

# Annual Report<sup>2012/13</sup>



**SOUTH BURNETT**  
REGIONAL COUNCIL

# Event of the Year Tractor Tattoo 2012

*Over \$100,000 in funding from  
Regional Arts Fund, Australia Council  
for the Arts and Arts Queensland*

*An Edinburgh inspired Tattoo combined with the playing of a*  
***Musical Tractor***  
*constructed by Steve Langton*



*Local artists  
performing on  
various stages*

*Over 1000  
guests attended  
this world class  
performance*

# *Welcome* to the ...



*Photograph: Wooroolin Wetlands*

## South Burnett Regional Council 2012/13 Annual Report

This Annual Report is for the period 1 July 2012 to 30 June 2013.

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 2012/13 meets Council's commitment to transparent reporting by exceeding legislative requirements and producing a report that truly captures all aspects of Council's business.

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.

## 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 Bronze Award at the Australasian Reporting Awards (ARA) in June 2013 for its Annual Report 2011/12. 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 Bronze, 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, investors, potential funding bodies, sponsors, industry organisations and government departments; Local, State and Federal.

## 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.



# Highlights of the Year

## Strategic Priority: Enhancing our Communities - See page 48 for more details

Building vibrant, healthy, supportive and inclusive communities

- Tractor Tattoo, an Edinborough inspired Tattoo combined with the playing of a Musical Tractor
- Mayor launches *Mayor's Red Earth South Burnett Flood Appeal* to raise funds for farmers affect by flooding events
- Taromeo Cemetery restored to its former glory after being destroyed by the 2011 flooding event
- Nanango library partnered with the local community to support early childhood literacy and foster a love of reading through the *Reading Bug Program*
- Big Screen Festival celebrates its seventh (7) year

## Strategic Priority: Growth and Opportunity - See page 62 for more details

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

- Council established a peak economic and tourism body, South Burnett Directions.
- Drafting of new Planning Scheme progresses
- Consistently complied with Statutory timeframes for development applications
- Good attendance numbers at business mentoring workshops
- Formal agreement arranged for management of Brisbane Valley Rail Trail
- Kingaroy Aerodrome Precinct Plan under development

## Strategic Priority: Our Environment - See page 70 for more details

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

- Carbon Management Plan finalised
- Implementation of the State Government's Waste Levy Strategy completed
- New fence around playground, gazebo, tables and chairs and amenities block at Memorial Park Kingaroy
- Exercise equipment stations along walkway Angel Avenue, Murgon
- Bike training track with traffic signs - Butterfly Park, Nanango
- Installation of barbeque, shelter and tables at Railway Park, Proston
- Fencing of Wooroolin Park playground - partnership program
- Completed weighbridge and roadworks at Kingaroy Waste Disposal Facility

## Strategic Priority: Organisational Excellence - See page 76 for more details

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

- New Business System implementation progresses with 'go live' for October 2013
- New Procurement Policy supports local business
- Council self nominates for State wide Local government *Workcover Workplace Health and Safety Scheme Audit*
- Council consolidates banking arrangements
- Asset Management Committee established

## Strategic Priority: Service Delivery and Infrastructure - See page 84 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

- 2011 Flood Resoration works 85% complete
- Nanango Water Treatment Plant dosing facility upgraded
- Lagoons were upgrades as part of the Blackbutt Wastewater Treatment Plant augmentation
- Rapid assessment and lodgement of the 2013 NDRRA submissions for damage to road, water, sewerage, parks, gardens and community assets put Council in a leading position to gain funding approvals
- \$9.6million on emergent and restoration works completed as a result of the 2013 flooding event



