Council maintenance programs Reduce greenhouse gas emissions and non-renewable resource use where possible by exploring and implementing cost effective solutions 	ENV1
	Enhance water quality of our region's waterways.	<ul style="list-style-type: none"> Projects and development submissions comply with environmental water quality policy/standards 	ENV1
<i>Environmentally responsible and efficient waste management</i>	Implement the Regional Waste Management Strategy	<ul style="list-style-type: none"> Delivery of milestones within the strategy 	ENV2

STRATEGIC PRIORITY 4. Organisational Excellence

Goal	Strategy	KPI	Link to Corporate Plan 2009-2013
<i>Effective financial management</i>	Develop and implement long term financial plans	<ul style="list-style-type: none"> Comply with the 5 year financial plan 	EXC1
	Optimise Council's revenue, based on realistic and equitable policies and practices	<ul style="list-style-type: none"> Internal funding provides adequate level of service Maximise opportunities for external funding 	EXC1
<i>Effective business management</i>	Develop and implement information and technology solutions that meet corporate and customer needs	<ul style="list-style-type: none"> Provide effective and efficient systems with adequate support resources to meet corporate and community needs 	EXC2
	Ensure document management systems and practices cover the full range of Council's activities and are compliant with statutory requirements	<ul style="list-style-type: none"> Further develop business information management system to meet organisational needs 	EXC2
<i>A skilled and sustainable workforce</i>	Develop a Strategic Human Resource Management Plan	<ul style="list-style-type: none"> Implement Strategic Human Resource Management Plan 	EXC3
	Continue to promote a 'safety first' environment	<ul style="list-style-type: none"> Continue to partner with "Zero Harm Leadership Program" 	EXC3
	Enhance an organisational culture which reflects our shared vision and values	<ul style="list-style-type: none"> Define a positive organisational culture through the implementation of a culture program 	EXC3

3/08/2015

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SBRC Corporate Plan 2014-2018 – Final DRAFT

Goal	Strategy	KPI	Link to Corporate Plan 2009-2013
<i>Ethical, accountable and transparent decision-making</i>	Develop a governance framework that delivers sound organisational management	<ul style="list-style-type: none"> Implement a governance framework 	EXC4
<i>Effective advocacy and strategic partnerships</i>	Develop and maintain close and productive working relationships with relevant stakeholders Advocate Council's strategic and operational position on key issues to government sectors	<ul style="list-style-type: none"> Stakeholder engagement as per communication strategy 	EXC6
<i>Quality customer service</i>	Develop customer service standards	<ul style="list-style-type: none"> Implement agreed outcomes from advocacy process Deliver and implement customer service standards across the organisation linked to the communication strategy 	EXC6 SD1

STRATEGIC PRIORITY 5. Infrastructure

Goal	Strategy	KPI	Link to Corporate Plan 2009-2013
<i>Infrastructure that meets our communities needs</i>	Provide & maintain appropriate infrastructure to meet community needs Further develop Asset Management Plans	<ul style="list-style-type: none"> Plan for and develop service levels for Council infrastructure and assets Maintain the asset register and develop maintenance and renewal plans for all asset types 	SD2 SD2

Resolution:

Moved Cr KM Campbell, seconded Cr KA Duff.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

4.2.2 G - 1485013 - Annual Report 2013/2014

Summary

Pursuant to section 182 of the *Local Government Regulation 2012*, Council is required to prepare an Annual Report which contains an assessment of Council's performance in implementing its Corporate and Operational Plans, audited financial statements, and other statutory information as required by legislation.

Officer's Recommendation

That Council adopt the 2013/14 Annual Report as follows:-



South Burnett Regional Council
ANNUAL REPORT
2013/14

Welcome

Page 1

Highlights of the Year

Strategic Priority: Enhancing our Communities - See page 44 for more details

Building vibrant, healthy, supportive and inclusive communities

- Handmade in the Country Project
- Local Heritage Register grows
- Every Man Remembered - South Burnett Heroes not forgotten
- Placing a poppy to honour war heroes
- Community groups receive \$383,000
- Murgon Skate Park Opens
- Community Ride
- Tractor wins award

more on page 44

Strategic Priority: Growth and Opportunity - See page 58 for more details

A strong and sustainable regional economy supported by diverse sectors and innovative planning mechanisms

- Future secured for the South Burnett Private Hospital
- Heading in a healthy direction with South Burnett Directions
- Nanango Streetscape project in full swing
- Pool heat up this winter
- Kingaroy Airport reseal completed
- RecycleLinks opens
- Council saves bus service

more on page 58

Strategic Priority: Our Environment - See page 66 for more details

A sustainable environment, proactively and responsibly managed in partnership with the community for future generations

- Recycling Survey of all properties which currently had a kerbside waste collection service
- Successful Waste Collection Tender Process
- Development and implementation of a new region wide Waste Collection Contract
- Establishment of a new risk based Food Business Licensing Classification system
- Kingaroy waste concrete stockpile converted to recycled aggregate resource

more on page 66

Strategic Priority: Organisational Excellence - See page 72 for more details

An organisation that is characterised by effective leadership, responsible management and quality service delivery

- Participation in training and implementation of the new Business System – TechOne
- Improved information dissemination and analysis to Council for the key issues surrounding the preparation and final adoption of the 2014 Budget
- Improved monthly reporting to Budget Managers and Council,
- Agreement by the Leadership Management for the use of Business Cases

more on page 72

Strategic Priority: Service Delivery and Infrastructure - See page 82 for more details

The provision of quality services and infrastructure for our growing community that is planned, provided and managed on sound asset management principles

- Cost of Roads completed \$21.7M
- Moloneys Bridge, Hodge Dip Road \$1.1M
- 114 High Priority Floodways repaired
- Approx 3,500 defects on 341 sealed roads
- Approx 3,300 defects on 371 unsealed roads

more on page 82

Challenges

- Attracting additional volunteers
- Providing suitable storage facilities for our growing museum collections
- Encouraging and maintaining increased physical activity and better nutrition within the community

Future Initiatives

- Training – Ambassador Program in 2015
- Plan to have a \$B local product booth at all Major events in the South Burnett e.g. 750 Vans at the Nanango Country Muster
- All major events listed on the Council's website
- Need to produce Energy Centre Work sheets based on the National Curriculum



Challenges

- Increased number of applications for subdivision of rural land
- Local Heritage Register
- Blackbutt Supermarket/Community Hall

Future Initiatives

- New Planning Scheme
- South Burnett promoted in Brisbane
- Heritage to sponsor Business Excellence
- 2014 UAV Challenge Outback Rescue



Challenges

- Undertake Waste Management Strategy for the South Burnett Council area, including assessing remediation requirements for legacy landfills
- Weeds and pest management programs to include rural community incentives
- Assess need for recycling shop in Kingaroy
- Involvement in the Rail Trail – Murgon to Kingaroy

Future Initiatives

- Workshops for community and industry to explain and educate in relation to legislative responsibilities eg food safety/hygiene training
- Partnership program with Queensland Health to ensure 100% vaccination rate of those who present for immunisation at school based clinics
- 100% of PetPEP presentations on responsible pet ownership provided to all schools (and students) that permit and/or request Council to attend



Challenges

- Improving the quality of the Asset Registers for all asset classes
- Continuously improving the budget processes
- Improved monitoring of actual performance
- Federal Assistance Grant Data Analysis to maximise the return to Council
- Implementing TechOne

Future Initiatives

- Recruitment and selection training
- Expansion of pot of gold program to leadership training program
- Workforce Planning Framework to be developed
- Human Resource Policy and Procedures Manual to be developed
- Participate in Tech One – New Business System Implementation



more on page 81

Challenges

- Weather conditions affecting the delivery and completion of works programs
- Sourcing external funding to provide sustainable Water and Wastewater infrastructure
- Development of new Customer Request Workflows for the new Business System
- Delivering current levels of service while external funding decreases

Future Initiatives

- Customer Request Response System (CRRS) further implemented
- Asset Management Plans implemented into infrastructure operations and management
- Capital Works Program delivered
- General Maintenance Program
- Heavy Maintenance Program



more on page 89

Welcome to the ...

This Annual Report is for the period 1 July 2013 to 30 June 2014.

Council's Corporate Plan 2009/13 is the guiding Council document. The Corporate Plan describes the strategic priorities and desired outcomes, and the Annual Report documents what was achieved. As an organisation Council is required by legislation to prepare and adopt an Annual Report but more importantly it is the major accountability tool in Council's corporate governance framework which provides financial and non financial information on the efficiency and effectiveness of operations.

The Annual Report outlines Council's vision, values and strategic priorities, details performance and achievements, challenges faced and the future initiatives planned to meet these challenges.

The Annual Report 2013/14 meets Council's commitment to transparent reporting by exceeding legislative requirements and producing a report that truly captures all aspects of Council's business.

South Burnett Regional Council hopes you enjoy reading this report.

How to read this report

This report is divided into three (3) sections; an overview of Council and the organisation, the main body featuring performance reporting, and statutory information including the financial statements. The main body of the report is divided into the five strategic priority areas: Enhancing our Communities, Growth and Opportunity, Our Environment, Organisational Excellence and Service Delivery and Infrastructure. Each strategic priority includes information on achievements, challenges, interesting facts and statistics, as well as performance against the Corporate Plan 2009/13.

Photograph: Mayoral Charity Ball 2014



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Progress

Council's progress against each strategic priority is illustrated by the following symbols:

- ✓ Achieved Target
- Progressing
- ⌚ Commenced
- * Postponed

Striving for excellence in reporting

Council was presented with a Silver Award at the Australasian Reporting Awards (ARA) in June 2014 for its Annual Report 2012/13. This Award acknowledged Council's commitment to providing transparent and accountable reporting to the community.

The Awards provide an opportunity for Council to benchmark the report against ARA criteria for Local Government reporting based on world's best practice. They are open to all organisations that produce an Annual Report. The general awards, under which Council received their Silver, clearly recognise the standard of report.

Council embraces the fundamentals of good reporting and remains committed to excellence in reporting to our community.

Target audience

Council's annual report is produced to inform the community of progress in achieving the outcomes documented in our Corporate and Operational Plans.

The community includes residents, ratepayers, community organisations, businesses, employees and potential employees, investors, potential funding bodies, sponsors, industry organisations and government departments; Local, State and Federal. Along with this, there is a requirement in the Local Government Act for all Councils to present an Annual Report to the Minister each year.

Feedback

Your feedback is valuable to us. Should you wish to comment on the content, structure and readability of this annual report please complete the feedback form at the end of this document or contact Council's Governance Branch on (07) 4189 9100.

How to obtain a copy of the report

Hard copies of the Annual Report are available for viewing at Council's Customer Service Centre and local libraries. An electronic copy is available on Council's website or to purchase a hard copy please contact (07) 4189 9100.

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Fast Facts

Population*:

31,028
people



5 Visitor Information Centres



3 Aerodromes

1.45%
Population Growth Rate South Burnett*

1.92%
Population Growth Rate Queensland*



7 Bus routes linking the South Burnett Region



over 17,500 Rateable Properties



38 Citizenship ceremonies



423 Building and planning approvals processed



6 Depots and 3 Workshops



7 Right to Information applications received
1 Information Privacy applications received



\$21.7 million on roads



48,212 Phone calls answered from Council's main number



4,308 Customer Services Requests received



3,225 Drums recycled

*Released at 11:30 AM (AEST) 28/03/2013

Our Region

The South Burnett Region consists of a rich, diverse blend of prime agricultural land producing a range of high quality agricultural products for both domestic and international markets. Products including peanuts, navy beans, maize, wheat, grain and sorghum are cropped in the region. It also hosts a "State of the Art" pig processing facility and is home to a significant wine manufacturing region producing premium estate-grown and alternate varieties of table wines.

With the majestic Bunya Mountains as its backdrop, the South Burnett provides a perfect blend of vibrant town & country living set amongst rich agricultural farmland & rolling hills.

An easy 2-hour drive north-west of Brisbane and directly west of the Sunshine Coast. The South Burnett covers 8,421 km²; combining quality living and working environments, a relaxed country lifestyle, strong community values and outstanding cultural and natural attractions which continue to support economic growth within the region.

Kingaroy is the regional hub of the South Burnett with services including a commercial airport, regular co-ordinated bus services to Brisbane, regional shopping facilities, government agencies and many of the industries generally expected in much larger centres. All townships within the region support a vigorous sporting, cultural and social lifestyle with facilities including a range of heritage museums, art galleries, craft outlets, shopping malls, indoor and outdoor sporting and fitness facilities, local theatre groups, annual festivals and music venues.

Wine production in our Region is a prime attraction, with Verdelho grown successfully due to the hot climate and rich soils. With around ten wineries, one of the largest wine growing regions in Queensland, grapes were first planted in the area in 1898. Industrial production began in 1993. Most of the wineries are located near Murgon with a few close to Kingaroy and to the south. Shiraz and Chardonnay are the most prevalent varieties with production roughly halved between red and white wines.

One of the best known attractions in the area is the peanut-growing district centered around Kingaroy. 12 km from Murgon is the spectacular and scenic Bjelke-Petersen Dam. Other dams in the region include the beautiful Gordonbrook Dam and the tranquil Boondooma Dam. Tarong Power Station and the Tarong National Park are both in the south of the Burnett. The Bunya Mountains, protected within the Bunya Mountains National Park, which contains the largest natural bunya pine forest in the world, are a popular natural attraction in the south of the region. At Kinbombi Falls there are picnic and camping facilities next to a large waterfall, gorge and rocky creek. Rock-wallabies can be seen on local cliffs, particularly around twilight hours. Garnet gem fields are located just west of Proston.



Mayor's Review

I am pleased to present the 2013/14 Annual Report of the South Burnett Regional Council. This year marked some great achievements for our council as we moved into the first full year of this term of council.

We have worked hard as Councillors and Staff to achieve well above what Regional Council's across Queensland would normally achieve, even when we were still feeling the effects of the 2013 flooding event. The majority of flood restoration works were completed during this period with a combined total of \$90m being spent during 2011-2013 on the restoration of our roads and floodways across our region.

Once again roads were a key focus with a record \$ 21.7m in addition to the above flood restoration works being expended on our road network. This could not be achieved without the introduction of a road levy which provided a much needed injection of funds specifically allocated to road maintenance and construction.

This last year has seen delivery in a broad range of activities which included:

- Under Lantana Treatment program approx. 750km of dual roadside has been sprayed
- A further 500,000m² of treatment on African Boxthorn, Giant Rats Tail Grass, Parthenium and other declared weeds has also been completed.
- 5 km of sewer mains were relined
- 9 km of water mains were replaced
- Implementation of a new computer Business System
- Commencement of the Nanango Streetscape Project
- Completion of the Murgon Skate Park
- Council funded "Bridge to Recovery Program" was commenced with construction of "Ben Walters" Bridge in Nanango
- Bitumen resealing of the Kingaroy Airport Runway, Taxiway and Apron

While we continue to see reductions in funds traditionally provided to local government and more emphasis placed on our own revenue streams Council has been diligent in making the tough decisions to maintain surplus operating budgets now and into the future, while still delivering on maintaining and upgrading the infrastructure vital for our community.

As the 100 year anniversary of the commencement of World War 1 approaches, in May I was honoured to be a part of a delegation of South Burnett residents who visited three (3) memorial sites to acknowledge the ultimate sacrifice of some of the fallen from the South Burnett who died at Flanders Fields in Belgium and place a poppy in their memory. The trip cumulated with a ceremony in Dodewaard to honour Murgon resident Patrick Tiernan who was shot down on June 17, 1944.

I must pay tribute to our wonderful community who continue to amaze me with their generosity, in particular the army of volunteers who provide support in our facilities such as libraries, museums, art galleries and visitor information centres without which we simply could not operate.

To my Councillors, my sincere thanks and appreciation for your dedication and commitment to help improve the community in which we live and work in. It has been a privilege to work with you and I look forward with enthusiasm to continuing our work for the good of the region. I would also like to acknowledge our dedicated workforce whose contribution to our organisation should never be understated as we strive to achieve the best outcomes for our communities.



Cr Wayne Kratzmann
Mayor



"...a combined total of \$90m being spent during 2011-2013 on the restoration of our roads and floodways"

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Chief Executive Officer's Report

My legacy for the South Burnett Regional Council (SBRC) is very straight forward and that is to become the Leading Regional Council in Queensland. During my first year as CEO at SBRC (2011/12) I derived a set of metrics by which this legacy could be managed. None were easy to achieve but all are a major contributor to the achievement of this lofty goal.

I am pleased to report that after almost three years in the position, the metrics are being met. During the next year (2014-15) I plan to lead SBRC in a way that the metrics become an intrinsic part of the culture and the rewards that follow are celebrated. This is important as when next I have the pleasure of providing my message for the Annual Report we will be in that window which is the lead up to the next Council election.

My Council has three main legacies, these being:

- Roads
- Water and Wastewater
- Streetscapes

Significant progress has been made in delivering on these legacies. In respect of Roads the SBRC has spent a total of \$21.7 million this financial year. Customer requests have reduced significantly and the impact of the work has enabled containment of our maintenance costs (OPEX). SBRC has about 3200km of roads of which about half are sealed and the remainder gravel sheeted. This will always result in insufficient funds to meet all demands however, with the introduction of new drainage techniques, upgraded gravel, and suchlike we are getting value for money.

Progress is well underway on the biggest single project undertaken by the SBRC. The Wastewater Treatment Plant in our largest town has been contracted and will see a new treatment operation be applied. The project is scheduled for completion in mid-2016 and will provide Kingaroy with capacity to extend into the next few decades. Also during the year the Gordonbrook Dam Water Treatment facility contract was prepared and this will be commenced in the near future. Both of these projects will contribute significantly on delivering on this segment of Council's legacy.

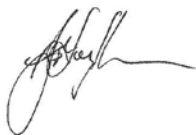
Streetscapes in our towns have been moved forward during the year with major works being undertaken in Wondai and Nanango. A plan has been developed for Kingaroy and will be progressed to the consultation phase in the next year. Many of the towns in the South Burnett will benefit from the successful acquisition of funding to develop a Rail Trail from Murgon to Kingaroy. This project will be scoped in the new year and offers great opportunity for on the ground connectivity between many of our towns and villages.

This report would not be complete if recognition of my staff was not at the forefront. We have delivered an exceptional amount of works and services. This has been done on a very modest operational budget (OPEX). In fact our OPEX was about the same in this year as it has been in the previous years and this is despite increased costs for construction material, wages, and goods. Less staff and contractors have been employed/engaged and the extra load has been taken up by other staff. What is most important is that this has been done with no fuss as my staff see themselves as part of the South Burnett community.

Most of the 2011 and 2013 Flood Recovery work was completed during the year. It is anticipated that the small amount remaining will be completed by Christmas 2014. The Project Team responsible for delivering this significant project has exceeded all expectations. They have worked hand in hand with our core staff and existing systems. It has been a seamless relationship and the learnings all have gained from this experience has been enormous.

The reality is that the SBRC budget going forward is tight. Changes have been made to deliver with only a modest general rate increase being announced in this year but these have not kept pace with the reduction in grants that have been traditionally received by Council. Our overall budget was balanced this year.

Last year I reported that we had chartered a course to long-term economic and financial sustainability. I am pleased to report that SBRC remains on course to achieve this objective.



Ken McLoughlin
Chief Executive Officer



“In respect of Roads the SBRC has spent a total of \$21.7 million this financial year.”

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Community Financial Report

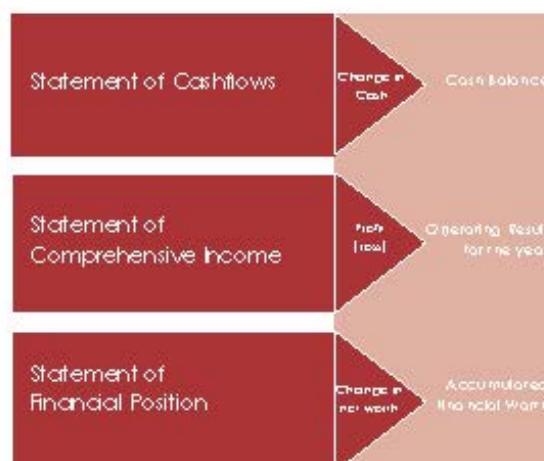


The Community Financial Report is an overview of the key elements of Council's financial performance. The aim of the report is to assist readers in evaluating Council's financial position without the need to interpret the financial statements contained in the Annual Financial Statements (page 103).

The next few pages provide a simple explanation on what the financial reports actually mean and what the major financial implications are for Council.

The three main reports are:

- Statement of Cashflows
- Statement of Comprehensive Income
- Statement of Financial Position



Statement of Cash Flow
(Refer to page 108 of full financial statements)

The Statement of Cash Flow is just like your bank statement. If you did a summary of your personal bank statements for 12 months it would be called a cashflow statement.

This statement only reports on cash and shows:

- how much money we started the year with,
- where the incoming money came from,
- where the money was spent, and
- how much money we have left at the end of the year.

As can be seen by the summary below, Council started the year with \$34,697,138 in the bank and ended the year with \$51,390,970. This means that for the entire year we received \$16,693,832 more in cash than we spent. This was mainly due to loan monies drawn down by Council at the end of the 2014 financial year that relates to capital projects to be conducted in the 2015 financial year.

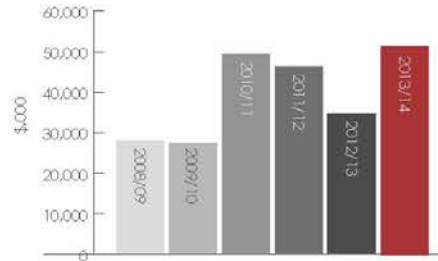
Cashflows for the period are separated into operating, investing and financing activities.

Operating activities include all other areas such as rates, user charges, interest, grants, employee costs, materials and services, interest and administration.

Investing activities include money Council receives and spends when we buy or sell property, plant and equipment.

Financing activities are cash received if Council takes out new loans or cash paid as repayments against loans.

Summary of Closing Cash Balance



The 2014 closing cash balance of \$51.4 million is a significant increase from 2013 of approximately \$17 million because Council raised \$24.66 million in new loan funds.

Snapshot

	2014	2013	2012
Opening Cash Balance	34,697,138	46,222,303	49,436,270
Net Cashflow from Operating Activities	12,616,218	(4,358,781)	7,712,368
Net Cashflow from Investing Activities	(19,772,044)	(10,647,125)	(10,262,605)
Net Cashflow from Financing Activities	23,849,658	(11,525,165)	(3,213,967)
Closing Cash Balance	51,390,970	34,697,138	46,222,303

Statement of Comprehensive Income

(Refer to page 105 of full financial statements)

Did we make a profit or loss?

Whilst a cashflow statement shows how much money goes in and out of your bank account, what if you had a bill for painting your house and you had just not got around to paying it by the end of the year?

The Income Statement takes into account things like the painting bill that really relate to this year, but you won't actually pay it until next year. It shows both cash transactions and non-cash transactions such as depreciation. These figures are based on accrual accounting principles. For example, all rates issued are included as income even though some ratepayers have not paid. The amount not paid would show in the Balance Sheet as an amount owed to Council.

Net Result

The Net Result for the financial year ending 30 June 2014 was \$14,568,051 and \$(24,330,405) for the financial year ending 30 June 2013. The reason for this significant difference relates to the receipt and expenditure of funding which was provided under the Natural Disaster Relief and Recovery Arrangements (NDRRA) and the drawing down of loan funds associated with capital projects to be conducted in the 2015 financial year.

Sources of Income

(Where the money came from)

Rates and Utility charges are Council's main source of income. Other sources such as recoverable works, government grants and subsidies and fees and charges are important sources that assist in funding the future growth of our region.

Operating Expenses

(Where the money was spent)

Council provides a wide range of services to the community. This work is done by Council staff and in some circumstances contractors. Wherever possible, local suppliers and contractors are utilised so the money flows back into our community. The three largest costs are employee costs, materials and services and depreciation. The level of expenditure is monitored through a rigorous budget process.

Snapshot

	2014	2013	2012
Revenue (R)	97,036,118	79,838,704	61,128,476
Expenses (E)	(82,468,067)	(104,169,109)	(60,498,632)
Operating Result - Profit/(Loss) (R-E)	14,568,051	(24,330,405)	(629,843)

Assets - What our community owns

The major components of our assets include:

- Cash
- Receivables
- Property, plant and equipment
- Capital work in progress

Property, Plant and Equipment accounts for 92% of Council's assets. This is a significant investment for the community and requires astute management to ensure the level of service provided by these assets is maintained. As at 30 June 2014, Council held total assets worth \$808,271,996.

Table of Significant Differences

	2014	2013	2012
Comprehensive Income Statement			
Net Result	14,568,051	(24,330,405)	629,843
Capital Revenue	15,387,069	2,165,464	6,050,315
Materials and Services	(49,679,494)	(69,257,507)	(24,102,619)

Liabilities - What our Community owes

The major components of our liabilities include:

- Payables
- Employee benefits
- Borrowings
- Provisions

This year Council increased overall borrowings by \$11.3 million.

Statement of Financial Position

(Refer to page 106 of full financial statements)

The previous two statements showed the activity that has happened for a twelve (12) month period.

The Statement of Financial Position shows what Council's net accumulated financial worth is at the end of each financial year. The Statement of Financial Position is broken down into three areas –

- what Council owns (Assets),
- what Council owes (Liabilities) and
- what Council is worth in dollar terms (Equity).

Equity is worked out by taking the total of our liabilities away from our assets.

Snapshot

	2014	2013	2012
Assets (A)	871,203,957	537,914,521	572,343,960
Liabilities (L)	(62,931,961)	(10,192,604)	(9,331,992)
Equity (A-L)	808,271,996	511,401,493	548,796,215

Current Ratio

(Current Assets divided by Current Liabilities)

The current ratio measures Council's ability to meet its short-term commitments. A good ratio is considered to be around 1½:1.

Council's current ratio of 3.5:1 is down slightly from last year. However the ratio is still considered good which means Council is in a sound position to pay all of its current bills when they fall due.

Total Loan to Pay

In July 2013 Council adopted a Debt Policy that detailed new borrowings planned for the current financial year and the next nine (9) financial years.

With the finalisation of the Asset Management Plans for all classes of assets Council has been better informed regarding the ongoing investment required in its asset base. As a result, the future borrowing program is based on improved asset planning.

Council is developing a detailed long term borrowing strategy to facilitate effective borrowings to achieve specific outcomes.

Our Council

Good governance is the leadership and management of all aspects of our organisation to ensure we all work together to achieve our vision; Individual communities building a strong and vibrant region. It is about ensuring the organisation is run transparently, goals are achieved and public monies are managed with high standards of propriety and probity. Corporate governance is a framework that enhances planning and reporting practices, assists leadership and management and drives improved performance, moving beyond compliance to focus on meeting strategic objectives and operational goals.

The Role of Council

Council operates under the *Local Government Act 2009* (the Act) and is elected to provide leadership and good governance to the South Burnett Region. Our seven (7) elected members together are the Council.

The Council has a duty to ensure the system of Local Government is accountable, effective, efficient and sustainable in accordance with the principles. The Local Government principles being:

- (a) transparent and effective processes, and decision-making in the public interest; and
- (b) sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) democratic representation, social inclusion and meaningful community engagement; and
- (d) good governance of, and by, Local government; and
- (e) ethical and legal behaviour of Councillors and Local Government employees.

The Elected Council

Queensland Local Government elections are held every four (4) years. A quadrennial election was held in April 2012 with a new Mayor and six (6) returning Councillors elected to represent the South Burnett Region over the following four (4) years. Councillor for Division 6, Cr Cheryl Dalton resigned in July and a bi-election was held. Cr Ros Heit was elected and sworn in as Division 6 Councillor. The region is divided into six (6) divisions represented by a Councillor in each division. All voters elect the Mayor.

Photo: (Back row L to R) Cr Ros Heit, Cr Keith Campbell, Cr Damien Tessmann, Cr Barry Green. (Front Row L to R) Cr Kathy Duff, Mayor Wayne Kratzmann, Cr Debra Palmer



Role of the Mayor

The Mayor has the duties of a Councillor with the added responsibility of:

- (a) leading and managing meetings of the Local Government at which the Mayor is the chairperson, including managing the conduct of the participants at the meetings;
- (b) proposing the adoption of the Local Government's budget;
- (c) liaising with the Chief Executive Officer on behalf of the other Councillors;
- (d) leading, managing, and providing strategic direction to the Chief Executive Officer in order to achieve the high quality administration of the Local government;
- (e) directing the Chief Executive Officer, in accordance with the Local Government's policies;
- (f) conducting a performance appraisal of the Chief Executive Officer, at least annually, in the way that is decided by the Local government;
- (g) ensuring that the Local Government promptly provides the Minister with the information about the Local Government area, or the Local government, that is requested by the Minister;
- (h) being a member of each standing committee of the Local government; and
- (i) representing the Local Government at ceremonial or civic functions.

Role of Councillors

The South Burnett region covers an area of 8,421 km² and is divided into six (6) divisions, with one Councillor elected to represent each division. All voters throughout the region elect the Mayor. Our seven elected members represent the community to ensure the governance of the region. In summary, Councillors are responsible for:

- (a) ensuring the Local Government -
 - (i) discharges its responsibilities under the Act;
 - (ii) achieves its corporate plan;
 - (iii) complies with all laws that apply to Local governments;
- (b) providing high quality leadership to the Local Government and the community;
- (c) participating in Council meetings, policy development, and decision making for the benefit of the Local Government area;
- (d) being accountable to the community for the Local Government's performance; and
- (e) complying with the Queensland Contact with Lobbyists Code.

Each Councillor participates in the process of formulating, adopting and reviewing our Corporate and Operational Plans. Councillors have regular meetings to make decisions and to discuss local issues. Councillors focus on the policy directions of the Local government, not the internal day-to-day administration. The role of Councillors is to make decisions which Council Officers can then implement on their behalf.

Councillors Statement of Interest Extracts

Pursuant to section 110 of the *Local Government Regulation 2012* Council has available an extract of each Councillors register of interest at the Kingaroy Customer Service Centre and on our website www.southburnett.qld.gov.au. The extract for each Councillor includes:

- gifts received;
- hospitality benefits received including sponsored hospitality benefits;
- memberships of organisations.

Remuneration for Elected Representatives

Remuneration levels for Councillors are set by an independent state government convened tribunal. Each year the tribunal undertakes a review of the remuneration levels and publishes a report with their recommendations. Remuneration details for 2013/14 reporting year are on page 24.

Councillors' Code of Conduct

Council has a strong commitment to open, accountable and ethical government. The Code of Conduct for Councillors sets out behaviours and responsibilities for Councillors as required under the *Local Government Act 2009*.

The key ethical principles of the code reflect the unique nature of Councillors' responsibilities within the context of Local government. The ethics principles are:

- integrity of Local government;
- primacy of the public interest;
- independence of action;
- appropriate use of information;
- transparency and scrutiny;
- appropriate use of entitlements.

The code sets out the statutory, ethical and behavioural obligations by which Councillors must abide. It outlines breaches and penalties under the *Local Government Act 2009*, and describes how to make a complaint about a breach of the code.

Councillor Portfolios

At the 2012 post election meeting of the newly elected Council, Council resolved to establish a portfolio system for Councillors. While Councillors have no decision making authority of their own, they are expected to have a higher level of knowledge of their portfolio. Councillors are responsible for chairing their respective portfolio briefings and are the official Council portfolio spokesperson. Councillors have been appointed as portfolio representatives to areas of personal interest and/or experience.

Role of the Chief Executive Officer and Employees

The Chief Executive Officer (CEO) provides leadership to the organisation and is responsible for ensuring Council's local laws, decisions and policies are implemented in line with the *Local Government Act 2009*, other relevant legislation and Council's Corporate and Operational Plans. The CEO is also responsible for providing timely professional advice to Council and managing a professional relationship with the Mayor and Councillors.

All employees have the following responsibilities:

- implementing the policies and priorities of the Local Government in a way that promotes
 - the effective, efficient and economical management of public resources; and
 - excellence in service delivery; and
 - continual improvement;
- carrying out their duties in a way that ensures the Local government
 - discharges its responsibilities under this Act; and
 - complies with all laws that apply to Local governments; and
 - achieves its corporate and operational plans;
- providing sound and impartial advice to the Local government;
- carrying out their duties impartially and with integrity;
- ensuring the employee's personal conduct does not reflect adversely on the reputation of the Local government;
- improving all aspects of the employee's work performance;
- observing all laws relating to their employment;
- observing the ethics principles under the *Public Sector Ethics Act 1994*, section 4;
- complying with a code of conduct under the *Public Sector Ethics Act 1994* (including the Queensland Contact with Lobbyists Code, for example).

The CEO has the following extra responsibilities:

- managing the Local Government in a way that promotes
 - the effective, efficient and economical management of public resources; and
 - excellence in service delivery; and
 - continual improvement;
 - managing the other Local Government employees through management practices that -

- promote equal employment opportunities; and
- are responsive to the Local Government's policies and priorities;
- establishing and implementing goals and practices in accordance with the policies and priorities of the Local government;
- establishing and implementing practices about access and equity to ensure that members of the community have access to
 - Local government programs; and
 - appropriate avenues for reviewing Local Government decisions;
- keeping a record, and giving the Local Government access to a record, of all directions that the Mayor gives to the CEO.

Strategic Planning

Council's key planning tool, the Corporate Plan was adopted in June 2009. This plan was developed shortly after amalgamation. Four (4) years on Council has developed a Strategic Planning Framework to provide an integrated approach to planning underpinned by financial sustainability.

Council is required to adopt a Corporate Plan. This document establishes the guiding framework and identifies the goals, objectives and strategies to be pursued by Council to meet the needs and aspirations of the community. The 2014/18 Corporate Plan, is in draft.

To effectively achieve the vision and strategic direction of Council's Corporate Plan, an operational plan is prepared. Developed at the beginning of each financial year, the Operational Plan focuses on strategies for achieving our vision over the next twelve months. The annual budget is integrated with the Operational Plan detailing planned strategies, goals, activities and priorities for that year.

This corporate framework ensures there is a clear link between community needs and expectations, corporate strategies, direction, priorities, policy, projects and day to day operations.

Performance Monitoring and Reporting

Performance monitoring and reporting are ongoing processes throughout the financial year.

Internal - An internal framework has been established for internal reporting and accountability. Reports are provided to Council on a monthly and quarterly basis to ensure cost efficient and effective services are being provided to the community. These reports include progress reports on the implementation of Council's Corporate and Operational plans and financial reporting of budget performance.

External - The primary tool for external accountability is the annual report. This document is prepared annually to show the community and interested stakeholders how successful Council has been in achieving the strategic goals and objectives outlined in the corporate plan. The report contains detailed financial and non-financial information about Council's activities and performance.



Our Councillors



Photo: (L to R) Cr Barry Green, Cr Damien Tessmann, Cr Ros Heit, Mayor Wayne Kratzmann, Cr Keith Campbell, Cr Debra Palmer and Cr Kathy Duff.

Councillor Remuneration

Remuneration levels for Councillors are set by an independent state government convened tribunal. Each year the Councillor Remuneration and Discipline Tribunal undertakes a review of the remuneration levels and publishes a report with their recommendations.

Previous arrangements requiring Councils to formally adopt the remuneration schedule no longer apply. Section 247 of the Regulation requires Councils to pay each member as per the schedule unless, by resolution within 90 days of the gazetted of the schedule, they decide to adopt a lesser amount.

In accordance with Section 247 of the *Local Government Regulation 2012* Council pays the following remuneration rates and amalgamation loading based on the Councillor Remuneration and Discipline Tribunal 2013 Report:

Mayor - 80% of the rate payable to a member of the Queensland Legislative Assembly being \$117,523.00 plus the amalgamation loading set by the Tribunal.

Deputy Mayor - 50% of the rate payable to a member of the Queensland Legislative Assembly being \$73,452.00 plus the amalgamation loading set by the Tribunal.

Councillor - 42.5% of the rate payable to a member of the Queensland Legislative Assembly being \$62,434.00 plus the amalgamation loading set by the Tribunal.

Pursuant to Section 186(a) of the *Local Government Regulation 2012*, the Councillor remuneration and superannuation contributions for 2013/14 are outlined below:

	Cr Kratzmann Mayor	Cr Green Councillor	Cr Palmer Councillor	Cr Tessmann Councillor	Cr Campbell Deputy Mayor	Cr Duff Councillor	Cr Dalton Councillor Jul - Sept 13	Cr Ros Heit Councillor Oct 13 - Current
Salary	\$112,461.00	\$59,745.00	\$59,745.00	\$59,745.00	\$70,289.00	\$59,745.00	\$16,774.00	\$42,971.00
Superannuation Contributions	\$13,495.32	\$7,169.40	\$7,169.40	\$7,169.40	\$8,434.67	\$7,169.40	\$2,012.87	\$5,156.53

Councillor Meeting Attendance

Pursuant to Section 186(c) of the *Local Government Regulation 2012*, a total of 12 Ordinary Council Meetings and three (3) Special Meetings were held during the period July 2013 to June 2014. Meeting attendance by Councillors for the reporting period is as follows:

	Cr Kratzmann Mayor	Cr Green Councillor	Cr Palmer Councillor	Cr Tessmann Councillor	Cr Campbell Deputy Mayor	Cr Duff Councillor	Cr Dalton Councillor	Cr Ros Heit Councillor
Council Meetings Attended	12	12	9	12	12	12	1	9
Special Meetings Attended	3	3	3	2	3	3	1	2
Total Meetings Attended	15	15	12	14	15	15	2	11

* The Mayor and Councillors attended many other meetings, including public meetings, meetings with residents and portfolio briefings.

Councillor Expenses

Council is required under Section 186(b) of the *Local Government Regulation 2012* to adopt a Councillor Expenses Reimbursement Policy to provide for the payment of reasonable expenses incurred by Councillors for discharging their duties and responsibilities as Councillors and the provision of facilities to the Councillors for this purpose. A review of the Reimbursement of Expenses and the Provision of Facilities for Councillors Policy was undertaken in May 2012 and adopted by the newly elected Council at the general meeting on 16 May 2012.

Pursuant to Section 186(b) of the *Local Government Regulation 2012*, Councillors were provided with electronic equipment and facilities to enable them to perform their duties.

The Councillor expenses incurred during the year are outlined in the following table:

	Cr Kratzmann Mayor	Cr Green Councillor	Cr Palmer Councillor	Cr Tessmann Councillor	Cr Campbell Deputy Mayor	Cr Duff Councillor	Cr Dalton Councillor Jul - Sept 13	Cr Ros Heit Councillor Sept 13 - Current
Telephone	\$ 938.68	\$ 273.67	\$ 336.83	\$ 257.48	\$ 379.77	\$ 696.63	\$ 83.31	-
Vehicle	\$ 93.59	\$ 4,431.37	\$ 2,907.72	\$ 4,363.61	\$ 4,018.82	\$ 4,153.86	-	\$ 3,964.47
Hospitality	\$ 210.73	-	\$ 197.95	\$ 35.00	-	-	-	-
Discretionary Training	\$ 4,422.28	-	-	\$ 1,366.55	\$ 2,500.00	-	-	\$ 318.18
Accommodation, Meals & Incidentals	\$ 8,648.43	\$ 146.64	\$ 146.64	\$ 146.64	\$ 1,960.86	\$ 146.64	-	\$ 260.73

Code of Conduct for Councillors

Pursuant to Section 186(f) of the *Local Government Regulation 2012*, the following complaints relating to Councillors were reported in the 2013/14 reporting period:

Complaint Details	
Total number of orders and recommendations made under section 180(2) or (4) of the Act	2
Total number of complaints about the conduct or performance of Councillors for which no further action was taken under section 176C(2) of the Act	1
Total number of complaints to the department's Chief Executive under section 176C(3)(a)(i) of the Act	1
Total number of complaints referred to the Mayor under section 176C(3)(a)(ii) or (b)(i) of the Act	Nil
Total number of complaints referred to the department's Chief Executive under section 176C(4)(a) of the Act	2
Total number of complaints assessed by the Chief Executive officer as being official misconduct	Nil
Total number of complaints heard by a regional conduct review panel	Nil
Total number of complaints heard by the Tribunal	Nil
Total number of complaints to which section 176C(6) of the Act applied	Nil

Councillor Discretionary Funds

Pursuant to Section 189 of the *Local Government Regulation 2012*, Council must report on expenditure from Councillor discretionary funds. Councillors were allocated the following discretionary funds for the 2013/14 financial year:

Councillor	Division	Funds
Cr Kratzmann - Mayor		\$ 4,140
Cr Green - Councillor	Division 1	\$ 1,655
Cr Palmer - Councillor	Division 2	\$ 1,655
Cr Tessmann - Councillor	Division 3	\$ 1,655
Cr Campbell - Deputy Mayor	Division 4	\$ 2,069
Cr Duff - Councillor	Division 5	\$ 1,655
Cr Dalton - Councillor	Division 6	\$ 1,655

Full details on expenditure of each Councillors discretionary fund is available on page 99.

MAYOR WAYNE KRATZMANN

Mayor



Mayor Kratzmann brings a wealth of Local Government experience to Council having worked as Deputy Chief Executive Officer for 29 years at the former Wondai Shire Council, from 1979 to 2003, then from 2004 to 2008 as Deputy Mayor of the Wondai Shire Council.

Mayor Kratzmann was born in Kingaroy and attended the Taabinga State School, then Kingaroy State High School. Wayne has close ties with the local community and donates a lot of his time and effort with local charities and committees to further aged care, education and tourism, just to name a few.

Mayor Kratzmann was the former General Manager of Crow FM 90.7, South Burnett's Community Radio Station. He resides at the Bunyas with his wife Eleanor and enjoys music, sport and a round of golf when time permits.

Mayor Kratzmann is the Portfolio representative for Governance, Economic Development and Tourism, Arts, Culture and Heritage and Disaster Management.

T: (07) 4189 9155 M: 0458 171 723 Address: PO Box 336, Kingaroy Qld 4610 E: mayor@southburnett.qld.gov.au First Elected: 2012

COUNCILLOR BARRY GREEN

Division 1



Division 1 includes the townships of Corndale, Booie, Wattlecamp, Johnstown, Wyalla, Sandy Ridges, Runnymede, Bulcamp, Glen Devon, Hodgeleigh, Barker Creek Flat, Kunioon, Nanango and East Nanango.

Cr Green was a Councillor for eight (8) years with Nanango Shire Council during the 1980's, a period of growth following the construction of Tarong Mine. Cr Green has a long association with rugby league and sport in general, and spent many years working in radio in the South Burnett area.

Cr Green was elected in 2008 as the Division 1 Councillor for South Burnett Regional Council and successfully again contested the 2012 elections.

Cr Green is keen to develop and promote tourism in the region, which he sees as having enormous potential.

Cr Green is the Portfolio representative for Water and Wastewater and Sport and Recreation.

M: 0417 767 444 Address: PO Box 336, Kingaroy Qld 4610 E: bgreen@southburnett.qld.gov.au First Elected: 2008 Enrolled Voters: 3415

COUNCILLOR DEBRA PALMER

Division 2



Division 2 includes the townships of Ellesmere, Wengenville, Bunya Mountains, Brooklands, Tarong, Maidenwell, Pimpimbudgee, Neumgna, South Nanango, South East Nanango, Teelah, Taromeo, Nukku, Blackbutt and Benarkin.

Cr Palmer learned about civic service as daughter of long-serving Nanango Shire Councillor, Kevin Allery. Determined to make a difference to the community, and representing Division 2, Cr Palmer was elected for the first time at the 2008 elections and re-elected unopposed at the 2012 elections.

Cr Palmer is enjoying the challenge of working through community issues with residents and being part of the South Burnett Regional Council. She has business interests in Blackbutt, operating the local newsagency with her family.

Cr Palmer is the Portfolio representative for Information Technology and Property.

M: 0419 769 994 Address: PO Box 89, Blackbutt Qld 4306 E: dpalmer@southburnett.qld.gov.au First Elected: 2008 Enrolled Voters: 3471

COUNCILLOR DAMIEN TESSMANN

Division 3



Division 3 includes the townships of Booie, Kingaroy, Taabinga, Coolabunia, Inverlaw and Goodger.

Cr Tessmann describes himself as a "true South Burnett local", having spent his entire life in Kingaroy where he is the fifth (5) generation of Tessmanns to live on the family property "Hillside" located at Coolabunia; something he is extremely proud of. Cr Tessmann attended the Coolabunia State School and Kingaroy State High School. After completing schooling, Cr Tessmann started work at Swickers Bacon Factory whilst studying externally through the University of Southern Queensland. Cr Tessmann then returned to working on the family's dairy farm before being elected to the South Burnett Regional Council in 2008, aged 21.

Cr Tessmann is the Portfolio representative for Roads.

M: 0409 490 175 Address: PO Box 301, Kingaroy Qld 4610 E: dtessmann@southburnett.qld.gov.au First Elected: 2008 Enrolled Voters: 3465

COUNCILLOR KEITH CAMPBELL

Division 4



Division 4 includes the townships of Memerambi and Kingaroy.

Cr Campbell has 15 years experience as a Councillor - nine (9) years with the former Kingaroy Shire Council and 6 years in the South Burnett Regional Council. Cr Campbell was elected (unopposed) to represent Division 4 in the South Burnett Regional Council in 2008 and has again successfully contested the 2012 elections. Cr Campbell was appointed as Deputy Mayor following the 2008 election and again after the 2012 election.

Cr Campbell's vision for the South Burnett is to preserve the diversity that individual communities represent by providing adequate essential services (roads, water, sewerage and waste disposal) and to ensure that community assets are adequate for the present and into the future. Cr Campbell's goal is to foster growth and development, building the South Burnett's reputation as an enjoyable liveable region catering for the needs of all residents.

Cr Campbell is the Portfolio representative for Finance, Planning and Land Management.

M: 0439 708 553 Address: PO Box 336, Kingaroy Qld 4610 E: kcampbell@southburnett.qld.gov.au First Elected: 2008 Enrolled Voters: 3628

COUNCILLOR KATHY DUFF

Division 5



Division 5 includes the townships of Boondooma, Wigton, Speedwell, Okeden, Stalworth, Abbeywood, Stonelands, Windaera, Glenrock, Wooroonden, Hivesville, Proston, Marshlands, Kawl Kawl, Keyland, Mondure, Silverleaf, Byee, Chelmsford, Leafdale, Greenview, Wondai, Ficks Crossing, Barlil, Merlwood, Sunny Nook, Crownthorpe, Kitoba, Cobbs Hill, Tablelands, Oakdale, Murgon, Manyung, Moondooner, Redgate and Moffatdale.

