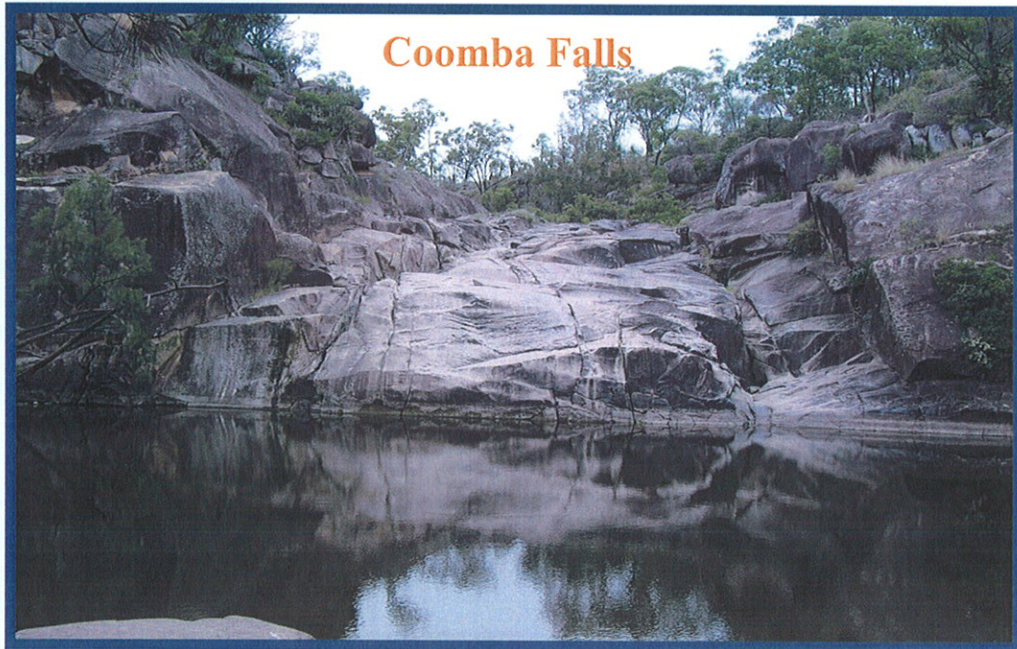


Annual Report 2004-2005



NANANGO SHIRE COUNCIL



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Shire Profile

Clans and tribal groups of the Wakka-speaking peoples who roamed this region originally settled the Nanango Shire. Every three years, tribes from within a 300 km radius were invited to the Bunya Mountains to trade and participate in ritual gatherings while they shared the bounty of the araucaria (bunya) pine. The advent of white settlement brought an end to this way of life and its people. Their memory survives in place names, bora rings and a set of paintings at the Maidenwell Rock Shelter.

European settlement of the South Burnett began in the 1840's. The Scott Family opened Taromeo Station on the top of the Blackbutt Range in 1842. Goode's Inn, owned by prospector Jacob Goode was the first commercial business in the region and was situated at a waterhole on William Oliver's Nanango selection. The Inn opened for business in 1848 and the township of Nanango grew up around it soon after. It was the fourth town to be established in Queensland, following Brisbane, Ipswich and Gayndah.

The timber towns of Benarkin and Blackbutt were founded in 1889 on land donated by the Scott Family and new settlers began to carve out 160 acre farms near these townships soon after. The labour shortage due to the gold discovered near Nanango and several areas around Blackbutt and Benarkin towards the end of the 1800's and later at Gympie led to the employment of Chinese and German immigrants as shepherds and stockmen.

The last quarter of the 19th century saw large sections of pastoral leasehold land resumed and opened up for free selection. The volcanic soil proved to be well suited to mixed farming, the mainstays of which were maize growing and dairying, though water storage was a problem. Several timber mills were established to provide for the growing community and this industry fully developed when the railway arrived in 1911. In 1920 peanut cultivation began on a small scale.

World War II brought the area to centre stage with Nanango and the South Burnett region being used on a large scale for Army and Air force instruction and training.

In the long term, the beef industry has proved more durable than dairying where producers are reduced to a few dozen. Nevertheless, towns continued to grow. The development of the Meandu Coal Mine with the construction of the Tarong Power Station in 1979 stimulated the growth of further infrastructure. The need for rural diversification has stimulated the growth of the wine industry, which feeds conveniently into the current tourist expansion.

Growth in the shire has levelled out since 2000/01 (Growth Rate was 5.4%) and in 2002/03 rate is about 1.4%. Young families, professionals and retirees are attracted to the relaxed lifestyle and affordable living.

Existing industries, such as coal mining, power generation, agriculture (broad acre and irrigation), beef and pork production, dairying and milk processing, timber growing and milling, small crops - flowers, fruit and vegetables, grapes and olives ensure continued development. The Shire has a wide range of sporting and leisure facilities with an extensive art and craft base in each town. As our pioneer past fades, communities have sought to research and record history in museums, restored houses such as "Ringsfield", historic sites such as Taromeo Station, and historical re-enactments and family history searches. These have proved to be of interest to visitors from far beyond the boundaries of the Shire. We look forward in 2004 to the opening of the South Burnett- Maidenwell Astronomical Observatory at the Maidenwell Sports Grounds, the re-siting of the Tarong Power Station Display at the Nanango Information Centre and the advent of sporting and Avitourism - we are indeed "Pioneering into the Future"



Mayors Message

Long-awaited rain broke the drought in many areas, and the appearance of the shire has seen a dramatic improvement. Continued soaking rain is still required to replenish surface and underground water supplies.

The South Burnett Aquatic Centre Nanango, due for completion in October 2005, is a fine example of high quality facilities for residents and others in the wider community. The project was made possible by a four-way funding arrangement, which included contributions from Sport and Recreation Queensland (\$1M), Tarong Energy (\$150K), and the Australian Government Department of Transport and Regional Services Regional Partnerships program (\$350K).

The purchase by Council of Tarong Energy's original office building in Drayton Street, Nanango, will provide a home for two historic motors from the Butter Factory. Planned as a tourist attraction, the proposed energy museum will display the diesel motors (possibly among the last working motors in Queensland), which once provided power for the township of Nanango.

Council is currently working with Queensland Rail with regard to the establishment of a *rail trail* between Blackbutt and Linville. The 22 km track will provide a picturesque route through forest and hill country, with several sites of historic interest along the way. The track will be suited to walking and bicycle and horse riding, and keen-eyed bird watchers may sight the elusive bellbird, known for its distinctive call. Negotiations with Queensland Rail should be complete by the end of 2005.

During the year, the IPA (Integrated Planning Act) Planning Scheme went on display for public comment, and is currently awaiting government approval. It is anticipated that the IPA will be gazetted in January 2006.

With the growing desirability of the area as a place to live and invest, Council is looking to the future with the development of its 5 year Corporate and Operational Plans. These plans document the way forward and will allow Council to work toward meeting their goals for the future prosperity of the shire.

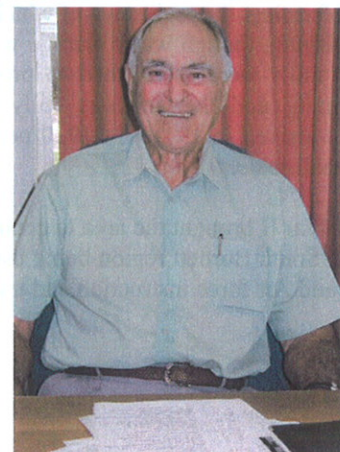
Amalgamations are still of concern to Council and communities, and councils in the South Burnett are working together to discuss sustainability issues and to ensure long-term viability.

Council staff have put in enormous effort to meet Queensland Audit Office requirements, and their hard work has resulted in the Council attaining an unqualified audit. This is a significant achievement deserving of recognition.

I, along with the community, was saddened by the death this year of a friend and colleague, Kevin Allery. A brilliant sportsman, diligent Councillor and great supporter of the shire, Kevin's passing leaves a difficult gap to fill. I recall his great ability to spin a yarn and will remember him with fond admiration, as I am certain many others will do.

I wish to acknowledge the support and dedication of my fellow Councillors and staff, whose knowledge and experience have contributed so much to Council's achievements this year.

Reg McCallum
MAYOR



Chief Executive Officer's Message

It is with much pleasure I present my report for the 2004/2005 year.

Nanango Shire has once again experienced significant growth with our building approvals exceeding expectation. The value of building approvals for 2004/05 was \$16.8M, which represents an increase of \$5.8M from last year and includes 122 new dwellings and 48 removal dwellings. With the affordability and lifestyle choice Nanango Shire offers it is anticipated that this growth in the region will continue.

Development in the Shire has been supported and there has been significant interest in investing in the Shire.

Nanango Shire Council's new Planning Scheme has been on display and public consultation held throughout to community. Following that period submissions were received and forwarded to the State Government. Council anticipates that it will adopt the plan early in the New Year following State Government approval.

Local government is becoming more challenging with structural reform a major issue affecting all Queensland Councils. Nanango Shire in partnership with the other South Burnett Shires will be working together to ensure sustainability. Council is moving forward and taking a proactive approach to strategic planning and financial management. There is a commitment to the provision and maintenance of infrastructure which will be a challenge for Nanango Shire in providing a high standard of essential services for our community.

There has been a number of Highlights throughout the 2004/05 year, which includes an unqualified audit, The South Burnett Aquatic Centre project, and the completion of a majority of the programmed works.

Council is responsible for a \$14M annual budget and assets in the vicinity of \$90M. The maintenance of council's assets and the funding of depreciation have been identified as a priority in long-term sustainability.

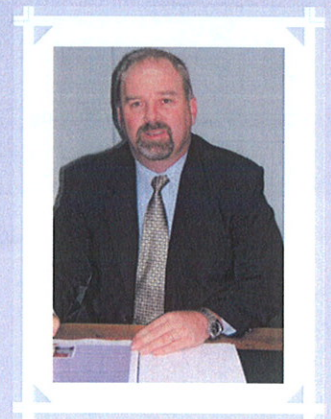
The South Burnett Aquatic Centre - Nanango will be a fantastic asset for the region with a 25 metre heated indoor pool, hydrotherapy pool open all year round. An outdoor children's pool will also be provided. The efforts of the pool committee, Council and staff should be recognised, as this will be a showpiece for Nanango Shire.

Council is fortunate to have a wonderful group of volunteers who assist in various activities throughout the shire, which include Visitor information centres, and libraries and I thank them for their assistance throughout the year.

I would like to take this opportunity to thank the Mayor, Councillors for their support and leadership.

I am proud of the efforts of my management team and staff and appreciate their dedication and commitment to the organisation. I look forward to a successful 2005/06.

Shane Gray MLGMA
CHIEF EXECUTIVE OFFICER

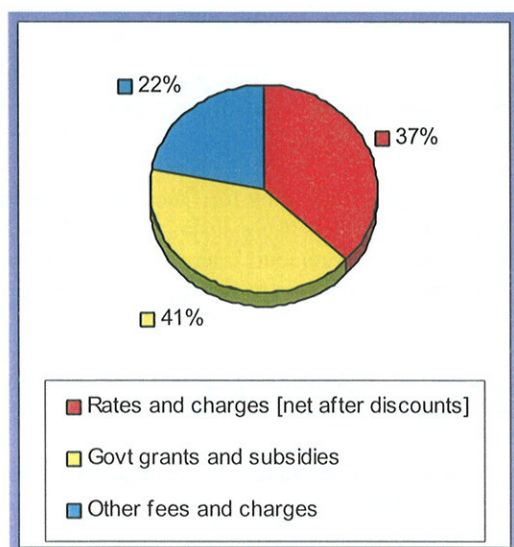


Community Financial Report

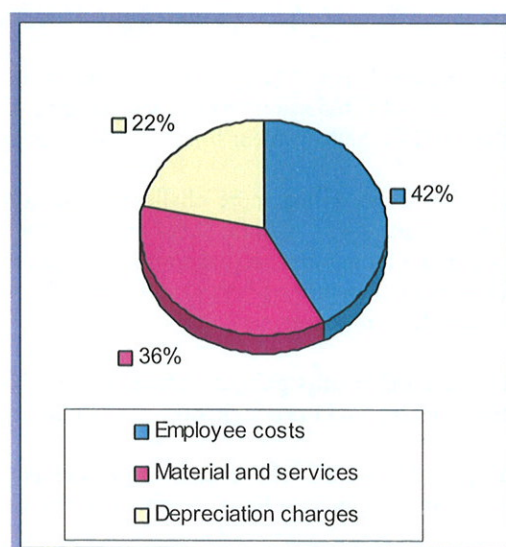
The following financial information and graphic illustrations are intended to assist the elected members, management, staff and external users in understanding the Councils financial activities and results for the 2004/2005 year in a simplified and meaningful format.

ANALYSIS OF RESULTS FROM ORDINARY ACTIVITIES

REVENUE
2004/05



EXPENSE
2004/05



What the community earned	2004/05 \$000	2003/04 \$000	What the community spent	2004/05 \$000	2003/04 \$000
Rates and charges [net after discounts]	4,097	3,901	Employee and material costs	7,544	6,462
Govt grants and subsidies	4,530	3,765	Depreciation charges	2,172	4,347
Fees charges and other revenue	2,481	3,208		9,716	10,809
			Net Result for the period	1,392	65
	11,108	10,874		11,108	10,874

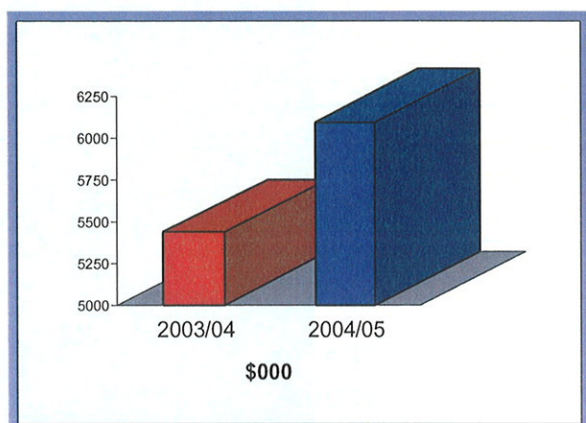
Community Financial Report

STATEMENT OF FINANCIAL POSITION

This statement and report show community assets, liabilities and equity as well as the movements in each category.