Cr Duff is honoured to have been elected unopposed to serve her third term in Council. Cr Duff believes that the South Burnett is more fortunate than other amalgamated Councils due to the close relationship that the four (4) shires had developed through communities of interest. Cr Duff sees an opportunity to promote tourism, attract new industry and business, coordinate regional events and lobby for funding with a united voice. Cr Duff is also very keen to ensure that rural communities and outlying areas get a strong voice across the Council table and that individual communities are well represented and supported.

Cr Duff is the Portfolio representative for Natural Resource Management, Parks and Environment, Indigenous Affairs and Waste.

M: 0437 020 705 Address: 'Di Di' Station 7195 Munduberra-Durong Rd, Proston Qld 4613
E: kduff@southburnett.qld.gov.au First Elected: 2008 Enrolled Voters: 3340

CR CHERYL DALTON

Division 6 - Jul 13 to Sept 13



Division 6 includes the townships of Boondooma, Durong, Brigooda, Chahpingah, Ironpot, Boyneside, Alice Creek, Kumbia, Mannuam, Haly Creek, Benair, Wattle Grove, Inverlaw, Kingaroy, Crawford, Memerambi, Dangore, Gordonbrook, Wooroolin, Corndale, Charlestown, Tingooro, Wilkesdale, Ballogie, Melrose, MP Creek, Mt McEuen, Keysland, Fairdale, Greenview and Wondai.

Cr Dalton served six (6) terms in Local government, two (2) with the South Burnett Regional Council representing Division 6, and also having served three terms previously as a Councillor for Kingaroy Shire Council, where she managed the Water and Sewerage Portfolio.

The Planning and Development Portfolio was the primary area of focus for Cr Dalton in this term of Council. Cr Dalton has a real interest in this aspect of Council and is proud to be involved with shaping the development of a South Burnett Regional Council Planning Scheme.

Cr Dalton was the Portfolio representative for Town Planning and Waste.

First Elected: 2008 Enrolled Voters 3656

COUNCILLOR ROS HEIT

Division 6 - Oct 13 to current



Division 6 includes the townships of Boondooma, Durong, Brigooda, Chahpingah, Ironpot, Boyneside, Alice Creek, Kumbia, Mannuam, Haly Creek, Benair, Wattle Grove, Inverlaw, Kingaroy, Crawford, Memerambi, Dangore, Gordonbrook, Wooroolin, Corndale, Charlestown, Tingooro, Wilkesdale, Ballogie, Melrose, MP Creek, Mt McEuen, Keysland, Fairdale, Greenview and Wondai.

Cr Heit has lived in Division 6 in Wooroolin for over 30 years and with her husband raised the family on their farm. Cr Heit is well qualified and brings a wealth of farming, community and business management experience to Council and is keen to use these skills for the benefit of Council and the South Burnett community.

Cr Heit is the Portfolio representative for Communities

M: 0477 010 743 Address: PO Box 476, Kingaroy Qld 4610 E: rheit@southburnett.qld.gov.au First Elected: 2013 Enrolled Voters: 3656

New Councillor hit the Ground Running

Council's newest Councillor Ros Heit, hit the ground running with a hectic week of inductions and meetings. It was a very eventful few weeks, with the counting and then recounting of the votes and the close margin. Then having been elected straight into inductions and portfolio briefings as well as meetings with the Mayor and the CEO to map out the future.

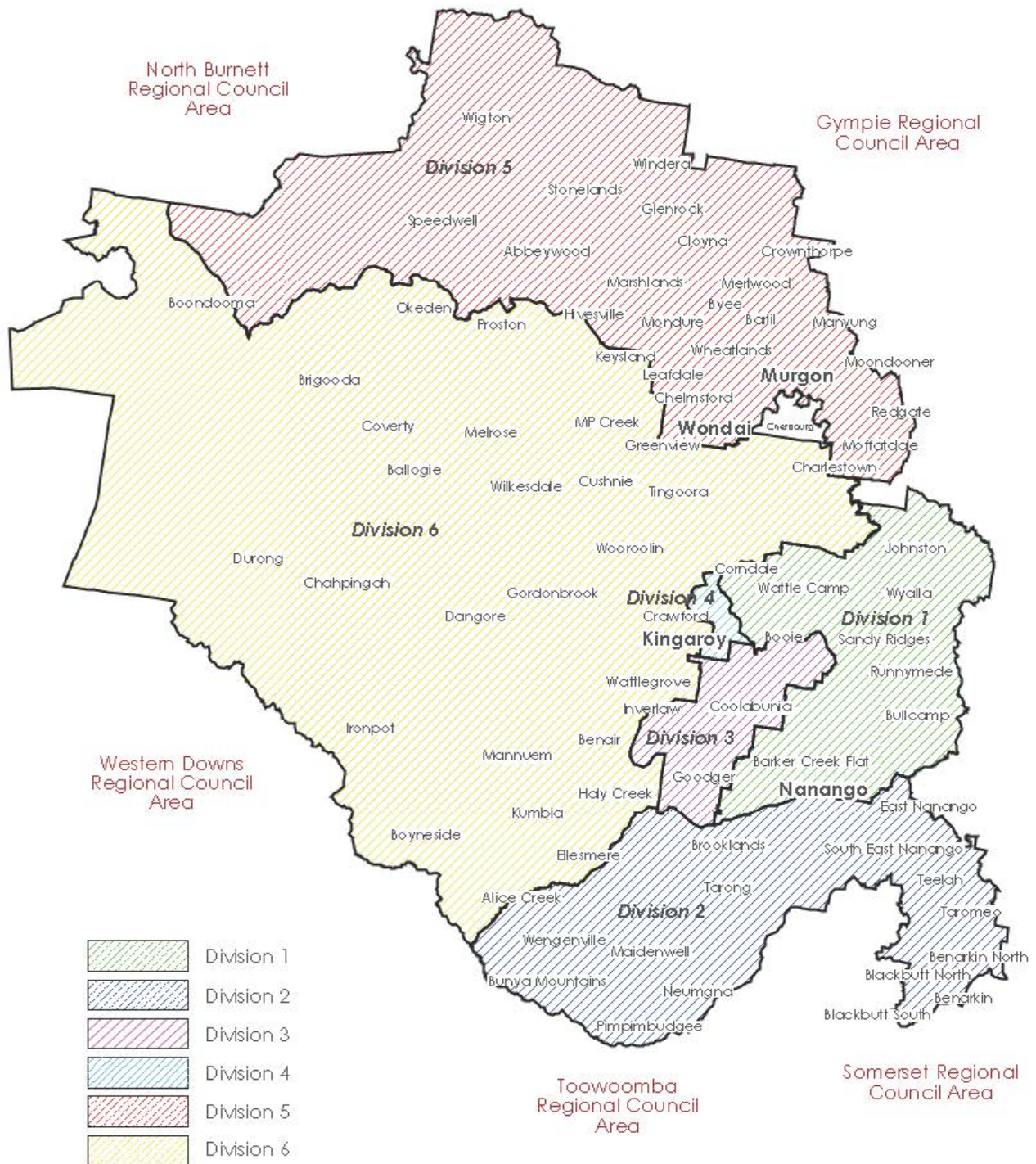
Cr Heit was sworn in as soon as she was officially elected so that she could commence representing Division 6. She was ceremoniously sworn in at October's Council meeting.

The CEO, Ken McLoughlin and the governance officer took Cr Heit through the induction program and as part of this Cr Heit took her Declaration of Office. This was attended by the Mayor and Cr Barry Green.

Cr Heit's diary started to filling up quickly with Council meetings, portfolio briefings and a number of community events. Cr Heit was allocated the Communities Portfolio. Cr Heit looked forward to this as she believed it is a portfolio which will keep her in touch with many people and groups and it will enable her to make a positive difference in peoples' lives.

Cr Heit has assured the residents and ratepayers of the South Burnett that she will represent the interests of the region and will be approachable and willing to listen and do her very best for the people and the South Burnett community.

South Burnett Regional Council Divisional Areas



Councillor Appointments to Council Committees

Council Committees	Membership	Councillor
Healthy Communities Management Advisory Committee (HC MAC)	2 Councillors	Cr Ros Heit (Chairperson)
Local Disaster Management Committee (LDMC)	2 Councillors (as detailed in Local Disaster Management Plan)	Mayor Wayne Kratzmann (Chairman) Cr Keith Campbell
Boondooma Homestead Management Advisory Committee (BH MAC)	2 Councillors	Cr Kathy Duff (Chairperson) Cr Ros Heit
Audit Committee	2 Councillors, with one being appointed Chairman (as per Audit Committee Terms of Reference)	Mayor Wayne Kratzmann (Chairman) Cr Keith Campbell
Traffic Advisory Committee (TAC)	3 Councillors	Mayor Wayne Kratzmann (Chairman) Cr Kathy Duff Cr Damien Tessmann
Enhancing Passenger Transport Steering Committee	1 Councillor	Cr Damien Tessmann
Arts, Culture and Heritage Advisory Committee (ACHAC)	1 Councillors	Mayor Wayne Kratzmann (Chairperson)
Reconciliation Action Plan Working Group	1 Councillors	Cr Kathy Duff
Grants and Donations Committee	3 Councillors	Cr Keith Campbell (Chairperson) Mayor Wayne Kratzmann Cr Kathy Duff

Community Grants and Donation Night



Photograph: Community Grants and Donation Awards Night held 2014
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Councillor Appointments to Community Committees

Community Committees with Council Representation	Membership	Councillor
Southern Queensland Country Tourism Board	1 Council representative	Mayor Wayne Kratzmann
South Burnett Tourism Association	1 representative	Mayor Wayne Kratzmann
Wide Bay Burnett Regional Organisation of Councils (WBBROC)	Mayor	Mayor Wayne Kratzmann
Health Consultative Committee (HCC)	1 Councillor	Mayor Wayne Kratzmann
Wide Bay Regional Sport and Recreation Committee	1 Councillor	Cr Barry Green
Wide Bay Burnett Regional Road Group (WBBRRG)	1 Councillor	Cr Damien Tessmann
Burnett Inland Economic Development Organisation (BIEDO)	1 Council representatives	Mayor Wayne Kratzmann
Kingaroy Community Police Consultative Committee	1 Councillor	Cr Keith Campbell
South Burnett Police Citizens Youth Club (PCYC) Steering Committee	2 Councillors	Cr Barry Green Cr Kathy Duff
Crow FM Community Radio Station	1 Councillor	Cr Kathy Duff
Kingaroy Chamber of Commerce Inc.	1 Councillor	Mayor Wayne Kratzmann
South Burnett Community Network Committee	1 Councillor	Cr Ros Heit
Performing Arts Complex Committee	1 Councillor	Mayor Wayne Kratzmann
Tick and Sale Yards Committee	1 Councillor	Cr Kathy Duff
Blackbutt Pool Committee	1 Councillor	Cr Barry Green
Brisbane Valley Rail Trail Steering Committee	1 Councillor	Cr Debra Palmer
Barker Barambah Irrigators Advisory Committee	1 representative	Cr Barry Green
Regional Animal Advisory Committee	1 Councillor	Cr Kathy Duff

Our Organisation

Council plays a pivotal role within our local community providing and maintaining essential infrastructure and quality services for our growing community. Roads, bridges, footpaths, water and sewerage networks, refuse collections, parks, open spaces, libraries as well as community and sporting facilities – these and other vital services are fundamental to the provision of a quality lifestyle in our region.

Council pro-actively and responsibly manages both the region's built and natural environment to achieve a sustainable future for the community and generations to come. Council achieves this through the delivery of a diverse range of environmental awareness programs, natural resource management, environmental protection activities and sustainable development.

Council actively contributes to a strong and sustainable regional economy by delivering services that support and promote local business, employment, economic investment and development within the region.

Council plays a fundamental role in influencing and maintaining the general health, well being and lifestyle of the community. Together we are building a vibrant, healthy, supportive and inclusive community by delivering a range of health, safety, social, cultural, lifestyle and leisure programs, services and activities across the region.

The Council is the governing body who appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic priorities and plans of Council. Three (3) General Managers together with the CEO form the Leadership Team (LT) and lead the organisation's administration.

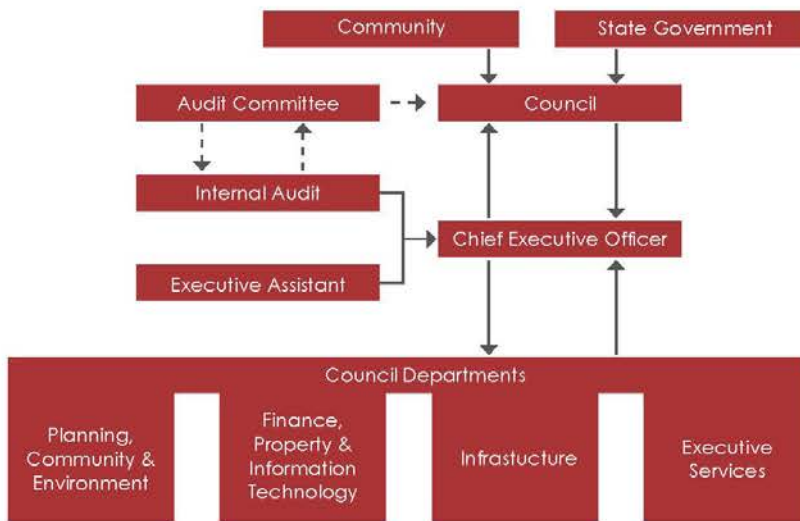
The LT meets on a weekly basis to oversee the operations of Council, and three weekly to decide on strategic and policy issues. A monthly meeting is set to examine and consider forthcoming council meeting agendas. Members of the Leadership Team attend all Council meetings and provide Council with information and advice to enable them to make informed decisions on strategic and policy matters. This leadership team is supported by Managers and staff who have responsibility for effecting the policies and directions set by the Council.

The Leadership Management Team (LMT) includes the Leadership Team and all branch Managers. The LMT is characterised by a diverse skill set with gender, age, sector and geographical diversity, all contributing to the strength of the team underpinning the directions of Council.



Our Structure

As at 30 June 2014



Controlled Entities

- Kingaroy Private Hospital
- Costra Retirement Home

Council Committees

- Healthy Communities Management Advisory Committee
- Local Disaster Management
- Boondooma Homestead Management Advisory Committee
- Traffic Advisory Committee
- Enhancing Passenger Transport Steering Committee
- Arts, Culture & Heritage Advisory Committee
- Reconciliation Action Plan Working Group
- Grants & Donations Committee

Further details on page 25

Council Departments

A brief overview of each department is listed below:-

Planning, Community & Environment

Supporting sustainable living in the South Burnett through the implementation of the South Burnett Planning Scheme, administration of local laws, building services, strategic land use, open space, recreation and environmental planning, programs and maintenance, animal management.

Providing community services in the areas of aged support, social and community services including arts and culture, sports and recreation and grants and donations and library services.

The Planning, Community & Environment Department includes the Planning, Land Management & Community Branch, NRM & Parks Branch and Environmental Services & Waste Branch.

Finance, Property & Information Technology

Delivering a range of internal support services and services direct to the community including financial services, information technology and property management.

The Finance, Property & Information Technology Department includes the Finance Branch, Information Services

Branch and Properties Branch.

Infrastructure

Delivering and maintaining quality municipal infrastructure and services.

The Infrastructure Department includes the Roads & Drainage Branch, Water & Wastewater Branch, Design & Technical Services Branch and Flood Restoration Branch.

Executive Services

Supporting and working with Council to achieve sound governance, long term sustainability and deliver Council's vision.

Providing a range of governance and corporate development, human resource management, workplace health & safety and industrial relations to assist in the overall effectiveness, productivity and performance of the organisation.

Strengthening the South Burnett economy by creating and delivering projects in partnership with South Burnett Directions.

The Executive Services Department includes the Human Resource Branch, Governance Branch and Economic Development Branch.

During the 2012-13 financial year we had a reduction in Senior Management of 2 General Managers and 1 manager.

In the 2013-14 financial year Council saw a reduction in one manager position with the person reassigned and the vacancy not being filled.



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Executive Management



Chief Executive Officer
Ken McLoughlin

Ken was appointed as Chief Executive Officer in October 2011.

Department Responsibilities:

- Executive Services
- Human Resources
- Governance
- Economic Development
- Internal Audit

Qualifications:

- Bachelor Applied Science (Applied Psychology)
- Master Educational Administration
- Graduate Australia Quality Council Program
- Graduate Queensland Executive Development Program

Corporate Memberships:

- Local government Managers Australia
- Australia Institute Company Directors
- Australia Human Resources Institute



Manager Human Resources
Greg Lewis

- Learning & Development
- Organisational Development
- Payroll Services
- Performance Management
- Recruitment & Selection
 - Administration
 - Casual Pool
 - Operational
 - Permanent & Part Time
- Workplace Health & Safety
- Employee Wellbeing
- Workplace Rehabilitation



Manager Governance
Ron Baxter

- Community Engagement
- Corporate Registers
- Council Meetings (Agendas & Minutes)
- Councillor Support
- Delegations & Authorisations
- Event Management
- Grant Writing & Management
- Information Privacy
- Legal
- Local Laws & Policy Coordination
- Media & Communications
- Regional Bodies
- Right to Information
- Risk Management
- Strategic & Operational Planning & Performance



Manager Economic Development
Phil Harding

- Boondooma Dam
- Business Development
- Company Boards, Advisory Boards & Committees
- Coolabunia Saleyards
- Economic Development
- Regional Development
- Regional Promotion
- Tourism Development & Marketing
- Yallakool Tourist Park
- Airports



General Manager Finance, Property and Information Technology
Gary Wall

Gary commenced in Local Government in 1971.

Department Responsibilities:

- Finance
- Information Communication Technology
- Properties

Qualifications:

- 43 years experience in Local government



Manager Finance
Lester Schumacher

- Accounts Receivable & Payable
- Financial Management
- Asset Management
- BAS, FBT & Payroll Tax
- Budget Preparation & Monitoring
- Cash Management
- Finance Registers
- Financial Planning Reporting & Compliance
- Insurance
- Plant & Fleet Management
- Procurement
- Rates
- Stores
- Trust Account Management



Manager Information Communication Technology
Anthony Bills

- Council Internet
- Council Intranet
- GIS
- Information & Communication Technology
- Records Management



Manager Property
Leanne Petersen

- Caravan Parks
- Commercial Leases & Contracts
- Community Organisations Leases & Contracts
- Council Buildings & Special Maintenance
- Council Land Stock
- Depots
- Ficks Crossing
- Halls
- Housing (Pensioner/Disabled/Rental)
- Leases
- Public Facilities
- Pulse/PCYC
- Sale of land - residential & industrial (incl. dams)
- Swimming Pools



General Manager Infrastructure
Russell Hood

Russell commenced in Local Government in 1994.

Department Responsibilities:

- Roads & Drainage
- Water & Wastewater
- Design & Technical Services
- Flood Restoration

Qualifications:

- Bachelor of Engineering
- 20 years experience in Local Government

Corporate Memberships:

- Member Local Government Managers Australia
- Member Institute Public Works Engineering Australia



Manager Roads and Drainage
Jeff Stephan

Bridges, Drainage & Flood Mitigation

Construction – Roads, Drainage, Foot & Cycleways

Road Mowing & Slashing

Roads Infrastructure Maintenance

Street Lighting

Traffic Facilities



Manager Water & Wastewater
Nerida Ails

Bulk Water Supply (Storage & Treatment)

Construction - Water & Wastewater

System Maintenance

Systems Management

Wastewater Service Delivery

Wastewater Treatment

Water Service Delivery



Manager Technical Services
James D'Arcy

Design Services

Infrastructure Planning

Soil Laboratory



Manager Flood Restoration
Maurie McGuire

Flood Restoration Program



General Manager Planning and Environment
Stan Taylor

Stan commenced in Local Government in 1966.

Department Responsibilities:

- Disaster Management
- Planning, Land Management & Community
- Environment & Waste
- NRM & Parks

Qualifications:

- Associate Diploma in Built Environment
- Post Graduate Diploma in Urban and Regional Planning
- Post Graduate Certificate in Management

Memberships:

- Corporate Member of Planning Institute of Australia
- Corporate Member of Australia Institute of Management



Manager Planning, Land Management & Community
Chris Du Plessis

- Aged Care
- Art Development & RADF
- Art Galleries
- Boondooma Homestead
- Building Assessment & Inspection
- Community Assistance
- Compliance Services
- Development Assessment & Compliance
- Grants & Donations Program
- Healthy Communities
- Infrastructure Charges
- Libraries
- Museums
- PIPS, RICS, SICS
- Planning Schemes
- Plumbing Assessment & Inspection
- Sport & Recreation
- Statutory Planning
- Strategic Land Use Planning
- Visitor Information Centres



Manager Environment & Waste
Craig Patch

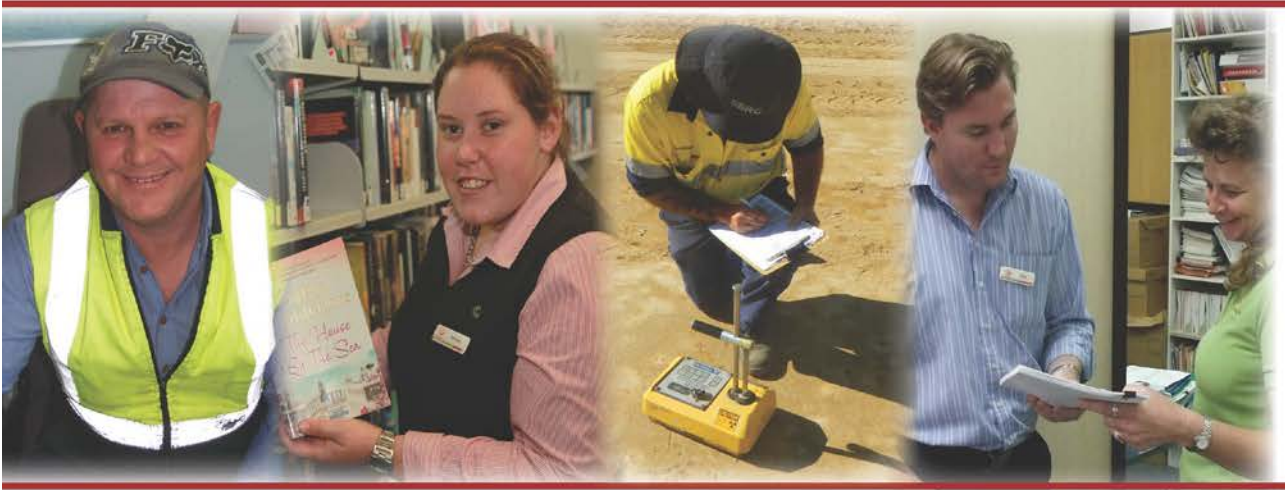
- Animal Management
- Environmental Protection
- Health Services
- Local Laws Compliance
- Nuisance Control
- Waste Management



Manager NRM & Parks
Greg Griffiths

- Cultural Heritage
- Environmental Areas/ Reserves/ Wetlands
- Impounding Livestock
- Livestock Services/Tick Facilities
- Natural Resources
- Parks & Gardens
- Parks Development
- Public Conveniences
- Rail Trails
- Recreational Reserves
- Roadside Cleaning & Burning
- Sporting Facilities
- Spraying Livestock
- Stock Routes
- Weeds & Pest Management

Our People



Highlights

- Pot of Gold Supervisors Training Program – training to increase accountability and responsibilities of Supervisors and Coordinators in accordance with legislative requirements and Council policies.
- Employee Development Review roll out – employees and supervisors met to discuss training needs and development.
- Progression with getting a higher response from staff for our workplace health and take 5 quizzes.
- Completion of Equal Employment Opportunity (EEO) Census.

Challenges

- Establishment of training and skill gap analysis – this was a challenge due to the lack of resources and unknown level of staff skills.
- Implementation of Human Resource Information System (HRIS) (Tech One system) – working progress, gathering data to input into system to enable online reporting.
- Implementation of the new modernised Local Government Employees Award delayed the negotiations with the Enterprise Bargaining Agreement (EBA).

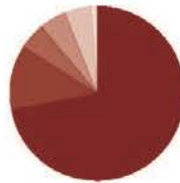
Future Initiatives planned for 2014/15

- Recruitment and selection training.
- Expansion of pot of gold program to leadership training program.
- New Enterprise Agreement.

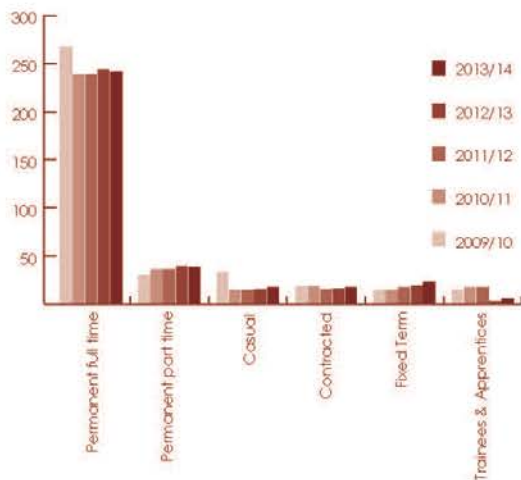
Employment by type

Council offers flexible employment arrangements including full time, part time, casual and fixed term. This flexibility provides benefits for not only the community but also our employees.

As at 30 June 2014, 342 people were working for Council including seven (7) elected representatives. In addition to our established workforce we also provided employment to a total of six (6) Apprentices and Trainees.



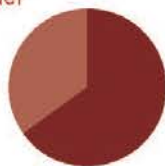
- Trainees & Apprentices 2%
- Fixed Term 7%
- Contracted 5%
- Casual 5%
- Permanent part time 11%
- Permanent full time 70%



Council has 30% of its total workforce with 10 years or more service. These dedicated employees are recognised at the Annual Staff Service Awards evening.

Workforce composition by gender

The ratio of male to female employees is 65:35. At 35 per cent, the proportion of women in Councils workforce has increased slightly since amalgamation.



- Females 35%
- Males 65%

Workforce by occupation and department

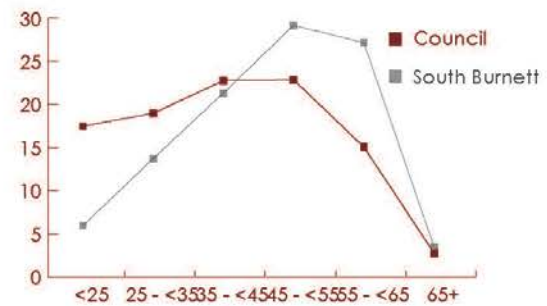
Department	Number	Percentage
Executive Services	42	12%
Finance, Property and Information Technology	62	18%
Infrastructure	140	41%
Planning, Community & Environment	100	29%

Workforce composition by age groups

The age demographic of the Council workforce ranges from 18 to 65+ years. The table below illustrates the average age of Council's employees and the percentage of employees in each age range. The average age of Council staff is 46.4 years.

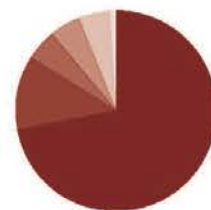
Years	Number	Percentage
15 - < 25	17	5%
25 - < 35	47	14%
35 - < 45	73	21%
45 - < 55	100	29%
55 - < 65	93	27%
65+	12	4%

Workforce composition by age groups (South Burnett Region vs Council)



Workforce learning and development

Council is committed to providing equitable access to professional development and training opportunities for all employees to ensure a skilled, adaptable and motivated workforce. Council invested \$17,093 in training and development of the workforce this financial year.



- Trainees & Apprentices 2%
- Fixed Term 7%
- Contracted 5%
- Casual 5%
- Permanent part time 11%
- Permanent full time 70%

Workplace Health & Safety



Council achieved greater than 70.5% compliance with the Insurers Audit on Council's Safety Management System

Council's Commitment

South Burnett Regional Council is committed to providing a workplace that is safe and without risk to the health and safety of all members of the public, employees, contractors, volunteers, work-experience students and visitors.

Council recognises the importance of developing and maintaining healthy and safe working conditions in all workplaces and the importance of keeping the work health and safety practices in these workplaces under constant scrutiny.

Council's work health and safety obligations will be achieved by adopting and promoting the provisions of the Work Health and Safety Act 2011 and its associated regulation, codes and standards, together with significant importance placed in the areas of hazard and risk management and injury prevention strategies. To assist in meeting these requirements Council has developed a safety management system known as "Safeplan".

Workplace Incidents and Injuries

Statistics relating to incidents and injuries during the 2012/13 and 2013/14 financial years are as follows:-

MEASURE	TARGET	RESULT	2012/13	2013/14	COMMENT
Lost time injuries	↑	X	9	12	33.3% increase on previous year
Average days lost per lost time injury	↑	X	11	12.33	12.1% increase on previous year
Lost time injury frequency rate (number of lost time injuries per million hours worked)	↑	X	13.16	17.55	33.4% increase on previous year
Number of reported incidents and injuries	↓	✓	132	109	17.4% decrease on previous year

✓ Target achieved
X Target not achieved

Employee Consultation

To ensure Council fosters a climate of mutual understanding and confidence between itself and its employees, a Health and Safety Committee was established. This committee meets on a quarterly basis and is comprised of management representatives, specialist staff and health and safety representatives and advisors.

Additional work health and safety consultation is also promoted by involving staff in risk assessments, policy and procedure development, workplace inspections and incident investigations.

Health and Safety Audit

As part of self-insurance licence renewal requirements Council was required to participate in an external workplace health and safety audit in October 2013. Thanks to the commitment by management and staff Council passed the safety audit and achieved a score of 70.5%.

Looking Forward

External work health and safety audits will be conducted in 2015 and 2016.

Training and Staff Induction

Training continues to underpin Council's safety initiatives with the majority of employees undertaking work health and safety training or induction through the year. Training was conducted for first aid, confined space entry, traffic management, radiation safety, working at heights, fire safety, serious incident investigation and wellness (healthy eating, fitness, mental health and disease prevention).

Training and induction statistics for the 2013/14 financial year are as follows:-

MEASURE	COMMENT
Staff inductions	100% of existing and new staff received a safety induction
WH&S training	302 employees attended WH&S training

Zero Harm Initiative

As part of Council's commitment to work health and safety, Council has become a member of the Zero Harm at Work Leadership Program. The program outlines the critical role of leaders within businesses to promote positive organisational cultures that value good work health and safety practices.

Initiatives this year consisted of:-

- Promoting general health and wellbeing in field staff through the "Healthy Worker Healthy Lives" program. This program have provided employees with assistance on stress management, general health checks, dietary and fitness advice as well as skin cancer checks.
- Upskilling the work health and safety knowledge and skills of management and supervisory staff.

Employee Assistance Program – EAP

Council provides access to an Employee Assistance Program to all its employees and their immediate family who experience a work-related, personal or health problem.

Providing this support not only assists employees and their immediate family in times of stress/anxiety or illness but may also reduce the risk of injury or poor work performance occurring at the workplace.

Contractor Management

Council has provided information packages and training sessions to assist contractors wishing to provide services to Council as a preferred supplier. The information provided to the contractors will assist them in meeting their work health and safety duties.

Healthy Workers Healthy Lives

During the year Council introduced a Field Staff wellness program. This program is an initiative of the Work Health Funding Program attached to the Federal Government to encourage employees to live healthier lives in being healthy and productive in the workplace.

The project, commencing in 2014 and partially funded by Work Health Funding Program, has been successful with full engagement from field staff whereby participation rates were above 80% for all activities conducted each calendar month. The initiative has branched across all areas of the organisation in the delivery of programs including 'Quit Smoking for Life', Healthy Eating Awareness and Health Checks.

The objectives of the program is to:

- to increase the number of employees participating in 30 minutes of physical activity on most (if not all days) by 10% over a 12 month period.
- to reduce the prevalence of overweight and obesity amongst employees over a 12 month period.
- to reduce the average number of days absent per person by 5% over a 12 month period.
 - Council conducted a survey with a participation rate in excess of 95% to identify current levels of physical activity, barriers and enablers to being active. The data was collated and analysed to assist in the development of the monthly activities.
 - A Step Challenge was promoted to workers with 180 pedometers distributed and a challenge conducted with prizes being awarded.
 - Pre start exercise program trialled across the 4 depots, adjustments made and a voluntary pre-start program introduced for 2014 with a review in Jan 2015.
 - 6 monthly combined field staff events held to bring 180 staff from 4 depots to a central venue to build relationships, understand and awareness in health and wellness.
 - Healthy eating awareness and Type 2 Diabetes education sessions conducted with 85% attendance.

Audit Committee & Internal Audit



Audit Committee

The main purpose of the Committee is to provide advisory services to Council in the effective performance of its responsibilities in the areas of internal audit and risk management. The Audit Committee's primary duties are:

- Oversee the internal audit and risk management functions to enhance Council's governance, internal control systems and decision making processes
- Ensure the independence, objectivity and effectiveness of internal audit in carrying out financial and operational assessments
- Monitor and review the integrity of financial reports
- Assess and evaluate the internal audit plan to ensure that material business risks to Council's financial and operational environment are prioritised
- Promote transparency, integrity and ethical conduct

The Audit Committee reports directly to Council and is composed of three (3) voting members namely: Mayor Wayne Kratzmann, Cr Keith Campbell and Ms Melissa Schroffel (Independent Member). The Chief Executive Officer, General Manager Finance and Information Technology, Manager Finance, Manager Governance and Internal Auditor attend as observers.

	2013/14
Number of meetings held	5
Internal Audit Reports reviewed	7
External Audit Reports reviewed	1

Internal Audit

Internal Audit is a capability building resource that adds value to Council by providing an independent, objective assurance and advisory service to improve the organisation's operations. It assists Council in achieving its goals and objectives by implementing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes.

Independence and objectivity

Independence and objectivity are exercised in the conduct of internal audit work. Internal audit engagements are performed with an unbiased and impartial attitude. The Internal Audit function has no managerial authority over the operational activities of Council except those related to the management of the internal audit activities.

Authority and access

Internal Audit has direct and unrestricted access to Council's operations, data and records, assets and personnel within the scope of internal audit work.

Audit approach and reporting

A risk based internal audit approach is currently implemented. The Three Year Internal Audit Plan and the Annual Internal Audit Plan are based on identified strategic and operational risks. Internal Audit Reports that indicate audit findings and recommendations, management response, responsibility for implementation and implementation date are provided to the Audit Committee.

Internal Audits Conducted

The following table shows the completion status of the 2013-2014 Internal Audit Plan as at 30 June 2014:

Auditable Area	Status
Asset Management	Completed
Capital Program Delivery	Transferred to 2014/15
Complaints Management	Completed
Controls, Processes and Documentation	Completed
Economic Development Strategy	Completed
Grants Management	Completed
Infrastructure Quality Manual	Completed
Payables Management	Transferred to 2014/15
Preferred Suppliers	In progress
Procurement	Transferred to 2014/15
Project Management	Transferred to 2014/15
Rates Receivable Management	Transferred to 2014/15
Saleyards Operation	Completed

Investigations are also conducted by Internal Audit based on the direction of the Audit Committee and the Chief Executive Officer. For 2013/14, 98% of internal audit recommendations were accepted by management.

The table below shows the number of internal audit recommendations on a yearly basis and the corresponding number of recommendations that have been implemented as of 30 June 2014:

Financial Year	Number of Audit Recommendations	Number of Implemented Recommendations	%
2011/12	63	43	68%
2012/13	85	79	93%
2013/14	67	29	43%
Total	215	151	70%

Enterprise Risk Management



Risk Awareness

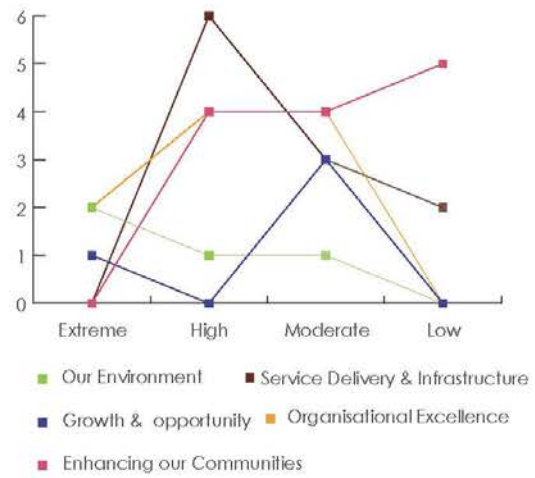
Council recognises that risk management is essential in the achievement of organisational plans and objectives. It facilitates innovation, enhances program delivery and promotes a proactive approach to problem solving. Through the implementation of enterprise risk management, Council is able to improve its decision making process by effectively managing potential opportunities and probable adverse effects.

The philosophy and implementation of risk management is integrated in our Risk Management Policy and Framework. This was developed in compliance with ISO 31000:2009 Risk Management – Principles and Guideline.

Risk Reduction

In 2013/14, the Leadership Team conducted an annual review of Council's strategic risks. The review included the monitoring of mitigation plans to ensure these are properly implemented. A comprehensive review of all operational risks was also completed within each of the departments as part of the annual budget and planning cycle. Implementation of strategic and operational risk mitigation plans are reviewed bi-annually, signed-off by the respective Managers, General Managers and the Chief Executive Officer. A report is presented to the Leadership Team and the Audit Committee on a regular basis.

No of Risks Identified	Extreme	High	Moderate	Low
Our Environment	2	1	1	0
Service Delivery & Infrastructure	0	6	3	2
Growth & Opportunity	1	0	3	0
Organisational Excellence	2	4	4	0
Enhancing our Communities	0	4	4	5



A total of 42 risks were identified and classified by strategic priority. Among the strategic priorities, the highest risk exposure was in the area of Organisational Excellence (Operational Management) with a total of two (2) extreme risks, four (4) high risks and four (4) moderate risks.



Risk Management Awarded

In October 2013, South Burnett Regional Council won the prestigious 2013 Local Government Mutual (LGM) Queensland Risk Management Excellence Award for the implementation of an Enterprise Risk Management Programme that has a significant potential for adoption by other LGM Queensland members. The award recognises Council's risk management initiative that led to the implementation of a risk process that is simple but highly relevant to Council operations and has contributed to the development of the organisation's decision making process.

Council's Coordinator of Risk Management and Internal Audit, Joy Manalo accepted the award during the Local Government Association of Queensland (LGAQ) Annual Conference held in Cairns.

Our Awards and Achievements



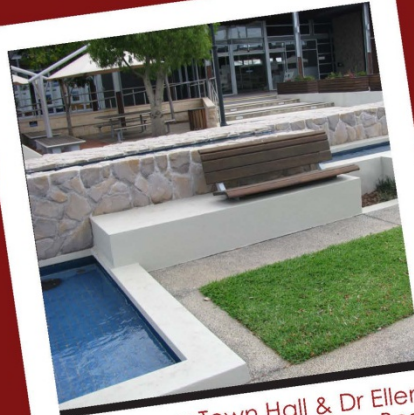
'TJ O'Neill Memorial Library' – Best Community Service Provider Award



Arts Queensland Regional Arts & Culture Awards 2013, Participation Award, "Tractor Tattoo"



'South Burnett Regional Council, Kingaroy Customer Service Centre' – Best Government Department Award



'Kingaroy Town Hall & Dr Ellen Kent Hughes Forecourt' – Best Recreation Precinct Award



2013 Local Government Mutual (LGM) Queensland Risk Management Award, Joy Manalo



Council receives Silver at the Australasian Reporting Awards

Strategic Priority Performance Reporting



Strategic Priority: Enhancing our Communities	Strategic Priority: Growth and Opportunity	Strategic Priority: Our Environment	Strategic Priority: Organisational Excellence	Strategic Priority: Service Delivery and Infrastructure
<p>Building vibrant, healthy, supportive and inclusive communities</p>	<p>A strong and sustainable regional economy supported by diverse sectors and innovative planning mechanisms</p>	<p>A sustainable environment, proactively and responsibly managed in partnership with the community for future generations</p>	<p>An organisation that is characterised by effective leadership, responsible management and quality service delivery</p>	<p>The provision of quality services and infrastructure for our growing community that is planned, provided and managed on sound asset management principles</p>
<p>Libraries Sport and Recreation Heritage Arts Culture Disaster Management Compliance Services</p>	<p>Economic Development Tourism Planning & Development Tourism Facilities Building, Plumbing and Drainage Services</p>	<p>Natural Resource Management Parks Cemeteries Biodiversity Waste Management</p>	<p>Governance Human Resource Management Financial Management Information Technology Rating</p>	<p>Roads Water & Wastewater Customer Service Asset Management Property Management Design and Technical Services</p>
<p>Page 44</p>	<p>Page 58</p>	<p>Page 66</p>	<p>Page 72</p>	<p>Page 82</p>

Enhancing our Communities



Highlights

- Handmade in the Country Project
- Local Heritage Register grows
- Every Man Remembered - South Burnett Heroes not forgotten
- Placing a poppy to honour war heroes
- Community groups receive \$383,000
- Murgon Skate Park Opens
- Community Ride
- Tractor wins award
- South Burnett Healthy Lifestyle Expo
- Council recognised as a Community Champion
- Jamie's Ministry of Food mobile kitchen
- Bridge named to honour local

South Burnett Libraries

More than 8,900 new items were added to the collection over the year, purchased from funds provided through the annual grant from State Library of Queensland. The community has embraced the option to loan and renew items through the self-serve technology at Kingaroy Library with a gradual increase in transactions over the year to reach a grand total of 19,484 transactions. This contributed to an overall total of 173,134 digital and physical resource loans which included 13,596 reservations fulfilled across the region.

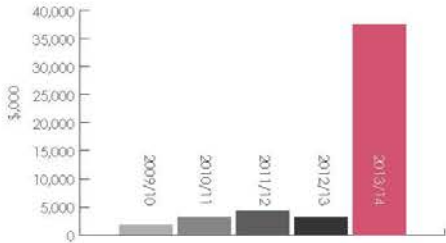
In meeting the needs of the community our libraries continued to grow and develop programs with those groups that focused on literacy, social interaction and community being involved. This included groups such as the cards, mah jong, social and conversation groups who met across the region to discuss current events, play games and connect with others. Knit and Natter a community group which met monthly at Nanango Library to knit, share skills, swap patterns and socialise, produced knitted items that were donated to the local nursing home and other agencies such as Angel Knitters. Laughter Yoga sessions, a program designed to improve health and well-being through the use of therapeutic laughter, breathing and gentle stretching exercises, were well received by the Proston community. Also popular were the Amanda Gore revisited sessions delivered at Proston Library, in partnership with Graham House Murgon. Blackbutt Library launched the Mums and Bubs Mornings in 2013 which began with local Baby Health Nurse, Anne Davoren, guiding discussions and providing both mothers/caregivers and children with the opportunity to share experiences.

On 14 February, the community participated in Library Lover's Day by taking home a 'blind date' book. This reinforced the adage, don't judge a book by its cover, and encouraged borrowers to broaden their normal reading preferences. To do this staff wrapped books from a variety of genres, authors and collections for members to borrow and then unwrap and read at home. This coincided with the beginning of Wondai Library's conversations group which used the 'blind date' book as a basis for discussion in their next meeting.

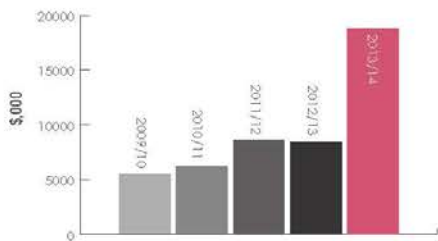
In addition to the ad-hoc technology assistance provided daily by library staff, a total of 200 computer classes were held across the service. This included Facebook, iPad, tablet and smartphone workshops delivered at Proston Library, along with internet basics and email tutorials held at both Kingaroy and Nanango Libraries. Funded by the Department of Social Services, the Broadband for Seniors program which provided free computer training for over 50's, continued to grow in popularity at Proston Library. The ever popular Wi-Fi provision expanded to include multiple library sites with record numbers making use of this service.

Trained volunteers were engaged to assist in the delivery of a variety of programs across our libraries. This included Conversational English classes, at Kingaroy Library, which provided the opportunity for community members who were learning English to practice and improve conversation skills. Additionally, volunteers assisted by delivering the Tax Help service, at Nanango Library. Run in partnership with the Australian Taxation Office, this service provided low income earners with assistance in preparing and submitting personal tax returns.

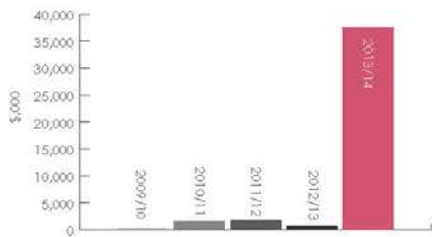
**Enhancing Communities:
Total Income**



**Enhancing Communities:
Total Expenditure**



**Enhancing Communities:
Grant Revenue**



Our Libraries partnered with Healthy Communities to deliver multiple workshops for children and adults during school holiday periods. The first round of workshops consisted of indoor and outdoor circus activities, while the following workshops were sports orientated, working with representatives from local business to promote a healthy lifestyle to the community. Local kindergartens eagerly joined our libraries for Children's Book Week celebrations and were captivated by guest storytellers in Wondai and Kingaroy Libraries. Regular storytime sessions across our Libraries used stories to encourage language development and age appropriate craft activities to promote fine motor skill development. Additionally, library participation in Under 8's Day at Nanango State School provided children and parents with a taste of what to expect during these storytime sessions. The Reading Bug program undertaken in partnership with South Burnett Healthy Communities working group, Stanwell Corporation and Nanango State School, continued to promote early literacy, through specially themed events held in the Nanango Library throughout the latter half of 2013.

Throughout the year, Nanango Library staff and a dedicated volunteer, made a total of 250 visits to housebound clients, delivering library resources to community members who were unable to visit the library. Visits were also made to Karinya Age Care facility providing the residents with both library resources and social interaction through activities such as local history talks and poetry readings. Furthermore, partnering with Orana Lutheran Complex assisted our libraries to provide reading resources to residents through an outreach library collection housed onsite.

Overall, 540 events, group meetings and programs were hosted across our library service with 5,034 attendees.

Blackbutt Visitor Information Centre (VIC)

The Blackbutt Visitor Information Centre is operated by 25 enthusiastic volunteers, in total they have worked 4,638 hours serving 11,650 visitors to Blackbutt.

During this financial year we undertook a desktop audit and were found to excel in all areas of our accreditation.

Volunteers were offered the opportunity to participate in a number of familiarisation trips including Carbethon Museum and Historical Village and Arts & Crafts Shop at Crows Nest, the Queensland Automobile Museum and Sustainable Garden and Visitor Information Centre at Hampton, Cressbrook and Perseverance Dams.

Volunteers were offered the opportunity to attend the Volunteer Forum, an educational and fun day with a host of guest speakers held at the Tobruk Room, Kingaroy RSL.

Throughout the year our volunteers' contribution is recognized through Birthday & Christmas gifts, Christmas party and Volunteer Week morning or afternoon teas just to name a few.

The centre supports other small businesses by promoting and selling their merchandise. Some examples include Roo Shoes animal alerts by FEAT, postcards by Timbertowns Photographic & Digital Arts Ass Inc, Koalas by Friends of Cultcha Inc, festival merchandise from Bloomin' Beautiful Blackbutt Festival Inc, railway dogs from Blackbutt/Benarkin Heritage & Tourism Association Inc.

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South Burnett Energy and Visitor Information Centre

The Energy Centre is a visually exciting experience with display pods housing a variety of exhibits and information about the development and future of power generation. Focusing on the history of power generation in the South Burnett, the state-of-the-art Energy Centre has a number of interactive displays that will capture your imagination, inform and entertain you.

During this year volunteers participated in 'Famils' to showcase area and attractions in the South Burnett. We celebrated birthdays and acknowledged 5/10 year service.



Break-up at Bunya Mountains 2013

Brisbane Valley Heritage Trail Promotional Activities

Council has a representative on the executive of the Brisbane Valley Heritage Trail where a report is received monthly on the activities on the Rail Trail, figures from trail use counter exceed 13,000 since the counters were installed after April 2013.

Kingaroy Information Art and Heritage Precinct

The Kingaroy Information Art and Heritage Precinct volunteers participated in two (2) familiarisation trips during the year visiting the new Taste South Burnett and meeting the new managers of Room Motel and Oasis Motel. Volunteers took part in the 2014 Volunteer Forum held at the Kingaroy RSL. Birthdays were celebrated and the volunteer Christmas Party was held at the Bunya Mountains, where all volunteers from VIC's, Galleries, Museums and Libraries came together. We were able to combine the Christmas party with a little surprise famil trip. Group one (1) discovered Pottique Lavender Farm and group two (2) uncovered the Burnett War Museum.

Art Exhibition Program

Kingaroy Regional Art Gallery had 26 exhibitions including a travelling exhibition titled "Flood Recovery" from Arts Qld. Annual exhibitions featured again from Mental Health, Kingaroy State High School, Jumping Ant Arts and the South Burnett Acquisitive Art Competition.

Handmade in Country Project

The Kingaroy Regional Art Gallery now has "Shop 38" which South Burnett artists can put their artwork on display for a period of three (3) months for sale. This has become very popular with artists and the Gallery now has a waiting list. It's also become popular with locals and travellers looking for gifts.

Wondai Visitor Information Centre (VIC)/Timber Museum Complex

This year the Wondai VIC in conjunction with the Regional Art Gallery and Heritage Museum took part in 'South Burnett on Show' by hosting a progressive dinner. 60 visitors enjoyed a three course meal as they progressed from one centre to the next. This was an opportunity to showcase what Wondai has to offer in a relaxed setting.

Based on customer feedback, the centre has introduced more literature available to customers. The first publication includes 'Timber Sample Biographies'. This handout lists all the timbers on display in the centre and details their uses. The second publication included a booklet that features all necessary information for new residents to the area. A cropping booklet was created to assist volunteers with inquiries on harvesting and planting information of crops in the South Burnett. Finally a new brochure was published which listed all three attractions in Wondai including the Timber Museum, Regional Art Gallery and Heritage Museum which will be sent to tour groups to entice additional buses to our centre.

The centre has been busy cataloguing all the assets of the centre by collating pictures of each item and their historical information to a central excel spread sheet. This has been a time consuming but rewarding exercise.

The Timber Museum continues to work very closely with the woodcrafters to create new products for sale. This year we focused on a Christmas line which included gift packs and the introduction of Christmas decorations and toys.

Murgon Visitor Information Centre (VIC)

The Murgon VIC was invited to assist the Murgon Business Development Association with the development of their web page and face book page. As a result each week the VIC updates the news and events of Murgon on both sites. The VIC has played an enormous role in the establishment of the website; which includes a listing of accommodation and activities to the area, contact details of all businesses and community associations in Murgon and local history information and photos. This is an ongoing project.

A new brochure for Murgon was developed this year with a list of things to do in Murgon and a map detailing driving tours.

The centre has welcomed some small aesthetic changes which include new bookshelves to display merchandise on sale and new snap lock frames to display event flyers.

Wondai Heritage Museum

As previously stated the Wondai Heritage Museum participated in the progressive dinner with the Regional Art Gallery and Timber Museum. The Wondai Heritage Museum was the final destination for the progressive dinner. The volunteers organised a special guest for the event Alison Iszluab who entertained us with her history as a nurse in the former Wondai hospital.

The centre welcomed a new edition to its collection from Boisen's Drapery. The Heritage Museum was gifted the entire collection of business ledgers and documents that Mr Boisen had collected from the time he opened his store. This has been a huge task which is still ongoing to sift through all the relevant paper work.

The centre participated in the Wondai Garden Expo with a small garden heritage display. A flyer was created and handed out to entrants of the expo to entice them to visit the Heritage Museum, in conjunction with a raffle. The additional promotional efforts were successful with an 80% increase in visitors to the Museum for the weekend.

Local History Register

In line with Nanango streetscape volunteer Jan Stevens is working on a list of Buildings "Then & Now" to include in the existing Heritage Register.

Volunteers Daun Clapperton & Robyn Peterson have been working for 6 years on the documentation of all names both on the monuments in the South Burnett and those who enlisted in WWI but whose names are not recorded. This will form a South Burnett History Register for the 2015 Remembrance Events.

Every Man Remembered - South Burnett Heros

Volunteers from the Nanango VIC, Robyn Peterson and Daun Clapperton (pictured below) had an idea to document all the men and women that have created the South Burnett's war history.

The project 'Every Man Remembered – South Burnett Heroes', documents all the names (and related service history) in the South Burnett and Cherbourg areas more than names on monuments - its all servicemen and women.

The data base will 'go live' in April 2015 on the South Burnett Regional Council website.



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Placing a Poppy to honour war heroes from World War 1

As the 100 year anniversary of the commencement of World War 1 approaches, South Burnett residents had the opportunity to honour family members who died at Flanders Fields in Belgium. In May, a delegation from the South Burnett visited three (3) memorial sites to acknowledge the sacrifice of some of the fallen from the South Burnett and place a poppy in their memory.

This was part of the deputation's visit to honour Patrick Tiernan, the Murgon airman shot down in his Halifax bomber on June 17, 1944.

On May 1, just prior to the Tiernan Memorial Day in Dodewaard, the group from South Burnett Regional Council travelled to Belgium and payed their respects at the Menin Gate at Ypres, the Buttes New British cemetery at Polygon Wood and the Tyne Cot Cemetery and Memorial. These are three (3) of the well-known memorials which honour servicemen who lost their lives in combat on the Western Front during World War 1. Some of the fiercest battles of the war where an appalling loss of life occurred in the area around the Ypres Salient, Polygon Wood and Passchendaele, known at Flanders Fields.

War monuments in towns throughout the South Burnett reveal the tragic loss of life of young men from all our small South Burnett Regional communities during World War 1. Some of their names appear on the Menin Gate, others are buried in the various war cemeteries throughout the Western Front in France and Belgium. A remarkable story in recent years concerns the discovery of the remains of John (Jack) Hunter from Nanango in 2006. He died in 1917 during the horrific fighting at Polygon Wood. His remains were identified through DNA and on Remembrance Day 2007, 90 years after he was killed, Jack was reinterred at Buttes New British Cemetery in Polygon Wood.

Artistic Talents to Flourish

South Burnett residents have enjoyed a number of artistic workshops. Four (4) applications for funding were approved by the Arts, Culture and Heritage Management Advisory Committee.

Approved applications included Nanango Art Fest by Nanango Art Society, Bunya Mountains Art Painting Experience by local artist Cherry Carroll, song writing workshop run by Music Inc and What a Buzz High Tea from the Jumping Ant Arts Inc.

The committee approved four (4) applications with a total funding value of \$14,717 as part of round one. This left \$93,000 available for arts, culture and heritage applications for the region.

Community Groups Receive \$383,000

Council allocated \$260,000 to South Burnett Sporting Clubs and not-for-profit organisations as part of its commitment to enhancing the community.

In addition to the \$260,000, Council allocated grants of \$109,000 to organisations under Council's Community Assistance policy and \$14,490 is allocated for Councillors Discretionary funds.

Councillors Discretionary funds are commonly spent on community projects (*further expenditure on page 99*)

These funds are Council's way of ensuring the longevity of these hardworking committees and organisations. Not-for-profit clubs and groups are run by amazing people who volunteer their time. They are an enormous help to our community.

Each Councillor has a small allocation of discretionary funds for the purpose of meeting requests for financial assistance from community organisations.

The discretionary funds are in addition to the rate remissions Council provides. Last year some of these funds went towards helping organisations and individuals after the floods.

Council also recognises the great work that our rural fire brigades do in our region. Consequently Council budgeted \$10,350 each year for the next three (3) years to be donated to local fire brigades.

Animals

Council's Kingaroy Animal Housing facility and the RSPCA's Kingaroy Animal Shelter opening hours changed 1 February 2014. These facilities are now open longer for the public's convenience.

The new opening hours are 10.00am to 5.00pm seven (7) days a week. This change was made to better serve the community after reviewing when the public most often accessed these facilities.

PetPEP Program

Council continued to partner with the Australian Veterinarian Association (AVA) in promoting responsible pet ownership. Council participated in the PetPEP program, with staff attending local schools to share with the students the important message of Responsible Pet Ownership.

Pound operations

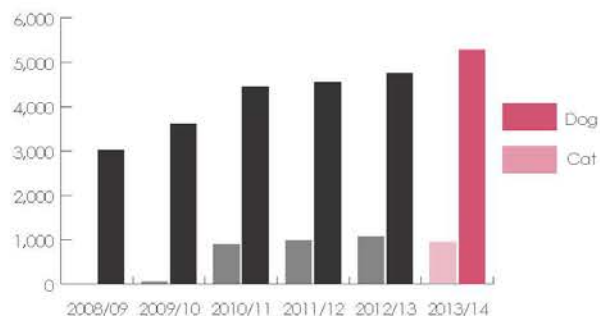
Council maintains and operates animal housing facilities for impounded animals held for the prescribed impound period.

All animals were held within the prescribed impound period, and some were over the time due to issues with owners, and re-homing with RSPCA or other Recognised Shelters.

During the reporting period there were 236 impounded animals across South Burnett Regional Council area; (RSPCA 159 animals & Council 77 animals)

Animal Registrations

Cat Registrations are on the decline as Council passed a resolution to not make Cat registration a requirement. However dog registrations are continuing to increase as pet owners are becoming more responsible and registering their pets.



Animal Registrations	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Cat	N/A	40	884	974	1064	942
Dog	3,020	3,604	4,450	4,643	4,753	5,285

Licences/Permits	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Food Business Licences	213	213	206	209	216	230
Environmentally Relevant Activities	143	100	68	75	5	2
Flammable and Consumable Licences	59	46	N/A	N/A	N/A	N/A
Caravan Park Licences	N/A	N/A	N/A	7	7	6
Kennels/Catteries	N/A	N/A	N/A	3	3	4
Footpath Licences	94	77	127	133	119	122
Children Immunised at School Based Clinics	1,192	517	908	625	2,000	2,055

Mayor's Flood Appeal Fund

Funds raised through the Mayor's Red Earth South Burnett Flood Appeal were distributed to primary producers and businesses affected by the floods of 2013.

Over \$51,500 in South Burnett Dollars (vouchers for businesses in the South Burnett) was dispersed to affected primary producers and businesses. The next stage of funding was made available to community groups to deliver projects that provide community wide benefit.

This funding supported projects that address community health and wellbeing, education, volunteer support, resilience and communication.

Funding was made available for up to \$2,000 per project, and community groups were encouraged to apply with applications for Round 1 closed on 24 January 2014.

Reflecting on the Floods

After six (6) months of intense work talking to people, hearing their stories, collecting photographs and writing their words – Liz Caffery completed a photo book, Reflections, which records the 2011 and 2013 South Burnett Floods.

The book features flood and recovery experiences from across the South Burnett and includes 700 photographs and over 30,000 words of text beautifully written by author Liz Caffery.

The book not only depicts the experiences of those affected but honours the selfless generosity of those who helped in so many ways.

The purpose of this book is to assist our local communities in their recovery from these unparalleled flood events. The book can be viewed in various locations around the region.

Murgon Skate Park

The Murgon Skate Park was officially opened in August 2013.



Council allocated \$150,000 to build a Skate Park in Murgon which included a shade shed and an adjacent climbing wall.

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Leah Purcell (from the TV show Police Rescue) was the special guest who came from Sydney for the Opening.

Approximately 600 students and their teachers from local schools at Murgon and Cherbourg were in attendance.

Also Community & Business Leaders and representatives from both the South Burnett and Cherbourg Councils were present at the opening.

Activities on the day included a Skateboarding demonstration as well as dancing from the Wakka Wakka dancers.

The main focus was celebrating the valuable contributions young people make to our community.

Cycling Supported by Council

An active weekend for the South Burnett with Cycling Queensland bringing its event 'Ride the South Burnett' to the region on 27-28 July 2013. Featuring three (3) major rides 'Tour De Kingaroy', 'Tour De Kumbia' and the 'Community Ride', the weekend was considered a success by South Burnett Regional Council and Cycling Queensland.

This event brought over 200 extra people into the region who needed accommodation and meals, a great immediate boost to the region's economy. The effects didn't just extend to our South Burnett economy but also to our local sports people who in their own region could watch a professional cycling race and then join in for their own 'Tour'.

South Burnett Regional Council's Healthy Communities Program was heavily involved throughout the organisation of the event, ensuring that bike awareness programmes were taken to the schools and through sponsorship of the event. The South Burnett Community Ride was sponsored by the 'Discover the Benefits of Healthy Communities' Program; a South Burnett Regional Council initiative to promote health and wellbeing for adults who are not in full-time work, funded through the Australian Government's Healthy Communities Initiative.

Second Community Event for Local Cyclists

South Burnett Regional Council hosted a "Ride the South Burnett" as a community cycling event before the 'Tour de Kingaroy' on Sunday 22 June 2014.

The Community Rides were conducted for the first time in 2013 and they proved to be very popular with those who participated. Council were proud to be a sponsor of this event, which was a huge success in 2013, bringing tourists and National media into our region.

The community rides are a part of a weekend of cycling with the 'Tour de Kumbia' and the 'Tour de Kingaroy' as Round 3 of the 2014 Queensland Road Teams Series being held 21 and 22 June 2014.

Prior to the event, council organised some community rides for the residents of the South Burnett and visiting recreational cyclists. Funds raised from the community rides were donated to the Mayor's Community Benefit Fund.

Tractor Wins Award

The South Burnett were awarded the title of being a 'Creative Region' thanks to the Tractor Tattoo Project.

South Burnett Regional Council won the category of Creative Regions (Participation) in the Arts Queensland Regional Arts and Culture Awards, which were presented at the Articulate Conference in Rockhampton.

Council were very impressed with the calibre and diversity of the other entries in this category, so it really was an accomplishment to have won.

As an award winner, the story of the Tractor Tattoo project has been included on an Awards postcard celebrating outstanding contributions to the arts and culture of regional Queensland. The Tractor Tattoo project features on the Arts Queensland website.

Council had a team of committed people who really put their heart and soul into this project and it was great to see them being recognised.

The Tractor Tattoo 2012 was a community arts and cultural project based around an event featuring the transformation of an old tractor into a playable musical instrument.

It's been over a year since the tractor, which is affectionately known as 'The Mongrel', played in the Town Hall forecourt in Kingaroy.

The project was about enabling artists to participate and collaborate on a piece of art that would then bring together people throughout the South Burnett.

'The Mongrel' has since been on tour throughout the region.

Refresh Murals in Nanango

Artist Mr Willie Nelson has started work with the South Burnett youth to refresh the murals in Nanango.

Mr Nelson is a sketch artist and he painted the murals originally in 1998. A refresh of the murals will add to the look of the town especially with the other streetscape work in Nanango.

As well as the murals in Nanango, Mr Nelson assisted the local youth with painting graffiti art on the horizontal climbing walls located at River Road Park in Kingaroy, Pioneer Park in Nanango and the skate park in Murgon.



Breakfasts Launch Emergency Resilience Week

Council, in conjunction with flood recovery agencies hosted sausage sizzle breakfasts to launch "Resilience Week" in October 2013.

At the breakfast, Get Ready for Summer Season information and packs were made available for people to take home and make necessary arrangements to ensure their safety.

Crow FM joined in the breakfasts with live broadcasting during the launch. Practical demonstrations from the SES, Rural Fire Brigade and local Ambulance provided residents with what to do during a disaster.

Representatives from the flood recovery agencies were also on hand to help anyone who hadn't yet applied for flood recovery assistance.



South Burnett Health and Lifestyle Expo

The South Burnett Health and Lifestyle Expo which was held in the Kingaroy Town Hall on 19 October had a fantastic turnout with over 350 people attending and 32 stallholders present.

The South Burnett Health and Lifestyle Expo was funded by Council's Healthy Communities Initiative with the aim of connecting the community to local health and lifestyle providers.

Stalls included local gyms, community health, medical and allied health providers, community organisations, alternative therapy providers, sports clubs and many more. Nine (9) stalls provided demonstrations and workshops. Also included was a "Healthy Food Fast" cooking demo from Jason Ford.

Event partners SBRC Healthy Communities and RHealth considering the possibility of holding this event again in the future.

Council Recognised as a Community Champion

South Burnett Regional Council was recognised for creating an inclusive community in the Spinal Injuries Association's Inclusive Community Champion awards.

Council were honoured to host this event and won three (3) awards including an award for the work undertaken

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by Council done to allow disability access to Council facilities.

This event was one of nine (9) regional events held across Queensland to recognise venues, services and individuals for their efforts in creating an inclusive community.

Council won three (3) awards including –

- Best Recreational Precinct – Kingaroy Town Hall and Dr Ellen Kent Hughes Forecourt
- Best Community Service Provider – T.J. O'Neill Memorial Library
- Best Government Department – South Burnett Regional Council, Kingaroy Customer Service Centre

The awards were a great reminder to the importance for Local Councils and the wider community in creating user-friendly spaces for all residents in order to maximise the social and economic performance of our region.

Some of our local business people and individuals across the region were also recognised for making venues in the region more accessible and user-friendly. Their efforts certainly make a difference in attracting tourists and to the liveability of the region.

Business and individual awards were awarded to –

- Best Individual – Doug Henderson
- Best Accommodation Provider – Ascot Lodge Motor Inn
- Highly Commended Community Service Provider – Kingaroy RSL

South Burnett Tourism - A United Approach

Council, tourism operators and organisations met to formalise a tourism plan for the region.

The goal was for a clear and united direction for the South Burnett and about working together to do the best to promote tourism in the South Burnett.

The Tourism Forum is part of the Tourism Project. This is an initiative of 'South Burnett Directions'. The forum was facilitated by James Corvan, who has spent 24 years in Regional and State tourism bodies developing and marketing destinations.

The forum was full of passionate people and some really positive suggestions. People were encouraged to offer differing opinions and we have captured the key points.

The key priorities identified on the day were –

- The establishment of a South Burnett event database and utilising the Australian Tourism Data Warehouse.
- The development of customer service awards and an ambassador program for the region.
- The importance of working as a region and not as individual towns.

Council Help Give Hope

Council have given a few more needy families some help this Christmas thanks to the generosity of donations from Council staff and South Burnett residents.

Throughout December 2013, Council collected non-perishable food and gift vouchers to support the Salvation Army Christmas campaign "Give Hope This Christmas & Help Change Lives" then donated them to the Salvation Army.

Jamie's Ministry of Food Mobile Kitchen



With its first stop in Nanango, followed by Wondai, Jamie's Ministry of Food Mobile Kitchen made its new home in the South Burnett region in January 2014 and sought volunteers from the local community to assist with the program.

Jamie's Ministry of Food offered local residents the opportunity to access and participate in an innovative, community based cooking program built on Jamie's beliefs about cooking and the associated impact on healthy living.

Although the Mobile Kitchen comes staffed with a team of Ministry of Food trainers who teach all of the classes, the program required enthusiastic volunteers to assist with the program.

The Mobile Kitchen program offered a five (5) week cooking course, comprising one 90-minute cooking class per week with up to 12 participants in each class. Jamie's Ministry of Food Mobile Kitchen delivered hands on classes six (6) days a week.

South Burnett Regional Council Australia Day 2014 Awards

Council announced its 2014 Australia Day Award Winners at the region's official awards ceremony held on the eve of Australia Day, Saturday 25 January, at the Wondai Town Hall.

South Burnett Region 2014 Australia Day Award winners were:

- John Box - South Burnett Citizen of the Year



- Amy Wicks - South Burnett Young Citizen of the Year
- South Burnett Pantry - South Burnett Community Organisation
- Bill Roberts - South Burnett Lifetime Achievement Award
- Max Lehmann - South Burnett Volunteer of the Year
- Jan Pritchard - South Burnett Cultural Award
- Fraser Matthew - South Burnett Cultural Award (Junior)
- Renee Irvine - South Burnett Junior Sportsperson of the Year
- Anthony Eden - South Burnett Sportsperson of the Year
- Gary Tessmann - South Burnett Sportsperson (Coach/Official or Administrator)
- Kay Bochmann - Local Achiever Award - Nanango
- Richard Don - Local Achiever Award - Maidenwell/Bunya Mountains
- Morris Winter - Local Achiever Award - Kumbia
- Merv Wolski - Local Achiever Award - Kingaroy
- Richard O'Neill - Local Achiever Award - Murgon
- Les Lane - Local Achiever Award - Blackbutt/Benarkin
- Robin Kersten - Local Achiever Award - Hivesville/Proston
- Lynne Bennett - Local Achiever Award - Rural
- Neil Burrows - Local Achiever Award - Wondai

Bridge Named to Honour Local

Council named the bridge in Drayton Street Nanango, the 'Ben Walters Bridge' to recognise the first bridge builder in the former Nanango Shire Council.

Benjamin Walters was born at Goode's Inn in 1861 and died in 1950. He worked primarily for Clappertons at Tarong Station and was employed for 16 years at Nanango Shire Council as a Works Overseer.

Benjamin Walters was responsible for building most of the bridges in the Nanango area during his time with Council. Back then the bridges were constructed from timber.

Council Supports Cancer Relay

Council again entered a team in this year's Relay for Life Cancer fundraiser.

The South Burnett has a history as a strong fundraising community when it comes to the Relay for Life. The South Burnett Relay Organising Committee do an amazing job at bringing this event together.

Proceeds from one of the Mayor's Community Charity Breakfast going towards the South Burnett Relay for Life. The South Burnett relay is held annually in the Kingaroy Showgrounds.



Disaster Management

Management Plan/Recovery Plan

As a result of an external assessment of the Local Disaster Management Plan (Local Plan), it identified several areas for improvement to meet the Disaster Management Act and Guidelines.

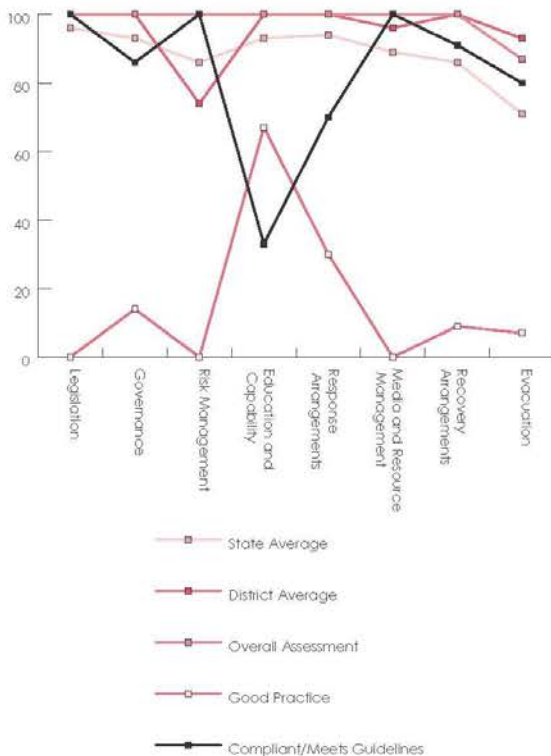
The Local Plan was revised and updated to create a new Local Plan for 2013. This review was undertaken with the help of members of the Local Disaster Management Group and the Commission of Natural Hazard Risk Assessment to help understand the effects of possible disaster events in the South Burnett.

In addition, as a result of the 2013 floods debrief, it was identified the need to develop a Recovery Plan as a high priority.

After approval by the Local Disaster Management Group, both the Local Disaster Management Plan and the Recovery Plan were endorsed by Council at its meeting in February 2014.

During the 2014 Disaster Management Plan assessment process, the Office of the Inspector General Emergency Management have advised the Council's Local Plan has achieved high level against the majority of assessment categories and good practice across a number of eligible areas, notably education and capability. The Plan also performed well against the district average in most categories and against the State average.

The results were identified in the following graphs:



Source: Office of the Inspector-General/Emergency Management

Exercise

During December 2013 "Exercise Guardian Shake" was undertaken, coordinated by South Burnett Regional Council and Queensland Fire and Emergency Services. The aim of the exercise was to provide the opportunity for the South Burnett Local Disaster Management Group and Local Disaster Coordination Centre Staff to practice the coordination of disaster operations including preparation and response to an earthquake event, using the Guardian Control Computer System.

Resilience Grant

Through the initiative of Queensland State Government's Department of Community Safety and Department of Local Government Community Recovery and Resilience, a "Get Ready" grant was provided to Council.

The grant money allowed Council to provide a "Get Ready" South Burnett Resilience launch to the community in five locations across the South Burnett. All sessions were well supported by residents and local radio station CROW FM 90.7 provided support with live radio breakfast broadcasts throughout this campaign. Residents were able to access "Get Ready" for Summer information packs to take home and assist with their necessary emergency arrangement plans.

Council also conducted a two (2) day Resilience Leadership Workshop with assistance from Volunteering Queensland with a focus on building community resilience to natural disasters by empowering a diverse range of community stakeholders with the necessary knowledge, tools and resources to building community self resilience. An outcome from this workshop was to develop a South Burnett "Get Ready" Resilience tool-kit to be made available to residents online, via an android and itunes app. This initiative has been activated and should be available during 2014/15.

Also in 2013/14 Council produced a website focused on improving specific disaster management awareness. The website provides access to fact sheets and tools for:

- Being prepared
- Bushfire
- Emergency Contacts
- Flood and Road conditions
- Know the Risks
- Stay Alert and Informed

This information can be accessed on Council's website www.southburnett.qld.gov.au and click on Community and the subheading of Disaster Management.

Big Screen Film Festival

The Festival began with two (2) successful school screenings, which saw 660 Nanango students in attendance. Students watched movies 'Little Big Shots + ABC Open Film and Legends of the Guardians'.

Big Screen was presented with South Burnett Regional Council and proudly sponsored by Heritage Bank Nanango to the value of \$7500. Gold and Silver Logie award-winning actor John Wood star of the Doctor

Blake Mysteries, Blue Heelers and one of Australia's best loved actors, helped celebrate Big Screen's visit to the region as our guest of the festival. Improved planning allowed moving the meet and greet to Ringsfield House addressed the overcrowding that occurred in 2013. Ringsfield House was very popular with all guests including sponsors, NSFA staff and special guest John Wood.

Screenings were also returned to the Kingaroy Satellite Cinema in 2014 as the cinema suffered extensive damage to its facility during the Australia Day flooding event in 2013.

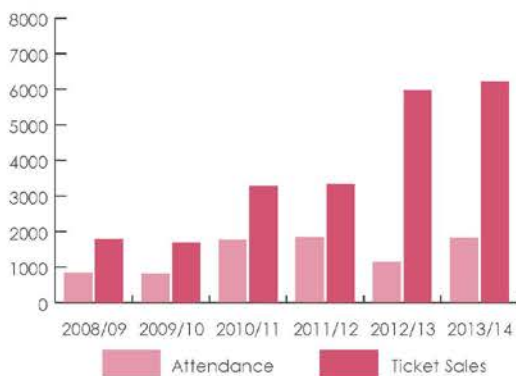
The Opening Night film was 'Healing' and was attended by a sell-out crowd filling the Nanango Cultural Centre to capacity.

Saturday morning kicked off with the movie 'Ginger Meggs' followed by NFSA classic free screening of the 'The Squatter's Daughter'. The movie 'Backyard Ashes' drew a great crowd of 155 to the Saturday night time slot. John Wood was a great sport and was only too happy to pose for individual photos giving tickets holders a great opportunity to meet and have their photo personally autographed. Ticket holders were also treated to back by popular demand "chocolate fountain" which again proved a winner.

Sunday Morning in Nanango started with the family screening 'The Lego Movie' which was attended by 165 ticket holders, being the biggest family screening in the 8 year running of Big Screen Festival Nanango. Colourings in competitions were judged during this time slot and prizes handed to the winners with thanks to National Film and Sound Archive for the donated prizes of DVD's. These attendance figures set the trend for the rest of the festival as 'The Man From Cox's River (108) & Tracks (207)' also proved very popular choices with the community as attendance numbers exceeded expectations and was icing on the cake to cap off another very successful festival.

Screenings of 'The Lego Movie & Satellite Boy' were also shown on Sunday at the Kingaroy Satellite Cinema with better attendance then previous years.

Big Screen Ticket Sales and Attendance Figures





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Statue of the Bunya Mountains

Challenges

- Attracting additional volunteers
- Providing suitable storage facilities for our growing museum collections
- Encouraging and maintaining increased physical activity and better nutrition within the community



Future Initiatives

- Training – Ambassador Program in 2015
- Plan to have a SB local product booth at all Major events in the South Burnett eg 750 Vans at the Nanango Country Muster
- All major events listed on the Council’s website
- Need to produce Energy Centre Work sheets based on the National Curriculum

Performance Summary

Overall Progress

Page Reference

EC 1 A community with the capacity to develop the area of arts, culture and heritage

- EC 1.1 Work in partnership with Community Organisations ✓ Achieved Target
- EC 1.2 Build the Capacity of our arts, heritage and library facilities to become vibrant community centres ↗ Progressing

EC 2 An active, safe and healthy community

- EC 2.1 Develop and provide in partnership a range of sporting and recreation facilities ↗ Progressing
- EC 2.2 Advocate and support community initiatives that promote healthy lifestyles ✓ Achieved Target
- EC 2.3 Manage identified public health and environmental issues in accordance with relevant legislation ✓ Achieved Target
- EC 2.4 Partner, investigate and implement plans to increase community safety in public areas ↗ Progressing

EC 3 A community with the ability to manage natural and man-made disasters

- EC 3.1 Maintain an effective Counter Disaster Management Framework ✓ Achieved Target

EC 4 A transport system that connects communities

- EC 4.1 Advocate and partner with other organisations to develop regional transport solutions ✓ Achieved Target



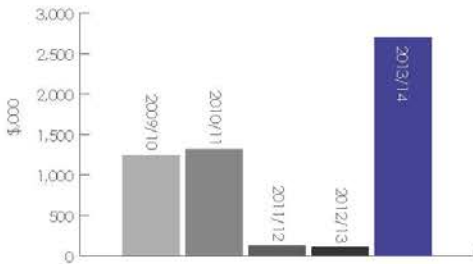
Growth and Opportunity



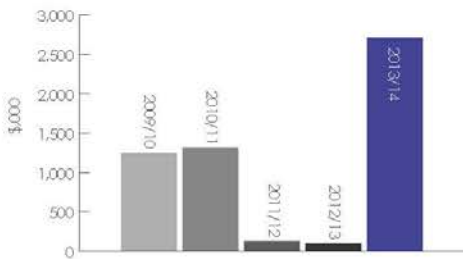
Highlights

- Future secured for the South Burnett Private Hospital
- Heading in a healthy direction with South Burnett Directions
- Nanango Streetscape project in full swing
- Pool heat up this winter
- Kingaroy Airport reseal completed
- RecycleLinks opens
- Council saves bus service

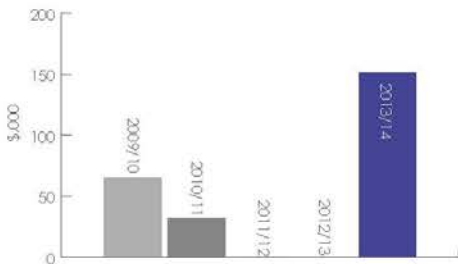
Growth & Opportunity: Total Income



Growth & Opportunity: Total Expenditure



Growth & Opportunity: Grant Revenue



Private Hospital

The South Burnett Regional Council stepped in to ensure the future of the South Burnett Private Hospital and guarantee that the doors will remain open during this year.

The South Burnett Private Hospital is a major health service provider in the Region and as such Council has been and will continue to be committed to it staying open and possibly looking at the expansion of services into the future. Our residents deserve access to a private hospital for those procedures that can reasonably and safely be performed locally.

The private hospital has been a part of Pulse Health for three (3) years but they recently decided to discontinue their management role. This required Council to act promptly to ensure that it remained open and continue to deliver the suite of medical services that are so important to the health and well-being of our South Burnett residents and those from near-by districts.

Heading in a Healthy Direction

South Burnett Directions has explored ways to expand health services in the region.

Council had a presentation from the Health Working Group in regards to pursuing the possibility of setting up new Cancer services at the South Burnett Private Hospital. This was referred to Queensland Health for their input.

Meanwhile, South Burnett Regional Council has commenced its South Burnett Private Hospital Capital Works project. This project included the renovation of A and B Wing wards, renovation of bathrooms in A Wing, fire panel and fire detector upgrade and electrical rewiring in A Wing, replacement of roof and existing services water, gas and solar on the roof.

Internal renovations included the replacement of vanity units, wardrobes and bed head panels. The roof replacement with electrical rewiring and an upgrade to fire detectors and the fire panel. A wing was temporarily closed during these works.

South Burnett Directions

Economic and Tourism Development in the South Burnett got a boost with the official launch of South Burnett Directions.

Minister for Local Government and Community Recovery and Resilience, Minister David Crisafulli officially open the event in June.

The South Burnett Directions Steering Committee has met several times and have finalised key projects to drive economic development in the region. One of these projects was a 'Think Local First' campaign.

The committee collected project ideas from community consultations sessions. The committee will be responsible for prioritising projects and decide upon which they believe will best support economic development in the region.



The South Burnett Directions Steering Committee members are –

- Wayne Kratzmann - Mayor South Burnett Regional Council
- Barb Madden - Smithfield Feedlot
- Brett Heading - Lawyers McCullough Robertson/ Clovely Estate
- Georgie Somerset - Somerset Trading Company
- Graham Archdall - South Burnett Business Centre
- John Carey - Stanwell Corporation
- Ken Mills - Ken Mills Toyota
- Linchon Hawks - Swickers Bacon Factory
- Marianne Pidcock - Captains Paddock
- Richard Fahey - Lutheran Community Care Orana

South Burnett Directions is the South Burnett's peak economic development body which included establishing working groups:

- Health Services
- Business Excellence Awards
- Tourism Development
- Digital Communication Infrastructure and Training
- Career Pathways through Education

Nanango Streetscape

Work has commenced on the Nanango Streetscape project. Nanango will become a great spot for travellers to pull over and take time to explore this historic town, its unique lane ways and murals, coffee shops, and attractions such as the Energy Centre.

The Streetscape is seen as an investment in the future of our Region. Research has shown that people want to visit places that provide a unique experience. The unique experience must be positive so that they become tourism ambassadors for our Region. Nanango is well placed at the intersection of two (2) highways and is within a two (2) hour or less commute from several other centres which offers great potential.

Council was overwhelmed with the support received from the Heritage Nanango Community Branch for the Nanango Streetscape.

The Heritage Nanango Community Branch generously provided \$66,000 to the Nanango Streetscape Project to kick off Stage 1.

The Board of Directors unanimously agreed to sponsor this worthy project and we are proud to be a partner with Heritage Nanango Community Branch. The Board believe this will be an enormous asset to Nanango and the South Burnett.

Boondooma Caravan Park

Council approved a planning application for a Caravan Park at Boondooma Homestead.

Boondooma Museum and Heritage Association's vision statement is to preserve the history of the Boondooma Homestead and Boondooma Station. It will allow people to experience the Homestead and its unique offerings.

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The support from Council will mean that the Boondooma Association can fulfil their vision of allowing people to stay and experience this valuable part of South Burnett's history.

The Boondooma Museum and Heritage Association has two (2) major events each year with Spirit of the Bush Balladeers and Heritage Muster held annually on Anzac Day and Scots in the Bush.

The Scots in the Bush event had doubled the number of caravans this year compared to last year. It was a sensational weekend and full credit to the Association for a successful event.

This is a huge injection into South Burnett's economy. Once the site is approved and set-up as a permanent caravan park it will mean that the association can cater for people staying all year round.

Pools Heat Up

Spring began with warmer pools in the South Burnett thanks to upgrades by Council.

Council spent the winter break making pools warmer and more attractive for our residents.

The Murgon Pool had an upgrade with a heat pump, a new heat blanket and rollers. The pool is also under new management.

The Wondai Pool also had an upgrade with a new heat blanket.

The heat blankets will improve the swimming conditions for patrons. At Wondai a lot of lap swimmers, schools and clubs use Council's pool.

The Kingaroy Airport Reseal is Completed

A total of 71,800 square metres has been resealed at the Kingaroy Airport, including the runway, taxiway and apron.

This asset is an important piece of infrastructure which will continue to give economic benefit into the future. A number of key businesses operate from the airport and council hopes to increase this into the future.

Over 213,000 litres of bitumen was used in this project and it required 900 cubic metres of aggregate to be applied. Line marking took place in September 2013.



Recycle Shop Opening

Kingaroy's newly opened recycle shop, known as RecycleLinks, officially opened for business in December 2013.

RecycleLinks is a partnership with Council, which creates a pathway for reuse of items such as furniture, children's toys, bikes, building materials and homewares, which would otherwise end up as landfill.

RecycleLinks has a steady flow of reusable items either being dropped off directly at the recycle shop, or placed at the designated area at the Kingaroy Transfer Station.

The official opening of RecycleLinks was well timed as it provides residents with the opportunity to browse through the items currently in stock. Council encouraged all residents to come out for the morning of the official opening to see what the shop has to offer.

South Burnett and Cherbourg on Show

Cherbourg and South Burnett Council's worked with the Wine Industry and a group of businesses to put together a weekend full of activities in October over the long weekend.

Forty events were planned throughout the region as part of South Burnett and Cherbourg on Show.

This has become the South Burnett's signature weekend. The region has become known as the place to be over the first weekend in October.

South Burnett and Cherbourg "on Show" was initiated by the South Burnett Wine Industry. The events began on the Friday and continue over the long weekend during October.

Council Saves Bus Service

Council provided support this year to the Brisbane Bus Lines to retain the Bus Service to Murgon.

Mayor Wayne Kratzmann met with representatives of the bus line where he outlined the importance of the transport service to the South Burnett and adjacent regions of Cherbourg, Toowoomba and Somerset. The Brisbane Bus Lines service does not attract any subsidy and the Mayor was advised that it runs at a substantial loss for the company.

Council decided to subsidise the Transport Service to 30 June 2014, which will give Council and our community time to gauge the support on the future of this service.

Council will take the lead to have the bus service retained on a permanent basis, but this will only be achieved through the combined efforts of all stakeholders.

Lake Boondooma Caravan and Recreation Park

New facilities:

- An undercover kiosk recreation area has been built
- A fully stocked fishing tackle shop has been opened
- Additional camping sites have been opened up

Statistics:

FY	Occupants	Avg Room Rate	Revenue	Rooms Stays
2013/14	17,753	3.36	\$ 701,755	26,954
2012/13	15,807	3.35	\$ 543,981	21,670

Yallakool Park on BP Dam

New facilities:

- New Amenities Block

Statistics:

FY	Occupants	Avg Room Rate	Revenue	Rooms Stays
2013/14	12,899	3.54	\$ 694,677	19,975
2012/13	10,415	3.25	\$ 517,144	14,649

Coolabunia Saleyards

Saleyards and Dips managed throughout the year.

New cattle loading ramp constructed at Coolabunia Saleyards.

Cattle through put at saleyards and selling prices remain low due to drought conditions during the year.

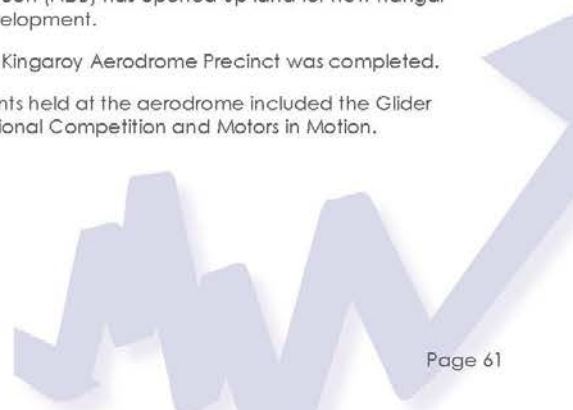
Period	No of Head	Revenue
1 Jul 2011 - 27 July 2012	13,640	\$ 7,911,441
1 Jul 2012 - 30 Jun 2013	9,796	\$ 4,500,524
1 Jul 2013 - 30 Jun 2014	9,389	\$ 3,604,798

Sir Joh Bjelke-Petersen Airport, Kingaroy

De-commissioning of the Navigational Directional Beacon (NDB) has opened up land for new hangar development.

The Kingaroy Aerodrome Precinct was completed.

Events held at the aerodrome included the Glider National Competition and Motors in Motion.



SBRC New Planning Scheme – Progress

The final draft of the new planning scheme was completed by staff via a thorough review process to ensure that the end product is simple and easy to understand. The draft planning scheme is encouraging development by permitting development without triggering planning approval; for example, the re-use of existing buildings in the town centres and most new developments in the industry zone do not require a development permit.

Council further undertook constraints mapping to identify rural residential land that can be further subdivided in future. Existing rural residential land within 7km of the Blackbutt, Kingaroy, Murgon and Nanango towns and within 2km of Preston not subject to physical constraints (i.e. flooding, high bushfire hazard or agricultural land) were identified for further subdivision. Identifying additional land for rural residential living recognises that there is still a need in the region for this type of living.

Council accepted the final draft planning scheme and a submission is being prepared to refer the final draft planning scheme to the Minister for State Development Infrastructure and Planning for a state interest check. It is anticipated that the planning scheme will be on public display by early 2015.

Process Building Applications

Throughout the year Council's Building Certifier continued to provide extensive advice and practice assistance to Council's Property Section regarding maintenance issues with older buildings on Council owned properties. Advice was also provided to the Boondooma Historic Association regarding the historic restoration of the Boondooma Homestead. Advice and support was provided to Sporting Clubs and Not for Profit organisations throughout the region regarding the upgrading of existing facilities and construction of new facilities. Council's Building Certifier supported the design and operation of the buildings associated with the proposed Kingaroy Sewerage Treatment Plant to ensure buildings comply with legislative requirements and meet the operational requirements of Council's Water and Wastewater Sections. Support was provided to Council's Property Section regarding the design of the new Murgon Pool Complex to meet legislative requirements and the outcome sought by Council to provide a modern and functional facility for the community.

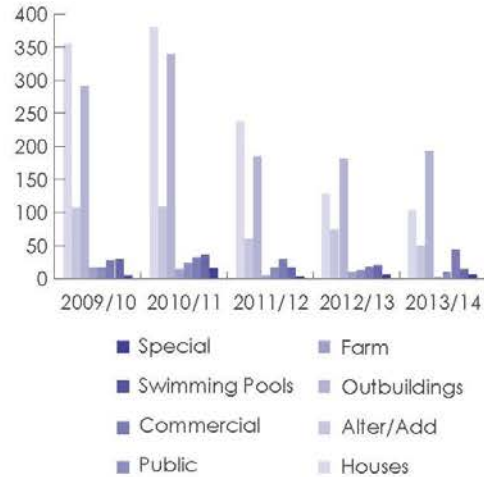
Process Plumbing Applications

Throughout the year Council's Plumbing Inspectors have continued to provide assessment services under the *Plumbing and Drainage Act 2002* in response to applications. Council consistently provided approval within the statutory timeframes for developments.

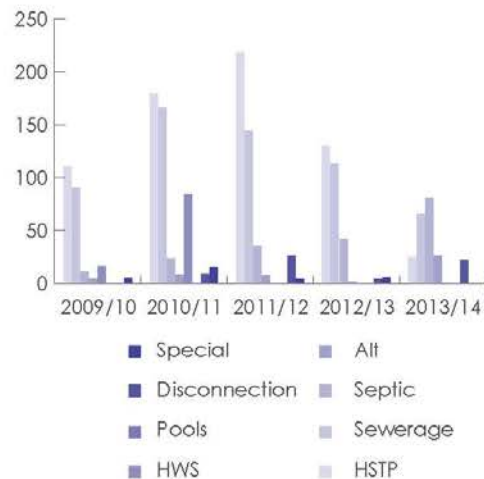
Council's Plumbing Inspectors provided extensive advice and inspection of work undertaken at the Kingaroy State High School to support the new Flying Start program for the transition of year 7 to high school. This work included inspection of a new fire main, mechanical workshop and agricultural shed on behalf of the contractors employed by the State. Inspections were also conducted at the Kingaroy Primary School for a proposed fire main to replace the existing infrastructure.

As part of its regulatory role, Council issued reminder notices as part of the administration process of the registers for the household sewerage treatment plants and backflow prevention devices connect to Council's reticulated water supply network.