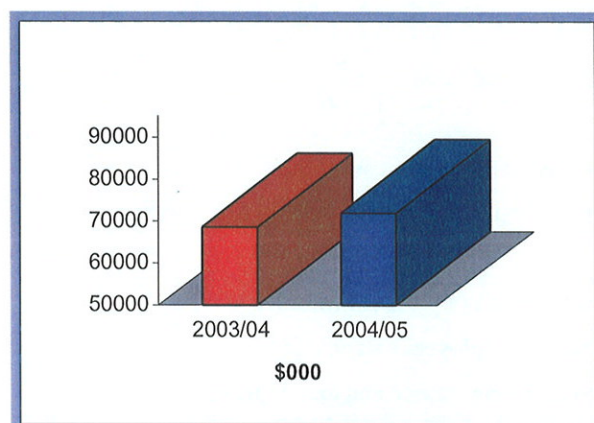
CURRENT ASSETS

Cash Assets + Receivables + Inventories



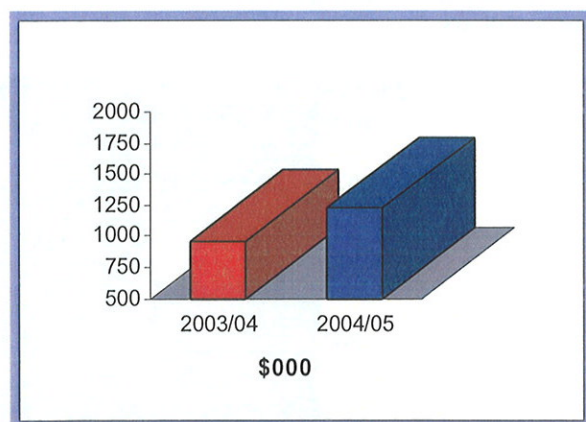
NON CURRENT ASSETS

Property + Plant + Furniture + Roads + Utilities



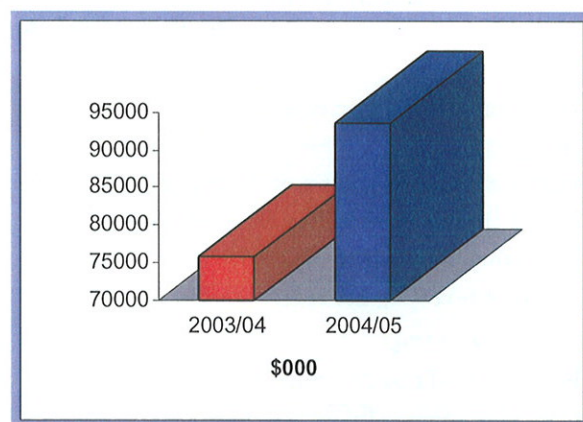
TOTAL LIABILITIES

Payables + Employee Provisions



COMMUNITY EQUITY

Capital + Asset Revaluation Reserve + Reserves + Retained Surplus/Deficit



Community Financial Report

The formula to determine community equity is

$$[\text{current assets} + \text{non current assets}] - \text{total liabilities} = \text{community equity}$$

SIMPLIFIED STATEMENT OF FINANCIAL POSITION [BALANCE SHEET]

What the community owns	2004/05 \$000	2003/04 \$000
Cash assets	6,475	4,336
Inventories	378	417
Property, plant and equipment	89,386	71,639
	96,239	76,392
Add what is owing to the community		
Advance to community groups, debtors and other assets	486	1,335
	96,725	77,727
Less what is owing by the community		
Income tax on employees salaries	(118)	(40)
Provisions for long service and annual leave	(777)	(776)
Unpaid creditors-materials and services	(2,092)	(1,153)
Net community worth	\$93,738	\$75,758

STATEMENT OF CASH FLOW

Essentially this is a mirrored copy of all of the transactions included in the bank statement for the year and are summarized as follows –

Cash flow from operating activities	2004/05 \$000	2003/04 \$000
Cash in flows		
[rates-grants-term deposit interest-other services]	12,026	10,337
Cash outflows [payments to employees and suppliers]	(7,211)	(7,273)
Net cash generated from operating activities	4,715	3,064
Cash flow from investing activities		
Proceeds from borrowings	802	720
Proceeds from sale of plant/equipment	235	315
Loan advances to community organisations	14	(31)
Loan debt repayments	(27)	(8)
Capital cost of property-plant-roads and utilities	(3,599)	(4,035)
Increase in cash for the year	2,139	25
Cash at start of year	4,336	4,311
Cash at end of year	6,475	4,336

Community Financial Report

CAPITAL WORKS EXPENDITURE	2005 \$000	2004 \$000
Road, street and bridge construction	833	1,607
Water supply infrastructure	356	894
Plant and equipment acquisitions	274	769
Land purchases	-	7
Recreation and sport	1880	18
Office equipment	41	27
Sewerage system infrastructure	68	168
Community buildings	125	363
Refuse tip transfer stations/sheds (other assets)	22	186
	3,599	4,035

There may be some minor differences between figures in this brief report and audited financial statements, and users are encouraged to read the audited statements. Council executive staff are willing to answer any queries in relation to the simplified community financial report.



Community Financial Report

FINANCIAL RATIOS

Revenue Ratio	2005	2004	2003	
The percentage of recurrent revenue derived from rates and charges	46.98%	44.80%	38.5%	Council dependency on grants is fairly high and in the event of any decrease Council would have to seriously consider relative rate increases, work methods and levels of community services provided.
Working Capital Ratio				
The ability of Council to meet all current commitments	6.00 times	6.00 times	6.52 times	A good ratio is considered to be 2:1 which means that Council is in a very sound position to meet all current commitments.
Rate Arrears Ratio				
The effectiveness of collection of rates and charges	5.92%	13.0%	14.0%	A good ratio is considered to be between 4-5%. UCV of rural residential land is a problem. Council uses debt collection agencies.
Unfunded Depreciation Ratio				
The percentage of annual depreciation not funded from current revenue	43.74%	76.3%	76.0%	Depreciation is the accounting dollar used to show how much of the assets are consumed in a year. Council has undertaken a complete review of assets in order to reflect more accurate useful economic life, residual value and depreciation of each asset. Council has budgeted to fully fund depreciation for the 2005/06 financial year.

CONCLUSION

MAYOR AND CEO REVIEW

On behalf of Council and staff, we are pleased to be able in brief and simple terms to report on another interesting and productive year.

CORPORATE PLAN

The mission is to enhance a quality lifestyle for residents and promote economic diversity for our future. Community input is essential and suggestions are invited on issues such as area economic development, recreational facilities, road, water and sewerage infrastructure.

OPERATIONAL PLAN

Links to the corporate plan and outlines the major functions and the strategies for the year and are included in the budget.

Corporate and Operational Plan

Nanango Shire functions as a responsible and effective Local Government in the way it is managed and this includes best practices, policies, financial management, community consultation, responsibility and accountability.

MISSION

To enhance a quality lifestyle for residents and promote economic diversity for our future prosperity.