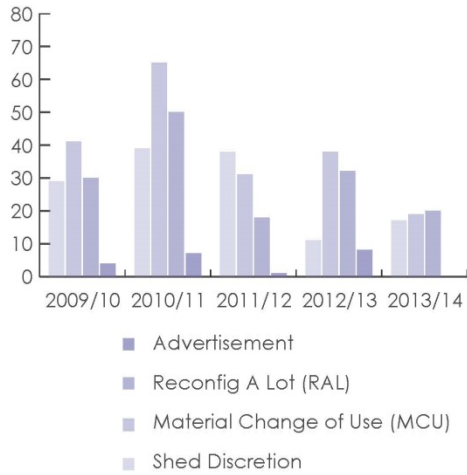
Building Approvals by Type



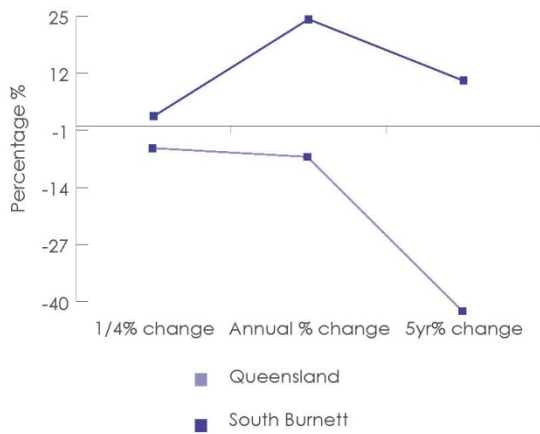
Plumbing & Drainage Approvals by Type



Planning Approvals by Type



Dwelling Growth Comparison





Challenges

- Increased number of applications for subdivision of rural land
- Local Heritage Register
- Blackbutt Supermarket/Community Hall



Future Initiatives

- Once the new planning scheme is adopted it is likely to require review to correct drafting mistakes.

It is anticipated that the new planning scheme may identify areas that require a bit more detailed planning. The revitalisation of the Kingaroy town centre has been muted as a possible future project.

This process requires more detailed planning through extensive community consultation and may result in the adoption of detailed development measures.

- South Burnett promoted in Brisbane
- Heritage to sponsor Business Excellence
- 2014 UAV Challenge Outback Rescue

Performance Summary	Overall Progress	Page Reference
GO 1 The South Burnett is a recognised tourism destination		
GO 1.1 Work with stakeholders to develop, market and promote the South Burnett as a premier tourist destination within the South East Queensland Country Region	↗ Progressing	
GO 1.2 Develop and promote Council-owned tourism facilities	✓ Achieved Target	
GO 2 A strong and sustainable regional economy		
GO 2.1 Develop and implement an Economic Development Strategy that identifies opportunities for economic expansion and development within the region	↗ Progressing	
GO 2.2 To partner with industry sectors to assist in their future sustainability and growth	↗ Progressing	
GO 3 Balanced development that preserves and enhances our region		
GO 3.1 Support the region's growth through integrated, planned and timely delivery of infrastructure	↗ Progressing	
GO 3.2 Be an active partner in the implementation of the statutory Wide Bay Burnett Regional Plan	✘ Postponed	
GO 3.3 Implement policies and plans that support appropriate planning and development for business, industry and community needs	✓ Achieved Target	



Our Environment



Highlights

- Recycling Survey of all properties which currently had a kerbside waste collection service
- Successful Waste Collection Tender Process
- Development and implementation of a new region wide Waste Collection Contract
- Establishment of a new risk based Food Business Licensing Classification system
- Kingaroy waste concrete stockpile converted to recycled aggregate resource
- Kerbside recycling investigated
- Facelift for South Burnett parks and cemeteries
- Development of the Regional Waste Management Plan progressing

Street Sign Vandalism Costly

Council has requested the assistance of police to assist by patrolling the areas that appear to be targeted by vandals.

The vandalism usually occurs late at night and on weekends, which would suggest that party goers are walking home when they get the urge to attack the street signs. If this is the case then I suppose the good news is that after a night out on the town they are choosing to walk home and for that the community can be thankful.

Lantana Spraying Success

Council has completed a large scale declared and environmental weed treatment program during the past year.

Council's roadside and reserve Lantana treatment program sprayed a massive 3,000,000m² area. In context this is approximately 750 Kilometres of dual roadside to an average width of two metres. This is approximately 23% of the 3,249 kilometres of road network within our region.

A further 500,000m² of treatment on African Boxthorn, Giant Rats Tail Grass, Parthenium and other declared weeds has also been completed.

The programs have achieved significant benefits to both biodiversity and increases sustainability and value of neighbouring land use.



Environment Benefits from Collaboration

Council and Kingaroy Landcare have worked in partnership to make major environmental changes throughout the region.

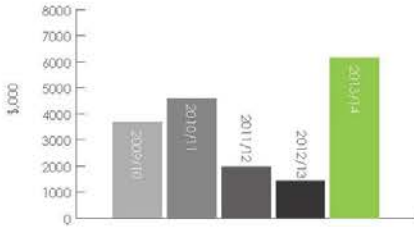
They have been working with other organisations to roll out projects that achieve our environmental goals for the region.

Council and Kingaroy Landcare worked together on the removal and control of broad-leaved Privet in the Stuart River. They are now looking at advocacy and strategic planning in regards to other weeds in the catchment, particularly focusing on how bio control can be used for Madeira Vine and Cats Claw Creeper.

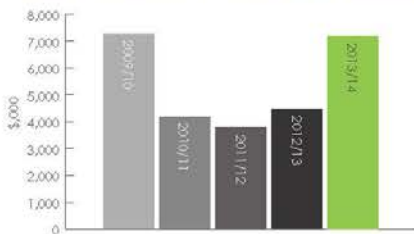
By collaborating Council is able to ensure there is community engagement and communication with the land holders.

Landcare works with Council by promoting the projects and getting people to identify additional environmental needs and projects.

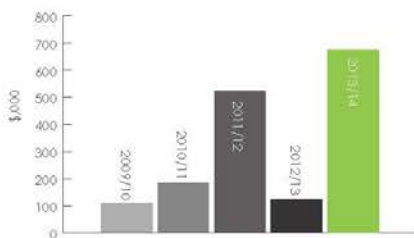
Our Environment: Total Income



Our Environment: Total Expenditure



Our Environment: Grant Revenue



Wild Dog Baiting Program

Council, in conjunction with Bio-security Queensland, will be participating in a coordinated Wild Dog Baiting program. Failure to control wild dogs can result in livestock losses, attacks on domestic pets and the loss of native fauna. Landholders have a legislative responsibility to control declared pests on their land and participation in this program is an effective way to help meet this responsibility.

Apex Park Rededicated

Life and former members of the Kingaroy Apex Club and the South Burnett Community celebrated the rededication of Apex Park on Father's Day in September with a free community barbecue.

Kingaroy Apex Club organised the community barbecue to celebrate the rededication of the park. The pride that will maintain in Apex Park will ensure that future generations will still have this green space to spend their leisure time in.

Apex Park has been an icon amongst the local people for years with children now visiting because their parents have fond memories of the park as children. Council's Parks and Garden staff worked hard on this project and to their credit, the Apex Park looks fantastic!

Over 100 people were in attendance of the official unveiling of the Apex sign which adorns the front entrance from Fisher Street. As well as the restored sign, a new barbecue, shelter area, gardens and rest room facilities were installed into the park as part of Council's \$295,000 capital expenditure in South Burnett parks this financial year.



Kerbside Recycling

The State Government's waste reduction targets require Councils in Queensland to reduce their volume of waste being put into landfills by 25% by 2014, and 50% by 2020. Therefore, kerbside recycling is being considered as a means for the South Burnett Regional Council to achieve these State Government targets.

Kerbside recycling will allow for the transfer of recyclable items to a station for reprocessing. This reduces the amount of rubbish being put into the landfill.

A waste audit conducted in the Region in 2012 identified that almost half (48%) of the waste in a domestic wheelie bin placed out for collection contained recyclable items, including plastic bottles, aluminium cans, cardboard and paper.

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A kerbside collection survey was conducted in July this year.

About 40% of the 13,486 surveys were returned and of those responses about 31% were interested in Council implementing a two (2) bin system (general refuse and recycling) while only 7% were interested in Council introducing a green waste service (three (3) bin system).

Based on this feedback and the opportunity that many residents have to dispose of green waste by means other than putting it in the bin, Council decided to tender for a two (2) bin system.

Although some residents responded with a 'no' to a kerbside recycling service (two (2) bin system), over two-thirds (68%) indicated that they would like a recycle bin but were concerned about the cost of the service.

It can be concluded that the majority of residents are pro recycling, but only at an affordable cost. An additional recycling bin serviced fortnightly is projected to cost ratepayers just over \$1.00 per week.

The implementation of a kerbside recycling service will defer the closure of the current major landfills and therefore also avoids the costs associated with the development of any new landfill(s).

South Burnett Regional Council and Cherbourg Aboriginal Shire Council Consider Potential Recycling

South Burnett Regional Council and Cherbourg Community Shire Council are discussing working in partnership to facilitate recycling in the South Burnett.

Council started discussions to work in partnership with Cherbourg Aboriginal Shire Council to have a combined transfer station and bins at all of our tip sites for recycling.

Cherbourg currently has a recycling plant. They will conduct testing in the New Year to assess how much waste they can handle. We will continue discussions in the New Year dependant on the outcome of Cherbourg's report.

Facelift for the South Burnett Parks

Parks, gardens and play areas across the South Burnett have seen a significant amount of works completed during the year.

Council's parks and gardens team have been busy getting works throughout the region completed over the Christmas and New Year period. Almost every town in the region has had some works conducted this year.

In Kingaroy, we have had works completed on the River Road toilets, the climbing net footings and net have been installed and are open for use. Memorial Park play equipment is now installed and Apex Park has had a flying fox installed.

Council has also had upgrades for locals and visitors to utilise some of our natural landmarks.

Nanango Cemetery has also had work completed with an upgrade to the internal road and carpark entry. A shelter, internal gardens and a water feature have been completed.

Railway Park in Proston has had a BBQ shelter constructed. Toilet upgrades in Blackbutt, Scott Street carpark and Lions Park Nanango have been completed.

Wondai Cemetery and Kumbia playground have had an upgrade to their fences. Coronation Park in Wondai have had new paths completed.

In Murgon, Council has completed a shade sail in Lions Park. There are also upgrades scheduled for Rotary Park in Murgon.

Council received a biodiversity grant from the Federal Government last year. This has allowed it to plant 2000 native trees and firebreaks have been constructed on 13 reserves and four (4) control burns completed.

Work Continues on Parks and Cemeteries

Work on Kingaroy Apex Memorial Park and River Road Park has been completed.

Rotary Park in Murgon is currently being moved across to the skate park. Council has ordered toilets and lights for the Village Green in Wondai and this work is scheduled to be finished by July.

Nanango Streetscape is underway with Scott Street car park almost complete and work on Henry Street has commenced and is scheduled to have a late June finish.

Concept plans for Proston were displayed and Council started this work in early May. This will include the removal of some trees that are lifting graves. There will be some shade trees planted along the property boundary.

Council are working with the Justice Department who will be maintaining the gardens at Grant Crescent and Moffatdale.

There will be planting of some edible trees and plants at Grant Crescent as well as some feature trees at Moffatdale Park.

Mosquito's Under Fire

Council are working with the community to prevent the spread of the Dengue Fever carrying Mosquito by conducting property inspections and providing preventative education.

Council's Environment and Waste Services Department have identified some properties which are breeding 'Aedes Aegypti', the mosquito capable of carrying Dengue Fever and the Ross River virus.

There are some simple tasks residents can do to prevent the spread of this pest. They breed in containers that are capable of holding water. Residents can assist Council by inspecting their property and tipping out any water that may be lying in pots, vases, buckets, old tyres and tin cans.

DrumMUSTER

Council continued to participate in the drumMuster program. drumMUSTER is a national product stewardship program that is supported by agvet chemical manufacturers, industry stakeholders which includes member and farming associations, state and local governments. This worthwhile initiative continues to divert many plastic and steel agricultural chemical drums from landfill.

Council with the assistance of the drumMuster recycled 3225 agricultural drums during the 2013/2014 financial year. This is drastically down on previous years and may be linked to the less than favourable weather and farming conditions experience during 2013/2014.

Council continues to encourage users of agricultural chemicals to avail themselves of this worthwhile and successful program. It is worthwhile to note that the disposal of the agricultural drums is at no further expense to the purchasers of these containers.

MobileMUSTER

MobileMUSTER is the Australian mobile phone industry's official product stewardship program. It's a free mobile phone recycling program that accepts all brands and types of mobile phones, plus their batteries, chargers and accessories. It's the industry's way of ensuring mobile phone products don't end up in landfill - but instead are recycled in a safe, secure and ethical way.

Council continues to support this program and encourages residents to bring in their old or disused mobile phones and accessories to one of its regional offices where they will be recycled free of charge.

Regional Waste Management Plan

No further work was undertaken on the original Waste Management Plan during the 2013/2014 financial year due to Council's Waste Services resources being consumed in:

- Undertaking the community recycling survey;
- Developing the waste collection tender;
- Assessing the Waste Collection Tender submissions;
- Developing the new regional wide Waste Collection Contract;
- Overseeing the roll out of wheelie bins for aspects of the new waste collection contract; and
- Implementing the changeover to the new Waste Collection Contract.

It is hoped that by the end of 2014, Council will have a draft version of the Waste Management Plan to go to Community Consultation.





Challenges

- Undertake Waste Management Strategy for the South Burnett Council area, including assessing remediation requirements for legacy landfills
- Weeds and pest management programs to include rural community incentives
- Assess need for recycling shop in Kingaroy

Future Initiatives

- Workshops for community and industry to explain and educate in relation to legislative responsibilities eg food safety/hygiene training
- Partnership program with Queensland Health to ensure 100% vaccination rate of those who present for immunisation at school based clinics
- 100% of PetPEP presentations on responsible pet ownership provided to all schools (and students) that permit and/or request Council to attend.

Performance Summary	Overall Progress	Page Reference
ENV 1 Our region's environmental assets are promoted, protected and enhanced		
ENV 1.1 Include natural resource management priorities in the planning scheme	↗ <i>Progressing</i>	
ENV 1.2 Manage the diverse array of natural assets that exist in the region	↗ <i>Progressing</i>	
ENV 1.3 Investigate and implement strategies to reduce greenhouse gas emissions and non-renewable resource use	↗ <i>Progressing</i>	
ENV 1.4 Implement strategies to improve the environmental water quality of our region's rivers and water storage facilities	↗ <i>Progressing</i>	
ENV 1.5 Maintain and enhance quality habitat for native fauna and flora particularly endangered, rare and vulnerable species	↗ <i>Progressing</i>	
ENV 1.6 Manage weed and pest infestations	↗ <i>Progressing</i>	
ENV 1.7 Engage and assist the community and private land owners in environmental stewardship	✓ <i>Achieved Target</i>	
ENV 2 Environmentally responsible and efficient waste management		
ENV 2.1 Develop and implement a Regional Waste Management Plan	✓ <i>Progressing</i>	
ENV 2.2 Provide cost effective waste management facilities and operations	✓ <i>Achieved Target</i>	



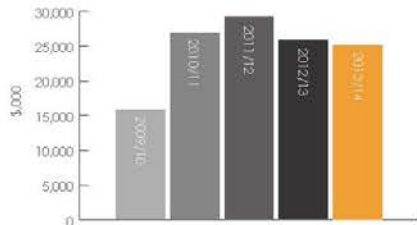
Organisational Excellence



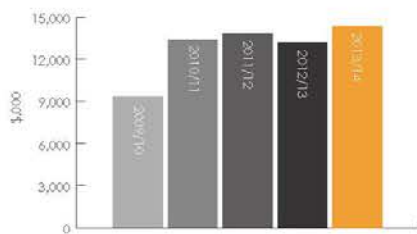
Highlights

- Participation in training and implementation of the new Business System – Techone
- Improved information dissemination and analysis to Council for the key issues surrounding the preparation and final adoption of the 2014 Budget.
- Improved monthly reporting to Budget Managers and Council,
- Agreement by the Leadership Management for the use of Business Cases,
- Consolidation of Council's banking arrangements.
- Pot of Gold Supervisors Training Program – training to increase accountability and responsibilities of Supervisors and Coordinators in accordance with legislative requirements and Council policy
- Employee Development Review roll out – Employees and Supervisors met to discuss training needs and development
- Progression with getting a higher response from staff for our workplace health and take 5 quizzes
- Completion of EEO Census

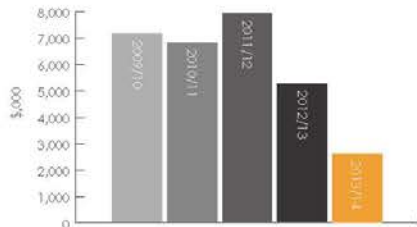
Organisational Excellence: Total Income



Organisational Excellence: Total Expenditure



Organisational Excellence: Grant Revenue



Council Delivers a Surplus

In the face of funding cuts from both the Federal and State Government, South Burnett Regional Council has delivered a surplus in its budget.

Whilst both the Federal and State budgets and many Local Governments deliver budgets with significant deficits, this Council despite another year of cutbacks and natural disasters, has brought down a budget with a \$1.52 million surplus.

This was achieved by the most rigorous review of operational costs ever undertaken by Council and by the previous individual Councils in the history of South Burnett Local Government.

A commitment was made in last year's budget to review and realign the services Council provide, whilst not knowing the savage cuts we would experience from both the Federal and State Governments during the year. Despite this, Council achieved savings of \$2.3 million in the 2013/14 budget predominately from the realignment of staffing levels, which has seen Council's workforce reduced by 6%.

The key focus in the development of the budget has been to return Council to an operating surplus. This has been an enormous effort from both the Councillors and Council staff. Full credit is to be given to the staff.

It has been a tough year with funding cuts from State and Federal Government whilst needing additional funds due to the effects of three (3) flood events in early 2013. Council made a commitment to deliver a surplus and they have delivered it.

This budget totals \$131 million and is focused on essential services. It contains an operating surplus of over \$1.52 million, achieved through sheer persistence, hard work, forward thinking and the ability to work together to bring down a budget that delivers.

This budget has been formed under fiscal pressures and difficulties that have been well documented. Nevertheless this is a budget that sustains the South Burnett in the long term.

Council Invites Local Business Tenders

Council called for two (2) Preferred Supplier Tender Arrangements in August 2013. One tender for General and Trade Services and the other for Plant Hire with the contracts being for a two (2) year period.

This was fantastic opportunity for local businesses to be included on Council's preferred supplier list. This means that Council is able to engage a business service without having to request quotations.

Council conducted a series of briefings over three (3) weeks to provide information to businesses about Council's Preferred Supplier Arrangements and the tender process.

These briefings were held at Murgon Town Hall, Nanango Cultural Centre, Kingaroy Town Hall Reception Room and Wondai Town Hall.

Financial Planning

The key Financial Planning documents as required under the *Local Government Regulation 2012* are: part of preparation of the 2013 Financial Year Budget Council developed the elements of the Financial Plan, each with a ten year outlook:

- A 5 year Corporate Plan,
- An Annual Budget – for the current year and the next two financial years,
- Relevant Measures of Sustainability – for the current year and the next 9 financial years,
- A Long Term Financial Forecast – covering a period of at least 10 financials years,
- A Long Term Asset Management Plan – for 10 financial years or more.

These key documents are adopted by Council at the annual budget meeting.

Council is also required to adopt the following financial policies:

- *Investment Policy* – which identifies Council's philosophy and strategy for investment including risk management and investment objectives and expectations,
- *Debt Policy* - the new borrowings planned for the current financial year and the next 9 financial years and the period of repayment of existing debt,
- *Revenue Policy* - the principles that the Local Government intends to apply in the financial year for, levying rates and charges, granting concessions for rates and charges, recovering overdue rates and charges and cost-recovery fees.

These policies are reviewed each year by Council usually as part of the Budget development and adoption process.

A further key element of Financial Planning is that any new projects will be considered in terms of their whole of life costing which, in Council's case, is a particular consideration for projects identified in the Debt Policy. In addition during this year the Leadership Management Team formed an agreement on the practice of developing a Business Case for not only major capital projects but also key capital and operational projects. The Business Case can be used either for already identified projects or to facilitate approval for change within the organisation.

Long Term Financial Forecast

As part of the adoption of the 2013 Financial Year Budget, Council also adopted the Long Term Financial Forecast. The forecast covered a 10 year period to the year 2022 and included the forecast for:

- Comprehensive Income Statement,
- Balance Sheet,
- A Statement of Financial Position,
- A Statement of Cash Flow,
- A Statement of Changes in Equity.

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- The relevant measures of financial sustainability.

The development of the annual and long term forecast is a lengthy process which begins with the Budget Manager's first estimates being compiled to build the first draft. A number of iterations of the budget are developed following meetings with the budget Managers, General Managers and Council. For the preparation of the 2014 Budget which was developed during the year in review, the process began in January 2013 and is informed by a series of strategic workshops with Council. These workshops facilitate the operational and capital investment focus for the current year and the next 9 financial years. In addition, borrowing levels, the level of restricted cash, capital budgets and other relevant sustainability indicators are discussed.

Long Term Borrowing Strategy

During the year under review the Asset Management Plans informed the budget in terms of the level of capital expenditure requirements for the next ten years to refurbish and develop Council's assets to meet service level requirements. As part of the development of the 2014 budget a ten year borrowing path was established for the renewal and refurbishment of critical assets, particularly for Water and Waste Water service delivery. Borrowings have also been proposed for the ongoing bridge replacement program from 2015 to 2017.

A total loan amount of \$24.7 Million was drawn down in the year 2014 mainly to fund the Water and Waste Water Treatment Plant.

Procurement

Each year Council reviews it's Procurement Policy to regulate the purchasing of goods and services to facilitate the delivery of the Strategic and Operational Plans. This year the focus of the review was:

- Compliance with the new expenditure levels in the *Local Government Regulation 2012*,
- Local purchasing content and,

Asset Management Plans

Long Term Asset Management Plans were first adopted by Council during the 2012 financial year. These plans are to be reviewed annually.

The Asset Management Plans have better informed Council's ongoing investment in its Asset Base. As a result a significant borrowing program has been identified as essential to undertake key projects throughout the region. One such essential project is the Kingaroy Waste Water Treatment Facility which is estimated at \$26 million. Debt servicing for the necessary loans have been factored into the Long Term Financial Forecast. Council will also apply for any external funding which may become available in subsequent financial years.

Also included in the Financial Statements are the ratios for the next 9 financial years based on the forward revenue and expenditure projections. The actual results are shown below:

Ratio	What the Ratio Means	Industry Target/ Measure	Ratio based on Actual Performance	
			2013	2014
A positive ratio Operating Surplus Ratio	This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.	Between 0% and 10%	-34%	-1%
Asset Sustainability Ratio	This ratio indicates whether a Local Government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.	Greater than 90%	97%	314%
Net Financial Liabilities Ratio	This is an indicator of the extent to which the net financial liabilities of a Local Government can be serviced by its operating revenues. A ratio less than zero (negative) indicates that current assets exceed total liabilities. Therefore the Local Government appears to have significant financial capacity and the ability to increase its loan borrowings if necessary.	Less than or equal to 60%	-19%	2%

Financial Sustainability

The *Local Government Regulation 2012* requires that the following measures of financial sustainability (sustainability ratios) must be included in the budget and form part of the audited Financial Statements:

- Operating Surplus Ratio,
- Asset Sustainability Ratio,
- Net Financial Liabilities Ratio.

For the first time this year these measures were subject to audit for the current financial year. Also included in the Financial Statements are the ratios for the next 9 financial years based on the forward revenue and expenditure projections. This year the auditor had discretion on whether or not to audit the long term ratios. Council's actual performance against Industry Targets for the two financial years, 2012 and 2013, are shown in the following table. The actual results show Council to be in quite a good position with the notable results being:

- The Operating Surplus Ratio has been impacted this year by the large expenditure program to reinstate Council's Road and Drainage Assets as result of the 2011 Flood Event. Almost half of the Government Funding, \$25,942,500, for this expenditure program was received in 2011 Financial Year with the expenditure mostly incurred during the 2013 Financial Year.
- A favourable Asset Sustainability Ratio indicating a good capital expenditure level,
- The Net Financial Liabilities Ratio

Consolidated Banking

During the Financial Year Council called and awarded tenders for the provision Banking Services to Council. The tender was awarded to the National Australia Bank. The prime purpose was to consolidate banking arrangements into one bank as Council continued to operate several bank accounts which were in place at the time of amalgamation.

HR Management Standards

HR Management Standards have now become the basis for performance and behavioural standards and have been used for the base line of Council's newly introduced Performance Appraisal Process.

The Standards are referred to at staff meetings; toolbox talks etc. in an effort to reinforce a set level of understanding to all staff with regard to their obligations as employees of Council.

Council's Management Standards have now become an integral part of Council's operations. All staff are aware of their obligations as employees and are encouraged to comply with Council's legislative obligations.

Performance Review System

Performance review system was implemented for all staff with awareness training conducted over several months to acquaint staff with expectancy and the understanding of reference based appraisal. The whole organisation met the deadline completion date. Valuable information was collected to assist in filling the gaps for Employee training needs as a result. This analysis aids the setting of Training Courses and Budgeting for those needs.

Planning for new Enterprise Bargaining Agreement

Planning for Modernised Award process underway by direction of the Queensland Industrial Relations Commission. SBRC representatives were selected by the Local Government Association of Queensland to assist in the development of a single draft Award for Local Government Employees.

Implementation of the *Industrial Relations Act* changes are underway to comply with changes to employment arrangements impacted by those changes.

Trainees

This year Council was assisted via grants from the QLD State Government Region to Recovery to engage four trainees. These young people are continuing to learn skills and gain significant experience in our Parks, Soil Testing and Information Technology work units.

Training and Professional Development
(including careers market at Kingaroy State High School)

Council expenditure on training and professional development in this year amounted to \$ 17,093. These funds are provided by Council to provide necessary skill development for staff to ensure they are proficient in providing our wide and varied services to our Community.

Recruitment

Staff turnover in the 2013/14 equated to 13%.

- Number of vacancies advertised: 51
- Number of Appointments: 83

Supervisor Training

Council introduced specifically designed in-house training. Pot of Gold Supervisors Training Program is training to increase accountability and responsibilities of Supervisors and Coordinators in accordance with legislative requirements and Council policy

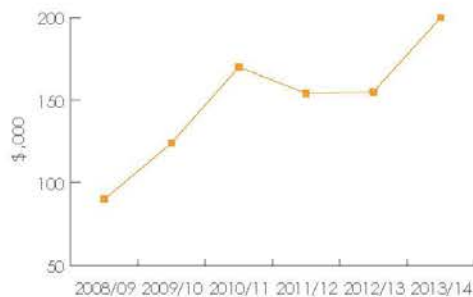
Payroll Tax

The former Wondai, Nanango, Murgon and Kingaroy Shire Councils individually did not exceed the payroll tax exemption threshold. After the amalgamation of these Council's in 2008, the South Burnett Regional Council immediately exceeded the exemption threshold and had a Payroll Tax liability.

Council has been lobbying the State Government to raise the exemption threshold for payroll tax on Local Government eligible business to \$25 million and indexed by CPI for the for the next four (4) years.

Payment of payroll tax currently by Council equates to a 0.7% general rate increase imposition on South Burnett ratepayers to cover this liability incurred since amalgamation.

Payroll Tax paid by Council since amalgamation:



Further, Council is expecting a significant increase in payroll tax liability due to a planned \$80 million Water and Wastewater capital works program over the next ten years. Council is also developing a Strategic Waste

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Management Plan which has the potential to further inflate the Payroll Tax liability.

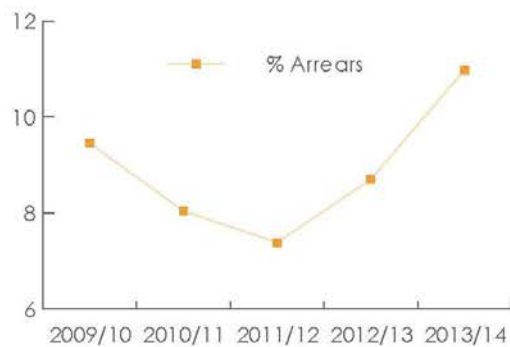
Rating

This year has seen an increase of approximately \$1.37 million dollars in rate arrears during this financial year.

This result can attributed to the late close of the final quarterly discount period of the year; the prolonged drought & difficult economic conditions experienced throughout the district; minimal debt collection activity and in spite of the public auction of 10 properties held in February 2014.

The number of rate payers with formal rate arrangements has increased from 238 in 2009 to 793 at 30 June 2014. There were 279 current rate arrangements at 30 June 2014.

% Rate Arrears



Council Embarks on New Technology

Monday 21 October 2013 saw the South Burnett Regional Council achieve another milestone in it becoming a leading regional authority.

Embarking on new technology that is recognised as world's best practice, will bring operational efficiencies to Council and in the longer term benefit the residents of the South Burnett. Council selected Technology One as its new business system. Technology One's software was developed in Queensland and installed in Councils in this State.

Council staff worked behind the scenes for more than 18 months to bring together the information from Council's old systems. The conversion from the out dated system that Council has struggled with for many years has now been replaced.

Staff worked over the weekend preparing for the new system to be operational when business resumed on Monday 21 October 2013. Over the next few months the new software continued to be enhanced to obtain the optimum benefit from the system.

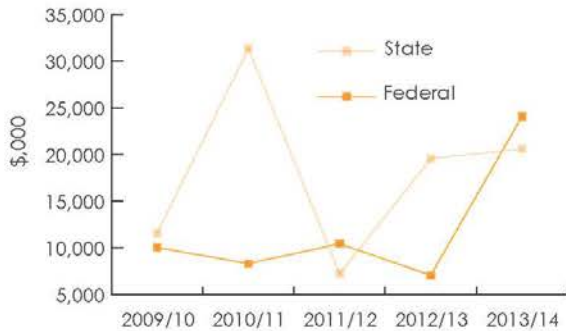
Phase two (2) of the new system (due early next year) will bring more efficient access to information for residents and rate payers, enabling the lodgement of Development, Plumbing and Building Applications online, as well as on-line customer requests.

As with any major change, staff have had to learn how to operate the new system and new processes have had to be developed to accommodate this change.

This has been a significant achievement for all staff involved and Council is very proud of their efforts and the benefits that will be achieved in the long term.

Preparing Council's Budget

Council is working on its 2014/15 budget and poring over all costs to identify savings. This is a hard task as again this year Council have absorbed unexpected cuts to funding from the Federal and State Government.



In the budget papers of last year we forecast an increase in general rates of 'above 5%' knowing that our finances were under stress. Since that time two major shocks have occurred these being the reduction in grant money and the effects of drought on our farmers and businesses.

Each year Council have progressively been reducing our operational costs so that despite normal inflationary indices since 2008/09, this Council has been able to operate with an operational budget that is now less than the operational budget that was allocated in 2008/09.

This in itself is a remarkable achievement and one that Council believes is unique in medium sized rural and regional Queensland Councils. This has been achieved through good management of resources, reductions in staff, and improving business processes.

Council's aim is to get the general rate increase below the forecast 5%, hence we are working hard to identify which services can be cut or reduced knowing full well that roads are our major priority.

Currently our water prices are well below those recommended by an external State Government funded project. Council is aware of this but will address this in a planned way over several years to avoid what is called price shock.

Since January, Council has done a dozen different financial models with the aim of minimising the impact of any rate increase. Council is committed to balancing the budget and do not want to fall into a budget position where they are reported to Parliament and placed on watch by the Auditor General for being financially unsustainable. Some 16 Councils were recently placed on watch and reported to Parliament for being in a poor financial position.

Council plans to bring down its budget in June, The bottom line is that our budget must balance.

South Burnett's Black Spots Addressed

Council have worked in conjunction with Wide Bay Burnett Regional Organisation of Council's (WBBROC) to identify five (5) communication black spots and these were communicated to representatives from Telstra at the WBBROC meeting.

It is essential for the growth of the region and for economic development that the black spots be looked at by Telstra and improvements to connectivity occur.

The five black spots identified in the South Burnett are –

1. The Wondai-Chinchilla and Durong-Mundubbera Roads
2. The area around Boondooma Dam
3. The Maidenwell-Bunya Mountains area
4. The area around Murgon and Cherbourg
5. The Bunya Highway between Murgon and Goomeri

WBBROC contracted an independent consultant to test the effectiveness of our broadband network. Councillors worked with the contractor in providing feedback from our residents as to where there were communication issues.

It is a challenge for Council and makes it very hard for us to encourage new business to move to the region when we have connectivity issues. In this day and age, it is a key requirement of business that they have access to phone and internet services.

The floods of 2013 also identified the necessity for effective communication networks. The increase in people using the internet and social media to find out about natural disasters has been significant over the past few years.

Council have been working alongside Bundaberg, Fraser Coast, Gympie, Cherbourg and North Burnett Regional Council's who all have representatives at the WBBROC meetings.

Working as a team with the other Councils has proved to be very productive. It is great to get the support of the other Regional Councils as united we are stronger to lobby for changes.

Council receives Silver at the Australasian Reporting Awards

Council has received a Silver Award at the Australasian Reporting Awards Presentation held in Sydney in June. This is the first silver after previously five consecutive years receiving Bronze at these prestigious awards.

The 2012/13 Annual Report is an open and detailed account of Councils operations for the year. The award recognises Council's transparency and accountability in reporting back to our community on our operations, financial position and achievements for that year.

The Australasian Reporting Awards are regarded as the most prestigious reporting benchmark in Australia and

New Zealand. The awards were introduced 63 years ago as a means of improving accountability for, and public communication about, the activities of public, Government and not-for-profit organisations.

The work that goes into producing an Annual Report and then presenting it in a modern format is testimony to the commitment and talent of our Governance Team. Kerrie Le Du and Sharon Frank (former Governance Manager) deserve most of the praise for winning this award. Council has been the recipient of several awards over the past 12 months. It is hard for a Regional Council to compete with the bigger Councils but this Council has proven it can be done.

Copies of the award winning Annual Report for 2012/13 are available to read at Council libraries or can be accessed online at Council's website www.southburnett.qld.gov.au.

Disaster Recovery Strategy – IT

First stage Link speed and disaster recovery site established power and equipment racking - complete

2nd stage purchase hardware install and establish baseline line file replication allowing for a manual start up in the event of a disaster - complete

3rd Stage audit and purchase suitable software and licensing to transition the manual intensive recovery process to be more automotive and seamless – current

In essence this means that in the event of a disaster/ failure of our computer systems (e.g.: system crashes, networks failure, power outages), that a maximum total of 1 hour data loss and a maximum outage of 24hrs will be achieved in a worst case scenario.

GIS update

Implemented a new software platform (Intramaps) to integrate GIS datasets with council's core business system - TechOne.

The below GIS data is currently the testing phase

- Assets
- Animals
- Water and waste water

Awaiting scheduling of TechOne resource to expand on GIS asset capture and direct write functionality to TechOne

IT Hardware & Software Initiatives

PC replacements

Commenced the annual replacement schedule for council computer assets reaching 4 years of age.

50 x all in one desktop unit

25 x laptops

15 tablets mobile device

PC replacement and Win 7- 2010 migration - Continued deployment of Windows 7 and 2010 partnership with PC replacement cycle to move Council to SOE (Standard Operating Environment due to MS)

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Photocopier - Commenced a rationalisation and lease renegotiation plan to reduce operational expenditure related to council print costs

Blackbutt Customer Service Centre and Proston Library connected to Council IT Network

Council consists of numerous facilities all operating to achieve a specific function. To improve this service and increase efficiency, it was decided to extend network coverage to these locations. This allowed for users at these facilities to access council's corporate data and voice network as well as network shares and applications. In essence this means that all of our information technology systems in all of our facilities 'talk to each other'. As a result Blackbutt and Proston are now connected to the corporate network

Providing network access allows tasks and requests to be dealt with more efficiently.

Introducing internet wireless access to the branch libraries

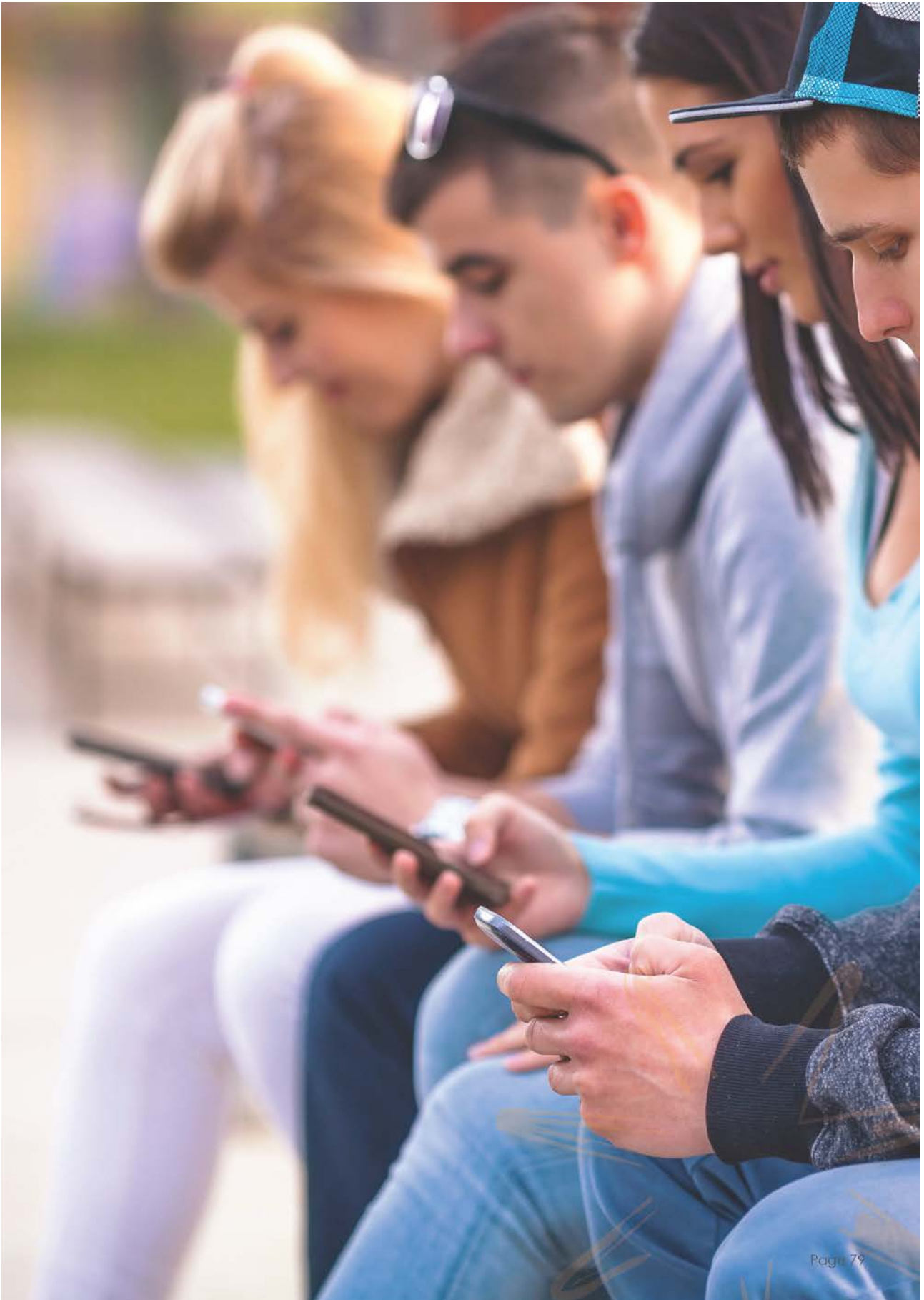
Blackbutt now has public Wi-Fi available in the Library.

Proston to be implemented this year.

Executive/ Councillor Development Programs

Listed below is the development programs attended during the financial year.

- LGAQ 2013 Disaster Management Summit - Mayor
- Destination Q Tourism Forum - Mayor & CEO
- Articulate Conference Dinner - Mayor
- LGAQ 117th Annual Conference - Mayor, CEO, Cr Campbell
- LGCOG - Busselton WA - CEO
- LGMA Annual Conference - CEO
- RACQ Southern Qld Tourism Industry Conference - Mayor
- Regional Round Table - Mayor & CEO
- The Qld Plan Summit Mackay - Mayor & Cr Duff
- The Qld Plan Summit Brisbane - Mayor
- 2014 Southern Qld Tourism Industry Conference - Mayor
- Compact Housing Breakfast - Mayor
- Elected Members Update - Cr Heit
- Executive Management Program - CEO
- Finance & Civic Leaders Summits - Mayor & Cr Campbell
- RDA Conference - Mayor



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Challenges

- Improving the quality of the Asset Registers for all asset classes,
- Continuously improving the budget processes,
- Improved monitoring of actual performance,
- Federal Assistance Grant Data Analysis to maximise the return to Council,
- Implementing TechOne,
- Preparing the business model to facilitate the \$36.4m borrowing program,
- Redevelopment of the Asset Management Plans with the Asset Management Group,
- Ensuring collection of appropriate financial data as part of the 2013 Flood Damage restoration works,
- Manage the cash flows relating to the significant restoration works program from the 2013 flood events - \$65.6m,
- Implement raft of changes in Australian Accounting Standards.
- Establishment of training and skill gap analysis – lack of resources and unknown level of staff skills
- Implementation of HRIS (Tech One system) – working progress, gathering information to put into system so it can be reported on
- Implementation of the new modernised Local Government Employees Award



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Future Initiatives

- Recruitment and selection training
- Expansion of pot of gold program to leadership training program
- Workforce Planning Framework to be developed
- Human Resource Policy and Procedures Manual to be developed
- Participate in Tech One – New Business System Implementation

Performance Summary		Overall Progress	Page Reference
EXC 1 <i>Effective financial management</i>			
EXC 1.1	Develop and implement long term financial plans and indicators to achieve optimum use of resources and alignment to strategic priorities	✓	Achieved Target
EXC 1.2	Optimise Council's revenue, based on realistic and equitable policies and practices	✓	Achieved Target
EXC 2 <i>Effective business management</i>			
EXC 2.1	Develop and implement information and technology solutions that meet corporate and customer needs	✓	Achieved Target
EXC 2.2	Ensure document management systems and practices cover the full range of Council's activities and are compliant with statutory requirements	↗	Progressing
EXC 3 <i>A skilled and sustainable workforce</i>			
EXC 3.1	Develop a Strategic Human Resource Management Plan	↗	Progressing
EXC 3.2	Promote a 'safety first' environment	↗	Progressing
EXC 3.3	Develop an organisational culture and structure which reflects our shared vision and values	↗	Progressing
EXC 3.4	Develop and promote an environment where our people feel valued and rewarded for their performance	✓	Achieved Target
EXC 3.5	Develop and implement employment programs to provide opportunities for targeted groups	↗	Progressing
EXC 4 <i>Ethical, accountable and transparent decision-making</i>			
EXC 4.1	Develop and implement a governance framework that delivers good organisational management	✓	Achieved Target
EXC 4.2	Implement management plans to reduce risk to Council and the community	✓	Achieved Target
EXC 5 <i>An informed and engaged community</i>			
EXC 5.1	Develop a range of initiatives to engage and inform the community	✓	Achieved Target
EXC 5.2	Develop a community plan that identifies our region's aspirations and direction for the future	✓	Achieved Target
EXC 6 <i>Effective advocacy and strategic partnerships</i>			
EXC 6.1	Advocate Council's strategic position on key issues to government sectors	✓	Achieved Target
EXC 6.2	Develop and maintain close working relationships with State and Federal governments, agencies, corporate entities and community groups	↗	Progressing

Service Delivery & Infrastructure



Highlights

- Cost of Roads completed \$21.7M
- Moloneys Bridge, Hodge Dip Road \$1.1M
- 114 High Priority Floodways repaired
- Approx 3500 defects on 341 sealed roads
- Approx 3300 defects on 371 unsealed roads
- Total cost of \$9.4M on high priority floodways including betterment of \$4M
- \$3.3M on 135 minor floodways / culvert defects
- Linds Road success – floodway was washed away in the 2011 floods and a new concrete floodway constructed and this new floodway withstood the 2013 flood event
- Local boost to the economy through supplies and contractors
- 60% of local companies gained valuable experience on large civil contracts
- 2011/2013 combined program \$90M
- 2011 program 100% completed and 84% acquitted
- 2013 program 82% completed and 0% acquitted
- Approx \$1M of the 2013 Unsealed Roads program was completed by Council day labour
- 15 Betterment Projects

Record Expenditure on Roads & Infrastructure

Council's 2013/14 Budget saw a record expenditure on roads throughout the vast road network in the South Burnett. This work is able to be funded by a Roads Levy.

The focus of this Budget is roads and infrastructure. \$66.2 million will be spent on roads this financial year. This includes the flood restoration work.

A large amount of our road work will be funded through the introduction of a Roads Levy. This has been brought about by Council's desire to get our roads system back to where our community requires it to be, safe and sustainable.

After the floods of earlier this year a decision had to be made, do we find additional funds to get our roads back in shape or do we let roads deteriorate further. When put into perspective, this Council had only one choice and with no additional funding available from 'cash strapped' Federal and State Governments then the decision became obvious.

One of the defining reasons for the Road Levy was to ensure that every cent raised was spent directly on roads and our rural roads will see the biggest proportion of this spend. The difference with a Roads Levy compared to a larger rate increase is that it ensures all revenue from the Levy will be spent on our Council roads and due to this, a difference will be seen within 12 months.

Roads repairs, resealing, kerb and channelling, maintenance, upgrades and bridge work are scheduled throughout the South Burnett.

\$1 million will be spent on drainage, including kerb and channelling for the townships of Blackbutt and Benarkin over the next five (5) years. This will help the eastern gateway to the South Burnett come of age as a wonderful place and integral part of the South Burnett.

Over \$3 million has been allocated to our resealing program for 2013/14 much of which will be spent in Kingaroy.

Just under \$1 million is allocated for upgrading the Nanango CBD Streetscape and a new off street parking complex. These funds combined with the State government approval for traffic lights at the intersection of Drayton and Henry Streets will see a revitalisation of Nanango's business area.

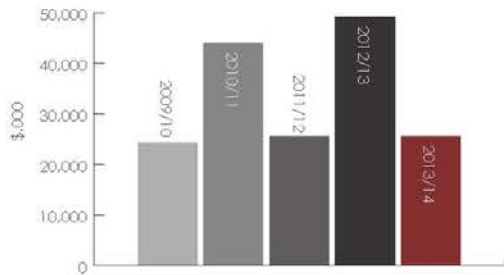
South Burnett Assets Upgraded

Council scheduled much needed upgrades to its assets in the 2013/14 budget.

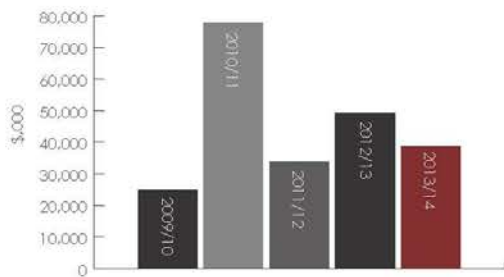
Council budgeted \$14.15 million to be spent on key assets throughout our Region.