COUNCIL GOALS

Community Services

1. Building : to develop and maintain appropriate building, plumbing and drainage controls while providing a friendly efficient service to the public.
2. Health: to maintain and improve the quality of life through appropriate standards of public health.
3. Town Planning: to ensure that the Shire develops in an orderly and responsible manner that enhances the lifestyle of existing and future residents.
4. Sporting Facilities: to assist in the provision of facilities and opportunities for clubs to meet the needs of their members.
5. Environmental Management: to preserve and promote the natural environment in a realistic and economically responsible manner.
6. Waste Disposal: to manage and dispose of waste in an environmentally responsible manner.
7. Libraries, Culture and Heritage: to improve and expand our literacy and cultural diversity and preserve our heritage.
8. Aged Care: to maximise the opportunities for the provision of aged care facilities and services within the shire.
9. Youth: to encourage the ongoing participation of youth in the affairs of the community and to retain their presence in the shire.

Engineering Services

10. Roads: to maintain and preserve the existing road network and improve these wherever possible within budgetary constraints.
11. Water: to provide an adequate water supply service to town residents.
12. Sewerage: to provide an effective sewerage service to town residents.

13. Parks and Gardens: to provide attractive and enticing parks and gardens that enhance the built environment and encourage their use by residents and visitors.

Finance and Administration

14. Financial Management: to improve the effectiveness of the monetary operations of the Council whilst maximising every dollar spent and minimising rate increases.
15. Administration: to provide quality administration services to Council, staff and the public.
16. Tourism Promotion: to promote our shire as a premier tourist attraction.

Corporate Governance

17. Economic Development: to provide services, regulations and policies that encourage the establishment of local business and industry.
18. Public Relations: to promote a positive image of the Council in all dealings with the public and others.
19. Human Resources: to mould, encourage and build a united, competent and motivated workforce

The Chief Executive Officer {CEO}, Shane Gray provides direct and strong leadership advice to senior management and staff which ensures that direction and policy decisions of Council are carried out promptly and efficiently.

The Chief Executive Officer is supported in these activities by various levels of management which are shown in the organisation structure chart as an attachment to this document.

Organisation Profile

CHIEF EXECUTIVE OFFICER

Shane Gray

SENIOR STAFF

Jim Barton
Sharon Frank
Michael Hunter
Kerry Mercer

ADMINISTRATION

Jenni Hinton
Pam Hinton
Clare Mathews
Klara Peters
Sharon Renwood
Lynn Smith
Joanne Wallace
Margaret Williams
Shelley Eagle (Trainee)
Lee Lucas (Trainee)

LIBRARY

Iris Crumpton
Leigh Sheridan
Audrey Sampson (Casual)

COMMUNITY SERVICES

Glen Argent
Angela Black
Arthur Dawson
Lynn Halliday
Robbie Robins
Sarah Saxer
Sue Evans (Casual)
Ron Moore (Casual)

VISITOR INFORMATION CENTRE

June Genat
Mary Green

MATERNITY LEAVE

Debra Ballin
Teena Schulte

ENGINEERING

Susie Brockhurst
Jon Duke
Don Lee
Dennis Millikan
Sam Sawtell (Trainee)
Ross Allison (Casual)
Dianne Fraser (Casual)

CONSTRUCTION / MAINTENANCE

John Baker
Chris Boyes
Phillip Brenson
Andrew Cowe
Tony Edwards
Tommy Greaves
Mark Green
Mark Greenaway
Brian Griffith
Russell Hockey
David Howell
Andrew Kerr
Brian Laherty
Tim Ogilvie
Michael Pottinger
Glenn Richardson
Trevor Richardson
Clarie Rossetto
Grahme Savill
Kevin Sayer
Graeme Schulte
Ian Strack
Graham Thompson
Russell Thompson
Justin Turnbull
Geoff Waldron
Ron Weimer
Brian Turner (Trainee)

PARKS & GARDENS

Damien Shelley
Shane Wells
Camilla Thompson (Casual)
Kerry Thompson (Trainee)

WATER & SEWERAGE

Peter Brown
Allan Gilliland
Greg Green
Larry Ward
Peter Coyne (Casual)

WORKSHOP / DEPOT

Gary Bemrose
Lee Hoad
Chris Mermoud
Warren Smith
Jamie Kruger (Apprentice)
Nathan Sperling (Trainee)

TOWN SERVICEMEN

Ricky Allison
Greg Hams
Paul Langhans
Rodney Lees
Ricky Bemrose (Casual)
Greg Holder (Casual)
Steven Ray (Casual)

BLACKBUTT OFFICE

Karen Benson
Vince Evans
Dee Anne Beutel (Casual)
Sarah Schloss (Casual)

BLACKBUTT TOWN SERVICEMEN

Peter Bygraves
Jeff Dent
Ross Jenner

Finance and Administration

Major Goal: *To improve the effectiveness of the monetary operations of the Council whilst maximising every dollar spent and minimising rate increase.*

A very busy year for the finance and administration staff preparing to satisfy Queensland Audit Office to achieve an unqualified audit. This was possible by the development and use of the Practical Financial Reporting module. The administration staff have enhanced Councils new office open plan layout which has lifted morale and made it more possible to cohere as a team.

Upgrade of Council computers and furnishings is continuing along with staff training.

In the rating section, activity in the property searches has continued a strong growth. Councils rating staff have worked very hard to reduce Council arrears which has seen the lowest arrears recorded. This is due mainly to the Sale of Land for Rate Arrears process and Council staff working closely with debt collectors.

RATES AND CHARGES REVENUE AND ARREARS

{Source: Notes to Financial Statements}

	Arrears/Levies	Interest	Cash Receipts	Discounts Subsidies	Write Off	Arrears
	Actual 04/05	Actual 04/05	Actual 04/05	Actual 04/05	Actual 04/05	30.06.2005
General Rates	3,606,072	25,161	2,878,136	496,987	708	133,532
Other Rates/Charges	134,353	1,763	115,114	7,367	61	9,454
Fire Service Levies	115,531	534	113,661	-	8	2,397
Water Charges	689,885	3,935	570,210	67,040	225	28,241
Sewerage Charges	505,244	3,193	413,164	66,975	44	23,085
Cleansing Charges	263,772	798	209,831	40,148	28	6,057
Total Rate Arrears/Levies	5,314,857	35,384	4,300,116	846,285	1,074	202,766

PENSIONER REMISSIONS

	Actual 04/05
General Rates	52,550
Water Rates/Charges	9,358
Sewerage Rates/Charges	7,024
Cleansing Rates/Charges	4,409
Total Council Pensioner Remission granted	73,341
Total State Pensioner Remission granted	167,768
Overall Total Pensioner Remission Granted	241,109

Visitor Information Centre

The shire's information centres, located at Nanango and Blackbutt, are often first point of contact for visitors to the area. The Nanango Information Centre has been participating in a statewide Tourism Queensland pilot program, which collects visitor statistics to aid in the development of tourism strategies. Figures from the program indicate that in excess of 20,000 people visited the shire in 2005, many of whom rely on information centres for planning their travel itineraries.

Council's website has also become an important element in promoting tourism within the shire, with an increasing number of email enquiries being received. During 2004-05, the Council website had 221,707 hits, demonstrating its value to local tourism.

As a result of the implementation of the Shire Tourism Development Action Plan, commissioned in 2001, a number of strategies for the South Burnett have been developed. The major focus for 2005/06 will be strengthening the food component to complement the growing wine industry at events and festivals. Our shire will continue to promote heritage and tourism and will be a key player in both the Heritage Trail of the Brisbane Valley and the South Burnett. There may be a possibility of raising the profile of Ringsfield House as an attraction, and community opinion indicates that a review of opening hours may be necessary.

The Action Plan recommends the forging of strong links through the *LTA* and the shire is always represented at these meetings. Visitor Information Centre staff throughout the South Burnett meet regularly and have formed good working relationships which benefit the region as a whole. Volunteers remain an important element in attaining visitor satisfaction, providing an extremely high standard of customer service. The twenty-six volunteers in Nanango and thirty-two in Blackbutt have provided over 4,000 hours of service to the shire, including important historical research.

We are working to develop a greater community understanding and support of tourism throughout the shire. All businesses in the shire have been invited to have a listing on the shire website database, and enjoy the benefits of wider exposure. Sporting groups may also promote their events or venues on the website.

Shire promotion is achieved in a number of ways, including paid advertisements in a number of tourism publications aimed at travellers, including the South East Queensland Country Touring Guide, Fraser Coast South Burnett Regional Guide, Country Way Publication, Touring the South Burnett, in addition to local and regional newspapers.

We look forward to continue to raise the profile of tourism within the shire and to participating in further innovative and exciting projects next year.



Planning and Development



Major Goal: To ensure that the shire develops in an orderly and responsible manner that enhances the life style of existing and future residents.

Council's Planning Department is responsible for the administration of the Town Planning Scheme, which includes the Bunya Mountains Development Control Plan. Development applications are required to be made under the Integrated Planning Act so as to ensure appropriate and orderly growth of the shire.

The Transitional Planning Scheme and Subdivision of Land By-laws form the development codes against which applications are assessed.

Council has had a busy year assessing development applications which included:

Material change in use – impact assessment	31
Material change in use – code assessment	4
Reconfiguration of lots (subdivision/boundary realignments)	25

The review of the town planning scheme for the shire of Nanango by the Brisbane town planning consultants, Gutteridge Haskins and Davey is continuing. Gazettal of the new IPA compliant Town Planning Scheme is hoped to occur early in 2006.

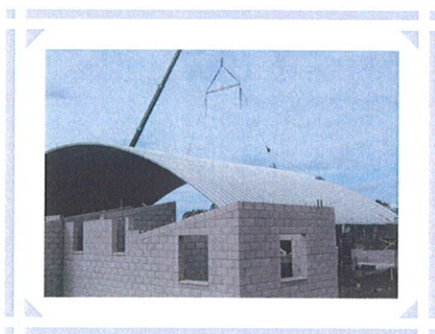
Building

Major Goal: *To develop and maintain appropriate building, plumbing and drainage controls while providing a friendly efficient service to the public.*

Building approvals for the 2004 – 2005 year have increased by 16% from 2003—2004. Council's Building Department has been involved in the building of new toilet facilities in various parks throughout the shire. These new unisex disabled toilets can be found in Autumn Park, Butter Factory Park, Nanango Cemetery and now at Jessie's Well, Benarkin.

Building Statistics 2004 / 2005

TYPE	NUMBER		VALUE	
	2003/04	2004/05	2003/04	2004/05
Dwellings	78	122	6,985,346	12,248,630
Relocated dwellings	23	48	677,512	1,349,400
Additions to dwellings	67	41	1,034,729	649,525
Garages/Carports	181	213	1,450,081	1,796,365
Farm buildings	11	9	146,061	184,363
Business premises	8	5	317,190	135,370
Demolition of buildings	5	1	18,900	-
Special structures	15	19	170,752	294,765
Government Buildings	7	2	159,327	2,515,000
TOTAL	395	460	\$10,959,998	\$16,795,529



Environmental Health

Major Goal: *To maintain and improve the quality of life through appropriate standards of public health*

The aged person units at Blackbutt and Nanango have been fully utilised with full occupancy for most of the year.

No major outbreaks of communicable diseases were reported.

The Public Health (Infection Control for Personal Appearance Services) Act 2003 was introduced and implemented in 2004, bringing in new regulations for skin penetration businesses.

Water sampling was routinely carried out on the town water supply. Test results were in compliance with the drinking water guidelines. Samples from private suppliers were taken and submitted as requested.

Annual licensing of health licenses and permits was carried out. Public toilets and street cleaning was carried out. Public toilets and street cleaning was carried out routinely with hosing down of footpaths conducted regularly.

School immunisation clinics were held at the primary schools and the high school and they were well supported.

Town cemeteries at Nanango and Blackbutt have been well maintained.

Councils waste facilities are being regularly upgraded to comply with environment protection agency licence conditions.

Animal control problems particularly from dogs were on the increase.

Council also made extensions to existing pound therefore allowing for an exercise area and individual housing of more dogs. Council is also now able to house impounded cats.

A large number of animals were able to be relocated this year.



Water Sampling Items



Impounded dog

Roadworks Streetworks Bridges

Major Goal: To maintain and preserve the existing road network and improve these wherever possible within budgetary constraints

Council continues to carry out works on the shires roads in an effort to improve the network by both construction and maintenance of its roads. Details of which are set out in the table below -

Capital expenditure on shire roads are sourced from -

Roads to recovery grants [DOTARS] / TIDS grants / Developer contributions / State government drainage subsidy / Council revenue / Funded depreciation.

DIVISION 1

Road Maintenance.....	\$128,860
Street Reseals Alfred Street, Millis Way	\$ 33,623
Road Construction..... Bright / Drayton / Taylor Street	\$ 36,048
..... Wickham Street.....	\$ 37,280

DIVISION 2

Road Maintenance.....	\$481,368
Road Reseals Booie Road, Smith Road.....	\$ 48,444
Road Construction..... Memerambi-Barkers Ck Road.....	\$142,807

DIVISION 3

Road Maintenance.....	\$474,628
Road Construction..... Kumbia Road	\$139,098
..... Nuemgna Road.....	\$115,835
Road Reseals Anderson, Finley, Pitts Road, George Street, Tom Smith Drive	\$ 47,427

DIVISION 4

Road Maintenance.....	\$200,237
Street Reseals Brett, Williams, Hayne Kite Millar Road, Hathaway, Steven Street.....	\$ 41,103
Road Construction..... Sutton Street.....	\$ 12,024



Parks and Gardens

Major Goal: *To provide attractive and enticing parks and gardens that enhance the built environment and encourage their use by residents and visitors*

Council has continued to focus attention on the parks and gardens throughout the shire, with continuous improvements being made. Council has placed seats and tables in parks so that more people can enjoy the facilities that are provided. With an emphasis on family, playgrounds for the children have been provided.

A number of walking tracks were constructed in 2004/05.

Council maintains to keep the main CBD area clean and tidy. In keeping with a country feel, Council continues to organise the planting of flowering plants in summer and annuals during the cooler months.

Total area of parks and gardens in the shire is 110 hectares.

Total expenditure on maintenance of parks in Nanango for 2005 was \$134,913 and Blackbutt was \$59 380.



Water and Sewerage

Water Goal: *To provide an adequate water supply service to town residents.*

Sewerage Goal: *To provide an effective sewerage service to town residents.*

All water services in the shire were satisfactorily maintained throughout the year. The generally low rainfall together with its temporal distribution, resulted in continuing but variable levels of overall drought in the year.

Further investigations are continuing for water supply to Nanango township.

Bore pumps at Barkers Creek have been upgraded.

Water meters were replaced as required.

Investigations have commenced into the upgrading of the Blackbutt Sewerage Plant.