Council will undertake a significant renewal and replacement program of our Water and Wastewater infrastructure which will see the future infrastructure requirements of our region assured.

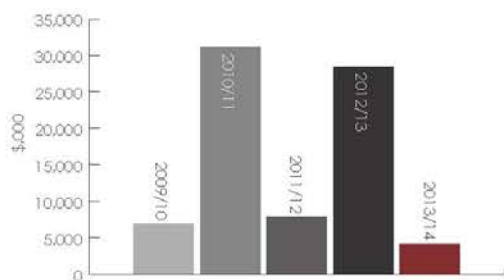
Service Delivery & Infrastructure: Total Income



Service Delivery & Infrastructure: Total Expenditure



Service Delivery & Infrastructure: Grants Revenue



Money has been allocated for capital improvements in Water and Wastewater assets across our Region which includes –

- \$1.78 million for water main replacement and upgrade
- \$800,000 completion of Rising Main
- \$4.265 million Water Treatment Plant upgrades
- \$1.14 million Wastewater Mains Upgrade and Replacement
- \$790,000 Wastewater Treatment Plant Upgrade

A number of major assets need replacing or upgrading which are beyond the normal financial means of the Council. We have proposed to undertake a significant loan borrowing program over the next six (6) years to undertake these crucial works.

The borrowing program is affordable and was checked and found to be prudent and efficient.

Works in this area will enable future expansion when the economy starts to boom. Our Council is getting prepared for the upturn in the economic cycle.

Thompson Street Bridge, Murgon

Council replaced the Thompson Street timber bridge in Murgon with a concrete culvert during work commencing in September 2013.

It was necessary for the section of Thompson Street (between Douglas Street South to Krebs Street) to be closed for the works.

Works completed over an approximate 10 week period were:

- Removal of the existing timber structure
- Installation of culverts and headwalls
- Associated road works

Wastewater to Flow Freely

As a part of Council's commitment to ensure the long term sustainability and efficiency of our wastewater infrastructure, Council's Water and Wastewater Branch has begun its sewer relining program.

The fact is our Water and Wastewater systems across the Region are old and some assets are nearing the end of their life. The average age of our pipe network is about 44 years and we have some major trunk mains that are approaching 60 years old.

For the first time since amalgamation, Council has a really good understanding of what it has and how old it is, but what it has shown is that Council has an old system that needs attention. We need to act now so that we have a plan to replace a lot of these old pipes, treatment plants and sewers before they fail and cost the community more in the long run. There will be over 5,000 meters of our sewer relined.

The details of the sewer works happening per town are:

- Nanango 1766m of 150mm mains including approximately 57 house connections
- Kingaroy 1500m of 150mm mains including approximately 75 house connections

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- Wondai 1328m of 300mm trunk main including approximately 20 house connections
- Murgon 745m of 300mm main including approximately 13 house connections

The Sewer relining is a process for repairing damaged sewer pipes which does not involve significant excavation; instead it places a new internal sleeve inside old, cracked sewer pipes. The process is undertaken by heating PVC pipe until it is soft and winching the soft pipe through the damaged sewer pipe between existing sewer manholes. Steam is then injected into the new PVC pipe so that it expands and forms to the existing sewer main which creates a brand new sewer line.

Utilising sewer relining technology enables Council to cost effectively repair damaged sewer pipelines and to minimise disturbances to the community through unnecessary earth works.

River Road Kingaroy - Battered and Now Bettered

Work was in full swing on the rebuilding of two (2) frequently flood damaged sections of River Road at Kingaroy and Inverlaw.

The two (2) sections of River Road were severely damaged in 2011 and again in both January and March 2013. The conventional bitumen sealed pavement was not able to withstand the battering from the flood waters and is being replaced with reinforced concrete under the \$500,000 betterment funding from the State Government.

Mayor Wayne Kratzmann and State Member for Nanango Deb Frecklington inspected the works with contractors during one of the large concrete pours. The Member for Nanango confirmed that State government is committed to repairing roads as quickly as possible and ensuring that where possible, important roads are more resilient for future floods.

A small army of concrete workers from Civil Mining and Construction (CMC) were on hand at the Inverlaw site to lay over 180 cubic meters of concrete which was supplied from the local Hytech Concrete batch plant.

The work on both sections of River Road was expected to be opened to all traffic by mid October.

Reseal Program

Bitumen sealing commenced in Kingaroy which will continue for six (6) weeks. There are also roads and streets to be resealed in other areas including Nanango, Ellsemere and Blackbutt.

This is part of an overall \$3M annual program to ensure that our sealed road network does not deteriorate rapidly due to weather or wear and tear.

Like the periodic repainting of a timber house, it is important that the bitumen seals which protect our underlying road structures are recoated frequently enough to maintain their waterproofing and surface strength qualities.

In most cases we are also undertaking preparation works such as filling ruts and removing grass growth. This will ensure that these roads are brought up to a good standard as part of the reseal program.

Council Lobbies Bridge Funding

Council's Mayor lobbied the Federal and State governments for additional funds to replace timber bridges in the Region.

These additional funds were needed to accelerate the replacement of timber bridges on Local Government controlled roads.

The South Burnett has sixteen timber bridges which have either load limits or restrictions to single lane due to poor condition ratings. Council has programmed the replacement of all these bridges in our ten year capital works program. Additional State and Federal Government funds mean we could have these bridges repaired in a quicker time frame.

The Mayor had the opportunity to present a proposal to the Honourable Scott Emerson, the Minister for Transport and Main Roads and will be moving a motion at the LGAQ conference in Cairns next week.

Deputy Prime Minister Warren Truss has flagged that Bridges to Recovery is on the new Federal Government's radar and he look forward to putting it to the test. He announced before the election that he was putting \$200,000,000 towards the Nation's bridges. The South Burnett will be leading the charge to secure some of these funds.

The replacement of a timber bridge with a precast concrete structure typically costs from \$1.5M upwards, depending on the size of the structure.

Council replaced a timber bridge in Thompson Street, Murgon with large concrete culverts. This will restore this crossing such that there is no load limit in place.

The replacement of a timber bridge in Drayton Street, Nanango has also been completed, with precast concrete components for a new bridge.

Nanango Bridge Replacement

The timber bridge on Drayton Street, Nanango was the first bridge to receive an upgrade through the South Burnett Regional Council's 'Bridges to Recovery' program.

The Drayton Street Bridge is currently a timber bridge that is in poor condition with a load limit in place. It needs to be replaced with a pre-cast concrete bridge.

Council requested tenders for the work and work commenced in January 2014.

In a special Council meeting, construction was awarded to F K Gardner Civil Contractors to commence the upgrade to the Drayton Street Bridge in Nanango.

Drayton Street Bridge is one of several timber bridges across the region that needs to be replaced. Council is still working on seeking funding from the Federal and State Government to assist in the acceleration of the bridges to recovery program.

Drought Causes Water Problems

Council and Queensland Health worked on ways to address the water problems identified in Kingaroy during the year.

The substance Trihalomethanes (THM's) rose above recommended levels. Regular testing remained ongoing to ensure the safety of the water supply.

This testing had identified another naturally occurring chemical, bromide, is present and associated with a particular type of THM's. Increased bromide levels has probably been caused by the drought conditions and until the catchment receives good rains, water was sourced from Boondooma Dam.

Queensland Health were the lead agency and Council worked very closely with them to ensure residents were informed and advised of any changes to these levels.

Moloneys Bridge under Construction

Construction was well underway for the replacement of Moloneys Bridge on Hodges Gip Road at Chahpingah. Councillor Keith Campbell and project staff visited the contractor on site to inspect progress on the piling work. Council's contractor 'Kay Associates' from the Sunshine Coast won the tender with an innovative precast deck unit design, supported on bored reinforced concrete piles.

The old Moloneys Bridge, which was washed off its foundations in the 2013 floods has now been removed and the timbers sent away for recycling. The new bridge has three (3) spans and was designed to fit in with the existing road. It is at the same height and on the same alignment as the old bridge.

The design features of the 750 mm diameter piles that must be drilled two (2) metres into the rock to provide tie down against the uplift forces from future floods. The contractor has their work cut out in drilling the rock sockets into very hard granite rock. The rock is so hard in places that the drilling rig was only able to drill approximately 100mm an hour.

The piles are constructed using hollow steel liners driven into the stream bed until they reach rock. The rock sockets are then drilled out, reinforcing steel cages are inserted and the piles filled with high strength concrete.

Meanwhile, the deck units were being manufactured at a pre-casting facility and were transported to site by truck for installation commencing in May. The new bridge was on track for completion by the end of June 2014.

Council's 'Over-Hall'

Council gave some halls in the region an overhaul.

Council was busy progressing with scheduled works on many of our halls.

The Nanango Cultural Centre is one of the largest projects. This project was on target to be completed mid-March.

The Wondai Town Hall has had its carpets and vinyl replaced and a fresh coat of paint in the toilets. Council also replaced the stage curtains in both the Wondai and Murgon Town Halls.

Council also addressed some safety concerns, including repairs to the rear stairs at Mondure Town Hall.

Council added security lighting to the Proston Hall and a sound system was installed. A portable PA system was purchased and provided to the Durong Community Hall Committee. Painting of the internal walls has been completed.

Flood restoration

Council was activated on 28 January 2013 and again on 25 February 2013 under the Natural Disaster Relief and Recovery Arrangements (NDRRA).

The 2013 floods in January, February and March caused extensive damage to roads, bridges, major culverts, floodways and drainage structures.

By December 2013 Council crews and existing 2011 contractors had completed approx. \$19M of emergent and restoration works.

Contracts were awarded for the balance of the 2013 flood restoration works on roads with 82% of the program completed. Council Day Labour crews also completed a portion of the 2013 flood restoration works.

Betterment proposals were submitted for the 2013 flood event. Betterment arrangements allow Local Government Authorities to restore or replace essential public assets to a more disaster resilient standard than their pre-disaster standard. Council was successful in obtaining 15 Betterment Projects across the region.

The target completion date for all works is December 2014 and acquittals to be finalised by March 2015.

Infrastructure Roads and Drainage

Infrastructure Roads and Drainage, within the Infrastructure Services Department are responsible for the management of Capital and Maintenance Work relating to roads (Department of Transport and Main Roads (DTMR) and Council's road - sealed and unsealed), bridges, car parks, drainage and footpaths.

Roads and Drainage have 91 skilled staff working across such fields as Administration, Technical Support, Supervision, Plant Operation and General Labouring.

Road construction and maintenance continues to be a high priority for Council with a total expenditure of \$8.59M for the financial year with a budgeted investment in roads and associated infrastructure of:

Maintenance - Roads, drainage and footpaths \$5.5M

Construction - Roads and bridges \$14M

Corporate/Operational Target – 100% expenditure of allocated budget

Performance – 80% expenditure

Construction

Council receives a significant amount of its funding from Federal and State Government through external funding including:

- Roads to Recovery (RTR)
- Traffic Infrastructure Development Scheme (TIDS)
- Regional and Local Community Infrastructure Program (RLCIP)
- Queensland Rails (QRail)

Additional capital works projects are funded through Council's own revenue.

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Roads, drainage, construction, and rehabilitation works commenced or completed during the year included:

Projects	Description
D'Aguiar Highway (Yarraman-Kingaroy)	Intersection Improvements – Peterson Drive
D'Aguiar Highway (Yarraman-Kingaroy)	Passing Lane North of Lucas Road
D'Aguiar Highway (Yarraman-Kingaroy)	Parsons Road Turning Lane
Mundubbera Durong Road	Realignment and seal widening
Sandy Creek Bridge	Timber bridge replacement

Transport Infrastructure Development Scheme (TIDS)	
TH Burns Road (Glencoe Road)	Realignment and Seal
Blackbutt Crows Nest Road	Seal Widening
Memeramabi Barkers Creek Road	Realignment and Seal
Radunz Road	Realignment and Seal

SafeST
Nil

Roads to Recovery (RTR)	
Crompton Drive	Seal Widening
TH Burns Road	Realignment and Seal
Malar Road	Seal Widening
Transmitter/Tingoora	Intersection Improvement
Franks Road	Seal Widening
Stuart Valley Drive	Seal Widening
Wattlecamp Road	Construct Floodway
Markwell Street	(Glendon to Kingaroy) Pavement Rehabilitation

Revenue	
Scott / Hathaway Intersection	Intersection upgrade
Alice Creek Road	Culverts
Beitzel Road	Culverts
Gleneriffe Road	Culverts
Kumbia Brooklands Road (Dicks Road)	Culverts
Mondure Wheatlands Road	Culverts
Old Wondai Road	Culverts
Springs Road	Culverts
Tingoora Chelmsford Road	Culverts
Whitaker Road	Culverts
Albert Street, Kingaroy	Kerb and Channel
Beresford Road, Proston	Kerb and Channel
Burnett Street, Nanango	Kerb and Channel
Hodge Street North, Wondai	Minor Urban Sealing
Jones Street	Reshape Drain

Regional Footpath Programme	
Haly Street, Kingaroy	Baynes Street, Wondai
Jarrah Street, Kingaroy	Avoca Street, Kingaroy

Road Levy Projects	
Arthur Street West (Construction)	Cooper/Nutt Street (Urban Seal)
George Street (Construction)	McAlister Street (Footpaths)
Gipps Street North (Construction)	Nutt Street (Urban Seal)
Douglas Street (Kerb & Channel)	Nutt Street (Coronation/ Harm Kerb & Channel)
Langton Road (Rural Seal)	Beresford Street (Intersection Upgrade)
Bowman Road (Intersection Upgrade)	Alexander Street (Carpark)
Pine Street (Coulson/ Douglas Urban Seal Kerb & Channel)	Kumbia Streets Road Construction
Pine Street (Miller/Morris Urban Seal)	Reedy Creek Road (Culverts & Inverts)
Kumbia Back Road (Culverts & Inverts)	Mt McEuen Road (Culvert)

Department of Transport and Main Roads (DTMR)

Council continues to deliver its Routine Maintenance Performance Contract (RMPC) to DTMR. This year's contract totalled \$1,577,177 inclusive of reseal preparation, with an additional \$450,000. Council completed 100% of this year's contract.

Corporate/Operational Target – A minimum 85% expenditure of total allocated budget

Performance – 80% expenditure

Maintenance

Council's road maintenance program continues to be a challenge to deliver the communities expectations. Delivering a safe sealed and unsealed road network, to a level of service acceptable to the community, continues to be our main focus.



Reseal Projects				
Albert Street	Farr Street	Kingaroy Street	Norman Street	Lillian Avenue
Alice Street	Fisher Street	Raintree Avenue	Lorna Court	Wickham Street
Alford Street	Fitzroy Street	Regent Street	Parker Road	Quarry Road
Anne Court	Francis Street	Roberta St	Pauls Parade	Hillsdale Road
Arthur Street	Geale Street	Rosedale Street	North Street	Daniels Road
Avoca Street	Gilbert Street	Sawtell Street	Oliver Bond Street	Dutton Street East
Baron Street	Gladys Street	Stolzenberg Road	Palm Court	Krebs Street
Barwick Street	Gooyong Street	Thelma street	Patrick Street	Moondooner Road
Belle Street	Haly Street	Toomey Street	Peter Real Court	Zerners Road
Buchanan Street	Harris Road	Trussell Street	Rae Street	Kapernick Bridge
Burnett Street	Hillview Parade	Tuite Street	Victoria Street	Banksia Drive
Carinya Street	Hodge Street	Valley Street	Wattle Street	Rose Court
Carroll Street	Ivy Street	Kingaroy Street	William Street	Airport Hanger Area
Clark & Swendson Road	James Street	Knight Street	Town Hall Eastern Side	TH Burns Road
Clarke Close	Jean Street	Kurtellen Crescent	Acacia Drive	Curlew Road
Coral Street	John Street	Mahoney Street	Anita Road	Crumpton Drive
Daphne Street	Joseph Street	Marjorie Street	Cairns Street	Pound Street
Doherty Street	Jubilee Street	Markwell Street	Gannon Road	Hilltop Drive
Doonkuna Street	Kathy Street	McLaughlin Street	Gilliland Court	Noel Street
Edenvale North Road	Kefford Street	Moonya Street	Griffin Road	Railway Terrace
Fairview Drive	Keith Shaw Drive	Moore Street	Hart Street	
Memerambi Barkers Creek	Kelvyn Street	Murphy Street	Hazeldean Road	
Haly Street (Youngman-Williams St)	King Street	Murray Parade	Henry Street	

Queensland Rail (QRAIL)
Thompson Street Bridge

Maintenance for Water and Wastewater Infrastructure

Council continued with planned programmed maintenance of water and wastewater assets.

Typical works included hydrant and valve testing and maintenance of sewer access chambers.

Reactive maintenance across the region required attendance to the following:

- 135 wastewater issues
- 475 water service issues
- 144 water main breaks

Of these 341 required action after normal working hours.

Construction and upgrade works

Just over 9km of water mains were replaced across the region. Approximately 5km of sewer mains were relined.

Murgon Water Treatment Plant - Upgrade of final chlorine trim dosing system to improve reliability and operator safety.

Murgon Sewage Treatment Plant – Installation of automated inlet screen to improve operator safety and better management of waste streams.

Hines Road Reservoir Relining – 1.5ML steel reservoir - High quality lining system applied to prevent corrosion and significantly increase asset life.

Customer Service

Council's customer service department now have a full suite of policy and procedure which continues to meet the needs of patrons who enquire about Council business. We can report that we have improved from the 85% call answer rate by Customer Contact Staff to almost 95% which is testimony to the continuous improvement process undertaken by Customer Contact.

Customer Request Response System

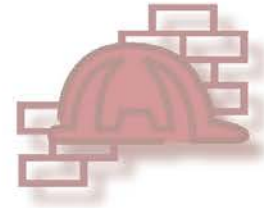
Since the new TechnologyOne system was implemented all requests are documented in this uniform system. Request numbers are provided to Customers for the purpose of tracing their requests. Council has seen a small spike in the number of requests received in 2013/14.

Using the new TechnologyOne system allows all requests to be recorded into a centralised database. Council maintains almost 4000 kilometres of roads in the South Burnett Region and this system allows Council to record and respond staff to inspect every kilometre of road for defects. We appreciate these requests and advice of road damage from the public to help keep Council roads in a trafficable condition.



Challenges

- Weather conditions affecting the delivery and completion of works programs
- Sourcing external funding to provide sustainable Water and Wastewater infrastructure
- Development of new Customer Request Workflows for the new Business System
- Delivering current levels of service while external funding decreases

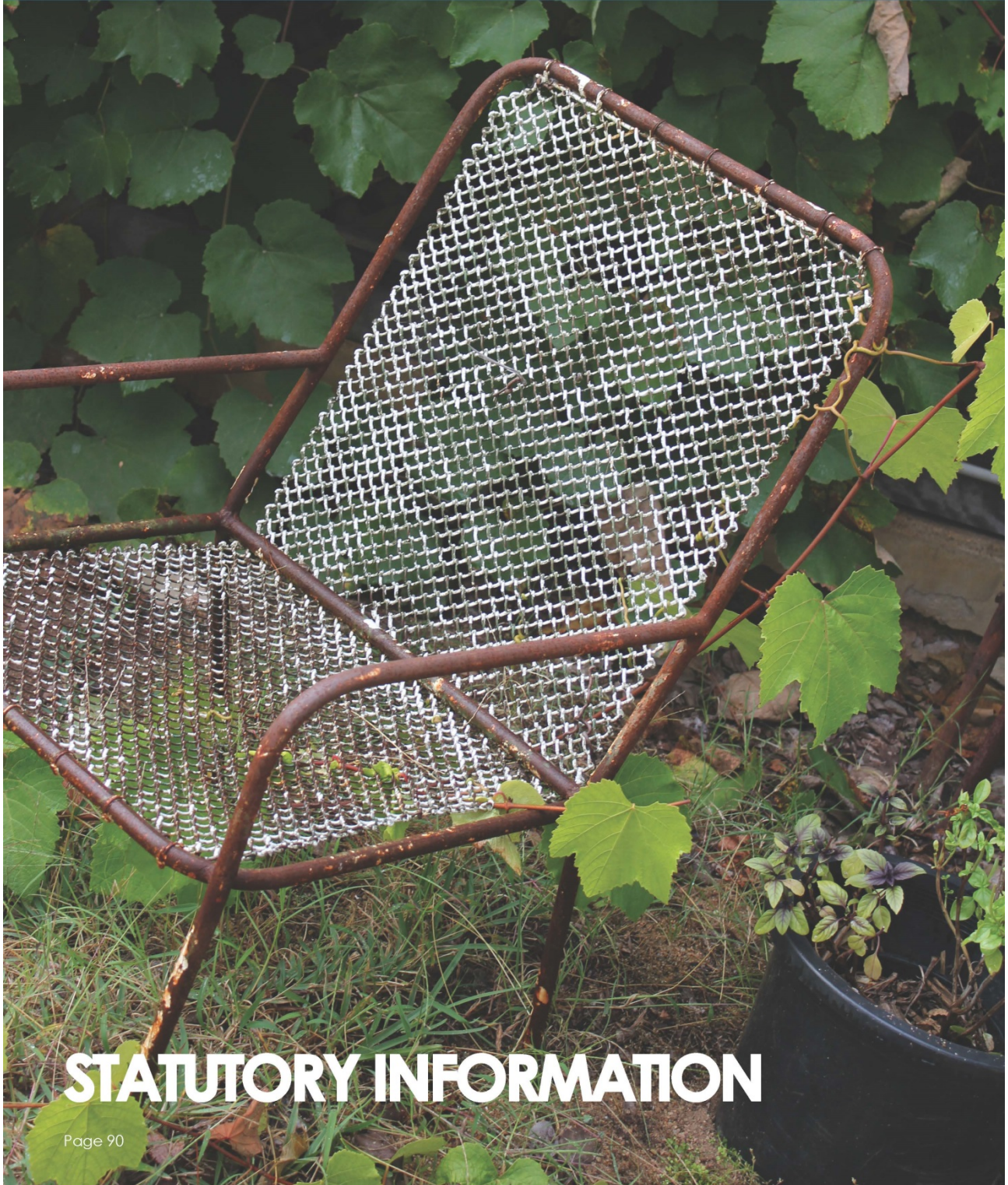


Future Initiatives

- Customer Request Response System (CRRS) further implemented
- Asset Management Plans implemented into infrastructure operations and management
- Capital Works Program delivered
- General Maintenance Program
- Heavy Maintenance Program
- Improved strategic planning for future infrastructure through forward planning concept planning, design and indicative costs in advance of construction need

Performance Summary		Overall Progress	Page Reference
SD1	Quality Customer Service		
SD1.1	Establish customer service standards within resource capabilities that promote the delivery of quality services to all customers	✘ Postponed	
SD2	Infrastructure that meets our communities needs		
SD2.1	Partnering to provide a transportation network that allows safe and efficient access to residential, employment and recreational destinations	✓ Achieved Target	
SD2.2	Planning and providing water and wastewater systems that meet the economic, environmental and social requirements of the community	✓ Achieved Target	
SD2.3	Plan for and develop service levels for plant and buildings	➤ Progressing	
SD2.4	Develop and implement Asset Management Plans for all classes of assets	➤ Progressing	

In addition to reporting Council's implementation of its Corporate Plan and Operational Plan, Council is required to provide information pursuant to various legislation such as the *Local Government Act 2009* and *Local Government Regulation 2012*. The statutory information section also contains information important to Council as an organisation such as information relating to staff policies and other information considered of interest in an Annual Report.



STATUTORY INFORMATION

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In accordance with Section 190(1)(d)(ii) of the *Local Government Regulation 2012* Council reports on the following levies and charges:

Separate Charge - Environmental Levy 2013/14

That in accordance with Section 92(5) of the *Local Government Act 2009* and Chapter 4 Part 8 of the *Local Government Regulation 2012* and on the basis of the principles laid down in Council's Revenue Statement, Council make and levy a Separate Charge - Environmental Levy of \$26 for the year ended 30 June 2014 to be levied equally on all rateable properties within the Council area for the purpose of funding projects specifically for the protection of the environment. Such projects have been identified as:

- To design and implement natural resource management strategies or plans at a local or regional scale;
- To implement on ground works for the enhancement and protection of areas identified as having significant environmental values within the South Burnett Region such as reserves, waterways, flora and fauna habitats, remnant vegetation, cultural or heritage significant sites etc;
- To design and implement renewable energy initiatives to address climate change issues;
- To address salinity and water quality issues in the South Burnett Region;
- To address declining remnant vegetation issues in the South Burnett Region;
- To research control measures, carry out field trials and eradication works for environmental weeds identified in Council's Pest Management Plan;
- To deliver Natural Resource Management training to Council staff and community organisations;
- To develop education and awareness materials relevant to Natural Resource Management and Sustainable communities within the region;
- To purchase land for conservation purposes;

The time for implementing the overall plan is 1 year commencing 1 July 2013 and ending 30 June 2014; and

This levy generated total revenue of \$441,963 (including interest of \$2,564.91 for the 2013/14 financial year.

Environmental Levy expenditure for the 2013/14 financial year was:

Programs	Allocation
Environmental Levy Operating Expenses	\$ 47,442
Biodiversity Programs	\$ 163,421
Significant Environment Areas Operating Expenses	\$32,227
Fire Management Programs	\$ 6,933
Total	\$250,023

\$565,771 will be carried forward to 2014/2015.

Special Charge - Rural Fire Brigades 2013/14

That in accordance with Section 92(3) of the *Local Government Act 2009* and Part 6 of the *Local Government Regulation 2012* and Section 128a of the *Fire and Rescue Service Act 1990*, Council will make and levy a special charge of \$25.00, on all rateable land within the region, other than rateable land that is liable to pay an urban fire district levy (pursuant to section 107 of the *Fire and Rescue Service Act 1990*).

Revenue raised will fund the ongoing provision and maintenance of rural fire fighting equipment for the rural fire brigades that operate throughout the rural areas of the South Burnett Region.

The overall plan for the Rural Fire Levy is as follows:-

- a) The rateable land to which the plan applies is all rateable land within the region, other than rateable land that is liable to pay an urban district fire levy (pursuant to Section 107 of the *Fire and Rescue Service Act 1990*).
- b) The service, facility or activity for which the plan is made is the ongoing provision and maintenance of rural fire fighting equipment for the rural fire brigades that operate throughout the rural areas of the region.
- c) The time for implementing the overall plan is 1 year commencing 1 July 2013 and ending 30 June 2014.
- d) The estimated cost of implementing the overall plan is \$223,800.

Area	Allocation
Abbeywood/Hivesville	\$5,785
Ballogie	\$15,533
Booie Rise	\$3,374
Brigooda	\$1,639
Brooklands	\$10,605
Bulcamp	\$1,928
Bunya Mountains	\$7,038
Cloyna	\$10,605
Coverly	\$8,291
Dangore	\$1,446
Durong	\$6,095
East Nanango	\$8,677
Glencoe	\$8,195
Keyland	\$482
Kunioon Hodgeleigh	\$1,928
Maldenwell District	\$6,749
Malar Booie	\$9,159
McEuen	\$14,462
Mondure District	\$8,677
Rocky Creek	\$386
Sandy Ridges	\$11,569
South Nanango	\$15,426
Speedwell	\$-
Stuart River	\$12,051
Tablelands	\$11,569
Taromeo	\$23,139
Waringa	\$482
Wattle Grove	\$771
Wattlecamp	\$9,641

This levy generated revenue of \$223,300 for the 2013/14 financial year which was distributed to brigades during the year.

Separate Charge - Waste Management Levy 2013/14

That pursuant to Section 92(5) of the *Local Government Act 2009* and Section 37 of the *Local Government Regulation 2012*, Council makes a separate charge of \$117.00 per rate assessment for the 2013/14 financial year to be levied equally on all rateable assessments.

The separate charge will be called the Waste Management Levy and will fund a service, facility or activity identified as:

- (a) Providing and maintaining waste facilities and services that are not met from other fees and charges collected on a user pays basis; and
- (b) Meeting public expectations in matters of disposal of refuse that affect public health and visual amenity of the area
- (c) Rehabilitation of closed Waste Disposal sites

The levy generated a total revenue of \$2,059,896.94 in the 2013/14 reporting period.

Separate Charge - Community Rescue & Evacuation 2013/14

That in accordance with Section 92 (5) of the *Local Government Act 2009* and Chapter 4 Part 8 of the *Local Government Regulation 2012* and on the basis of the principles laid down in Councils Revenue Statement, Council make and levy a Separate Charge - Community Rescue & Evacuation Levy of \$4 per annum for the year ended 30 June 2014, to be levied equally on all rateable properties within the Council area for the purpose of sponsoring the airborne emergency rescue & evacuation transport providers that service the South Burnett Region.

The levy generated a total revenue of \$52,816.07 in the 2013/14 reporting period.

Concessions on various Special, Separate and Utility Charges

That in accordance with the provisions of Chapter 19 of the *Local Government Regulation 2012*, Council grant a concession off various rates and charges for the financial period ending 30 June 2014 as identified hereunder:

Land Owned By a Religious Entity:

- (a) Churches, Church Halls & Pastor's Residences
 - Remission of Environmental Levy and Waste Management Levy
- (b) Schools (including vacant land used in conjunction with School)
 - Remission of Environmental Levy and Waste Management Levy

(c) Aged Care Facilities

- Remission of Environmental Levy and Waste Management Levy

Land Owned by a Community Entity

- (a) Queensland Country Women Associations
 - Remission of Environmental Levy and Waste Management Levy

- Remission of Water Access Charges, Sewerage Charges and Waste Collection Charges
- (b) Scout Associations, Girl Guides Associations and Blue Light Organisations
 - Remission of Environmental Levy and Waste Management Levy
 - Remission of Water Access Charges, Sewerage Charges and Waste Collection Charges
- (c) Kindergarten, Child Care, Endeavour, Senior Citizen and other Welfare Facilities
 - Remission of Environmental Levy and Waste Management
 - Remission of Water Access Charges, Sewerage Charges and Waste Collection Charges

Land used for Showgrounds or Horseracing:

- (a) Showgrounds
 - Remission of Environmental Levy and Waste Management
 - Remission of 75% of cost of water access, sewerage and waste collection charges provided to showground's facilities. Services provided to commercial activities such as caravan parks, sub-leases or recreational facilities are not exempt.
- (b) Race grounds
 - Remission of Environmental Levy and Waste Management Levy
 - Remission of Water Access Charges, Sewerage Charges and Waste Collection Charges

Land used for Charitable Purposes:

- (a) Aged Care Facilities – Non Religious
 - Remission of Environmental Levy and Waste Management Levy
- (b) Charitable Organisations
 - Remission of Environmental Levy and Waste Management Levy

Land used for other Community Purposes:

- (a) Community Owned Halls
 - Remission of Environmental Levy and Waste Management Levy
- (b) Museums, Theatres etc
 - Remission of Environmental Levy and Waste Management Levy
 - Remission of Water Access Charges, Sewerage Charges and Waste Collection Charges
- (c) Sporting Groups & Associations
 - Remission of Environmental Levy and Waste Management Levy,
 - Remission of Water Access and Sewerage Charges

Concession of Water Consumption Charges - Haemodialysis Machines

Council has determined that where ratepayers or residents require the use of a Haemodialysis machine for health reasons, then Council will grant a remission of water consumption charges.

That, in accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, Council allow an annual remission of 190kl on the water usage to any patient who qualifies for and operates a home Haemodialysis machine supplied by Queensland Health.

Waiving of Minimum General Rates

Council has determined that some classes of properties should be exempt from the minimum general rate. Generally these properties are small parcels of land used for a pump site or small parcels of land worked in conjunction with other properties held in the same ownership.

That in accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, Council grant an exemption from the requirement to pay the Minimum General Rate for properties identified hereunder:

- (a) Any rateable land held as a Permit to Occupy for water facility purposes, namely bore and pump site and associated purposes only.
- (b) Properties that are small parcels of land worked in conjunction with properties held in the same ownership.

Councillor's Remuneration

At its General Meeting on 16 January 2013, Council resolved the following in relation to the adoption of Remuneration Levels for Mayors and Councillors:

That Council, as advised by the Department of Local government, resolves in accordance with Section 42(5) of the *Queensland Local Government Regulation 2012*, the following in relation to the remuneration of the Mayor, Deputy Mayor and Councillors of the South Burnett Regional Council in line with the report of the Local Government Remuneration Tribunal Report gazetted on 14 December 2012 and that the rates of remuneration to be effective from 1 January 2013 be as follows:

The following rates are to apply to the positions as stated:

- Mayor - 80% of the rate payable to a member of the Queensland Legislative Assembly being \$112,462.00.
- Deputy Mayor - 50% of the rate payable to a member of the Queensland Legislative Assembly being \$70,289.00.
- Councillor – 42.5% of the rate payable to a member of the Queensland Legislative Assembly being \$59,746.00.

Reimbursement of Expenses & Provision of Facilities for Councillors Policy

(Adopted 16 May 2012)

The *Local Government Regulation 2012* legislates that Council must maintain a policy providing for payment of reasonable expenses incurred, or to be incurred, by Councillors for discharging their duties and responsibilities as Councillors and provision of facilities to the Councillors for that purpose.

The Expenses Reimbursement Policy must be consistent with the five (5) Local Government principles under Section 4(2) of the *Local Government Act 2009* (the Act) and meet the financial sustainability criteria under section 102 of the Act.

The *Local Government Regulation 2012* legislates that Council must in its Annual Report detail the expenses incurred by, and the facilities provided to each Councillor during the year under the Local Government's expenses reimbursement policy and include a copy of the Local Government's expenses reimbursement policy.

Background and/or Principles

Pursuant to Section 44 of the *Local Government Regulation 2012* Council is required to adopt an Expenses Reimbursement Policy that provides the payment of reasonable expenses incurred, or to be incurred, by Councillors for discharging their duties and responsibilities as Councillors and the provision of facilities to Councillors for that purpose.

Policy Statement

This policy ensures that Council's reimbursement of expenses incurred by Councillors and facilities provided to Councillors is consistent with the Local Government principles and financial sustainability criteria as defined in the *Local Government Act 2009*.

The Local Government principles are:

- (a) transparent and effective processes, and decision-making in the public interest; and
- (b) sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) democratic representation, social inclusion and meaningful community engagement; and
- (d) good governance of, and by, Local government; and
- (e) ethical and legal behaviour of Councillors and Local Government employees.

Furthermore, additional principles that underpin this policy are:-

a) Public Interest

The use of public monies in the public interest by responsible budgeting and accounting.

b) Fair and Reasonable

Fair and reasonable allocation of Council resources in the form of allowances, facilities and other benefits, to enable all Councillors to conduct the duties of their office.

c) Transparent

Transparent decision-making by the public disclosure of policy and resolutions.

d) **Accountability**

Accountability for expenditure and use of facilities through full justification and acquittal.

Councillors should not be financially disadvantaged when carrying out their roles and should be fairly and reasonably compensated in accordance with statutory requirements and community expectations. Councillors should not receive a private benefit through their role as a Councillor and as such this policy provides for actual reimbursement of legitimate expenses and full disclosure through appropriate accountability requirements.

Expenses will be paid to Councillors in accordance with the relevant administrative processes as approved by the Chief Executive Officer. Wherever possible most expenses will be booked and paid for by Council in advance. Councillors making a claim for legitimate expenses incurred for Council business must submit the appropriate form detailing the relevant expense within one (1) month of the expense being incurred or invoiced.

Payment of Expenses

Professional Development - Council will reimburse expenses incurred for:

- mandatory professional development; and
- discretionary professional development deemed essential for the Councillor's role and approved by Council.

Travel as Required to Represent Council - Council may reimburse local and in some cases interstate and overseas travel expenses (e.g. flights, car, accommodation, meals and associated registration fees) deemed necessary to achieve the business of Council where:

- a Councillor is an official representative of Council; and
- the activity/event and travel have been endorsed by resolution of Council.

Councillors are to travel via the most direct route, using the most economical and efficient mode of transport. Council will pay for reasonable expenses incurred for overnight accommodation when a Councillor is required to stay outside the Local Government's region.

NOTE: Any fines incurred while travelling in Council-owned vehicles or privately owned vehicles when attending to Council business, will be the responsibility of the Councillor (driving or in charge of the motor vehicle) incurring the fine.

Travel bookings - All Councillor travel approved by Council will be booked and paid for by Council. Economy class is to be used where possible although Council may approve business class in certain circumstances. Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be used to offset other unapproved expenses (e.g. cost of partner or spouse accompanying the Councillor).

Travel Transfer Costs - All travel transfer expenses associated with Councillors travelling for Council approved business will be reimbursed, e.g. trains, taxis, buses and ferry fares. Cab charge vouchers may also be used if approved by Council where Councillors are required to undertake duties relating to the business of Council.
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Accommodation - All Councillor accommodation for Council business will be booked and paid for by Council. Council will pay for the most economical deal available. Where possible, the minimum standards for Councillors' accommodation should be three star rating. Where particular accommodation is recommended by conference organisers, Council will take advantage of the package deal that is the most economical and convenient to the event.

Meals - Council will reimburse costs of meals for a Councillor when:

- the Councillor incurs the cost personally; and
- the meal was not provided within the registration costs of the approved activity/event; or during an approved flight.

The following amounts will be reimbursed for meals by Council and receipts are to be provided to substantiate the expense incurred.

- Breakfast \$30.00
- Lunch \$30.00
- Dinner \$55.00

NB: If a receipt is provided for a larger amount provided and it is deemed reasonable by the Chief Executive Officer, it may be refunded: No alcohol will be paid for by Council.

Incidental Allowance - An amount of \$20.00 per day will be paid by Council to cover any incidental costs incurred by Councillors required to travel, and who are away from home overnight, for official Council business.

Hospitality - Council may reimburse Mayors up to \$2,000 per annum for hospitality expenses deemed necessary in the conduct of Council business. Each Councillor may claim up to \$500.00 per annum for hospitality expenses deemed necessary in the conduct of Council business. In claiming hospitality expenses, a Councillor or the Mayor, will be required to complete the relevant form to identify why the hospitality occurred and who attended.

Provision of Facilities

All facilities provided to Councillors remain the property of Council and must be returned to Council when a Councillor's term expires.

Private use of Council owned facilities

Based on the principle that no private benefit is to be gained, the facilities provided to Councillors by Council are to be used only for Council business unless prior approval has been granted by resolution of Council. The Council resolution authorising private use of Council owned facilities will set out the terms under which the Councillor will reimburse Council for the percentage of private use. This would apply to Council vehicles and mobile telecommunication devices

Councillors will be provided facilities as detailed below which have been based on the principle that no private benefit is to be gained from the facilities provided.

Administrative tools

Administrative tools will be provided to Councillors as required to assist Councillors in their role. Administrative tools include:

- office space and meeting rooms;
- computer including internet access and wireless remote where appropriate;
- stationery;
- access to photocopiers, printers, and facsimile machines;
- publications; and
- use of Council landline telephones and internet in Council offices.

Secretarial support will be provided to the Mayor.

Maintenance Costs of Council Owned Equipment

Council will be responsible for the ongoing maintenance and reasonable wear and tear costs of Council-owned equipment that is supplied to Councillors for official business use. This includes the replacement of any facilities, which fall under Council’s asset replacement program.

Name Badge & Safety Equipment for Councillors

Council will provide Councillors with one name badge and one Identification Card. Councillors will have access to the necessary safety equipment for use on official business when needed. (i.e. safety helmet, vest and boots).

Use of Council Vehicles on Council Business

Councillors may have access to a Council vehicle for official business in emergent or exceptional circumstances as approved by the Chief Executive Officer.

Private Use of Mayors Council Vehicle

The Mayor will be provided with a Council vehicle with full private use.

Private Use of Council Vehicles by Councillors

Private use of Council owned vehicles is permitted if prior approval has been granted by resolution of Council. Council will in its resolution authorise private use and set out the terms for the Councillor to reimburse Council for the private use. Fuel for a Council-owned vehicle used for official Council business will be either provided or paid for by Council.

Telecommunication Needs (Mobile Devices)

Mobile telecommunication devices owned by Council will be provided to each Councillor for official Council business.

Contribution to Councillors Telephone Costs

Council will contribute a maximum amount of \$1,200.00 per annum to each Councillor (excluding the Mayor) to offset the cost of fixed and mobile telephone costs. This will only be reimbursed on the production of appropriate invoices/tax receipts. For the Council supplied mobile telephone Council will pay the monthly account and when the \$1,200.00 is used Council will issue an invoice for any balance outstanding.

Contribution to Mayors Telephone Costs

Council will contribute a maximum amount of \$2,500.00 per annum to the Mayor to offset the cost of fixed and

mobile telephone costs. This will only be reimbursed on the production of appropriate invoices/tax receipts. For the Council supplied mobile telephone Council will pay the monthly account and when the \$2,500.00 is used Council will issue an invoice for any balance outstanding.

Insurance Cover

Council will indemnify and insure Councillors in the event of injury sustained while discharging their duties. Council will pay the excess for injury claims made by a Councillor resulting from conducting official Council business.

Vehicle Fuel & Operation Costs

Councillors may choose either option but not both.

Option 1

A monthly amount will be paid to each Councillor covering the cost of fuel and fair wear and tear on the private vehicle of the Councillor as follows:

- Division one and four \$200.00
- Division three \$230.00
- Division two \$350.00
- Division five and six \$500.00

Option 2

Council provides a monthly allowance of \$170.00 for use of Councillors own vehicle (to cover wear and tear on the vehicle) plus a fuel card will be provided to the Councillor. The requirements are that a monthly statement is provided outlining fuel purchases and each Councillor will need to sign off their respective fuel invoice indicating whether there is any private fuel purchases and return the signed invoice to Council. If there are private fuel purchases the Councillor will be issued with an invoice by the Council requesting payment of that amount.

Car Parking Amenities

Councils will reimburse Councillors for parking costs paid by Councillors while attending to official Council business.

Scope

This policy applies to the Mayor, Deputy Mayor and Councillors of South Burnett Regional Council.

This policy does not provide for Councillor remuneration. Councillor remuneration is in accordance with the determination of the Local Government Remuneration and Discipline Tribunal.

Policy Objectives

The purpose of this policy is to provide for the proper control of the reimbursement of reasonable expenses incurred, or to be incurred by Councillors in discharging their duties and responsibilities.

The policy covers:-

- the reimbursement to Councillors of legitimate expenses incurred; and
- the facilities to be provided to Councillors.

Associated Policy Procedures

N/A

Definitions

To assist in interpretation, the following definitions shall apply:

Council business: shall mean official business conducted on behalf of Council, where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council, for example official Council meetings, Councillor forums and workshops, Committees/Boards as Council's official representative, scheduled meetings relating to portfolios or Council appointments.

Council Business should result in a benefit being achieved either for the Local Government and/or the Local Government area, for example Council may decide that Council business includes civic ceremony duties such as opening a school fete.

Participating in a community group event or being a representative on a Board not associated with Council is not regarded as Council business.

Councillors: shall mean the Mayor, Deputy Mayor and Councillors unless otherwise specified.

Expenses: shall mean costs reasonably incurred, or to be incurred, in connection with Councillors discharging their duties. The expenses may be either reimbursed to Councillors or paid direct by Council for something that is deemed a necessary cost or charge.

Expenses are not included as remuneration.

Facilities: shall mean the facilities deemed necessary to assist Councillors in their role.

Reasonable: shall mean Council must make sound judgments and consider what is prudent, responsible and acceptable to the community when determining reasonable levels of facilities and expenditure.

Council Meetings and Minutes

General Meetings of Council are held on the third Wednesday of every month unless otherwise advertised.

Unconfirmed minutes are available for inspection no later than ten (10) days after each meeting and copies

of confirmed minutes are available for purchase at applicable photocopying charges. Council minutes may also be accessed via Council's website www.southburnett.qld.gov.au.

Equal Employment Opportunity Management Plan

Under the *Queensland Local Government Regulation 2012*, and previously the *Queensland Local Government Regulation 2005*, Council has obligations to develop and implement an Equal Employment Opportunity (EEO) Management Plan and then integrate the plan into Council's operations and ethos. Council is also obligated to establish procedures to monitor compliance of the requirements of the regulation.

Preliminary research has been conducted into the development of an EEO Management Plan, including the investigation of typical plan formats and surveying techniques.

Council has been proud to promote itself as an equal opportunity employer, and has promoted and enforced EEO in various facets of its operations. For instance, all new employees now participate in a Corporate Orientation Program where they are introduced to Council's EEO Policy. Meanwhile, Human Resources continues to maintain a strong presence in the conduct and review of recruitment and selection actions, in order to promote the importance of EEO and establish and maintain adherence to EEO principles. The Equity Census was conducted during 2013 and that information was used to assist in the development of Policy and Procedures to best assist Council in the execution of its duties to employees and the community.

Executive Remuneration

Pursuant to Section 201 of the *Local Government Act 2009*, Council is required to report remuneration packages payable to the Chief Executive Officer and senior contract employees in bands. Senior contract employees are employees that report directly to the Chief Executive Officer and are considered to be in a senior position e.g. General Managers.



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Remuneration packages for 2013/14 were:

- 3 senior contract employees with a total remuneration package in the range of \$100,000 to 200,000
- 1 senior contract employee with a total remuneration package in the range of \$200,000 to \$300,000

Changes to Tenders

Pursuant to Section 190(1)(d) of the *Local Government Regulation 2012*, no invitations were extended to change tenders under Section 228(7) of the Regulation during the reporting period.

Overseas Travel

Pursuant to section 188 of the *Local Government Regulation 2012* no overseas travel was undertaken by a Councillor in the 2013/14 financial year. One Councillor and One Council employee undertook overseas travel in an official capacity as follows:

Councillor: Wayne Kratzmann, Mayor

Destination: Netherlands

Purpose: Dodewaard Delegation

Cost: \$ 4,659.04 (Airfare \$1950, car hire \$141.66, accommodation \$1,520, reimbursement of expenses \$1,047.38)

Council Officer: Ken McLoughlin, Chief Executive Officer

Destination: Netherlands

Purpose: Dodewaard Delegation

Cost: At own expense, he attended in an official capacity at the Dodewaard function.

Administrative Action Complaints

Council's General Complaints Process was instituted to ensure that, to the greatest practicable extent, any complaint is dealt with fairly, promptly, professionally, in confidence (subject to any legal requirements) and in a manner respectful to the complainant.

Council treats complaints seriously and has implemented a policy and procedure with Council's endorsement. As per the policy, a complainant may lodge a complaint via written, electronic and verbal means.