Due to extremely low levels in Boobir Creek Dam, the Blackbutt town water supply is still connected to the Wivenhoe-Tarong pipeline.

	Length of water mains	Operating Cost	Length of sewer mains	Operating Cost
Blackbutt	20.72 km	\$157,703	10.52 km	\$67,487
Nanango	67.44 km	\$203,080	35.80 km	\$171,234

Depreciation charges are not included in operating cost..



Councilor Renumeration

Pursuant to the Local Government Act 1993 and as amended, Councillors are elected for a four year term and also

- Represents as divisional councillors the public interest of the division
- Takes part in decisions regarding facilities, services and enterprises that are appropriate for the area
- Takes part in formulating, reviewing and adopting
 - (a) The corporate plan and operational plan
 - (b) The policies and goals of the Council



BACK ROW (left to right)

Cr E Tucker-Division 1, Cr G Yeates-Division 2, Cr W Browning-Division 4,
Cr R Morgan-Division 1, Cr B Tillyer-Division 4, Cr L Caffery-Division 3

FRONT ROW (left to right)

Cr R Gregor-Division 3 / Deputy Mayor, Cr R McCallum- Mayor,
Cr B Webb-Division 2

Councillor Remuneration

Minute No: 668 - June 2004

That Council after consideration of the principles detailed herein and reasons stated, proposes to authorise payment of remuneration to Councillors for their services to Local Government to apply from 1 August 2004 on the following basis:

1. Principle

As a matter of principle, remuneration of Councillors shall be based on the reimbursement of costs incurred directly in attending meetings of Council, conferences, seminars, workshops, inspections and the like or in the case of the Mayor and Deputy Mayor in attending to the additional day to day responsibilities of these positions. In addition Councillors will receive a reasonable reimbursement of indirect costs incurred by reason of income foregone in attending meetings and other Council business.

2. Reasons

The reason for adopting this principle is that it is considered both fair and reasonable that citizens of a community elected to public office should not be unreasonably financially disadvantaged by fulfilling the role of that office which at times can be demanding, particularly the offices of Mayor and Deputy Mayor.

3 Purpose, Entitlement and Value

- (a) The purpose for which remuneration shall be paid, the persons entitled to remuneration and the value of the remuneration shall be as follows:

Schedule 1

Mayor

Monthly Allowance Seven point five (7.5) times the full day meeting rate

Meeting and Inspection Fees As prescribed for other Councillors

Motor Vehicle Use of a fully maintained Councillor motor vehicle for business and commuter use between own residence and Council office

Deputy Mayor

Monthly Allowance Three (3) times the full day meeting rate
Meeting and Inspection Fees As prescribed for other Councillors

Motor Vehicle Mileage allowance for use of own vehicle in accordance with rates prescribed in the Queensland Local Government Officers Award 1998

Councillor Renumeration

Councillors

Monthly Allowance	Two (2) times the meeting daily rate
Meeting and Inspection Fees	Half day (any meeting of 4 hours or less duration) - \$94.05 Full day (any meeting in excess of 4 hours duration) - \$188.11 (Provided that where more than one meeting is attended on any one day, the maximum allowance that a Councillor shall be entitled to receive shall not exceed the full day meeting fee.
Inspections	Deputations, inspections, conferences and training seminars approved by Council – as per meeting fees.
Motor Vehicle	Mileage allowance for use of own vehicle in accordance with rates prescribed in the Queensland Local Government Officers Award 1998

Committee Spokesperson

Monthly Allowance	Half (.5) the meeting daily rate
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Adjustments to Remuneration

On scheduled Committee, Ordinary and Budget meeting days, Councillors shall be paid for a full day irrespective of the time taken for the meeting.

Where a Councillor attends a meeting not expressly authorised by appointment or approved by Council prior to the meeting, authority to approve/disapprove the payment of meeting fees shall rest with the CEO. Where a Councillor and the CEO disagree on the payment of fees, the Councillor may raise the matter at the next Council meeting.

- (b) The allowance paid to Councillors shall be calculated at the daily rate of pay for a person on Level 6, increment 3 of the salary scale for Federal Award employees under the Nanango Shire Enterprise Agreement.

Councillor Remuneration

Schedule 2

Expenses

All reasonable expenses incurred in attending the nominated and approved meetings. Conferences, seminars, workshops, inspections and the like, listed above, will be paid (or reimbursed) by Council. This particularly relates to accommodation/meals and transport including parking fees.

Schedule 3

Workers Compensation

Council will take out workers compensation cover over elected members with Local Government Work-care each year.

Training Expenses Allowance

Councillors to access a \$2000 per annum expenditure item to be utilised undertaking training and attending seminars and conferences not specified at the statutory meeting.

Budget Meeting 27 July 2004

COUNCILLOR REMUNERATION

Moved Cr. Tucker seconded Cr. Tillyer, that the remuneration policy as advertised and reproduced be adopted.

CARRIED

DETAILS OF COUNCILLORS REMUNERATION AND MEETINGS ATTENDED DURING THE YEAR

COUNCILLOR	GENERAL MEETINGS	COMMITTEE MEETINGS	SPECIAL MEETINGS	TOTAL
R McCallum	12	11	3	33,583
R Gregor	12	12	3	14,553
R Morgan	12	12	3	11,067
E Tucker	12	12	3	11,395
B Webb	12	12	3	12,813
G Yeates	12	12	3	11,211
L Caffery	12	12	3	13,080
B Tillyer	12	12	3	9,998
K Allery	11	11	2	15,755
				\$ 133,455

Revenue Policy

A. GENERAL RATES

The principal of user pays in the general fund is not considered practical given that all residents of the Shire do not receive the same services, although they do have access to these services. Accordingly, it is considered that a system of differential rating better achieves Council's aims.

- The minimum general rate will be set at a level that reflects the standard of service that is received for that rate from the general fund.
- Each parcel of land in the Nanango Shire will be categorised for differential rating into one of the adopted categories based on the DNR&M land use code. Differential rating shall be on the basis of the following seven categories:-

Urban: Land that is primarily used for residential purposes serviced or capable of being serviced by water and sewerage in the towns of Blackbutt and Nanango, or in the case Benarkin capable of being serviced by water.

Rural Residential: Any land primarily used or intended for use as a dwelling lot but enables some rural activity to be carried out in conjunction with dwelling house/s on the same site.

Commercial: Any land primarily used or intended for use as a business or commercial office or other business or commercial purpose including; shops, restaurants, hotels, bank, real estate agencies, professional offices service station etc.

Industrial: Any land primarily used or intended for use by light, medium or heavy industry including small quarries and other extractive industries.

Village: Land comprising small settlements where little or no growth is anticipated and where a mixture of land uses is desirable and acceptable. This category specifically refers to the villages of Maidenwell, Brooklands and Dandebah.

Primary Production: Any land primarily used for agricultural, grazing or animal husbandry purposes.

Other: Any land that is used or intended for use for a purpose not covered by the other categories.

Group Title: Any land used or intended for use which is intended to comprise two or more dwelling units where each unit is located upon an allotment as shown on a group titles plan and registered in accordance with the Body Corporate and Community Management Act 1997.

B. WATER CHARGES

A system of full cost recovery on the supply of water, comprising an access charge to cover the fixed items within the water fund, such as capital expenditure and interest and redemption, and a consumption charge for each kilolitre of water consumed is applicable.