Pursuant to Section 187 of the *Local Government Regulation 2012* Council reports that seven (7) complaints were received through this process and the investigations were assigned to a senior officer to resolve the issues as quickly as possible in accordance with statutory timeframes. All complaints have been resolved.

There was no unresolved Administrative Action Complaints carried over from 2013/14 financial year.

Controlled Entities

South Burnett Regional Council has two Local Government Owned Controlled Entities during the reporting period; Kingaroy Private Hospital and Castra Retirement Home.

Land & Reserves

Council has control of:-

- Land under infrastructure - 3,704km roads (includes 690km of main roads)
- Reserve land that are reserves under the Land Act 1994 - 250 hectares.

This land does not have a value for the Council's financial statements.

Right to Information (RTI)

Under Queensland's *Right to Information Act 2009* and *Information Privacy Act 2009*, members of the community are able to apply for access to documents held by Council (subject to statutory exemptions). The Acts also allow members of the community to apply for and make amendments to be made to documents concerning their personal affairs, where it is believed the information is incomplete, out-of-date, inaccurate or misleading.

The Governance Branch receives and processes all Council's Right to Information and Information Privacy requests. In 2013/14 they dealt with eight (8) applications. Applicants who are not satisfied with the response provided by Council are able to have matters referred for consideration by the Information Commissioner. During 2013/14 there were no applications for independent review, indicating that applicants were generally satisfied with the approach taken by the Governance Branch in processing requests for information.

Councillors Statement of Interest Extracts

Pursuant to Section 295(b) of the *Local Government Regulation 2012*, Councillor's Register of Interests are on our website www.southburnett.qld.gov.au in a consolidated form and full copies are open to inspection at the Kingaroy Customer Contact Centre, Glendon Street, Kingaroy.

Commercial Business Units

Pursuant to Section 27 of the *Local Government Regulation 2012*, Council did not operate any commercial business units during the reporting period.

General Purpose Financial Statement, Auditor-General's Audit Report and Community Financial Report

Pursuant to Sections 179 of the *Local Government Regulation 2012*, Council prepares a Community Financial Report which is included on page 18 of this Annual Report. The report is intended to simplify complex financial information, making it easier to understand Council's income statement, balance sheet and cash flow statement which are prepared in accordance with legislation.

Council's General Purpose Financial Statement and Auditor-General's Audit Report commence on [page 104](#).

Council Registers

Section 190 of the *Local Government Regulation 2012* requires Council to report 'a list of registers kept by it and open to inspection'. The registers open to inspection include:

- Register of all development applications (s730(1) (c) *Sustainable Planning Act 2009*)
- Register of all development applications given to a referral agency under section 272 (s731(1) *Sustainable Planning Act 2009*)
- Register of all request for compliance assessments received by the compliance assessor (s735(1) *Sustainable Planning Act 2009*)
- Register of Councillors' Interests (s293(1) *Local Government Act 2009*)
- Register of Delegations of Authority by Council (s260(2)(a) *Local Government Act 2009*)
- Register of Delegations of Authority by Chief Executive Officer (s260(1)(b) *Local Government Act 2009*)
- Register of Local Laws (s31 *Local Government Act 2009*)
- Register of Roads Map (s74 *Local Government Act 2009*)
- Minutes of Council Meetings
- Cemetery Register
- Register of Beneficial Enterprises (s41 *Local Government Act 2009*)
- Register of Cost - Recovery Fees (s98 *Local Government Act 2009*)
- Asset Register (s104(2)(d) *Local Government Act 2009*)
- Register of Regulated Infrastructure Charges (s724(s) *Sustainable Planning Act 2009*)
- Register of Adopted Infrastructure Charges (s724(ta) *Sustainable Planning Act 2009*)



Councillor Discretionary Fund Allocations

The Council determined that for the 2013/14 financial year each Councillor shall have a budget allocation for Councillor Discretionary Funds. Discretionary funds are funds available for allocation by a Councillor to community purposes, or to capital works that are for community purposes or meeting requests for financial assistance from community organisations for a community purpose. Pursuant to Section 189(b) *Local Government Act 2009*, Council must report on expenditure from Councillor discretionary funds. Council expended the following in Councillor Discretionary Funds for the 2013/14 financial year.

Cr Wayne Kratzmann

Purpose of Funding	Amount	Community Organisation (where applicable)
Donation Trophy Presentation Night	700.00	South Burnett Saints Australian Rules Football Club Inc
Repair potholes in driveway	320.32	Kingaroy Golf Club
Donation Shave for a Cure fundraiser Kumbia	120.00	Leukaemia Foundation
Donation for Building Blocks to complete headquarters	1000.00	Maidenwell Fire Brigade
Donation toward new toilet block	1000.00	Blackbutt Benarkin Lions Club
Donation to purchase BBQ for community groups	400.00	Friends of Culcha groups

Cr Barry Green

Purpose of Funding	Amount	Community Organisation (where applicable)
Donation to promote and support junior golf	500.00	South Burnett Amalgamated Junior Golf
Donation - Annual Mardi Gras Festival	1,000.00	Nanango Funfest Inc

Cr Kathy Duff

Purpose of Funding	Amount	Community Organisation (where applicable)
Opening Murgon Skate Park	\$1,074.70	
Donation Equipment	\$580.30	Murgon Girl Guides

Cr Ros Heit

Purpose of Funding	Amount	Community Organisation (where applicable)
Nil Spent		

Council elected at its Council Meeting held on 19 March 2014 to approve the transfer of funds in the current budget from Councillors Conference/Community Discretionary Projects to fund the shortfall of the Dodewaard delegation project as confirmation of Council's support.

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Cr Debra Palmer

Purpose of Funding	Amount	Community Organisation (where applicable)
Donation to International Women's Day Morning Tea	\$100.00	Blackbutt & District Tourism & Heritage Association Inc

Cr Damien Tessmann

Purpose of Funding	Amount	Community Organisation (where applicable)
Sponsorship - Carnival	\$500.00	Kingaroy Hack & Pony Club
Sponsorship - 2014 Anzac Day Dawn Service, Kingaroy	\$94.00	South Burnett Regional Council
Funding Stefan Planic Bursary	\$100.00	Kingaroy State High School Stefan Planic Bursary
Funding construction of Notice Boards @ Kingaroy Junior Soccer Club grounds	\$500.00	Kingaroy Junior Soccer Club Inc

Cr Keith Campbell - Deputy Mayor

Purpose of Funding	Amount	Community Organisation (where applicable)
Concert	250.00	South Burnett Community Orchestra
Donation toward Kingaroy Christmas Carnival	250.00	Kingaroy Young Leaders
Donation towards booklet to celebrate 100 year anniversary of the Kumbia State School	200.00	Kumbia State School
Donation Anzac Day Commemorations 2014	300.00	Kingaroy Memerambi RSL Sub Branch
Donation Blue Light Disco - Bolards & Mesh	300.00	Blue Light

Grants to Community Organisations

Pursuant to Section 189(a) Local Government Act 2009, Council must report a summary of expenditure on grants to community organisations. Council expended a total of \$106,927 on Community Grants for the 2013/14 financial year.

Applicant	Purpose	Amount Approved
Nanango State High School Annual Award Night	Awards Night	\$500.00
Wondai State School Annual Award Night	Awards Night	\$250.00
Kingaroy State High School Annual Award Night	Awards Night	\$500.00
Proston State School Annual Award Night	Awards Night	\$250.00
Yarroman State School Annual Award Night	Awards Night	\$250.00
Murgon State School Annual Award Night	Awards Night	\$500.00
St. Mary's Catholic College Annual Award Night	Awards Night	\$500.00
Booie Hall Association Public Liability Insurance	Public Liability Insurance	\$1,000.00
Wooroolin Hall Public Liability Insurance	Public Liability Insurance	\$1,000.00
Farmers Hall Inverlaw Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Tableland Hall Association Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Chahingah Reserve Association Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Kumbia Hall Committee Public Liability Insurance	Public Liability Insurance	\$1,000.00
QLD Dairy & Heritage Museum Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Blackbutt Benarkin Community Council Public Liability Insurance	Public Liability Insurance	\$1,000.00
Ironpot Farmers Hall Association Public Liability Insurance	Public Liability Insurance	\$1,000.00
Burandowan Picnic Race Club	Races	\$3,000.00
Nanango Mardi Gras	Event Costs	\$2,000.00
SB Events Food & Wind in the Park	Event Costs	\$3,000.00
Bloomin' Beautiful Blackbutt Festival	Event Costs	\$2,000.00
Kingaroy & District Ministry Ass. Inc	Kingaroy Christmas Carols	\$500.00
Lions Club of Nanango Inc - Christmas Carnival	Christmas Carnival	\$500.00

Applicant	Purpose	Amount Approved
Proston & District Lions Club - Christmas Carnival	Christmas Carnival	\$500.00
Blackbutt Benarkin Lions Club Inc - Christmas Carnival	Christmas Carnival	\$500.00
Hivesville Christmas Carnival Committee - Christmas Carnival	Christmas Carnival	\$500.00
Kumbia Hall Committee - Christmas Carnival	Christmas Carnival	\$500.00
Kumbia Race Club Inc.	Races	\$1,000.00
Nanango Race Club	Races	\$1,000.00
South Burnett Race Club - Wondai Races	Races	\$1,000.00
NAIDOC School Week Initiatives	Donation to NAIDOC Week	\$450.00
South Burnett Community Orchestra Association Hall Hire	Operational Costs	\$500.00
The Blackbutt Singers	Operational Costs	\$500.00
Quota International of Kingaroy Inc Student of the Year Quest	Student of the Year Quest	\$500.00
South Burnett Regional Pipes & Drums	Operational Costs	\$500.00
Nanart Arts Festival	Event Costs	\$500.00
Wondai & District Town Band Association - Operational Costs	Operational Costs	\$500.00
Tandringie State School P&C Assoc - Bull Ride	Event Costs	\$1,000.00
South Burnett Reserve Forces Day Committee	Event Costs	\$500.00
Wondai Hospital Auxiliary Fete	Fete Costs	\$500.00
Golden Caskef Variety Special Children's Christmas Party	Children's Christmas Party	\$250.00
Kumbia & District Charity Campdraft Association	Campdraft	\$1,000.00
Proston Goldenspurrs Campdraft Association	Campdraft	\$1,000.00
Burandowan Campdraft Association Inc.	Campdraft	\$1,000.00
Nanango Campdraft Association	Campdraft	\$1,000.00
Wondai Proston Mini Mods Carnival	Event Costs	\$500.00
Brahmousin Association - Cattle School	Event Costs	\$1,000.00

Applicant	Purpose	Amount Approved
Boots & Bulldust Inc Festival	Event Costs	\$500.00
Proston Rally Car Club Inc	Event Costs	\$500.00
Nanango Country Music Muster	Event Costs	\$1,000.00
Murgon Music Muster	Event Costs	\$1,000.00
Boondooma Historical Society Restoration Committee - Spirit of the Bush	Spirit of the Bush Event Costs	\$1,000.00
Motors in Motion	Event Costs	\$1,000.00
Relay for Life	Event Costs	\$1,000.00
RSPCA - Paws	Event Costs	\$500.00
Blackbutt garden & Country Lifestyle Expo (Lions Club)	Event Costs	\$500.00
Wondai Garden Expo (Spring)	Event Costs	\$500.00
Wondai Garden Expo (Autumn)	Event Costs	\$500.00
SB Orchid Society	Event Costs	\$500.00
Show Societies		
Wondai AP&I Society	Event Costs	\$1,000.00
Kingaroy Show Society	Event Costs	\$1,000.00
Nanango AP & I Society	Event Costs	\$1,000.00
Blackbutt Show Society	Event Costs	\$1,000.00
Murgon Show Society	Event Costs	\$1,000.00
Proston Show Society	Event Costs	\$1,000.00
South Burnett Sub-chamber of Agricultural Societies - Rural Ambassadors & Miss Showgirl	Rural Ambassadors & Miss Showgirl	\$500.00
SB Care	Operational Costs	\$18,000.00
St Vincent de Paul	Refuse Costs	\$500.00
Salvation Army	Refuse Costs	\$500.00
South Burnett Peace of Mind	Art & Craft Drop in Centre	\$500.00
Tableland Hall Association Inc.	Emergency Equipment - Tank	\$1,000.00
Proston QCWA	Renew and repair plumbing	\$1,000.00
Quota Kingaroy	International Women's Dinner	\$1,000.00
Qld Dairy & Heritage Museum Murgon	Heritage Working Day and Skylight Project	\$900.00
Kumbia State School	Kumbia State School Centenary	\$1,000.00
South Burnett Western Performance	Purchase of Equipment for Club	\$477.00
Kingaroy Swimming Club	Timing in the South Burnett	\$1,000.00
Burnett War Memorial	Our Diggers Remembered - Running Costs	\$500.00

Applicant	Purpose	Amount Approved
South Burnett National Show Society	Kingaroy Show - Fireworks	\$2,000.00
South Burnett Pony Club	Training Camps - Zone 8	\$1,000.00
Hivesville Country Markets	Water Tank/Pump & Piping	\$3,000.00
St John's Lutheran School P&F	St John's Lutheran School 25th Anniversary Family Fun Day	\$500.00
South Burnett Endurance Riders Assoc Inc	Blackbutt Endurance Horse Ride - June 2014	\$1,000.00
Queensland Dairy & Heritage Museum Murgon Inc	Bright Eyes	\$750.00
Proston Community Kitchen	Proston Community Kitchen Expenses	\$600.00
Nanango Scout Group	Nanango Scout Insurances	\$500.00
Les Porter - Endeavour Foundation	Sponsorship of Flying Peanut	\$250.00
PCYC Murgon	The Ration Shed's Reconciliation Fun Run	\$500.00
Graham House Community Centre	Community Centres Day - May 2014	\$250.00
Kingaroy Kindergarten	Dorothy the Dinosaur & Friends Show	\$1,000.00
Nanango AP & I Society	Waterhole Rocks	\$500.00
Nanango Art Society	Medieval Fayre	\$750.00
Kingaroy Clay Target Club	2014 Commonwealth Clay Target Championships	\$1,400.00
South Burnett Catholic College	2013 National Futsal School Championships - 6 Students	\$1,500.00
Shane Vine	2013 National Tenpin Bowling Championship	\$200.00
Joanne Olsen	2013 National Tenpin Bowling Championship	\$200.00
Isabella Neil	Australian Futsal Team Tour of Brazil	\$1,000.00
Hayley Hunter	Australian Futsal Team Tour of Brazil	\$1,000.00
Lachlan Kavney	Australian Motorcycle Grand Prix - World Championship	\$750.00
Courtney Sippel	The National Exchange - Cricket	\$500.00

Applicant	Purpose	Amount Approved
Jared Mathews	ISKA - Australian Championships	\$250.00
Michael McGovern	ISKA - Australian Championships	\$250.00
Shakira Walters	ISKA - Australian Championships	\$250.00
Kristiana Walters	ISKA - Australian Championships	\$250.00
Zach Walker	ISKA - Australian Championships	\$250.00
Brock Mathews	ISKA - Australian Championships	\$250.00
Geoff French	ISKA - Australian Championships	\$250.00
Jared Sippel	U15 National Secondary Cricket Championship	\$500.00
Silvia Hiltunen	2014 Lawn Bowls Multi Disability National Championships	\$200.00
Emily Gentry	Australian Polocrosse National Championships	\$500.00
Kumbia Progress Association	The Tour de Kumbia Cycle Race	\$1,000.00



FINANCIAL STATEMENTS



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South Burnett Regional Council
Statement of Comprehensive Income
For the Year Ended 30 June 2014

Statement of Comprehensive Income

	Note	2014 \$	2013 \$
Income			
Revenue			
Recurrent Revenue			
Rates, Levies and Charges	3(a)	39,153,469	32,872,421
Fees and Charges	3(b)	3,548,760	3,278,562
Rental Income	3(c)	497,834	694,060
Interest Received	3(d)	1,275,437	1,470,809
Sales Revenue	3(e)	6,125,424	6,119,153
Other Income	3(f)	1,179,755	844,322
Grants, Subsidies, Contributions and Donations	4(a)	29,741,922	32,393,913
		<u>81,522,601</u>	<u>77,673,240</u>
Capital Revenue			
Grants, Subsidies, Contributions and Donations	4(b)	15,387,069	2,165,464
Total Revenue		<u>96,909,670</u>	<u>79,838,704</u>
Capital Income	5	126,448	-
Total Income		<u>97,036,118</u>	<u>79,838,704</u>
Expenses			
Recurrent Expenses			
Employee Benefits	6	(21,334,687)	(22,744,483)
Materials and Services	7	(49,679,494)	(69,257,507)
Finance Costs	8	(814,411)	(744,812)
Depreciation and Amortisation	9	(10,639,475)	(11,284,169)
		<u>(82,468,067)</u>	<u>(104,030,971)</u>
Capital Expenses	5	-	(138,138)
Total Expense		<u>(82,468,067)</u>	<u>(104,169,109)</u>
Net Result		<u>14,568,051</u>	<u>(24,330,405)</u>
Other Comprehensive Income			
Items that will not be Reclassified to Net Result			
Increase / (Decrease) in Asset Revaluation Surplus	21	282,302,452	(13,064,317)
Total Other Comprehensive Income for the Year		<u>282,302,452</u>	<u>(13,064,317)</u>
Total Comprehensive Income for the Year		<u>296,870,503</u>	<u>(37,394,722)</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

South Burnett Regional Council
Statement of Financial Position
For the Year Ended 30 June 2014

Statement of Financial Position

	Note	2014 \$	2013 \$
Current Assets			
Cash and Cash Equivalents	10	51,390,970	34,697,138
Trade and Other Receivables	11	9,441,992	5,633,967
Inventories	12	824,044	943,697
Investments	13	10,000	10,000
Total Current Assets		<u>61,667,006</u>	<u>41,284,802</u>
Non-Current Assets			
Trade and Other Receivables	11	20,242	22,843
Investment Property	14	-	6,359,998
Property, Plant and Equipment	15	801,290,300	482,460,006
Intangible Assets	17	8,226,409	7,786,872
Total Non-Current Assets		<u>809,536,951</u>	<u>496,629,719</u>
Total Assets		<u>871,203,957</u>	<u>537,914,521</u>
Current Liabilities			
Trade and Other Payables	18	12,699,099	6,218,812
Borrowings	19	1,687,761	830,841
Provisions	20	3,254,777	3,142,951
Total Current Liabilities		<u>17,641,637</u>	<u>10,192,604</u>
Non-Current Liabilities			
Borrowings	19	34,674,093	11,681,355
Provisions	20	10,616,231	4,639,069
Total Non-Current Liabilities		<u>45,290,324</u>	<u>16,320,424</u>
Total Liabilities		<u>62,931,961</u>	<u>26,513,028</u>
Net Community Assets		<u>808,271,996</u>	<u>511,401,493</u>
Community Equity			
Asset Revaluation Surplus	21	395,865,569	114,034,559
Retained Surplus / (Deficiency)	22	412,406,427	397,366,934
Total Community Equity		<u>808,271,996</u>	<u>511,401,493</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

South Burnett Regional Council
Statement of Changes in Equity
For the Year Ended 30 June 2014

Statement of Changes in Equity

		Asset Revaluation Surplus	Retained Surplus	Reserves	Total
		21	22		
	Note	\$	\$	\$	\$
Balance as at 1 July 2013		114,034,559	397,366,934	-	511,401,493
Net Operating Surplus		-	14,568,051	-	14,568,051
Other Comprehensive Income for the Year					
Increase / (Decrease) in Asset Revaluation Surplus		282,302,452	-	-	282,302,452
Total Comprehensive Income for the Year		282,302,452	14,568,051	-	296,870,503
Transfer To and From Reserves					
Transfers To / From Reserves		(471,442)	471,442	-	-
Total Transfers To and From Reserves		(471,442)	471,442	-	-
Balance as at 30 June 2014		395,865,569	412,406,427	-	808,271,996
Balance as at 1 July 2012		127,098,876	389,331,406	32,365,933	548,796,215
Restated Balances					-
Net Result		-	(24,330,405)	-	(24,330,405)
Other Comprehensive Income for the Year					
Increase / (Decrease) in Asset Revaluation Surplus		(13,064,317)	-	-	(13,064,317)
Total Comprehensive Income for the Year		(13,064,317)	(24,330,405)	-	(37,394,722)
Transfer To and From Reserves					
Transfers To / From Reserves		-	32,365,933	(32,365,933)	-
Total Transfers To and From Reserves		-	32,365,933	(32,365,933)	-
Balance as at 30 June 2013		114,034,559	397,366,934	-	511,401,493

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

South Burnett Regional Council
Statement of Cash Flows
For the Year Ended 30 June 2014

Statement of Cash of Flows

	Note	2014 \$	2013 \$
Cash Flows from Operating Activities			
Receipts from Customers		56,570,974	44,854,714
Payments to Suppliers and Employees		(74,655,538)	(83,027,465)
		(18,084,564)	(38,172,751)
Interest Received		1,275,437	1,470,809
Rental Income		497,834	694,060
Non Capital Grants and Contributions		29,741,922	32,393,913
Borrowing Costs		(814,411)	(744,812)
Net Cash Inflow (Outflow) from Operating Activities	27	12,616,218	(4,358,781)
Cash Flows from Investing Activities			
Payments for Property, Plant and Equipment		(35,430,490)	(12,224,961)
Payments for Intangible Assets		(439,537)	(1,552,233)
Advances/(Repayments) of Loans and Advances		(14,515)	30,781
Proceeds from Sale of Property, Plant and Equipment		725,429	933,824
Grant, Subsidies, Contributions and Donations		15,387,069	2,165,464
Net Cash Inflow (Outflow) from Investing Activities		(19,772,044)	(10,647,125)
Cash Flows from Financing Activities			
Proceeds from Borrowings		24,660,000	4,000,000
Repayments from Borrowings		(810,342)	(519,259)
Net Cash Inflow (Outflow) from Financing Activities		23,849,658	3,480,741
Net Increase (Decrease) in Cash and Cash Equivalents Held		16,693,832	(11,525,165)
Cash and Cash Equivalents at the Beginning of Financial Year		34,697,138	46,222,303
Cash and Cash Equivalents at End of Financial Year	10	51,390,970	34,697,138

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

1. Significant Accounting Policies

1.A Basis of Preparation

These general purpose financial statements are for the period 1 July 2013 to 30 June 2014 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulations 2012*. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain non-current assets.

1.B Statement of Compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Council's operations and effective for the current reporting period. Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.C Consolidation

The financial statements have not been consolidated and do not incorporate the assets and liabilities of the entities controlled by the South Burnett Regional Council as at 30 June 2014 and nor do they incorporate the results of the controlled entities for the year ended 30 June 2014. The Council believes that the controlled entities are immaterial and of no major significance to be consolidated. The controlled entities during the period are Castra Retirement Home Limited and Kingaroy Private Hospital Ltd.

1.D Constitution

The South Burnett Regional Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

1.E Date of Authorisation

The financial statements were authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate is signed.

1.F Currency

The Council uses the Australian dollar as its functional currency and its presentation currency.

1.G Adoption of New and Revised Accounting Standards

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies. However, the application of AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* for the first time this year has resulted in greater disclosures, as principally set out in Note 16.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

	Effective for Annual Report Periods Beginning On or After:
AASB 9 <i>Financial Instruments (December 2009)</i>	1 January 2017
AASB 10 <i>Consolidated Financial Statements</i>	1 January 2014
AASB 11 <i>Joint Arrangements</i>	1 January 2014
AASB 12 <i>Disclosures of Interests in Other Entities</i>	1 January 2014
AASB 127 <i>Separate Financial Statements</i> (replaces the existing standard together with AASB10)	1 January 2014
AASB 128 <i>Investments in Associates and Joint Ventures</i> (replaces the existing standard)	1 January 2014
AASB 1055 <i>Budgetary Reporting</i>	1 July 2014
2009-11 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)</i>	1 January 2015
AASB 2010-7 <i>Amendments to Australian Standards arising from AASB 9 (December 2010)</i>	1 January 2015
AASB 2011-7 <i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards</i>	1 January 2014
AASB 2012-3 <i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities</i>	1 January 2014
AASB 2013-1 <i>Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements</i>	1 July 2014
AASB 2013-3 <i>Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets</i>	1 January 2014
AASB 2013-5 <i>Amendments to Australian Accounting Standards – Investment Entities (AASB 1, AASB 3, AASB 7, AASB 10, AASB 12, AASB 107, AASB 112, AASB 124, AASB 127, AASB 132, AASB 134 & AASB 139)</i>	1 January 2014
AASB 2013-7 <i>Amendments to AASB 1038 arising from AASB 10 in relation to Consolidation and Interests of Policyholders (AASB 1038)</i>	1 January 2014
AASB 2013-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities (AASB 10, AASB 12 & AASB 1049)</i>	1 January 2014
AASB 2013-9 <i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i>	Part A Conceptual Framework – 20 Dec 2013; Part B Materiality – 1 Jan 2015; Part C Financial Instruments – 1 Jan 2015
Interpretation 21 <i>Levies</i>	1 January 2014

South Burnett Regional Council Notes to the Financial Statements

For the Year Ended 30 June 2014

AASB 9 Financial Instruments (Effective from 1 January 2015)

AASB9, which replaces AASB 139 *Financial Instruments: Recognition and Measure*, is effective for reporting periods beginning on or after 1 January 2017 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

As a result, Council will be required to measure its financial assets, including its investment in Kingaroy Private Hospital Limited, at fair value.

Consolidation Standards

The following accounting standards apply to the South Burnett Regional Council as from reporting periods beginning on or after 1 January 2014:

- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Arrangements*
- AASB 12 *Disclosure of Interests in Other Entities*
- AASB 127 *Separate Financial Statements*
- AASB 128 *Investments in Associates and Joint Ventures*
- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards*
- AASB 2013-7 *Amendments to AASB 1038 arising from AASB 10 in relation to Consolidation and Interests of Policyholders (AASB 1038)*
- AASB 2013-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities (AASB 10, AASB 12 & AASB 1049)*

These standards aim to improve the accounting requirements for consolidated financial statements, joint arrangements and off balance sheet vehicles.

AASB 11 deals with the concept of joint control and sets out new principles for determining the type of joint arrangement that exists, which in turn dictates the accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangements. South Burnett Regional Council has no joint venture arrangements in terms of AASB 11.

AASB 12 contains the disclosure requirements for interests in other entities including unconsolidated structured entities. While the Council is yet to complete a review of disclosure, no significant changes are anticipated, based on those presently made.

1.H Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of Council's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant. Judgments, estimates and assumptions that have a potential significant effect have been outlined in the following financial statement notes:

Valuation and Depreciation of Property, Plant and Equipment – Note 1.Q and Note 16
Investment Property – Note 1.P and Note 14
Provisions – Note 1.V and Note 1.X and Note 20
Contingences – Note 24
Intangible Assets – Note 1.R and Note 17 including: valuation and impairment of water allocation assets.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

1.1 Revenue

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

Rates and Levies

Where rate monies are received prior to the commencement of the rating / levying period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the commencement of rating period.

Grants and Subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. Internal restrictions that have been placed on Council's cash and cash equivalents are disclosed in Note 10.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Council does not currently have any reciprocal grants.

Non-Cash Contributions

Non-cash contributions with a value in excess of the recognition thresholds set out in Note 1.Q are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

Cash Contributions

Developers also pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received.

Rental Income

Rental revenue from investment and other property is recognised as income on a periodic straight line basis over the lease term, or as cash receipts when received in respect of tourist accommodation.

Interest Income

Interest received from term deposits is accrued over the term of the investment.

Sales Revenue

Sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

The council generates revenues from services such as contracts for road and earthworks. Revenue from contracts and recoverable works generally comprises of a recoupment of material costs together with an hourly charge for use of equipment and employees or at agreed contract rates. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to the activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

Fees and Charges

Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

1.J Financial Assets and Financial Liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

South Burnett Regional Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial Assets

Cash and Cash Equivalents – (Note 1.K)
Receivables – measured at amortised cost – (Note 1.L)

Financial Liabilities

Payables – measured at amortised cost – (Note 1.U)
Employee Leave Liabilities – measured at amortised cost – (Note 1.V)
Borrowings – measured at amortised cost – (Note 1.W)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

1.K Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.L Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs.

All known bad debts were written off at 30 June 2014. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

Because Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivable.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at commercial rates or where paid in full within 12 months is interest free. Security is not normally obtained.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

1.M Inventories

Stores, raw materials and water held for resale are valued at the lower of cost or net realisable value and include, where applicable, direct material, direct labor and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of average cost.

Inventories held for distribution are:

- goods to be supplied at no or nominal, charge, and
- goods to be used for the provision of services at no or nominal, charge.

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

1.N Non-Current Assets Held for Sale

Items of property, plant and equipment are reclassified as non-current assets as held for sale when the carrying amount of these assets will be recovered principally through a sales transaction rather than continuing use. Non-current assets classified as held for sale are available for immediate sale in their present condition and management believe the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell and are not depreciated. On the eventual sale of these assets a gain or loss is recognised.

1.O Investments

Term deposits in excess of three months are reported as investments, with deposits of less than three months being reported as cash equivalents. At 30 June 2014 Council did not have any term deposits in excess of three months.

1.P Investment Property

Investment property is property held for the primary purpose of earning rentals and / or capital appreciation.

Investment property is measured using the fair value model. This means all investment property is initially recognised at cost (including transaction costs) and then subsequently revalued annually at the balance sheet date. Where investment property is acquired at no or nominal cost it is recognised at fair value.

Property that is being constructed or developed for future use as investment property is classified as investment property rather than as property, plant and equipment. Investment property under construction is measured at fair value, unless fair value cannot be reliably determined for an individual property (in which case the property concerned is measured at cost until fair value can be reliably determined).

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

1.Q Property, Plant and Equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment and infrastructure assets and buildings with a total value of less than \$5,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

The classes of property, plant and equipment recognised by the Council are:

Land and Improvements
Other Plant and Equipment
Waste Water
Buildings
Roads, Drainage and Bridge Network
Work in progress
Major Plant & Equipment
Water

Acquisitions of Assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees, engineering design fees and all other establishment costs.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Capital and Operating Expenditure

Wages and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

Valuation

Land and improvements, buildings, major plant and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. Other plant and equipment and Work in Progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses internal engineers and asset managers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years, management engage independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound. Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 16.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of the asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Capital Work in Progress

The cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

Investment property under construction is classified as investment property. Refer to Note 1.P for further information.

Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is shorter.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments are performed as part of the annual valuation process for assets at each reporting date.

Land under Roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. The South Burnett Regional Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

1.R Intangible Assets

Intangible assets with a cost or other value exceeding \$5,000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed.

Water allocation assets are held at cost less accumulated impairment charges. It has been determined that Council's water allocation intangible assets have an indefinite useful life, and the

South Burnett Regional Council Notes to the Financial Statements

For the Year Ended 30 June 2014

assets are therefore not amortised. A high level analysis of Water Allocation Assets has been carried out which resulted in no impairment as at 30 June 2014.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the purchase and development of council's new business system, TechOne have been capitalised and will be amortised on a straight line basis over the period expected benefit to Council. The new business system was implemented in the current financial year and will commence being amortised on 1 July 2014.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

1.S Impairment of Non-Current Assets

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually. Intangible assets with an indefinite useful life are assessed for impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as revaluation surplus increase.

1.T Leases

Operating Leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

1.U Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase / contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

1.V Liabilities - Employee Benefits

Liabilities are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date. Where council has an unconditional right to defer settlement of the liability beyond twelve months, and the liability is not expected to be settled within twelve months, it is treated as current liability. Otherwise the liability is treated as non-current.

Salaries and Wages

South Burnett Regional Council Notes to the Financial Statements

For the Year Ended 30 June 2014

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 18 as a payable.

Annual Leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 18 as a payable.

Sick Leave

Council expenses sick leave as it is taken and therefore no liability has been recognised for this obligation. No entitlement vests with the employee on termination.

Superannuation

The superannuation expense for the reporting period is the amount of the contribution the Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 25.

Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to the Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. This liability is reported in Note 20 as a provision.

1.W Borrowing and Borrowing Costs

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

In accordance with the *Local Government Regulation 2012* council adopts an annual debt policy that sets out council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.

1.X Restoration Provision

A provision is made for the cost of restoration in respect of refuse dumps and gravel pits where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. This liability is provided in respect of Waste Restoration and Gravel Pit Restoration. Details can be found in Note 20.

The provision is measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to the Queensland Treasury Corporation Debt Pool rate with a date corresponding to the anticipated date of the restoration.

Waste Restoration

South Burnett Regional Council Notes to the Financial Statements

For the Year Ended 30 June 2014

The provision represents the present value of the anticipated future costs associated with the closure of 27 old and operating refuse disposal sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires the use of assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for refuse disposal sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the current longest useable site will close in 2037 and that the restoration on the various sites will occur progressively after closing.

Gravel Pit Rehabilitation

The provision represents the present value of the anticipated future costs associated with the closure of 23 old and operating gravel pits, refilling the basin, and reclamation and rehabilitation of these sites. The calculation of this provision requires the use of assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for gravel pit rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the current longest useable site will close in 2045 and that the restoration on the various sites will occur progressively after closing.

As the gravel pits and waste landfill facilities are situated on Council controlled land, the initial estimate of the provision and any subsequent changes in the value of the provision arising from changes in forecast costs are capitalised as land and improvement assets. The provision for restoration is, therefore, included in the cost of the land and amortised over the expected useful life of the gravel pit / landfill facility. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

1.Y Asset Revaluation Surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases on revaluation are offset within a class of assets.

Where a class of asset is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount in the surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus, unless the asset disposed is the last remaining asset in its particular asset category.

1.Z Retained Surplus

Retained surplus represents the amount of Council's net funds available to meet future needs.

1.AA Reserves

On 12 June 2013, council passed a resolution to close all existing reserves and account for these restrictions using an internal management accounting system. Internal restrictions that have been placed on council's cash and cash equivalents are now disclosed in Note 10.

1.AB National Competition Policy

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

The Council has reviewed its activities to identify its business activities. As no activities meet the thresholds set out in the *Local Government Regulation 2012* council has resolved not to apply the code of competitive conduct to any of its identified activities.

1.AC Rounding and Comparatives

The financial statements have been rounded to the nearest \$1.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

1.AD Trust Funds Held for Outside Parties

Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

The monies are disclosed in the notes to the financial statements for information purposes only at Note 26.

1.AE Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the Australian Taxation Office (ATO) or payable to the ATO is shown as an asset or liability respectively.

Council pays payroll tax to the Queensland Government on certain activities.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

2. Analysis of Results by Function

2.A Statement of Compliance

The activities relating to the Council's components reported are as follows:

Enhancing Our Communities

Building vibrant, healthy, supportive and inclusive communities.

Growth and Opportunity

A strong and sustainable regional economy supported by diverse sectors and innovative planning mechanisms.

Our Environment

A strong and sustainable environment, proactively and responsibly managed in partnership with the community for future generations.

Organisational Excellence

An organisation that is characterised by effective leadership, responsible management and quality service delivery.

Service Delivery and Infrastructure

The provision of quality services and infrastructure for our growing community that is planned, provided and managed on sound asset management principles.

**South Burnett Regional Council
Notes to the Financial Statements**
For the Year Ended 30 June 2014

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**2b. Analysis of Results by Function
Income and Expenses Defined Between Recurring and Capital Attributed to the Following Functions:**

Year Ended 30 June 2014

Functions	Gross Program Income						Elimination of Inter-Function Transactions		Total Income		Gross Program Expenses		Elimination of Inter-Function Transactions		Total Expenses		Net Result from Recurrent Operations		Assets	
	Recurrent		Capital		Grants	Other	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014	2014
	Grants	Other	Grants	Other																
Organisational Excellence	2,597,721	22,387,850	-	126,448	-	25,112,019	14,353,789	-	14,353,789	10,631,782	10,758,230	842,578,421	-	-	18,765,006	18,839,179	1,856,111	-	-	-
Enhancing Our Communities	25,302,237	84,781	12,217,167	-	-	37,604,185	18,765,006	-	18,765,006	6,622,012	18,839,179	1,856,111	-	-	3,441,095	(737,658)	596,280	-	-	-
Growth & Opportunity	6,351	2,551,914	145,172	-	-	2,703,437	3,441,095	-	3,441,095	(882,830)	(737,658)	596,280	-	-	7,182,467	(1,037,571)	641,554	-	-	-
Our Environment	644,529	5,468,767	30,600	-	-	6,144,896	7,182,467	-	7,182,467	(16,248,259)	(13,254,129)	25,531,591	-	-	38,725,710	(14,568,051)	871,203,957	-	-	-
Service Delivery & Infrastructure	1,191,084	21,286,367	2,994,130	-	-	25,471,581	38,725,710	-	38,725,710	(945,466)	14,568,051	871,203,957	-	-	82,468,067	(14,568,051)	871,203,957	-	-	-
Total Council	29,741,922	51,780,679	15,387,059	126,448	-	97,036,118	82,468,067	-	82,468,067	(945,466)	14,568,051	871,203,957	-	-	82,468,067	(945,466)	871,203,957	-	-	-

Year Ended 30 June 2013

Functions	Gross Program Income						Elimination of Inter-Function Transactions		Total Income		Gross Program Expenses		Elimination of Inter-Function Transactions		Total Expenses		Net Result from Recurrent Operations		Assets	
	Recurrent		Capital		Grants	Other	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013	2013
	Grants	Other	Grants	Other																
Organisational Excellence	5,086,749	20,690,996	165,655	-	-	25,945,410	13,063,984	138,138	25,945,410	12,715,761	12,743,288	510,826,040	-	-	8,369,689	(5,201,106)	3,007,512	-	-	-
Enhancing Our Communities	487,796	2,452,037	228,750	-	-	3,168,583	8,369,689	-	3,168,583	(5,429,856)	(5,201,106)	3,007,512	-	-	446,531	(345,196)	233,387	-	-	-
Growth & Opportunity	-	101,335	-	-	-	101,335	446,531	-	101,335	(3,034,181)	(3,034,181)	126,376	-	-	4,454,841	(3,034,181)	126,376	-	-	-
Our Environment	125,000	1,295,660	1,771,049	-	-	4,200,716	4,454,841	-	4,200,716	(30,264,259)	(28,493,210)	23,721,206	-	-	77,695,926	(28,493,210)	23,721,206	-	-	-
Service Delivery & Infrastructure	28,692,368	20,739,299	1,771,049	-	-	49,202,716	77,695,926	-	49,202,716	(26,357,731)	(24,330,405)	537,914,521	-	-	104,169,109	(24,330,405)	537,914,521	-	-	-
Total Council	32,393,913	45,279,327	2,165,454	-	-	79,838,704	104,030,971	138,138	79,838,704	(26,357,731)	(24,330,405)	537,914,521	-	-	104,169,109	(24,330,405)	537,914,521	-	-	-

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
3. Revenue Analysis		
(a) Rates, Levies and Charges		
General Rates	23,026,402	21,141,128
Separate Rates	6,068,673	2,076,699
Water	4,355,553	3,930,679
Water Consumption, Rental and Sundries	3,045,703	2,835,866
Sewerage	3,816,004	3,490,655
Waste Management	2,458,677	2,510,322
Total Rates and Utility Charge Revenue	<u>42,771,012</u>	<u>35,985,349</u>
Less: Discounts	(2,884,767)	(2,757,103)
Less: Pensioner Remissions	(732,776)	(355,825)
	<u>39,153,469</u>	<u>32,872,421</u>
(b) Fees and Charges		
Other Fees and Charges	<u>3,548,760</u>	<u>3,278,562</u>
	<u>3,548,760</u>	<u>3,278,562</u>
(c) Rental Income		
Investment Property Rental	<u>497,834</u>	<u>694,060</u>
	<u>497,834</u>	<u>694,060</u>
(d) Interest Received		
Interest Received from Term Deposits	1,024,716	1,255,751
Interest from Overdue Rates and Utility Charges	<u>250,721</u>	<u>215,058</u>
	<u>1,275,437</u>	<u>1,470,809</u>
(e) Sales Revenue		
Sale of Services		
Contract and Recoverable Works	<u>6,125,424</u>	<u>6,119,153</u>
	<u>6,125,424</u>	<u>6,119,153</u>
(f) Other Recurrent Income		
Other Income	<u>1,179,755</u>	<u>844,322</u>
	<u>1,179,755</u>	<u>844,322</u>

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
4. Grants, Subsidies, and Contributions and Donations		
(a) Recurrent		
General Purpose Grants	3,216,624	7,046,159
State Government Subsidies and Grants	675,791	576,812
Donations	80,530	909
Commonwealth Government Subsidies and Grants	164,016	193,797
Contributions	29,992	34,872
NDRRA Funding	25,574,969	24,541,364
	29,741,922	32,393,913
(b) Capital		
State Government Subsidies and Grants	1,008,860	1,324,994
Contributions	385,150	205,923
Commonwealth Government Subsidies and Grants	1,775,894	507,235
NDRRA Funding	12,217,165	127,312
	15,387,069	2,165,464
5. Capital Income		
Gain / Loss on Disposal of Non-Current Assets		
(a) Proceeds from the Sale of Property, Plant and Equipment	309,520	809,595
Less: Book Value of Property, Plant and Equipment Disposed of	(292,872)	(663,690)
	16,648	145,905
(b) Proceeds from Sale of Land and Improvements	415,909	124,229
Less: Book Value of Land Sold	(306,109)	(115,000)
	109,800	9,229
Revaluations		
Revaluation Up of Investment Property	14	(293,272)
	-	(293,272)
	-	(293,272)
Total Capital Income/(Expenses)	126,448	(138,138)

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

	Notes	2014 \$	2013 \$
6. Employee Benefits			
Total Staff Wages and Salaries		17,191,786	20,424,692
Councillors' Remuneration		583,723	493,990
Annual, Sick and Long Service Leave Entitlements		3,209,110	3,063,858
Superannuation	25	2,127,896	2,307,970
		<u>23,112,515</u>	<u>26,290,510</u>
Other Employee Related Expenses		827,794	30,586
		<u>23,940,309</u>	<u>26,321,096</u>
Less: Capitalised Employee Expenses		(2,605,622)	(3,576,613)
		<u>21,334,687</u>	<u>22,744,483</u>

Councillor remuneration represents salary, superannuation contributions and other allowances paid in relation to the carrying out of their duties.

	2014 #s	2013 #s
Total Council Employees at the Reporting Date:		
Elected Members	7	7
Administration Staff	139	164
Depot and Outdoors Staff	170	139
Total Full Time Equivalent Employees	<u>316</u>	<u>310</u>

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
7. Materials and Services		
Advertising and Marketing	269,438	124,312
Administration Supplies and Consumables	304,911	348,962
Audit of Annual Financial Statements by the Auditor-General of Queensland	222,478	205,380
Communications and IT	1,107,238	1,195,706
Consultants	934,794	415,701
Contractors	27,649,696	30,119,528
Donations Paid	1,147,652	300,535
Repairs and Maintenance	10,233,483	28,875,967
Rentals - Operating Leases	146,943	125,348
Subscriptions and Registrations	256,858	109,497
Travel	109,147	28,641
Power	2,028,551	1,900,318
Other Materials and Services	5,268,305	5,439,554
	<u>49,679,494</u>	<u>69,257,507</u>

8. Finance Costs

Finance Costs Charged by the Queensland Treasury Corporation	734,271	654,487
Bank charges	80,140	90,325
	<u>814,411</u>	<u>744,812</u>

9. Depreciation and Amortisation

Depreciation of Non-Current Assets

Buildings	2,243,817	2,362,375
Major Plant and Equipment	-	13,251
Other Plant and Equipment	2,066,965	1,745,794
Road, Drainage and Bridge Network	3,170,030	3,836,984
Water	1,825,041	2,012,928
Sewerage	1,333,622	1,312,837
Total Depreciation and Amortisation	15 <u>10,639,475</u>	<u>11,284,169</u>

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

<u>Notes</u>	<u>2014</u>	<u>2013</u>
	\$	\$
10. Cash and Cash Equivalents		
Cash at bank and on hand	844,553	8,566,878
Deposits at call	50,546,417	26,130,260
Balance per Statement of Cash Flows	51,390,970	34,697,138

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

Unspent government grants and subsidies	1,362,321	5,818,278
Unspent developer contributions	4,662,977	4,515,705
Unspent loan monies	22,389,188	3,161,997
* Internally imposed expenditure restrictions at the reporting date:		
Future capital works	10,555,992	8,870,037
Future recurrent expenditure	5,349,754	2,960,281
Total unspent restricted cash	44,320,232	25,326,298

* These restrictions were previously allocated as reserves

Cash, cash deposits and term deposits are held with the National Australia Bank, Commonwealth Bank of Australia, Westpac Banking Corporation and Queensland Treasury Corporation, in normal term deposits, deposits at call and business cheque accounts.

The previously mentioned banking institutions currently have a short and long term credit rating of:

Banking Institution	Short Term	Long Term
QTC	A-1+	AA+
CBA	A-1+	AA-
NAB	A-1+	AA-
WBC	A-1+	AA-

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

Notes	2014 \$	2013 \$
11. Trade and Other Receivables		
Current		
Rateable revenue and utility charges	4,914,600	3,166,323
Other debtors	2,445,839	1,603,894
Less: provision for impairment of debts	(20,000)	(20,000)
GST recoverable	1,681,574	477,597
Loans and advances to community organisations	28,495	11,379
Prepayments	391,484	394,774
	<u>9,441,992</u>	<u>5,633,967</u>
Non-current		
Loans and advances to community organisations	20,242	22,843
	<u>20,242</u>	<u>22,843</u>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

12. Inventories

Inventories Held for Sale

Land Held for Sale	-	104,365
	<u>-</u>	<u>104,365</u>

Inventories Held for use in Production

Quarry and Road Materials	33,682	27,104
Plant and Equipment Stores	790,362	812,228
	<u>824,044</u>	<u>839,332</u>
Total Inventories	<u>824,044</u>	<u>943,697</u>

13. Investments

Nanango Progressive Community Ltd	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

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	Notes	2014 \$	2013 \$
14. Investment Property			
Fair Value at Beginning of Financial Year		6,359,998	6,590,124
Additions		-	63,146
Revaluation		-	(293,272)
Transfers to property, plant and equipment	15	(6,359,998)	-
Fair Value at End of Financial Year		<u>-</u>	<u>6,359,998</u>

During the year Council undertook a comprehensive review of its investment property portfolio with a view to confirming the nature of these assets. The investment property portfolio has historically comprised the following assets:

- Lake Boondooma Tourist Facility
- Yallakool Tourist Facility
- Land for Sale at Boondooma Dam, Murgon and Wondai

The review resulted in a determination that all of the above assets are principally held for use in Council's core business, that is, the provision of essential services to the community, rather than for either or both of rental income generation or capital appreciation, the latter being fundamental to the definition of investment property per AASB 140 *Investment Property*. Council considers these assets as integral to the economy and future development of the region.

As the review confirmed that the assets do not meet the definition of investment property, they were transferred to property, plant and equipment on 31 December 2013.

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15. Property, Plant and Equipment

Basis of Measurement	Note	Land and Improvements	Buildings	Major Plant	Other Plant and Equipment	Road, Drainage and Bridge Network	Water	Wastewater	Asset Restoration	Work in Progress	Total
Asset Values		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Gross Value as at 1 July 2013		42,275,954	126,434,969	-	30,144,562	294,239,749	129,904,223	78,673,398	4,115,668	6,091,939	711,880,472
Additions		-	-	-	-	-	-	-	-	35,430,490	35,430,490
Disposals	5	(225,000)	-	-	(3,123,339)	-	-	-	-	-	(3,348,339)
Revaluation Adjustment to Asset Revaluation Surplus	21	(9,473,617)	1,000,587	-	-	160,712,405	22,621,597	13,108,168	-	-	187,969,440
Transfers from Inventory - Land for Sale		23,256	-	-	-	-	-	-	-	-	23,256
Transfers from Work in Progress		-	-	-	2,796,763	13,523,782	-	-	-	(16,320,535)	-
Adjustment - change in estimate		-	-	-	-	-	-	-	5,871,445	-	5,871,445
Assets Transferred from Investment Property	14	1,902,560	5,016,912	-	-	-	-	-	-	-	6,919,472
Transfers Between Classes		9,987,103	(16,963)	-	16,963	-	-	-	(9,987,103)	-	-
Closing Gross Value as at 30 June 2014		44,490,256	132,436,535	-	29,834,929	468,475,936	152,525,820	91,781,566	-	25,201,894	944,745,936
Accumulated Depreciation and Impairment											
Opening Balance as at 1 July 2013		-	18,522,015	-	18,986,373	85,715,733	59,150,008	47,046,337	-	-	229,420,466
Depreciation Provided in Period	9	-	2,243,817	-	2,066,965	3,170,030	1,825,041	1,333,622	-	-	10,639,475
Depreciation on Disposals	5	-	-	-	(2,830,467)	-	-	-	-	-	(2,830,467)
Revaluation Adjustment to Asset Revaluation Surplus	21	-	(814,072)	-	-	(39,823,740)	(28,246,276)	(25,449,224)	-	-	(94,333,312)
Assets Transferred from Investment Property	14	-	559,474	-	-	-	-	-	-	-	559,474
Transfers Between Classes		-	(15,483)	-	15,483	-	-	-	-	-	-
Accumulated Depreciation as at 30 June 2014		-	20,495,751	-	18,238,354	49,062,023	32,728,773	22,930,735	-	-	143,455,636
Consolidated Book Value as at 30 June 2014		44,490,256	111,939,784	-	11,596,575	419,413,913	119,797,047	68,850,831	-	25,201,894	801,290,300
Range of Estimated Useful Life in Years		Not Depreciated	40 - 100	20	3 - 20	5 - 100	20 - 80	20 - 60	Not Depreciated	Not Depreciated	
Additions Comprise:		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Renewals		-	-	-	-	-	-	-	-	33,396,787	33,396,737
Other Additions		-	-	-	-	-	-	-	-	2,796,753	2,796,753
Total Additions		-	-	-	-	-	-	-	-	35,430,490	35,430,490

**South Burnett Regional Council
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Council - 30 June 2013	Note	Land and Improvements	Buildings	Major Plant	Other Plant and Equipment	Road, Drainage and Bridge Network	Water	Wastewater	Asset Restoration	Work in progress	Total
Basis of Measurement											
Asset Values											
Opening Gross Value as at 1 July 2012		40,417,400	129,980,133	1,760,000	29,110,992	296,078,470	106,813,450	78,250,953	5,243,171	16,996,838	704,651,407
Additions	5	(115,000)	-	-	(2,991,061)	-	-	-	-	12,161,816	12,161,816
Disposals		-	-	-	-	-	-	-	-	-	(3,106,061)
Revaluation Adjustment to Asset Revaluation Surplus	21	1,777,560	(6,436,084)	(521,851)	-	(5,424,825)	19,124,442	(1,018,880)	-	-	7,500,362
Transfers From Work in Progress		117,394	2,969,542	-	2,786,482	3,586,104	3,966,331	1,441,325	-	(14,867,178)	(8,199,537)
Impairment		-	-	-	-	-	-	-	-	(8,199,537)	(8,199,537)
Adjustment - Change in Estimate		-	-	-	-	-	-	-	(1,127,513)	-	(1,127,513)
Transfers Between Classes		78,600	(78,602)	(1,238,149)	1,238,149	-	-	-	-	-	(2)
Closing Gross Value as at 30 June 2013		42,275,954	126,434,989	-	30,144,562	294,239,749	129,904,223	78,673,398	4,115,658	6,091,939	711,880,472
Accumulated Depreciation and Impairment											
Opening Balance as at 1 July 2012		-	16,698,118	1,569,999	18,329,801	64,306,532	52,855,811	46,148,728	-	-	199,898,989
Depreciation Provided in Period	9	-	2,362,375	13,251	1,745,794	3,836,984	2,012,928	1,312,837	-	-	11,284,169
Depreciation on Disposals	5	-	-	-	(2,327,371)	-	-	-	-	-	(2,327,371)
Revaluation Adjustment to Asset Revaluation Surplus	21	-	(538,478)	(335,101)	-	17,572,217	4,281,269	(415,228)	-	-	20,564,679
Transfers Between Classes		-	-	(1,238,149)	1,238,149	-	-	-	-	-	-
Accumulated Depreciation as at 30 June 2013		-	18,522,015	-	18,986,373	85,715,733	59,150,008	47,046,337	-	-	229,420,466
Consolidated Book Value as at 30 June 2013		42,275,954	107,912,974	-	11,158,189	208,524,016	70,754,215	31,627,061	4,115,658	6,091,940	482,460,006
Residual Values		-	79,911,516	-	4,968,406	-	-	-	-	-	-
Range of Estimated Useful Life in Years		Not Depreciated	40 - 100	20	3 - 20	5 - 100	20 - 80	20 - 60	Not Depreciated	Not Depreciated	-
Additions comprise:											
Renewals		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other Additions		-	-	-	-	-	-	-	-	10,974,946	10,974,946
Total Additions		-	-	-	-	-	-	-	-	1,186,870	1,186,870
		-	-	-	-	-	-	-	-	12,161,816	12,161,816

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16. Fair Value Measurements:

(i) Recognised Fair Value Measurements

To provide an indication about the reliability of the inputs used in determining fair values, council classifies assets which are measured at fair value into the three levels prescribed under AASB 13: Fair Value Measurements, as follows:

Level 1: Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value based on inputs that are directly or indirectly observable for the asset or liability.

Level 3: Fair value based on unobservable inputs for the asset or liability.

Council measures and recognises the following assets at fair value on a recurring basis.

Property, plant and equipment

- Land and improvement
- Buildings
- Road, drainage and bridge network
- Water infrastructure
- Wastewater infrastructure

Council does not measure any liabilities at fair value on a recurring basis.

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes. Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 19 is provided by the Queensland Treasury Corporation and represents the contractual undiscounted cash flows at balance date (level 2). The carrying amount of trade receivables and trade payables are assumed to approximate their fair value due to their short-term nature (level 2). There were no transfers between levels during the year.

The fair values of financial and non financial assets that are not traded in an active market are determined using valuation techniques. These valuation techniques maximise the use of observable data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for council infrastructure assets, which are of a specialist nature and where there is no active market for the assets.

The following table summarises the classification of Council's assets into the levels defined above. Comparative information has not been presented as permitted by the transitional provisions of AASB 13.

Asset	Level	Valuation Technique	Gross (RC or MV)	Accumulated Depreciation	Fair Value
Land	2	Market	44,490,256	-	44,490,256
Specialised Buildings	3	Cost	90,539,674	12,658,232	77,881,442
Residential / Commercial	2	Market	1,609,951	647,447	962,504
Other Structures	3	Cost	40,285,910	7,190,072	33,095,838
Road Network	3	Cost	468,475,936	49,062,023	419,413,913
Water Infrastructure	3	Cost	152,525,820	32,728,773	119,797,047
Wastewater Infrastructure	3	Cost	91,781,566	22,930,735	68,850,831
			889,709,113	125,217,282	764,491,831

The table below summarises the level of detail applied in determining the value of Council's assets as at 30 June 2014:

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Asset Category	Valuation Effective 30 June 2014	Performed By	Effective Date of Last Comprehensive Valuation	Performed By
Land	Desktop	APV Valuers and Asset Management	30/06/2012	APV Valuers and Asset Management
Buildings	Desktop	APV Valuers and Asset Management	30/06/2012	APV Valuers and Asset Management
Road, Drainage and Bridge Network	5% Comprehensive / Remainder Desktop	APV Valuers and Asset Management	Due to flood events and other issues a comprehensive valuation of the whole road network has not been completed since amalgamation.	
Water Infrastructure Network	Comprehensive	APV Valuers and Asset Management	30/06/2014	APV Valuers and Asset Management
Sewerage Infrastructure Network	Comprehensive	APV Valuers and Asset Management	30/06/2014	APV Valuers and Asset Management

(ii) **Valuation Techniques Used to Derive Fair Values**

Land (Level 2)

Level 2 valuation inputs were used to value land in freehold title. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre. Valuations represent the replacement cost of the land. All land values are based on the assumption that contaminants such as asbestos, chemicals, toxic wastes or other hazardous materials do not exist on these land parcels.

As noted above the last comprehensive valuation of land assets was undertaken effective 30 June 2012. The desktop valuation undertaken in the current period adjusts the figures from the previous valuation by reference to indexation to make them current as at the reporting date. The methodology used to achieve this is to analyse land sales data for the preceding twelve month period. In conducting this analysis the valuer determined that the following indexation percentages were indicative of the movement in the value of land within the South Burnett Regional Council area:

Land Category	Index %
South Burnett Regional Council (Overall)	2.0%
Rural Residential Land (1 - 5 hectare)	0.5%
Rural Land (Over 5 hectares)	0.0%
Kingaroy Land	2.5%

Buildings (Level 2 and Level 3)

Where there is a market for council building assets, fair value has been derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach were price per square metre. These are classified as level 2 fair value measurements.

Where council buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential including allowance for preliminaries and professional fees. This approach estimated the replacement cost of each building by componentising the buildings into significant parts with different useful lives and taking account of a range of factors. While unit rates based on square meters could be supported from market evidence (level 2) other inputs (such as estimates of residual values, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as

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having been valued using level 3 valuation inputs. The valuation's sensitivity to these inputs is summarised below:

Significant Unobservable Input	Range of Inputs	Relationship of Unobservable Inputs to Fair Value
Condition rating	0H - 6	The higher the condition rating, the lower the fair value
Residual value percentage (by component)	0% - 60%	The higher the residual value, the higher the fair value

Under the cost approach (level 3) the estimated cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation, reflective of the decline in service potential of the asset. This is achieved through the use of an asset consumption rating scale for each asset type based on the inter-relationship between key factors as described above. The consumption rating scales used were based initially on the past experience of the valuation firm and industry guides and were then updated to take into account the experience and understanding of Council's own infrastructure, asset management and finance staff. The results of the valuation were further evaluated through confirmation against Council's own understanding of the assets and the level of remaining service potential.

The percentage service potential remaining at each condition score within the consumption rating scales employed in the valuation of building assets is summarised in the table below:

Consumption Score	Description	% Remaining Service Potential of Depreciable Amount				
		Straight Line	Low	Mod	High	Extreme
0H - 0M	New or very good condition - very high level of remaining service potential	100%	100%	100%	100%	100%
1H - 1M	Not new but in very good condition with no indicators of any future obsolescence and providing a high level of remaining service potential.	85%	92%	94%	98%	100%
2H - 2M	Aged and in good condition, providing an adequate level of remaining service potential. No signs of immediate or short term obsolescence.	50%	65%	75%	85%	99%
3H - 3M	Providing an adequate level of remaining service potential but there are some concerns over the asset's ability to continue to provide an adequate level of service in the short to medium term. May be signs of obsolescence in the short to mid-term.	25%	40%	54%	70%	90%
4H - 4M	Indicators showing the need to renew, upgrade or scrap in near future. Should be reflected by inclusion in the Capital Works Plan to renew or replace in short-term. Very low level of remaining service potential.	10%	20%	34%	45%	70%

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5H - 5M	At intervention point. No longer providing an acceptable level of service. If remedial action is not taken immediately the asset will need to be closed or decommissioned.	0%	0%	0%	0%	0%
6 - End of Life	Theoretical end of life.	Fully written off				

As noted above the last comprehensive valuation of building assets was undertaken effective 30 June 2012. The desktop valuation undertaken in the current period adjusts the figures from the previous valuation by reference to indexation to make them current as at the reporting date. The indexation percentages for the building valuations have been derived from reference to actual costs of recent construction where details were available, costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook), construction data from the Australian Bureau of Statistics and the valuer's own internal market research. The analysis of these construction cost guides and research has determined that the approximate increase in building costs over the period from the 30 June 2013 to 30 June 2014 for each building type is as follows:

Building Category	Index %
Residential	1.0%
Commercial	2.0%
Industrial	1.0%
Civic	2.0%
Amenities	2.0%
Park Assets	1.5%

Road, Drainage and Bridge Network Infrastructure Assets (Level 3)

Council has engaged APV Valuers and Asset Management to provide a comprehensive valuation of all road network assets over a three year period. As at 30 June 2014 a 5% sample of the network was comprehensively valued with the balance being a desktop valuation based on revised unit rates. As explained below the current period valuation also incorporated changes to a number of other valuation assumptions.

All road, bridge and drainage network assets were valued using level 3 valuation inputs under a cost approach. The approach estimated the replacement cost of each asset by componentising the assets into significant parts (i.e. for road assets formation, pavement and seal) with different useful lives and taking into account a range of factors. While unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs. The valuation's sensitivity to these inputs is summarised below:

Significant Unobservable Input	Range of Inputs	Relationship of Unobservable Inputs to Fair Value
Standard material usage quantities	Varies depending upon the type of material	The higher the usage quantities, the higher the fair value
Condition rating	0H - 6	The higher the condition rating, the lower the fair value
Residual value percentage	40% - 100%	The higher the residual value percentage, the higher the fair value

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The consumption rating scales employed in the valuation of road, bridge and drainage network assets and the percentage service potential remaining at each condition score within those consumption rating scales are consistent with those disclosed for buildings above.

The nature of the road network infrastructure is that there are a very large number of assets which comprise the network and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence, reliance was placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planned inspections and updates to the system following maintenance activities and renewal treatments.

As observable in Note 15 the current period revaluation exercise resulted in an increase in Council's road, bridge and drainage network asset valuation of approximately \$200.5m, or 92% of the pre-revaluation asset written-down value. The following seeks to provide a high level summary of the factors influencing the revaluation increment and also to highlight the sensitivity of the valuation to changes in significant inputs:

Input Factor	Approx. Quantitative Impact of Change	Explanation
Changes in replacement cost unit rates (net of corresponding increase in accumulated depreciation)	\$177,500,000	The rates adopted were compiled by the valuer using a mixture of council supplied internal cost information, and benchmarking against their database of rates for other QLD local government areas and industry wide costing information. In recent year's Council's unit rates have been drawn from internal sources without readily available comparable industry information. In practice the range of unit rates applied across the local government sector is wide and changes to valuation service provider and/or addition of new insight can have significant consequences for the determination of fair value.
Depreciation valuation methodology	\$22,000,000	The current period valuation employed consumption rating scales, as described above, which generally (depending on the "pattern of consumption" profile adopted) provide for lower accumulated depreciation on assets which are in relatively good condition, as remaining service potential is considered to be higher, and accelerates the amount of accumulated depreciation recognised as an asset's condition deteriorates. In previous years the consumption patterns adopted have typically provided for accumulation of depreciation on a straight line basis. As a result, accumulated depreciation is generally lower under the current period valuation.
Commencement of Unsealed Road Pavement Depreciation	-\$12,400,000	The residual value percentage on unsealed (gravelled) road surfaces has decreased from 100% to 40%. Council has historically employed a policy of not depreciating these assets on the basis that costs to reinstate the condition of the asset (e.g. gravel resheeting) have been expensed as repairs and maintenance expenditure rather than capitalised. As of 30 June 2014 Council has effected a change in policy such that all future gravel restoration costs will be capitalised, and that consistent with this policy unsealed pavements will commence being depreciated. This change in policy has been reflected in the year end valuation.
Other Changes in Residual Value Percentages	\$19,500,000	Historically, Council has adopted 0% residual value percentages on all carriageway sub-categories (except for formation and unsealed rural road pavements which were not depreciated), meaning that all such assets were depreciated to nil over their adopted useful lives. In the current period valuation a residual value of 40% of the gross replacement cost has been assumed for all rural and urban pavements and spray seal. The higher the residual value percentages, the lower the depreciation incurred over the useful life of the asset, thus resulting in an increase in the overall asset valuation.
Other register changes	-\$6,100,000	Includes changes to formation and pavement areas arising from APV's physical inspection program, downgrade of gravelled roads to merely formed roads, and identification of new assets.
	\$200,500,000	

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Water and Wastewater Network Infrastructure Assets (Level 3)

Council engaged APV Valuers and Asset Management to provide a comprehensive valuation of all water and wastewater network assets as at 30 June 2014.

All water and wastewater network assets were valued using level 3 valuation inputs under a cost approach. The approach estimated the replacement cost of each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs. The valuation's sensitivity to these inputs is summarised below:

Significant Unobservable Input	Range of Inputs	Relationship of Unobservable Inputs to Fair Value
Standard material usage quantities	Varies depending upon the type of material	The higher the usage quantities, the higher the fair value
Condition rating	0H - 6	The higher the condition rating, the lower the fair value
Residual value percentage	0% - 40%	The higher the residual value percentage, the higher the fair value

The consumption rating scales employed in the valuation of water and wastewater network assets and the percentage service potential remaining at each condition score within those consumption rating scales are consistent with those disclosed for buildings above.

The nature of water and wastewater network infrastructure is that there are a very large number of assets which comprise the networks and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence, reliance was placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planned inspections and updates to the system following maintenance activities and renewal treatments. Likewise, a large portion of these networks is located underground and may only be inspected on an irregular basis.

To provide assurance over the accuracy of this information and taking into account the cost benefit of undertaking physical inspections, the valuation was delivered on the basis of 100% physical inspection of the active assets where data held in the system is verified by a physical inspection.

As observable in Note 15 the current year revaluation exercise resulted in an increase in Council's water and wastewater network of approximately \$89.4m, or 90% of the pre-revaluation asset written-down value. The following seeks to provide a high level summary of the factors influencing the revaluation increment and to highlight the sensitivity of the valuation to changes in significant inputs:

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Input	Approx. Quantitative Impact of Change	Explanation
Change in depreciation valuation methodology - Active assets	\$14,000,000	In previous years active network assets were depreciated for valuation purposes using an aged based depreciation methodology, similar to that which would commonly be applied to passive water assets. Assets were depreciated to nil over their useful lives with no residual values. In the current valuation the valuation methodology applied to determine cumulative decline in service potential is a condition based model utilising non-linear consumption rating scales and also makes use of residual values (in some instances up to 40% of gross replacement cost (GRC)). The combination of these factors has caused the increase in valuation arising from a reduction in the accumulated depreciation component
Change in depreciation valuation methodology - Passive assets	\$30,400,000	The decline in value of passive assets continues to be measured based on the age of such assets, however the current valuation assigned a condition rating based upon asset age in order to make use of the consumption rating scales defined above. This has had the effect of reducing the accumulated depreciation on these assets, on the same basis as described for road network assets above.
Change in residual value percentages - Wastewater mains	\$8,800,000	All water and wastewater mains have historically been depreciated to nil over their useful life. The current valuation adopted a residual value of 40% GRC for two types of wastewater mains for which it is anticipated the service potential will be replenished on expiry via relining of the existing asset, rather than full replacement.
Unit rate and other register changes	\$36,200,000	The previous comprehensive update of unit rates was performed in 2010. The current valuation adjusts for the effects of indexation in the intervening period and incorporates an adjustment to assets which were identified and brought onto the register in FY13 and thus subjected to comprehensive valuation for the first time in FY14. Other changes have arisen due to the physical inspection program identifying new assets and changes to existing asset dimensions.
	\$89,400,000	

(iii) Changes in fair value measurements using significant unobservable inputs (level 3)

The changes in level 3 assets with recurring fair value measurements are detailed in Note 15 (property, plant and equipment). However, since the buildings disclosed in that note comprise both level 2 and level 3 assets, the movements in level 3 buildings are detailed below. There have been no transfers between level 1, 2 or 3 measurements during the year.

Changes in commercial and other non-residential buildings (Level 3)

	\$
<u>Gross replacement cost</u>	
Opening gross value as at 1 July 2013	124,840,979
Transfers from investment property	5,016,912
Transfers between classes	(16,953)
Revaluation adjustment to asset revaluation surplus	984,646
Closing gross value as at 30 June 2014	<u>130,825,584</u>
<u>Accumulated depreciation</u>	
Opening balance as at 1 July 2013	17,903,005
Depreciation provided in period	2,223,274
Transfers from investment property	559,474
Transfers between classes	(15,483)
Revaluation adjustment to asset revaluation surplus	(821,966)
Accumulated depreciation as at 20 June 2014	<u>19,848,304</u>
Depreciated replacement cost as at 30 June 2014	<u>110,977,280</u>

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	2014	2013
Notes	\$	\$
17. Intangible Assets		
Water Allocation		
Closing Gross Carrying Value	6,234,639	6,234,639
Computer Software		
Opening Gross Carrying Value	1,552,233	-
Additions	439,537	1,552,233
Closing Gross Carrying Value	1,991,770	1,552,233
Total Intangible Assets	8,226,409	7,786,872

The software has a finite useful life of 10 years. Straight line amortisation will be used with no residual values. Council will commence depreciating the software from 1 July 2014.

The water allocation assets are considered to have an indefinite useful life. The assets were tested for impairment at 30 June 2014 by comparing the carrying value of the water distribution network cash-generating unit (incorporating the tangible water infrastructure and the intangible allocation assets) against the net present value of forecast future cash flows to be generated over the maximum replacement lifecycle of network assets. While Council does not operate the water distribution network to generate a profit, Council does set rates for water access and distribution with a view to recovering the costs of maintaining the distribution network. Key assumptions employed in this analysis included net first year recurrent cash flows of \$2.818m, annual cash flow growth of 4.75%, a discount rate of 6.13%, and terminal growth rate of 1.38%. The results of the impairment assessment performed indicated that the water allocation assets were not impaired as at 30 June 2014.

18. Trade and Other Payables

Current		
Creditors and Accruals	10,387,220	3,743,936
Annual Leave	2,190,736	2,311,520
Other Entitlements	121,143	163,356
	<u>12,699,099</u>	<u>6,218,812</u>

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
19. Borrowings		
Current		
Loans - Queensland Treasury Corporation	1,687,761	830,841
	<u>1,687,761</u>	<u>830,841</u>
Non-Current		
Loans - Queensland Treasury Corporation	34,674,093	11,681,355
	<u>34,674,093</u>	<u>11,681,355</u>
Loans - Queensland Treasury Corporation		
Opening Balance at Beginning of Financial Year	12,512,196	9,031,455
Loans Raised	24,660,000	4,000,000
Principal Repayments	<u>(810,342)</u>	<u>(519,259)</u>
Book Value at End of Financial Year	<u>36,361,854</u>	<u>12,512,196</u>

The QTC loan market value at the reporting date was \$38,076,005; this represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made to these accounts.

No assets have been pledged as security by the Council for any liabilities, however all loans are guaranteed by the Queensland Government.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues.

No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 2 August 2014 to 12 June 2032.

There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
20. Provisions		
Current		
Long Service Leave	3,165,408	3,101,873
Other	89,369	41,078
	<u>3,254,777</u>	<u>3,142,951</u>
Non-Current		
Quarry Rehabilitation	889,921	867,247
Refuse Restoration	9,097,182	3,248,411
Long Service Leave	629,128	523,411
	<u>10,616,231</u>	<u>4,639,069</u>

Details of Movements in Provisions

Quarry Rehabilitation

Initial Recognition	867,247	859,128
Increase / (Decrease) Due to Change in Discount Rate	(1,581)	8,119
Increase Due to Unwinding of Discount	24,255	-
Balance at End of Financial Year	<u>889,921</u>	<u>867,247</u>

This is the present value of the estimated cost of restoring approximately 23 closed and operating quarry sites to a useable state at the end of their useful life.

Refuse Restoration

Initial Recognition	3,248,411	4,384,043
Increase / (Decrease) in Estimate of Future Cost	5,652,451	(947,882)
Increase / (Decrease) Due to Change in Discount Rate	106,861	(187,750)
Increase Due to Unwinding of Discount	89,459	-
Balance at End of Financial Year	<u>9,097,182</u>	<u>3,248,411</u>

This is the present value of the estimated cost of restoring approximately 27 closed and operating refuse disposal sites to a useable state at the end of their useful life.

Long Service Leave

Balance at Beginning of Financial Year	3,625,284	2,964,844
Long Service Leave Entitlement Arising	361,666	846,343
Long Service Entitlement Paid	(192,414)	(185,903)
Balance at End of Financial Year	<u>3,794,536</u>	<u>3,625,284</u>

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014

	Notes	2014 \$	2013 \$
21. Asset Revaluation Surplus			
Movements in the asset revaluation surplus were as follows:			
Balance at beginning of financial year		114,034,559	127,098,876
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and Improvements		(9,473,617)	1,777,560
Buildings		1,814,659	(5,897,606)
Plant and Equipment		-	(186,750)
Road, Drainage and Bridge Network		200,536,145	(22,997,042)
Water		50,867,873	14,843,173
Sewerage		38,557,392	(603,652)
		<u>396,337,011</u>	<u>114,034,559</u>
Transfers to retained earnings:			
Plant and Equipment	22	(471,442)	-
Balance at End of Financial Year		<u>395,865,569</u>	<u>114,034,559</u>
Asset Revaluation Surplus Analysis			
The closing balance of the asset revaluation surplus comprises the following asset categories:			
Land and Improvements		15,141,881	24,615,498
Buildings		56,428,677	54,614,018
Plant and Equipment		-	471,442
Road, Drainage and Bridge Network		204,572,379	4,036,234
Water		65,536,926	14,669,053
Sewerage		54,185,706	15,628,314
		<u>395,865,569</u>	<u>114,034,559</u>
22. Retained Surplus / (Deficiency)			
Movements in the retained surplus were as follows:			
Retained Surplus / (Deficit) at Beginning of Financial Year		397,366,934	389,331,406
Net Result Attributable to Council		14,568,051	(24,330,405)
Transfers (to) / from Retained Surplus	21	471,442	-
Transfers (to) / from capital reserves for future capital project funding, or from reserves funds that have been expended or closed:			
Asset Replacement Reserve		-	8,484,441
Constrained Public Contributions Reserve		-	5,111,806
Constrained Works Reserve		-	14,551,407
Transfers (to) recurrent reserves for future project funding, or from reserves funds that have been expended:			
Recurrent Expenditure Reserve		-	4,218,279
Retained Surplus at End of Financial Year		<u>412,406,427</u>	<u>397,366,934</u>

South Burnett Regional Council
Financial Statements
 For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
23. Commitments for Expenditure		
Operating Leases		
Minimum lease payments in relation to non-cancellable operating leases are as follows:		
Within One Year	207,456	207,456
One to Five Years	242,032	449,480
	<u>449,488</u>	<u>656,936</u>
Contractual Commitments		
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:		
Garbage Collection Contract	-	540,699
Security	135,432	10,674
Cleaning Contractors	541,649	636,251
	<u>677,081</u>	<u>1,187,624</u>

24. Contingent Liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Local Government Mutual

The South Burnett Regional Council is a member of the Local Government Mutual Liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or being unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

The most recent financial statements reported an accumulated surplus and that it was not anticipated that any liability would arise.

Local Government Workcare

The South Burnett Regional Council is a member of the Queensland Local Government Worker's Compensation Self-Insurance Scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds to cover outstanding liabilities. Only the government's worker's compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$823,275 for 30 June 2014 and was \$870,572 in the prior year 30 June 2013.

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014

25. Superannuation

The South Burnett Regional Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 Employee Benefits.

The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has three elements referred to as:

- The City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund;
- The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments; and
- The Accumulation Benefits Fund (ABF) is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the Local Government Act 2009.

The Regional DBF is a defined benefit plan as defined in AASB119.

There are currently 72 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 72 entities. South Burnett Regional Council made less than 4% of the total contributions to the plan in the 2013-14 financial year.

Any amount by which either scheme is over or under funded would only affect future benefits and contributions to the Regional DBF, and is not an asset or liability of the Council. Accordingly there are no recognitions in the financial statements of any over or under funding of the scheme.

The audited general purpose financial report of the scheme as at 30 June 2013 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the plan are sufficient to meet the vested benefits.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2012. The actuary indicated that "the Regional DBF is currently in a satisfactory but modest financial position and remains vulnerable to adverse short and medium term experience".

Following the previous actuarial assessment in 2009, councils were advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of Regional DBF members. In the 2012 actuarial report the actuary has recommended no change to the employer contribution levels at this time.

Under the Local Government Act 2009 the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when the assets of the Regional DBF are insufficient to meet members' benefits

The next actuarial investigation will be conducted during the 2015 financial year.

	2014	2013
Note	\$	\$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	
	2,127,896	2,307,970

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014

	2014	2013
Notes	\$	\$
26. Trust Funds		
Trust Funds Held for Outside Parties		
Security Deposits	761,828	690,953
	<u>761,828</u>	<u>690,953</u>

Trust Funds are monies collected or held on behalf of other individuals and/or entities yet to be paid out to or on behalf of those individuals and/or entities. The South Burnett Regional Council performs only a custodial role in respect of these monies. As these funds cannot be used by Council, they are not brought to account in these financial statements.

27. Reconciliation of Result from Ordinary Activities to Net Cash Inflow / (Outflow) from Operating Activities

Net Result	14,568,051	(24,330,405)
Non-Cash Items:		
Depreciation and Amortisation	10,639,475	11,284,169
Revaluation Adjustments	-	293,272
	<u>10,639,475</u>	<u>11,577,441</u>
Investing and Development Activities:		
Net (Profit) / Loss on Disposal of Non-Current Assets	(126,448)	(155,134)
Capital Grants and Contributions	(15,387,069)	(2,165,464)
Flood restoration expenditure incurred 2011	-	8,199,537
	<u>(15,513,517)</u>	<u>5,878,939</u>
Changes in Operating Assets and Liabilities:		
(Increase) / Decrease in Receivables	(3,790,909)	1,866,719
(Increase) / Decrease in Inventory	15,288	36,469
Increase / (Decrease) in Payables	6,480,287	61,653
Increase / (Decrease) in Other Provisions	217,543	550,403
	<u>2,922,209</u>	<u>2,515,244</u>
Net Cash Inflow from Operating Activities	<u>12,616,218</u>	<u>(4,358,781)</u>

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014

28. Events after the Reporting Period

There are no material adjusting events after the balance date.

29. Financial Instruments

South Burnett Regional Council has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note provides information (both qualitative and quantitative) to assist statement users to evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

Financial Risk Management

South Burnett Regional Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council's risk committee management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

The Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

South Burnett Regional Council does not enter into derivatives.

Credit Risk

Credit risk is the risk of financial loss if a counter party to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state / commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

No collateral is held as security relating to the financial assets held by South Burnett Regional Council.

The following table represents the maximum exposure to credit risk based on the carrying amounts of financial assets at the end of the reporting period:

	Note	2014 \$	2013 \$
Financial assets			
Cash and Cash Equivalents	10	51,390,970	34,697,138
Receivables - Rates	11	4,914,600	3,166,323
Receivables - Other	11	4,156,150	2,095,713
		60,461,720	39,959,174

South Burnett Regional Council Notes to the Financial Statements

For the Year Ended 30 June 2014

Cash and Cash Equivalents

The Council may be exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong. Other investments are held with highly rated banks and financial institutions and whilst not capital guaranteed, the likelihood of a credit failure is remote.

Trade and Other Receivables

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of defaults.

In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area, because the area is largely food manufacturing, as well as a large concentration in the mining and agricultural sector.

Due to current limitations in Council's software, Council is unable to provide information on the ageing of past due receivables and the amount of any impairment as at 30 June 2014.

Liquidity Risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

South Burnett Regional Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in note 19. The following lines of credit were available at the end of the reporting period:

	Note	2014	2013
		\$	\$
Overdraft - QTC Working Capital Facility		10,000,000	10,000,000
Available at 30 June		10,000,000	10,000,000

The following table sets out the liquidity risk in relation to financial liabilities held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

South Burnett Regional Council
Notes to the Financial Statements
For the Year Ended 30 June 2014

	0 to 1 Year	1 to 5 Years	Over 5 Years	Total Contractual Cash Flows	Carrying Amount
	\$	\$	\$	\$	\$
2014					
Trade and Other Payables	12,699,099	-	-	12,699,099	12,699,099
Loans - QTC	3,397,655	12,944,198	35,801,577	52,143,430	38,076,005
	<u>16,096,754</u>	<u>12,944,198</u>	<u>35,801,577</u>	<u>64,842,529</u>	<u>50,775,104</u>
2013					
Trade and Other Payables	6,218,812	-	-	6,218,812	6,218,812
Loans - QTC	1,539,422	5,522,367	11,034,190	18,095,979	13,242,722
	<u>7,758,234</u>	<u>5,522,367</u>	<u>11,034,190</u>	<u>24,314,791</u>	<u>19,461,534</u>

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the Council's income or the value of its holdings of financial instruments.

Interest Rate Risk

South Burnett Regional Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions.

The Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

South Burnett Regional Council
Notes to the Financial Statements

For the Year Ended 30 June 2014

	Profit or Loss			Equity	
	Net Carrying Amount	1% Increase	1% Decrease	1% Increase	1% Decrease
	\$	\$	\$	\$	\$
2014					
QTC Cash Fund	22,948,857	229,489	(229,489)	229,489	(229,489)
Other Investments	27,597,560	275,976	(275,976)	275,976	(275,976)
Loans - QTC	(36,361,854)	(363,619)	363,619	(363,619)	363,619
Net Total	<u>14,184,563</u>	<u>141,846</u>	<u>(141,846)</u>	<u>141,846</u>	<u>(141,846)</u>
2013					
QTC Cash Fund	5,843,100	58,431	(58,431)	58,431	(58,431)
Other Investments	28,854,038	288,540	(288,540)	288,540	(288,540)
Loans - QTC	(12,512,196)	(125,122)	125,122	(125,122)	125,122
Net Total	<u>22,184,942</u>	<u>221,849</u>	<u>(221,849)</u>	<u>221,849</u>	<u>(221,849)</u>

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014



South Burnett Regional Council
Management Certificate

For the Year Ended 30 June 2014

These general purpose financial statements have been prepared pursuant to Sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.


In accordance with Section 212(5) of the Regulation we certify that:

- (i) The prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) The general purpose financial statements present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Mayor
Wayne Kratzmann
3.06.2015

Date



Chief Executive Officer
Gary Wall
3.06.2015

Date

**South Burnett Regional Council
Current-year Financial Sustainability Statement**
For the Year Ended 30 June 2014

Current-year Financial Sustainability Statement
Current-year Financial Sustainability Statement
For the year ended 30 June 2014
Measures of Financial Sustainability

Council's performance at 30 June 2014 against key financial ratios and targets:

Operating surplus ratio

Between 0% and 10%

Asset sustainability ratio

Greater than 90%

Net financial liabilities ratio

Not greater than 60%

Net result (excluding capital items) divided by total operating revenue (excluding capital items)

-1%

Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.

31.4%

Total liabilities less current assets divided by total operating revenue (excluding capital items).

2%

How the measure is calculated

Actual - Council

Target

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2014.

This example statement contains the minimum information that is required by section 178 (1) of the *Local Government Regulation 2012*. Councils can change the way in which this information is presented, however the operating surplus, asset sustainability and net financial liabilities ratios must all be calculated in accordance with the financial management (sustainability) guideline issued by the Department of Local Government, Community Recovery and Resilience. The current-year financial sustainability statement must be given to the Auditor-General for auditing.

The current-year financial sustainability statement that is given to the auditor-general must be accompanied by a signed certificate in the form below:

INDEPENDENT AUDITOR'S REPORT

To the Mayor of South Burnett Regional Council

Report on the Financial Report

I have audited the accompanying financial report of South Burnett Regional Council, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government Regulation 2012*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Basis for Qualified Opinion

As disclosed in Note 16(ii) to the financial statements, a \$195,571,441 increase in the gross value of Council's road, drainage and bridge network was recognised at 30 June 2014 due to changes in replacement cost unit rates. This change equated to 66.5 per cent of the gross value of the asset class prior to the revaluation. The net impact of the change in unit rates after adjusting for the associated increase in accumulated depreciation was \$177,582,638. The Council was unable to provide sufficient appropriate audit evidence to support that the replacement cost unit rates for the comparative period did not differ materially from their current value as required by Australian Accounting Standard 116 Property, Plant and Equipment. I am, therefore, unable to and do not express an opinion on the carrying value of the road, drainage and bridge network disclosed in Note 15 of \$208,524,016 at 30 June 2013 and \$231,771,938 at 1 July 2012, the asset revaluation surplus for this asset class disclosed in Note 21 of \$4,036,234 at 30 June 2013, the increase / (decrease) in asset revaluation surplus for the asset class disclosed in Note 21 of \$200,536,145 for the year ended 30 June 2014 and (\$22,997,042) for the year ended 30 June 2013, and the depreciation expense relating to the asset class disclosed in Note 9 of \$3,170,030 for the year ended 30 June 2014 and \$3,836,984 for the year ended 30 June 2013. The impact on the financial report is not able to be quantified due to an absence of reliable data.

Qualified Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph -
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of South Burnett Regional Council for the financial year 1 July 2013 to 30 June 2014 and of the financial position as at the end of that year.

Emphasis of Matter – Cash reconciliation differences

Without further modification of my opinion, attention is drawn in Notes 10(a) and 26(a) regarding the unreconciled differences between the general ledger and cash at bank totalling \$33,885 for Council funds and \$43,333 for trust funds as at 30 June 2014, which resulted from the introduction by Council of new business software in October 2013.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.


D A STOLZ FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014



Certificate of Accuracy
For the Year Ended 30 June 2014

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Mayor
Wayne Kratzmann
3.06.2015

Date



Chief Executive Officer
Gary Wall
3.06.2015

Date

**South Burnett Regional Council
Long-term Financial Sustainability Statement**
For the Year Ended 30 June 2014

Long-term Financial Sustainability Statement

Long-Term Financial Sustainability Statement

Prepared as at 30 June 2014

Measures of Financial Sustainability

How the measure is calculated

Target

Actuals at 30 June 2014

30 June 2015

30 June 2016

30 June 2017

30 June 2018

30 June 2019

30 June 2020

30 June 2021

30 June 2022

30 June 2023

	Actuals at 30 June 2014	30 June 2015	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023
Operating surplus ratio	-1%	-2.2%	0.4%	2.1%	2.0%	0.9%	1.1%	2.1%	2.5%	3.4%
Net result (excluding capital items) divided by total operating revenue (excluding capital items)										
Asset sustainability ratio	314.0%	363.5%	219.6%	134.3%	138.2%	137.0%	133.6%	106.3%	124.5%	106.3%
Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.										
Net financial liabilities ratio	2%	-3.6%	36.2%	38.9%	32.1%	36.8%	42.0%	40.8%	38.5%	30.8%
Total liabilities less current assets divided by total operating revenue (excluding capital items).										

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs. In summary, we achieved the financial targets, performing strongly in our ability to generate cash from day-to-day operations, meeting all financial commitments in the financial year. This was achieved while maintaining community services and making ongoing investment in community infrastructure. Our operating result in this period was adversely affected by the impacts of the Natural Disaster Relief and Recovery Arrangements - Flood Damage Restoration Program.

South Burnett Regional Council
Financial Statements
For the Year Ended 30 June 2014



Certificate of Accuracy

**For the Long-Term Financial Sustainability Statement Prepared
as at 30 June 2014**

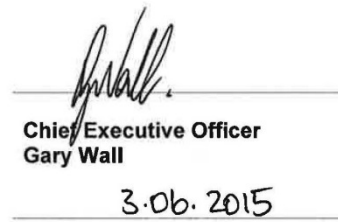
This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.



Mayor
Wayne Kratzmann
3.06.2015

Date



Chief Executive Officer
Gary Wall
3.06.2015

Date

INDEPENDENT AUDITOR'S REPORT

To the Mayor of South Burnett Regional Council

Report on the Current-Year Financial Sustainability Statement

I have audited the accompanying current-year financial sustainability statement, which is a special purpose financial report of South Burnett Regional Council for the year ended 30 June 2014, comprising the statement and explanatory notes, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Current-Year Financial Sustainability Statement

The Council is responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the *Local Government Regulation 2012*. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the current-year financial sustainability statement based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the statement.

My responsibility is to form an opinion as to whether the statement has been accurately calculated based on the Council's general purpose financial report. My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the Council's future sustainability.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Basis for Qualified Opinion

I qualified my opinion on the 2013-14 financial statements of South Burnett Regional Council because the Council was unable to provide sufficient appropriate audit evidence to support the reported depreciation expense for the year ended 30 June 2014 in relation to the road, drainage and bridge network. As depreciation expense impacts on the calculation of both the operating surplus ratio and the asset sustainability ratio, I am unable to and do not form an opinion on the accurate calculation of these ratios reported at -1 per cent and 314 per cent.

Qualified Opinion

In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in all material respects, the current-year financial sustainability statement of South Burnett Regional Council, for the year ended 30 June 2014, has been accurately calculated.

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, attention is drawn to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the *Financial Management (Sustainability) Guideline 2013* for the purpose of fulfilling the Council's reporting responsibilities under the *Local Government Regulation 2012*. As a result, the statement may not be suitable for another purpose.

Other Matters - Electronic Presentation of the Audited Statement

Those viewing an electronic presentation of this special purpose financial report should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.




D A STOLZ FCPA
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
Brisbane

Customer Feedback Form

We want to hear your views on the Annual Report so we can continually improve our reporting to the community. We would appreciate your feedback by completing this survey and returning to:

Chief Executive Officer
 South Burnett Regional Council
 PO Box 336
 Kingaroy Qld 4610

Name: _____
 Organisation: _____
 Postal Address: _____
 Email: _____

Content:	Excellent	Good	Satisfactory	Poor
How would you rate the usefulness of the information?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How would you rate the degree of detail provided?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How could the information be made more useful?	_____			

Structure:	Excellent	Good	Satisfactory	Poor
How would you rate the grouping of information in each section?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How would you rate the sequencing of the sections?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How could grouping and sequencing be improved?	_____			

Style and Design:	Excellent	Good	Satisfactory	Poor
How would you rate the style of writing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How would you rate the clarity of information in tables and graphs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How could the style and design be improved?	_____			

Overall rating of the report:	Excellent	Good	Satisfactory	Poor
Please provide an overall rating of this report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Stakeholder:
 Please indicate what stakeholder group you belong to (tick appropriate category)

- Resident
- Ratepayer
- Customer
- Community Organisation
- Local government
- Government Department
- Potential Investor
- Industry Organisation

Any other suggestions for improvement: _____

Thank you for your feedback



www.southburnett.qld.gov.au

South Burnett Regional Council
PO Box 336, Kingaroy Qld 4610

email: info@southburnett.qld.gov.au
phone: 1300 789 279 or (07) 4189 9100
fax: (07) 4162 4806

Customer Service Centres:

Blackbutt Office
69 Hart Street, Blackbutt QLD 4306

Kingaroy Office
Glendon Street, Kingaroy QLD 4610

Murgon Office
42 Stephens Street West, Murgon QLD 4605

Nanango Office
48 Drayton Street, Nanango QLD 4615

Wondai Office
Cnr Scott & Mackenzie Streets, Wondai QLD 4606

Stores & Depots:

Nanango Stores
Dalby Street, Nanango QLD 4615

Murgon Depot
Macalister Street, Murgon Qld 4605

Kingaroy Depot
Ivins Street, Kingaroy QLD 4610

Wondai Stores
30 Peroone Street, Wondai QLD 4606

Proston Depot
46 Okden Road, Proston QLD 4613

Recreational Facilities:

Boondooma Dam Caravan and Recreation Park
40 Bushcamp Rd, Proston Qld 4613

Yallakool Park on Bjelke-Petersen Dam
Barambah Road, Murgon Qld 4605

Visitor Information Centres:

Blackbutt Visitor Information Centre
Hart Street, Blackbutt QLD 4306

Murgon Visitor Information Centre
Lamb Street, Murgon QLD 4605

Nanango Visitor Information Centre
Henry Street, Nanango QLD 4615

South Burnett Visitor Information Centre Kingaroy
Haly Street, Kingaroy QLD 4610

Wondai Visitor Information Centre
80 Haly Street, Wondai QLD 4606

Libraries:

Blackbutt Library
69 Hart Street, Blackbutt QLD 4306

Kingaroy T.J. O'Neill Memorial Library
Glendon Street, Kingaroy QLD 4610

Murgon Dermot Tiernan Memorial Library
2/43 Stephen Street West, Murgon QLD 4605

Nanango Municipal Library
Drayton Street, Nanango QLD 4615

Proston Public Library
34 Blake Street, Proston Qld 4613

Wondai Col Morris Library
78 Mackenzie Street, Wondai Qld 4606

Resolution:

Moved Cr KM Campbell, seconded Cr DP Tessmann.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

5. Portfolio - Roads & Drainage

5.1 Roads & Drainage Portfolio Report

Summary

Roads & Drainage Portfolio Report to Council.

Officer's Recommendation

That the Roads & Drainage Portfolio Report to Council be received.

Resolution:

Moved Cr DP Tessmann, seconded Cr KA Duff.

That the Roads & Drainage Portfolio Report to Council be received.