The objectives of Council's policy are:-

- (i) To allocate resources efficiently by properly reflecting the cost of supply to ensure that water resources and capital are not wasted.
- (ii) To distribute costs equitably by ensuring that individual consumers pay for the cost of the service they use.
- (iii) To generate sufficient and stable income for the water fund.

Revenue Policy

Water Pricing Policy

The Council will adopt an access charge with an increasing consumption charge Water Pricing Policy for 2004/2005 consisting of the following:-

Pricing Policy

1. That the Council adopt a water pricing policy to apply to domestic and non-domestic consumers and to consumption by Council consisting:-
 - An annual access charge which applies to all connections to the system (including an appropriate access charge for fire services where these are not metered).
 - A charge for each kilolitre consumed which increases for higher level of consumption (that is a lower charge, a medium charge and a higher charge with the higher charge being set at a level which promotes water conservation). Such charges are based on a 0-320, 320-420 and >420 allocation.
 - Large commercial users will be given the 'once only' option of upgrading their connection, for charging purposes only, to a 25mm, 38mm or 50mm sizing. In such instances they will be charged a higher access fee but will be entitled to a larger allocation before being charged a higher usage rate.

Application

1. Each separately rated parcel of vacant land contained within the water area but not connected to the reticulation system, be charged an annual access charge equal to half of the connected access charge.
2. That all water outlets to Council facilities which draw from the reticulation system be metered and subjected to the same charges set for other consumers.
3. That fire services provided to individual properties be metered and be subject to an access charge as well as a kilolitre charge, with water used for fire fighting purposes not attracting a kilolitre charge.

C. SEWERAGE CHARGES

Council will charge for a sewerage service on the basis of a unit charge per household. Each separately rated parcel of vacant land contained within the sewerage area but not connected to the sewerage main, be charged an annual access charge equal to one half of the domestic charge.

Council will charge commercial, age care; education and child care facilities at the rate of a domestic charge for the first pedestal and each additional pedestal to be charged half of the domestic rate.

Council has deleted the additional charge placed on a second pedestal in a residential dwelling as it was considered to be inequitable as it is people that dictate the quantity of sewerage generated and not pedestals.

D. GARBAGE CHARGES

The garbage charge will apply to the garbage collection areas (as defined).

The purpose of the garbage charge is to recover the cost of the collection, operation and maintenance of the Refuse Collection Service performed within the Nanango Shire.

The annual garbage charge will be set by resolution of Council when adopting its annual budget. The regular service provided will be on the basis of one 240-litre wheelie bin service per week or one regular garbage bin. Each service will be equal to one (1) unit and each additional service equal to one (1) unit for Nanango, Blackbutt and the Bunya Mountains.

Revenue Policy



E. SPECIAL RATE (BLACKBUTT WATER UPGRADE)

Nanango Shire Council may make and levy a special rate for the upgrade of the town water system that will service Blackbutt town water defined area. The upgrade consists of a pipeline connection to the Wivenhoe-Tarong pipeline, ground level and elevated reservoirs including rising main and pumps, and ancillary work at the water treatment plant.

The Council has determined that the debt servicing costs of the upgrade should be repaid by the levying of a special rate. This special rate will be levied to meet the debt servicing costs of loans raised for the Blackbutt defined water area and will continue until the debt is repaid.

(Blackbutt Sewerage Upgrade)

Nanango Shire Council may make and levy a special rate for the upgrade of the town sewerage treatment plant system that will service Blackbutt town sewerage defined area. The upgrade consists of a new package treatment plant and ancillary works at the sewerage treatment plant.

The Council has determined that the debt servicing costs of the upgrade should be repaid by the levying of a special rate. This special rate will be levied to meet the debt servicing costs of loans raised for the Blackbutt defined sewerage area and will continue until the debt is repaid.

F. WATER CHARGE UNDER THE RIPARIAN WATER SUPPLY AND CARRIAGE AGREEMENT

Under this agreement between Tarong Energy and Nanango Shire Council, the riparian landowners may have access to water from the Wivenhoe to Tarong Pipeline.

Further, the cost of the supply and carriage of water and maintenance of the infrastructure will be paid for by Council and recovered from the landowner by way of a water charge.

The water supply and carriage pricing policy that will apply for the provision of the service will comprise:

- (i) Water price
- (ii) Carriage charge
- (iii) Excess water carriage charge [this charge will only apply to individual riparian users if they use in excess of their normal 1ML per annum allocation]
- (iv) A charge for maintenance of the infrastructure including but not limited to – reading meters, maintaining meters, valves, pipes etc.
- (v) An application charge to cover the cost of administration and installation of infrastructure necessary to allow access to the water. [the application fee shall be a minimum plus an additional amount when actual cost of providing the infrastructure exceeds the minimum].

G. SPECIAL ENVIRONMENTAL CHARGE

A special environmental charge will apply equally on all rateable land within the Nanango Shire area.

The purpose of the special environmental charge will enable Council to fund issues specifically for the protection of the environment and natural resource management.

The charge will be set by resolution of Council when adopting its Annual Budget.

Revenue Policy

H. RURAL FIRE LEVY (SECTION 971 OF THE LOCAL GOVERNMENT ACT 1993)

Council is of the opinion that each parcel of rateable land identified on the map (titled 'Rural Fire Brigades and Fire Warden Districts within Nanango Shire', held in the rates section of the Nanango Shire Council Office) will specially benefit to the same extent from the purchase and maintenance of equipment by the Rural Fire Brigades identified in the Schedule of Rates and Charges.

The Council will review the necessity and the level of the charge on an annual basis upon receipt of a projected budget from the Rural Fire Brigades. It is a policy of Council that no levy will be collected and no payment will be made to the Rural Fire Brigades until such time as they present their audited annual financial statements.

I. URBAN FIRE LEVY

Council will levy the full amount of the urban fire levy, in accordance with the Queensland Fire Services schedule of fees, in its first levy for the year 2004/2005.

J. DISCOUNT ON RATES (SECTION 1019)

If the full amount of rates and charges levied is paid within the thirty days after the date of issue of a rate notice, Council will allow a discount on the current rates only excluding urban fire levy, water usage and special rates.

K. COUNCIL PENSIONER CONCESSION

The Council will allow a pensioner rate concession, which applies to general, water access, sewerage, garbage rates and water usage charges.

- (i) The applicant must be in receipt of a full applicable pension and is an eligible holder of a Queensland "Pensioner Concession Card" issued by the Department of Social Security or the Department of Veterans' Affairs, or a Queensland "Repatriation Health Card - For All Conditions" issued by the Department of Veterans' Affairs. Pensioners who are not in receipt of a full pension due to the deeming of legislation are not entitled to a Council Remission.
- (ii) The remission only pertains to that land which the Pensioner owns.
- (iii) The said property must be the principal place of residence and all buildings must be approved by Council.
- (iv) The applicant must have paid all rates due to Council up to the end of the Financial Year preceding that in respect of which the application is made.
- (v) Any other matter considered by Council as applicable (Council may request further information)
- (vi) The applicant must be a resident of the Shire of Nanango and Council will adjust on a pro-rata basis upon application.
- (vii) Council rates must be paid by the discount date or the Council subsidy will be levied back onto the account.