Capital Works

- **Bunya Highway – Overtaking Lanes north of Wooroolin**

In approximately three months, the second bitumen seal will be applied and line marking re-done.

- **Proston Boondooma Rd**

Earthworks and clearing have commenced on this reconstruction and widening project on behalf of the Department of Transport and Main Roads.

- **Markwell St, Kingaroy**

On Sunday 2nd August 2015 the asphalt surfacing was laid. Line marking is programmed for Wednesday 5th August 2015 and this project will then be complete.

- **Nanango Streetscape**

The streetscape project in Drayton St is continuing, with work now occurring on the Bendigo Bank corner at Fitzroy Street.

- **Semgreen's Rd, Coolabunia**

The final layer of the road pavement is being laid and bitumen sealing is programmed for next week to finalise the job.

- **Ellesmere Rd, Ellesmere**

Clearing has now been completed and earthworks have started this week on the realignment at the intersection with Old Taabinga Road.

- **Blackbutt Town Development Scheme**

I undertook engagement with businesses likely to be affected by this project on Tuesday 4th August 2015 along with Council's Manager of Roads & Drainage and Senior Technical Officer.

- **Reseals**

The tender for Council's 15/16 reseal programme was released Monday 3rd August 2015.

Maintenance

The following roads have been attended to by our maintenance crews since my last report:

- *Fitzgerald Rd – Speedwell*
- *Back Creek Rd – Speedwell*
- *Speedwell Abbeywood Rd – Speedwell*
- *Reservoir Rd – Stalworth*
- *Parish Rd – Okeden*
- *Ironpot Rd - Ironpot*
- *Smith Rd – Booie*
- *Semgreens Rd – Coolabunia*
- *Coolabunia Malar Rd – Coolabunia*
- *East Wooroolin Rd – Wooroolin*

Design & Technical Services

Survey and design for the following projects has either in or in the process of being completed and on the program for construction:

- *Clarke & Swendson Rd intersection upgrade – A third party engineering firm have been engaged to undertake detail design and documentation of this project to Main Roads requirements due to the timeframes associated with the State Government funding. This will take a number of months given the complexities of the floodway, high voltage electricity in this area and connection into Swickers new entrance.*
- *Pring St, Wondai – The water main design has been finalised and is currently under construction.*
- *Booth St, Kingaroy - The water main design is in the process of being reviewed and will be finalised shortly.*
- *Henry St, Kingaroy – The water main design is in the process of being reviewed and will be finalised shortly.*
- *Reen St, Kingaroy – The water main design is in the process of being reviewed and will be finalised shortly.*

- *William St, Kingaroy – The water main is currently being surveyed for design between Haly St and Queen St.*
- *Queen St, Kingaroy – The water main is currently being surveyed for design between William St and the Bunya Hwy.*
- *Minmore Rd – The design is currently being reviewed for constructability and will be finalised shortly.*
- *Glendon St Carpark (Circular Place), Kingaroy – The carpark has commenced preliminary design and will include the replacement of the water main, installation of subsoil drainage and the reconstruction of the pavement and crossovers.*
- *Gladys St, Blackbutt – This design is part of the Blackbutt Town Development and is currently being designed for the section of road between Miller St and Morris St.*
- *Stonelands Rd Bridge – The survey has been completed for this site and is in the design programme to be replaced with large box culverts.*

Material Laboratory

The Materials Laboratory officers are currently undertaking construction materials testing for the following projects:

- *Kingaroy Wastewater Treatment Plant Upgrade (Aquatec Maxcon)*
- *D’Aguilar Highway – Road rehabilitation in Blackbutt (Roadtek)*

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

ATTENDANCE:

General Manager Corporate Services, Stan Taylor left the meeting at 9.21am
General Manager Corporate Services returned to the meeting at 9.24am

6. Portfolio - Arts, Communities, Health and Waste Services

6.1 Arts, Communities, Health and Waste Services Portfolio Report

Summary

Arts, Communities, Health and Waste Services Portfolio Report to Council.

Officer's Recommendation

That the Arts, Communities, Health and Waste Services Portfolio Report to Council be received.

Resolution:

Moved Cr RLA Heit, seconded Cr DJ Palmer.

That the Arts, Communities, Health and Waste Services Portfolio Report to Council be received.

Arts & Communities

Get Out Get Active

- *In the final round for the delivery of the Gym taster programs across the region*
- *Numbers of participation have remained steady and a full report will be provided to the Healthy Community Committee on the completion of the project later in the year.*

Community Assistance Funding Round open

- *This month sees the first round for 2015-16 open to not-for-profit organisations based in the South Burnett*
- *Organisation can apply for financial assistance to host events and deliver projects for the benefit of the community*
- *Individuals who are considered elite performers at state and national level in the areas of sport, music, art and education can also apply for financial assistance.*
- *Round closes 31st August*

RADF funding round opens

- *August also sees the first round of the Regional Arts Development Fund available to local artists.*
- *This funding is provided in a partnership arrangement by Arts Qld and Council, to assist local artist in delivering their skills.*
- *Application forms are available at your local libraries or art gallery and can be downloaded from Council's website*

Community Drought Support Consultation Forum

- *Council attended the forum held at Graham House on Monday 27th July*
- *Representatives from local stakeholder groups were invited to attend to discuss with State Government the best way to administer funding in the future for drought declared communities*
- *Council was successful in applying for funding in the last round and is currently delivering in partnership with local community organisations, local community events which are scheduled to be held in Durong, Cloyna, Maidenwell, Kumbia, Ironpot, Booie and Mondure*

Libraries

- *August is Family History month*
- *The database, "Every man remembered" will be the feature as the South Burnett Libraries celebrate Family History Month with varies events during the month.*

This database is the result of over six years research by historians Daun Clapperton and Robyn Peterson and is a comprehensive list of South Burnett men and women who served in WW1.

They are still looking for photos of service personnel to add to the records and this month will be used to highlight this to the community.

Health and Waste Services

Update on the Transfer Station Construction Program.

The transfer station at Hivesville has been completed and opened to the public on 6 July 2015.

The last new transfer station site to be opened to the public will be Durong, which is tentatively earmarked for final completion in the next few weeks.

In agenda items to follow are two historical issues that need to be addressed regarding landfill sites.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

6.2 Arts and Communities

Officer's Reports

6.2.1 C - 1487977 - Minutes of the Mayor's Community Benefit Fund Management Advisory Committee Meeting held on Tuesday 14 July 2015

Summary

Providing a copy of the Mayor's Community Benefit Fund Management Advisory Committee Meeting held on Tuesday 14 July 2015

Officer's Recommendation

That Council endorse the attached minutes and recommendations of the Mayor's Community Benefit Management Advisory Committee Meeting held on Tuesday 14 July 2015



Minutes

Of the

Mayor's Community Benefit Fund Management Advisory Committee

Held in the South Burnett Regional Council Corporate Meeting Room
45 Glendon Street Kingaroy

On Tuesday 14 July 2015

Commencing at 5.00pm

Community & Cultural Services Coordinator: Michael Hunter



Mayor's Community Benefit Fund Management Advisory Committee Agenda

ORDER OF BUSINESS:

1.	CONFIRMATION OF MINUTES OF PREVIOUS MEETING.....	2
2.	AGENDA ITEMS	2
2.1	Welcome	2
2.2	Apologies	2
2.3	EOI Round funding (\$15,000.00) Out of Session Minute	2
2.4	Round 5 Funding Criteria	4
2.5	Mayor's Relay for Life Community Breakfast– Friday 1 May 2015.....	4
3.	GENERAL SECTION	5
3.1	Other Business.....	5



Minutes of the meeting of the Mayor's Community Benefit Fund Management Advisory Committee, held in the South Burnett Regional Council Corporate Meeting Room, 45 Glendon Street, Kingaroy on Tuesday 14 July 2015 at 5.00pm.

Present

Cheryl Dalton (Chairperson), Michael Hunter (SBRC Cultural Services Coordinator), Lynelle Paterson (Minutes), Jim Young, Rod Morgan, Lesley Dennien

1. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Resolution:

Moved Jim Young, seconded Lesley Dennien.

That the minutes of the previous meeting held on Friday 20 March 2015 as recorded be confirmed.

Carried 4/0

2. AGENDA ITEMS

2.1 Welcome

Cheryl Dalton welcomed everyone to the meeting.

2.2 Apologies

Apologies were received from the following Committee members:

Mark Huston, Ross Heaney, Marie Shaw, Scott McLennan

Resolution:

Moved Lesley Dennien, seconded Rod Morgan that the apologies be received.

Carried 4/0

2.3 EOI Round funding (\$15,000.00) Out of Session Minute

Five (5) applications were submitted in the 2015 Expression of Interest Funding Round (\$15,000.00) Mayor's Community Benefit Fund to be assessed on the 15 May 2015 and be announced at the Mayors Ball 23 May 2015.

Due to late advice of apologies for the scheduled meeting it was decided by the Chairman to telephone the committee members who indicated that they were able to attend a meeting and seek their approval to discuss the issues and decide the outcome of the expression of interest by an "Out of Session" minute.

The Chairman had conversations in regard to the expression of interest with the following committee members Lesley Dennien, Mark Houston, Scott McLennan and Jim Young.

MAYOR'S COMMUNITY BENEFIT FUND MANAGEMENT ADVISORY COMMITTEE – MINUTES – TUESDAY 14 JULY 2015

In conversations with the committee it was decided by each committee member that the three of the expression of interest were considered to show less merit than desirable in meeting the meaningful outcome criteria desired by the committee, these applications are as follows:

Nanango Art Society – To assist in the delivery of the gallery's annual fundraising event
Kingaroy Sporting Club – Buying new gym equipment
Peace of Mind Association – White Dove Ball

The chairman also discussed with the committee members Lesley Dennien, Mark Huston, Scott McLennan and Jim young the second Graham House application and the reason that this was not submitted as one application.

Committee members Cheryl Dalton, Lesley Dennien, Mark Huston, Scott McLennan and Jim Young concurred that the expression of interest submitted by Graham House met the meaningful outcome criteria and provided tangible benefit to the wider community.

Committee member Ross Heaney expressed a desire to support Graham House in an email with his apology for the meeting.

Committee members were asked to indicate their approval to the below minute via email to Michael Hunter Senior Officer Community and Sport no later than 5.00pm Monday 18 May 2015.

Minute for approval

I (committee member) approve a grant of \$15,000.00 in total to Graham House in respect to their two expression of interest to the Mayor's Community Benefit Fund subject to the following conditions;

1. The committee request the successful applicants make themselves available to attend a special function to receive the funds
2. Financial evidence (Receipt of payment of invoices and payments of the accounts)
3. Evidence that primarily South Burnett residents benefitted
4. Evidence of overall community benefit

Resolution:

Moved Jim Young, seconded Rod Morgan.

That the electronic out of session minute be ratified.

Carried 4/0

2.4 Round 5 Funding Criteria

Moved Rod Morgan, seconded Lesley Dennien

That

- 1. the Criteria for Round 5 of funding is for focusing on support for families and children within the community and meet the funding criteria outlined in the Mayor's Community Benefit Fund Guidelines.*
- 2. applications will open on Monday 3 August 2015 and close on Monday 31 August 2015.*
- 3. the allocated amount of funding for Round 5 is \$12,000.*

Carried 4/0

2.5 Mayor's Relay for Life Community Breakfast– Friday 1 May 2015

All proceeds from the Mayor's Community Breakfast held on the 1 May 2015 to be forwarded to the South Burnett Region Councils Relay for Life Team (\$466.35).

Resolution:

Moved Jim Young, seconded Rod Morgan.

That the proceeds from the Mayor's Community Breakfast held on 1 May 2015 which total \$466.35 be forwarded to the South Burnett Relay for Life Team organising committee.

Carried 4/0

2.6 Future of the Mayors Community Benefit Fund

Resolution:

Moved Lesley Dennien, seconded Jim Young.

That the Chairman write a letter to Council requesting the Council consider the longevity of the fund including the future Governance Structure, attaining Public Benevolent Institution status and an application for Deductible Gift Recipient status.

Carried 4/0

2.7 Major Round

Opportunity for a second major beneficiary round October 2015

Resolution:

Moved Rod Morgan, seconded Jim Young.

That a second major beneficiary round be held in October 2015 with the funding criteria to be decided at the next meeting.

Carried 4/0

3. GENERAL SECTION

3.1 Mayor's Ball 2015

Michael Hunter provided a verbal update on the Mayor's Ball

3.2 Mayor's Charity Golf Day Murgon 2015

The Mayor's Charity Golf Day Murgon 2015 will be held on 11 September 2015 linking in with the opening of the BP Service Station. Wessels is the major sponsor of the Golf Day.

3.3 Mayor's Breakfast

The next Mayor's Breakfast will be held on 21 August 2015 with the venue to be confirmed.

3.4 Other Business

Meeting Date/Time

Resolution:

Moved Lesley Dennien, seconded Cheryl Dalton.

That the next meeting will be held on Tuesday 8 September at 5.00pm

Carried 4/0

The meeting closed at 5.54pm.

Resolution:

Moved Cr DJ Palmer, seconded Cr RLA Heit.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

6.3 Health and Waste Services

Officer's Reports

6.3.1 ES - 1485492 - Permanent Closure of a portion of Oberle's Road Hivesville

Summary

Council has received a response from the Department of Natural Resources and Mines (DNRM) offering Council a price to purchase the required portion of Oberles Road, Hivesville which is adjacent to the existing Hivesville Landfill.

Officer's Recommendation

That Council:

1. Accept the Department of Natural Resources and Mines offer to purchase land described on Drawing No. SWG 15/089 for inclusion with Lot 79 FY2774 on Reserve for Local Government (rubbish disposal) purposes and;
2. Delegate to the Chief Executive Officer all appropriate actions to meet the conditions of the Department of Natural Resources' offer and the necessary steps to permanently close the affected portion of Oberles Road Hivesville.

Resolution:

Moved Cr RLA Heit, seconded Cr KA Duff.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

6.3.2 ES - 1487370 - School Base Immunisation

Summary

The existing School Based Immunisation Agreement with Queensland Health will be expiring at the end of this year (2015).

Immunisation Nurses are continuing to be difficult to keep and find new replacements. To the extent that the provision of the Immunisation Program will be severely hampered or unable to be delivered.

Environmental Services is questioning whether Council can continue to provide a school based immunisation program and whether it should consider entering into another Agreement for service provision on behalf of Queensland Health.

Officer's Recommendation

That Council:

1. Directly employ the current Immunisation Nurses, on a casual basis instead of contracting with a Brisbane based nursing company; and
2. Delegate to the Chief Executive Officer to write to Queensland Health advising them of:
 - (a) Council's problem in retaining or funding new immunisation nurses and seek their assistance enlisting further nurses; and
 - (b) Express our concern that if (a) above is not resolved, Council may not be able to enter into a new agreement for the provision of school based immunisation services.
3. Confirm with Queensland Health the reimbursement arrangements for carrying out the school based immunisation program, on their behalf, if Council was to consider entering into a new Agreement with them in the future.

Resolution:

Moved Cr DP Tessmann, seconded Cr DJ Palmer.

That Council:

1. *Directly employ the current Immunisation Nurses, on a casual basis instead of contracting with a Brisbane based nursing company; and*
2. *Delegate to the Chief Executive Officer to write to Queensland Health advising them of:*
 - (a) Council's problem in retaining or funding new immunisation nurses and seek their assistance enlisting further nurses; and*
 - (b) Express our concern that if (a) above is not resolved, Council may not be able to enter into a new agreement for the provision of school based immunisation services.*
3. *Confirm with Queensland Health the reimbursement arrangements for carrying out the school based immunisation program, on their behalf, if Council was to consider entering into a new Agreement with them in the future.*

AMENDMENT:

Moved Cr RLA Heit, seconded Cr BL Green.

That Council:

1. *Directly employ the current Immunisation Nurses, on a casual basis instead of contracting with a Brisbane based nursing company; and*
2. *Delegate to the Chief Executive Officer to write to Queensland Health advising them of:*
 - (a) Council's problem in retaining or funding new immunisation nurses and seek their assistance enlisting further nurses; and*

- (b) *Express our concern that if (a) above is not resolved, Council may not be able to enter into a new agreement for the provision of school based immunisation services*
 - (c) *Council only enter into an agreement with Queensland Health on the provision that it be cost neutral to Council*
3. *Confirm with Queensland Health the reimbursement arrangements for carrying out the school based immunisation program, on their behalf, if Council was to consider entering into a new Agreement with them in the future.*

*The **AMENDMENT** was Put and Lost 2/5
FOR VOTE - Cr BL Green, Cr RLA Heit
AGAINST VOTE - Cr DW Kratzmann (Mayor), Cr KM Campbell, Cr KA Duff,
Cr DJ Palmer, Cr DP Tessmann*

*The **ORIGINAL** motion was Put and Carried 5/2
FOR VOTE - Cr DW Kratzmann (Mayor), Cr KM Campbell, Cr KA Duff,
Cr DJ Palmer, Cr DP Tessmann
AGAINST VOTE - Cr BL Green, Cr RLA Heit*

6.3.3 ES - 1488151 - Permanent closure of a portion of Chinchilla Wondai Road, Durong

Summary

Council has received a response from the Department of Natural Resources and Mines (DNRM) offering Council a price to purchase the required portion of Chinchilla Wondai Road, Durong which encompasses part of the landfill site at Durong.

Officer's Recommendation

That Council:

1. Accept the Department of Natural Resources and Mines offer to purchase land described on Drawing No.14/243 for inclusion with Lot 2 BO520 on Reserve for Local Government (rubbish disposal) purposes and;
2. Delegate to the Chief Executive Officer all appropriate actions to meet the conditions of the Department of Natural Resources' offer and the necessary steps to permanently close the affected portion of Chinchilla Wondai Road, Durong.

Resolution:

Moved Cr RLA Heit, seconded Cr DP Tessmann.

That the Officer's Recommendation be adopted.

*Carried 5/2
FOR VOTE - Cr DW Kratzmann (Mayor), Cr KM Campbell, Cr DJ Palmer,
Cr DP Tessmann,
Cr RLA Heit
AGAINST VOTE - Cr KA Duff, Cr BL Green*

7. Portfolio - Property and Human Resources

7.1 Property and Human Resources Portfolio Report

No Report

ATTENDANCE:

Cr DP Tessmann left the meeting at 09:51 AM

Cr DP Tessmann has returned from temporary absence at 09:53 AM

8. Portfolio - Water, Wastewater and Sport Development

8.1 Water, Wastewater & Sport Development Portfolio Report

Summary

Water, Wastewater & Sport Development Portfolio Report

Officer's Recommendation

That the Water, Wastewater & Sport Development Portfolio Report to Council be received.

Resolution:

Moved Cr BL Green, seconded Cr DJ Palmer.

That the Water, Wastewater & Sport Development Portfolio Report to Council be received.

Kingaroy Wastewater Treatment Plant

The final design of the entire project has been completed, with construction work progressing well. The 2nd Nereda tank has been poured and the concrete work is excellent.

The project is ahead of schedule as far as the funding milestones are concerned so an early submission is being prepared for the next payment of \$1.6 million.

Gordonbrook Water Treatment Plant upgrade

Design of the entire plant is complete, with further fabrication work being undertaken at Aquatec's Ipswich office.

Civil work is progressing well at the site with the clarifier pour being completed last week.

The final funding payment of \$500,000 has been received by Council.

Murgon Water Treatment Plant

It is planned to progress with an upgrade to the filter media at the plant and also to upgrade and replace some of the automation and controls associated with it. Reservoirs in the network have recently been cleaned and condition assessments are also being carried out.

Treatment and Reticulation systems

Some Mains breaks have been occurring around the region, particularly in Kingaroy and Nanango due to the changes in the soil temperatures and the drying out of the soil due to little to no rain.

Network models are being updated for Kingaroy and developed for other towns in the region to allow for more accurate assessments of infrastructure replacement projects and development proposals involving changes to the water and sewer networks.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

9. Portfolio - Natural Resource Management, Parks and Indigenous Affairs

9.1 Natural Resource Management, Parks and Indigenous Affairs Portfolio Report

Summary

Natural Resource Management, Parks and Indigenous Affairs Portfolio Report to Council.

Officer's Recommendation

That the Natural Resource Management, Parks and Indigenous Affairs Portfolio Report to Council be received.

Resolution:

Moved Cr KA Duff, seconded Cr RLA Heit.

That the Natural Resource Management, Parks and Indigenous Affairs Portfolio Report to Council be received.

Parks & Gardens

The major work has been on mowing, whipper snipping, spraying, tree trimming, and maintenance of gardens.

Maidenwell toilets are under inspection for a new septic trench and there is various work happening on toilets around the region that are being repaired due to vandalism and old age.

There has also been painting of park furniture in Kingaroy and Nanango. Work has been done on turfing as well as the gardens at the Wondai Art Gallery. The Wondai Cemetery storage shed is now completed.

I would like to congratulate the community of Wondai on the successful raising of funds for "Charlotte the Emu". The unveiling of this statue was extremely well attended and there has been lots of positive feedback about this great addition to the town centre park in Wondai.

Dams

The 3 new cabins are complete at both Lake Boondooma and Bjelke Petersen Dams. Turfing and garden work has been conducted around the new cabins at both of the dams as well as oiling of existing cabins at Lake Boondooma Recreation Reserve.

The occupancy rate for overnight visitors at the two dams was similar in the month of July with 707 staying at Lake Boondooma and 742 overnight visitors at Bjelke Petersen Dam.

Rail Trail

We are now in the process of doing the preliminary stage of estimation and design and the bridge inspections will be underway in the next few weeks.

Airports

Installation of a new pilot activated light at Kingaroy and Wondai airports has been completed

NRM

There is a wild dog and pig coordinated baiting program planned again for the month of September during the week of the 7th through to the 11th with collection points at Wondai, Proston, Boondooma, Murgon, Nanango, Cloyna, Kingaroy and Kumbia.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

10. Portfolio - Finance, Planning and ICT

10.1 Finance, Planning and ICT Portfolio Report

Summary

Finance, Planning and ICT Portfolio Report to Council.

Officer's Recommendation

That the Finance, Planning and ICT Portfolio Report to Council be received.

Resolution:

Moved Cr KM Campbell, seconded Cr DJ Palmer.

That the Finance, Planning and ICT Portfolio Report to Council be received.

Finance

Financial Report to 22 July 2015

The attached periodic financial statements are as at 22 July 2015, covering the first three weeks of FY 2015-2016. The current financial year commenced with relatively high cash and operating cash levels due to the \$9.7 Million loan that was drawn down towards the end of the previous financial year.

With regard to the Comprehensive Income Statement

Rates revenue for the 1st quarter of 2015-2016 will be recorded upon finalisation of rate levy. A net adjustment decreasing rates revenue by about \$52K was recognised to reflect the impact of recently amalgamated properties.

An early payment of the FAG (Financial Assistance Grants) amounting to about \$3.5 Million was received in the first week of July. The remainder of the FAG will be received in quarterly instalments, beginning August 2015.

The operating expenses incurred are within the expected budget limits.

Capex Report

The Capex report will be presented to the next Council meeting to allow for the proper recognition and accounting of capital expenditures carried over from 2014-2015 financial year.

As an update, Council is informed that for the first three (3) weeks of FY 2015-2016, actual expenditure incurred was about \$500,000 out of the total \$45 Million approved capex budget.

1st Quarter Rate Notices

The release of the first quarter rate notices for the 2016 financial year was on the 29th of July and the corresponding discount due date is on the 2nd of September.

Planning

Memerambi Estate

Geneng Solutions have been commissioned to undertake the required survey and design together with contract administration and assist in tender process for the infrastructure work to be undertaken associated with the Memerambi Estate.

Subsequent to initial discussions the following project milestones have been established -

1. Survey and design completion – 30 July 2015 to 12 October 2015
2. Contract administration completion 17 August 2015 to 12 October 2015
3. Tender Process completion – 14 October 2015 to 9 December 2015

The final completion date will allow the preferred supplier to carry out the infrastructure work starting January, 2016.

Development Permits

July 2015

Building	Sheds - 7	Dwellings - 7	Commercial - 3	Other – 4	Total - 21
Plumbing		Domestic – 14	Commercial - 3		Total - 17
Planning	Fast Track - 8	MCU - 4	ROL - 4	Plan Sealed - 2	Total -18

Carried 7/0
FOR VOTE - Councillors voted unanimously

10.2 Finance (F)

Officer’s Reports

10.2.1 F - 1485400 - Monthly Financial Statements

Summary

The following information provides a snapshot of Council's Financial Position as at 22 July 2015.

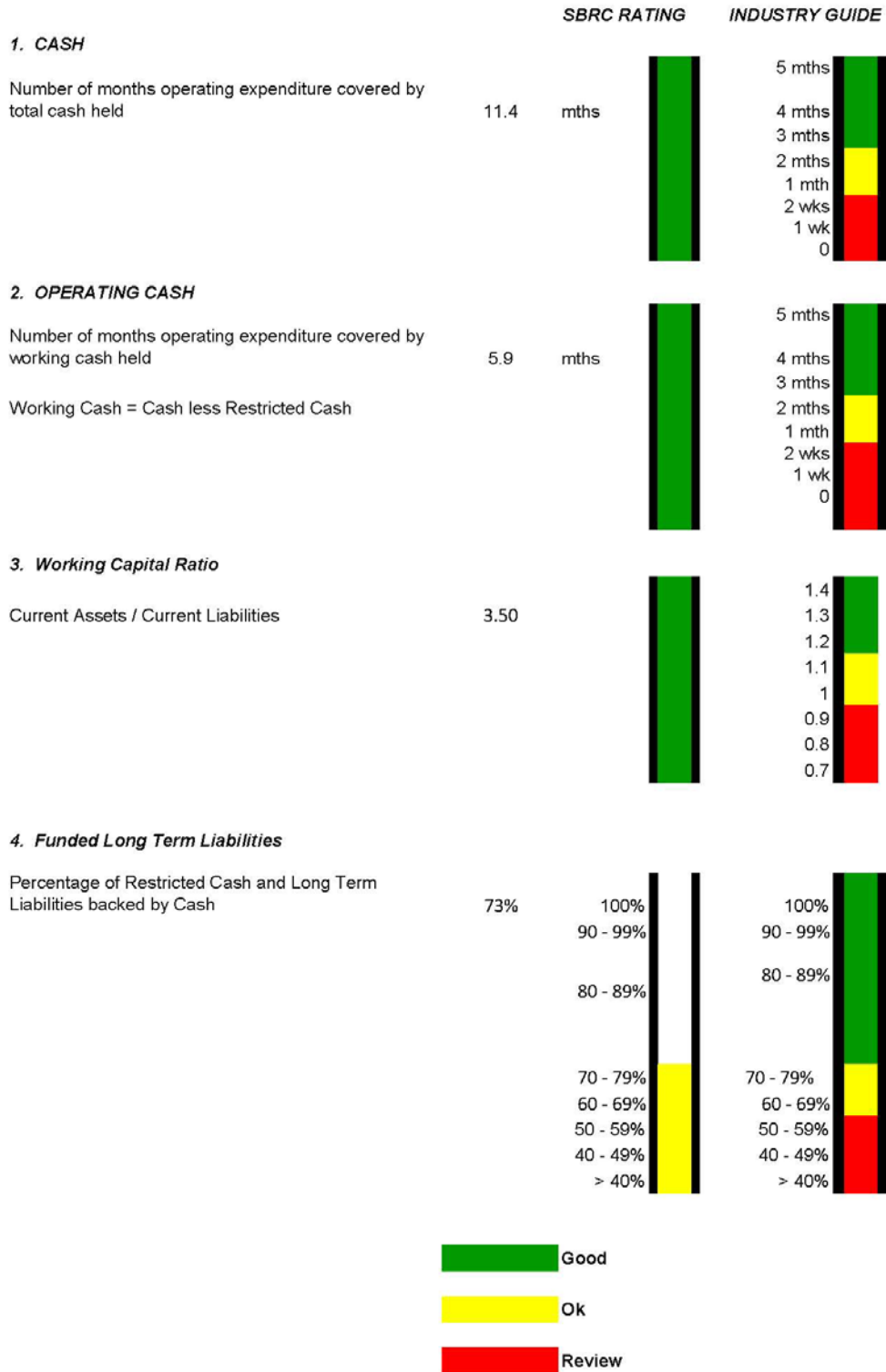
Officer's Recommendation

That the Monthly Financial Report as at 22 July 2015 be received and noted.

Key Financial Ratios

SOUTH BURNETT REGIONAL COUNCIL

FINANCIAL SCORECARD



Statement of Comprehensive Income

Statement of Comprehensive Income

As at 22 July 2015
8% of Year Complete

	2016	Original Budget	Variance
	\$	\$	%
Income			
Revenue			
Recurrent Revenue			
Rates, levies and charges	(52,116)	42,750,542	0%
Fees and charges	183,125	4,501,830	4%
Rental Income	20,363	492,885	4%
Interest received	25,822	1,561,575	2%
Sales revenue	308,370	4,104,010	8%
Other Income	20,586	779,545	3%
Grants, subsidies, contributions and donations	3,530,961	9,292,105	38%
	<u>4,037,111</u>	<u>63,482,492</u>	
Capital Revenue			
Grants, Subsidies, Contributions & Donations	111,282	6,885,323	2%
Total Revenue	<u>4,148,393</u>	<u>70,367,815</u>	
Total Income	<u>4,148,393</u>	<u>70,367,815</u>	
Expenses			
Recurrent Expenses			
Employee benefits	1,002,513	25,331,350	4%
Materials and services	879,033	22,045,600	4%
Finance costs	494	2,373,090	0%
Depreciation and amortisation	1,139,430	13,673,160	8%
	<u>3,021,470</u>	<u>63,423,200</u>	
Capital Expenses			
	(55,670)	(750,000)	7%
Total Expense	<u>2,965,799</u>	<u>62,673,200</u>	
Net Result	<u>1,182,594</u>	<u>7,694,615</u>	15%

Statement of Financial Position

Statement of Financial Position
As at 22 July 2015

	2015 \$	Original Budget \$
Current Assets		
Cash and Cash Equivalents	46,065,018	18,776,575
Trade and Other Receivables	12,459,426	6,348,249
Inventories	1,006,202	1,046,188
Investments	-	-
Total Current Assets	59,530,646	26,171,012
Non-Current Assets		
Trade and other receivables	18,000	-
Investment Property	-	-
Property, Plant and Equipment	822,418,252	909,874,578
Intangible Assets	7,631,223	7,643,981
Total Non-Current Assets	830,067,475	917,518,559
TOTAL ASSETS	889,598,121	943,689,571
Current Liabilities		
Trade and other payables	10,114,864	4,454,835
Borrowings	3,622,878	4,192,710
Provisions	3,270,129	3,264,734
Total Current Liabilities	17,007,871	11,912,279
Non-Current Liabilities		
Borrowings	40,806,263	47,222,598
Provisions	10,616,231	10,616,231
Total Non-Current Liabilities	51,422,494	57,838,829
TOTAL LIABILITIES	68,430,366	69,751,108
NET COMMUNITY ASSETS	821,167,756	873,938,463
Community Equity		
Asset Revaluation Surplus	395,865,569	432,824,725
Retained Surplus/(Deficiency)	425,302,187	441,113,738
TOTAL COMMUNITY EQUITY	821,167,756	873,938,463

Resolution:

Moved Cr KM Campbell, seconded Cr KA Duff.

That the Monthly Financial Report as at 22 July 2015 be received and noted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

10.3 Planning (P&LM)

Officer's Reports

10.3.1 P&LM - 1482238 - Forwarding Reduction in Council Fees Application - Construction of extra showers/toilets at showgrounds - Cherbourg Road Wondai - Lot 301 FY809053 Applicant: Wondai AP & I Inc - Showgrounds Management Committee

Summary

Council received a written request from the Wondai Agricultural, Pastoral, and Industrial Society Inc - Showgrounds Management (Wondai AP&I Society Inc) for a 100% waiver of the Plumbing Application Fee for a prefabricated ablutions block to be located at the Wondai Showgrounds located at Kent Street, Wondai (and described as Lot 301 on FY809053). The details are as follows:

- The Wondai Agricultural, Pastoral, and Industrial Society Inc - Showgrounds Management (Wondai AP&I Society Inc) intend locating a prefabricated ablutions block on the premises
- The Wondai Showgrounds is a not-for-profit organisation and is passionate about involvement in community and sporting events
- The provision of extra showers/toilets at the Wondai Showgrounds will benefit the many users of the facility
- The prefabricated building will be 54m² and contains six (6) toilets, six (6) showers and six (6) basins

Officer's Recommendation

That Council *approves* the 100% waiver of the Plumbing Application Fee of \$1,412.00 and the Building Application Fee of \$405.00 taking into consideration the community nature of the Wondai Showgrounds.

Based on previous decisions by Council in these matters, it is considered appropriate to retain the document lodgement fee (\$168.00) associated with the Building Work application.

Resolution:

Moved Cr KM Campbell, seconded Cr KA Duff.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

10.3.2 P&LM - 1471164 - Forwarding a Reduction in Council Fees Application for waiver of development application fees for a new indoor pistol range

Summary

Council received a written request from the South Burnett Pistol Club Inc for a 100% waiver of the Development Application Fee for a Material Change of Use and the Building Application fees for Indoor Entertainment (Indoor Pistol Range) to be located at Redmans Road, Boobie (and described as Lot 1 on RP124382). The details are as follows:

- The South Burnett Pistol Club Inc intend building an Indoor Pistol Range on their premises
- The Club is a not-for-profit organisation and is passionate about safety training and increasing membership rates, particularly for women
- The new building will be 180m² and is purpose built to accommodate pistol shooters in all types of weather

Officer's Recommendation

That Council *approves* the 100% waiver of the total Development Application Fees (\$3,649.00) taking into consideration the community nature of the South Burnett Pistol Club Inc.

Based on previous decisions by Council in these matters, it is considered appropriate to retain the document lodgement fee (\$168.00) associated with the Building Work application.

Resolution:

Moved Cr KM Campbell, seconded Cr DP Tessmann.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

10.3.3 P&LM - 1471049 - Forwarding Reconfiguration of a Lot (1 lot into 2 lots) application - 210 Okeden Road, Stalworth - Lot 1 RP178160 Applicant: M Anderson C/- O'Reilly Nunn Favier ROLC2015/0014

Summary

- Application for the Reconfiguration of a Lot (1 lot into 2 lots) on Rural zoned land pursuant to the Murgon Shire IPA Planning Scheme
- Subject site is 129.56ha in extent and the proposal will create two lots of 57.8ha (proposed Lot 10) and 71.2ha (proposed Lot 11) respectively
- Proposed Lot 11 will contain the remnant vegetation on site
- A *Preservation Covenant* is conditioned over proposed Lot 11 for the purpose of preserving the remnant vegetation
- The proposal will not adversely affect the agricultural potential of the land, and will realise environmental merit of protecting remnant vegetation
- It is recommended that a Development Permit for Reconfiguring a Lot (1 lot into 2 lots) be *approved* subject to reasonable and relevant conditions.

Officer's Recommendation

That Council grants *approval* for a *Development Permit* for the Reconfiguration of a Lot (1 lot into 2 lots) at 210 Okeden Road, Stalworth (and described as Lot 1 on RP178160), subject to the following conditions –

General

- GEN1. The subject site is to be developed generally in accordance with the plans and information submitted with the application unless otherwise amended by the following conditions:
- Drawing no: 5708P/1, Sheet No. 1 of 1, Rev A (Proposed Subdivision), prepared by: O'Reilly Nunn Favier and dated: 10/5/15
- GEN2. Provide a preservation Covenant for the purpose of preserving the Category B - remnant vegetation on Lot 11 as per the proposed subdivision plan Drawing no: 5708P/1, Sheet No. 1 of 1, Rev A (Proposed Subdivision), prepared by: O'Reilly Nunn Favier and dated: 10/5/15

The Covenant is to be registered prior to Council sealing the Survey Plan pursuant to s97A (3)(a)(i) of the *Land Title Act 1994*.

Preservation under the Covenant includes:

- no removal or destruction of the vegetation;
- agricultural or horticultural activities are prohibited;
- any necessary weed management is in accordance with the *Department of Natural Resources and Mines – Managing weeds – A self-assessable vegetation clearing code*

- GEN3. The *Department of State Development, Infrastructure and Planning, SPP Interactive Mapping System*, indicates that proposed Lot 11 is located within the *Natural Hazards Risks and Resilience – Bushfire Hazard Area Overlay (medium potential intensity and impact buffer area)*.

A dwelling placed on proposed Lot 11 is to be positioned generally in accordance with the approved plan and so that an associated firebreak (if required) causes minimal disturbance to the remnant vegetation under the preservation Covenant.

- GEN4. All works, including the repair or relocation of services (Telstra, lighting) is to be completed at no cost to Council.
- GEN5. The applicant is required to maintain the site in a clean and orderly state at all times, clearing declared weeds and feral animals.

Compliance Assessment

- GEN6. All conditions of this approval are to be satisfied prior to Council issuing a Compliance Certificate for the sealing of the Survey Plan, and it is the applicant's responsibility to notify Council to inspect compliance with conditions.

A Compliance Certificate fee will be charged, with payment required prior to Council approval of the associated documentation requiring compliance assessment.

Survey Marks

- RAL1. Prior to the submission of the Survey Plan to Council, the applicant is to reinstate survey marks and install new survey marks in their correct position in accordance with the Survey Plan, and the work is to be certified in writing by a Licensed Surveyor.

Natural Resources Valuation Fees

- RAL2. Payment of Department of Natural Resources and Mines valuation fee that will result from the issue of split valuations prior to Council sealing the Plan of Survey. The contribution is currently assessed at \$92.00 (2 x \$46.00); however, the actual amount payable will be based on Council's Register of Regulatory & Cost-Recovery Fees and the rate applicable at the time of payment.

Electricity

- RAL3. Written confirmation from the electricity authority, that all matters relating to the reticulation of electricity including electrical civil works have been completed, is to be provided to Council prior to sealing the Survey Plan.

Telecommunications

- RAL4. Evidence of an agreement to provide a telephone service is to be provided to Council prior to sealing the Survey Plan.

Roads and Property Access

- ENG 1. A road to Council's *Construction of Unmade Roads* policy must be built to the proposed site of the access driveway on proposed Lot 11 from the end of the current gravel road. The end of the gravel road is approximately 400 metres from the intersection of Reservoir Road and Proston-Abbeywood Road.

Alternatively, the applicant may provide access to proposed Lot 11 from Okeden Road via an easement over proposed Lot 10. No additional access is allowed from Okeden Road unless the Department of Transport and Main Roads has agreed to an additional access.

- ENG 2. Prior to sealing the survey plan, ensure that the property access for proposed Lot 11 is in accordance with the details in Table S2.7 – *Design and Construction Standards* of the Wondai Shire Council IPA Planning Scheme; and Council's standard Drawing No. SBRC 00049 *Rural Access*.
- ENG 3. Only one access to each site will be permitted.
- ENG 4. Road works and the property entrance shall be constructed so as to:
- (a) permit access to and egress from the properties in a forward gear;
 - (b) avoid a trip hazard to pedestrians;
 - (c) ensure that low-clearance vehicles can clear the cross-over pavement upon entering and leaving the property; and
 - (d) ensure that fencing, landscaping and letterboxes do not impede sight lines for vehicles entering or leaving the proposed Lot 11 or travelling along the public road.

Stormwater

- ENG 5. Management of stormwater shall be in accordance with Schedule 2, Tables S2.11, S2.12 and S2.13 *Design and Construction Standards* of the Wondai Shire IPA Planning Scheme.
- ENG 6. The stormwater drainage system serving the site shall be designed so that the post-development flows at the point of discharge to all downstream properties including road reserves remains consistent with the pre-developed case.
- ENG 7. Drainage shall be designed such that no restriction to existing or developed stormwater flow from upstream or downstream properties or ponding of stormwater within upstream and downstream properties occurs as a result of this development.

- ENG 8. Any new earthworks, landscaping, pavements or structures shall not concentrate or impede the natural flow of water across property boundaries and onto any other properties.

Advice

- ADV1. *Section 341(2)(a) of the Sustainable Planning Act 2009* provides that, if this approval is not acted upon within the period of four (4) years the approval will lapse. Note that in accordance with *section 341(7)* a related approval may extend the relevant (currency) period.
- ADV2. Telecommunication connections can be arranged by emailing *F1103721@team.telstra.com* providing the following information:
- Full name;
 - Address of property including state & postcode;
 - Lot No's and Plan No's: and
 - What the development is (units, subdivision, shop, etc)
- ADV3. The applicant should contact Council's Co-ordinator Natural Resource Management for advice and approval before carrying out any proposed clearing of vegetation within road reserves.
- ADV4. This development approval does not authorise any activity that may harm Aboriginal Cultural Heritage. Under the *Aboriginal Cultural Heritage Act 2003* you have a duty of care in relation to such heritage. Section 23(1) provides that "A person who carries out an activity must take all reasonable and practicable measures to ensure the activity does not harm Aboriginal Cultural Heritage." Council does not warrant that the approved development avoids affecting Aboriginal Cultural Heritage. It may therefore, be prudent for you to carry out searches, consultation, or a Cultural Heritage assessment to ascertain the presence or otherwise of Aboriginal Cultural Heritage. The Act and the associated duty of care guidelines explain your obligations in more detail and should be consulted before proceeding.
- ADV5. Attached for your information is a copy of Division 8 of the *Sustainable Planning Act 2009* as regards Rights of Appeal. With respect to Appeal Rights of Applicants, the following is drawn to your attention—
- a) the applicant's Appeal Period commences upon receipt of this advice and expires twenty (20) business days thereafter.
 - b) should the applicant notify the Assessment Manager (Council) in writing of acceptance of the conditions of approval and that it is not intended to make an appeal, the Applicant's Appeal Period is at an end.

Resolution:

Moved Cr KM Campbell, seconded Cr KA Duff.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

11. Information Section (IS)

11.1 IS - 1485404 - Reports for the Information of Council

Summary

List of correspondence pending completion of assessment report
Delegated Authority Report
Workplace Health & Safety Report for July 2015
Road Maintenance Expenditure Report

Officer's Recommendation

That the reports be received.

Resolution:

Moved Cr KA Duff, seconded Cr RLA Heit.

That the reports be received.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

12. General Section

No Report.

ADJOURNMENT:

Motion:

Moved Cr KM Campbell, seconded Cr KA Duff.

That the meeting adjourn for morning tea.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

RESUMPTION:

Motion:

Moved Cr RLA Heit, seconded Cr KM Campbell.

That the meeting resume at 10:44am with attendance as previous to the adjournment

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

CLOSED SESSION:

Motion:

Moved Cr DJ Palmer, seconded Cr RLA Heit.

That the meeting be closed to the public for Council discussions in accordance with Section 275(1)(e) contracts proposed to be made by it, of the Local Government Regulation 2012.

Carried 7/0
FOR VOTE - Councillors voted unanimously

OPEN COUNCIL:

Motion:

Moved Cr KA Duff, seconded Cr RLA Heit.

That the meeting resume in Open Council.

Carried 7/0
FOR VOTE - Councillors voted unanimously

Report:

The Mayor reported that whilst in Closed Session, in accordance with Section 275(1)(e) contracts proposed to be made by it, of the Local Government Regulation 2012, Council considered matters concerning tenders.

Motion:

Moved Cr DW Kratzmann, seconded Cr KA Duff.

That the Mayor's report be received

Carried 7/0
FOR VOTE - Councillors voted unanimously

13. Confidential Section

13.1 CONF - 1485150 - Tender SBRC-14/15-27 for the Supply and Delivery of AVgas (Aviation Gas) 100LL

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 275(1)(e) of the Local Government Regulation 2012, which permits the meeting to be closed to the public for business relating to the following:

- (e) contracts proposed to be made by it

Recommendation

That Council enter into a twelve (12) month contract with Shell Aviation for the supply and delivery of Aviation Gas 100LL commencing 1 September 2015 with an option to extend the contract for an additional twelve (12) months

Resolution:

Moved Cr DP Tessmann, seconded Cr DJ Palmer.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

13.2 CONF - 1488944 - Bridge Replacement Tender SBRC 14/15-30

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 275(1)(e) of the Local Government Regulation 2012, which permits the meeting to be closed to the public for business relating to the following:

- (e) contracts proposed to be made by it

Recommendation

That Council accepts the tender from CPM Group Pty Ltd and enters into a contract for the design and construction of three (3) new bridges on Weens Road, Mondure Road and Campbell's Road as detailed in tender reference SBRC 14/15-30, for the price of \$2,137,226.84 (exc. GST).

Resolution:

Moved Cr DP Tessmann, seconded Cr KA Duff.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

13.3 CONF - 1485455 - Recycle Shop Agreement

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 275(1)(e) of the Local Government Regulation 2012, which permits the meeting to be closed to the public for business relating to the following:

- (e) contracts proposed to be made by it

Recommendation

That

1. Council accept Mr Jason Clark's submission for the operation of the Kingaroy Recycle Shop; and
2. Council enter into a two year Agreement with Mr Clark with a one plus one year extension by mutual agreement by both parties.

Resolution:

Moved Cr KM Campbell, seconded Cr RLA Heit.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

13.4 CONF - 1489329 - Blackbutt CBD Land Sale and Hall Relocation

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 275(1)(e) of the Local Government Regulation 2012, which permits the meeting to be closed to the public for business relating to the following:

- (e) contracts proposed to be made by it

Recommendation

That in accordance with section 228 of the *Local Government Regulation 2012* Council:-

1. Accept the tender from Breezeway Developments Pty Ltd to
 - a) relocate the Blackbutt Memorial Hall to a site adjacent to the rail trail and in front of the entrance to the Blackbutt Showgrounds in lieu of compensation for the purchase of land described in (b) below
 - b) purchase Lot 9 RP 32384 and Lot 8 SP 105981 located on the corner of Coulson and Muir Streets, Blackbutt
 - c) construct and operate a supermarket in accordance with contract conditions.

2. Accept a contribution of \$50,000 from Breezeway Developments Pty Ltd towards the connection of all services or additional building requirements to the relocated hall (including water, waste water, electricity, driveway entrances, parking and landscaping etc)
3. Authorise the Chief Executive Officer to finalise the draft contract and formally award the contract to Breezeway Developments Pty Ltd

Resolution:

Moved Cr DJ Palmer, seconded Cr KM Campbell.

That the Officer's Recommendation be adopted.

*Carried 7/0
FOR VOTE - Councillors voted unanimously*

There being no further business the meeting was declared closed at 11.32am.

Confirmed before me this day of2015

..... **MAYOR**