L. INSTALLMENT

Council does not offer its ratepayers the option of paying by installments. If the ratepayer chooses to make payments they may do so. However Council expressly states that it has made no agreement for the payment of rates by installments and reserves the right to take recovery proceedings at any time (regardless of any further payments which may or may not be made).

Revenue Policy

M. RECOVERY OF RATES

Council requires payment of rates and charges within the specified period. Ratepayers shall be subject to legal action to recover outstanding arrears.

N. INTEREST ON RATES

An overdue rate will bear interest at 11% per annum on a compound basis, calculated on a daily basis. Overdue rates shall bear interest from the day immediately following the last day on which the rates were due and payable (that is the day after the close of discount).

O. LEVYING OF RATES

Rates will be levied by Council on a half-yearly basis.

P. BORROWING POLICY (SECTION 7 OF LOCAL GOVERNMENT FINANCIAL STANDARD 1994)

The Council being a large rural agricultural Council is only required to borrow to finance the cost of new capital works as part of its budgetary processes, which cannot be financed from normal Council Revenue raised from Rates, Fees and Charges.

Council may approve the raising of loan funds or alternative sources of borrowings to finance construction of infrastructure assets and the purchase of major plant items over the following maximum time frames:

Road Works	10 yr period
Water Supply	20 yr period
Sewerage Works	20 yr period
Community Houses & Buildings	20 yr period
Major Plant Purchases	5 yr period

In the 2004/2005 financial year Council does not intend to borrow to fund any of its capital works.

Loan debt outstanding to QTC at 30.06.2004 is as follows –

Blackbutt Water Supply	\$396,748
Blackbutt Sewerage	\$317,338

These loans have a currency of 20 years and are repaid by quarterly installments.

Q. INTERNAL AUDIT POLICY

That Council not appoint an Internal Auditor under Part 2 Division 1 Regulation 3 of the Local Government Finance Standards and as a consequence Council not appoint an Audit Committee under Part 2 Division 1 Regulation 3 of the Local Government Finance Standards.

R. INVESTMENTS

Available surplus funds are to be invested in accordance with the relevant legislation provisions and adopted Council Policy.

Revenue Policy

S. OPERATING CAPABILITY

Not all functions show an operating surplus, however, any net surplus will be used to improve and provide additional infrastructure to meet the future needs of the community.

Adjustment to working capital due to accrual accounting will be made where necessary to provide available funds required to maintain a balanced appropriation statement.

T. FUNDING OF DEPRECIATION

The budget for 2004/05 will be prepared on an accrual basis and on the understanding that total funded depreciation will be included for all assets, which have been determined by revaluation.

The funding of depreciation on roads and streets will be considered when those assets are revalued.

POLICY RESOLUTION AND EFFECT

This is a new Revenue Policy and was adopted by Council on 18 May 2004 and shall commence on 1 July 2004 and expire on 30 June 2005, it is formulated in accordance with the requirements of the Local Government Act 1993 and the Local Government Finance Standard 1994.



Other Items of Interest

INTERNAL AUDIT POLICY {Adopted 23 July 2002}

That Council not appoint an Internal Auditor under Part 2 Division 1 Regulation 3 of the Local Government Finance Standards and as a consequence Council not appoint an Audit Committee under Part 2 Division 1 Regulation 3 of the Local Government Finance Standards.

CODE OF ETHICS

Council developed a code of conduct pursuant to requirements under the Public Sector Ethics Act 1994. The code applies to all elected members and employees. The code was adopted by Council on 5 February 1997.

Council is expected to consider adopting a new Code of Conduct in 2006.

EQUAL EMPLOYMENT OPPORTUNITY

Council formalised its commitment to the EEO process through the development of a management plan, which was adopted by Council on 5 February 1997.



Purchasing Policy

POLICY STATEMENT

This document illustrates Council Policy for purchasing throughout the whole Council organization, and provides detail, which allows the persons responsible to ensure that the five (5) principles prescribed in Section 481 are observed.

The principles to be observed when entering into any purchase contract are:

(i) **Open and effective competition**

To instill confidence in the public about the cost effectiveness of Council's purchasing policies and practices generally by making procurement procedures and processes visible to the public

(ii) **Value for money**

Represent the best return and performance for the money spent from a 'Life Cycle Costs' perspective

(iii) **Enhancement of the capabilities of local business and industry**

Enhance the opportunity for Nanango Shire and the surrounding regions, Queensland and Australian suppliers of goods and services, to be considered for Council business on the basis of merit and value for money

(iv) **Environment protection**

Promoting purchasing practices which conserve resources, save energy, minimize waste, protect human health and maintain environmental quality and safety

(v) **Ethical behavior and fair dealing**

Behave with impartiality, fairness, independence, openness, integrity and professionalism.

It should be noted that the requirements of Section 481-492 of the Local Government Act 1993 and as amended are minimum requirements only and the Council is permitted to introduce more detailed conditions and limits in setting its purchasing policy.



National Competition Policy



Nanango Shire Council is committed to ensuring the effective implementation of National Competition Policy (NCP) and Council of Australian Governments (COAG) reform initiatives. This *Competition Policy* aims to provide a summary of Council's ongoing commitment in meeting competition reform.

Policy for Identifying Business Activities

Activities of Council will be identified as business activities if they trade in goods and services to clients that could potentially be delivered by a private sector firm for the purposes of earning profits in the absence of Council's involvement. They do not include the non-business, non-profit activities of Council.

Each year, Council is required to identify those activities that are business activities and determine whether competition reforms need to be applied to assist in removing anti-competitive conduct, encourage greater transparency in the operation of such activities and improve the allocation of Council's limited resources.

The following activities are identified as business activities in 2004/05:

- Water Supply;
- Sewerage;
- Refuse Management;
- Plant;
- Other Roads, including:
 - Road Construction;
 - Road Maintenance;
 - Main Roads – RMPC;
 - Main Roads – APPC;
 - Private Works; and
- Building.

Council is committed to apply the Code of Competitive Conduct to all of the above business activities in 2004/05. This means that the pricing practices for each business activity need to comply with the principles of full cost pricing such that total revenue, inclusive of identified and measured community service obligations and net of any competitive neutrality adjustments, should cover the following cost elements:

- Operational and resource costs;
- Administration and overhead costs;
- Depreciation;
- Tax and debt equivalents; and
- Return on capital.

National Competition Policy



Competitive Neutrality Complaints Process

Where the Code of Competitive Conduct is applied to a business activity, Section 793 of the *Local Government Act 1993* indicates that Council must establish a complaints mechanism to deal with any complaints about whether the activity is being run in accordance with the requirements of the Code. The complaints mechanism is intended to provide both Council and complainants with some degree of certainty about the status and treatment of complaints over competitive neutrality.

A competitive neutrality complaints process exists for all of Council's nominated business activities. No complaints were received in 2004/05.

Responsibility for Day-to-Day Operation of Business Activities

Water and Sewerage – Chief Executive Officer, Manager, Engineering Services and Works Overseer.

Refuse Management – Chief Executive Officer and Manager, Community Services.

Plant – Chief Executive Officer, Manager, Engineering Services and Works Overseer.

Other Roads – Chief Executive Officer, Manager, Engineering Services and Works Overseer.

Building – Chief Executive Officer and Manager, Community Services.

All prices are reviewed by the Finance Manager to ensure compliance with reform guidelines.