<b>Challenges</b> <ul style="list-style-type: none"><li>• Attracting additional volunteers</li><li>• Providing suitable storage facilities for our growing museum collections</li><li>• Encouraging and maintaining increased physical activity and better nutrition within the community</li></ul>	<b>Future Initiatives</b> <ul style="list-style-type: none"><li>• Introducing e-book to the libraries' collections</li><li>• Introducing internet wireless access to the branch libraries</li><li>• Annual Survey of Physical Activity Providers</li><li>• Healthy Catering Guidelines</li><li>• Ride the South Burnett Community Ride (funded by SBRC Healthy Communities and Stanwell)</li><li>• Community Grants and Donations Presentation Night</li><li>• Recreation Strategy</li></ul>	
<b>Challenges</b> <ul style="list-style-type: none"><li>• Attracting additional volunteers to the Visitor Information Centres</li><li>• Managing increased numbers of development applications for multiple dwelling units with poor design</li><li>• Supply Chain Model project has been deferred due to the withdrawal of support from program partners</li></ul>	<b>Future Initiatives</b> <ul style="list-style-type: none"><li>• Business Plans for Boondooma Dam and Yallakool Tourist Park</li><li>• Economic Development Strategy Finalisation</li><li>• Business Attraction Prospectus</li><li>• Electronic lodgement system for building, plumbing and drainage application through new business system</li><li>• Council pledges inkind support for 2014 UAV Challenge Outback Rescue event to be held in Kingaroy at Sir Joh Bjelke-Petersen Airport</li></ul>	
<b>Challenges</b> <ul style="list-style-type: none"><li>• Work programs for 2012/13 have been delayed due to the flooding events of early 2013. This will affect the delivery of work programs through to June 2014</li><li>• Transitioning into the new Waste Collection Contract from 1 July 2014</li><li>• Integrating the new business system with Council's compliance regime</li></ul>	<b>Future Initiatives</b> <ul style="list-style-type: none"><li>• Interpretative signage at Coomba Falls</li><li>• Regional Fire Management Regime</li><li>• Plan and implement Box Thorn treatment and landholder partnership program</li><li>• Plan and implement biological control program for declared and noxious weeds</li><li>• Implement and coordinate Giant Rats Tailed grass treatment and landholder partnership programs</li><li>• Finalise and adopted Waste Management Strategy</li><li>• Regional Waste Collection Service</li></ul>	
<b>Challenges</b> <ul style="list-style-type: none"><li>• Improving the quality of the Asset Registers for all asset classes</li><li>• Continuously improving the budget processes</li><li>• Improved monitoring of actual performance</li><li>• Preparing the business model to facilitate the \$34million borrowing program</li><li>• Manage the cash flows relating the restoration works program from the 2013 flood events - \$65million</li></ul>	<b>Future Initiatives</b> <ul style="list-style-type: none"><li>• Full implementation of new Business System - OneCouncil solution</li><li>• Redesign Council's Website</li><li>• Implement Policy Framework</li><li>• Implement Zero Harm Program in our Workplace</li><li>• Workforce Planning Framework to be developed</li><li>• Achieve full Workplace Health &amp; Safety Audit Accreditation</li><li>• Planning for new Enterprise Bargaining Agreement</li></ul>	
<b>Challenges</b> <ul style="list-style-type: none"><li>• Weather conditions affecting the delivery and completion of works programs</li><li>• Sourcing external funding to provide sustainable Water and Wastewater infrastructure</li><li>• Development of new Customer Request Workflows for the new Business System</li><li>• Delivering current levels of service while external funding decreases</li></ul>	<b>Future Initiatives</b> <ul style="list-style-type: none"><li>• Customer Request Response System (CRRS) further implemented</li><li>• Asset Management Plans implemented into infrastructure operations and management</li><li>• Capital Works Program delivered</li><li>• General Maintenance Program</li><li>• Heavy Maintenance Program</li><li>• Improved strategic planning for future infrastructure through forward planning design Concept planning, design and indicative costs provided in advance of construction need</li></ul>	

# About your Council



Council plays a pivotal role within our local community. Council provides and maintains 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 proactively and responsibly manages both the region's built and natural environment to achieve a sustainable future for the community and generations to come. Council does this through the delivery of various environmental awareness programs, natural resource management, environmental protection activities and sustainable development.

Council actively contributes to a strong and sustainable regional economy by providing 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.

## The Livable Region

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.

Located on the edge of the Great Dividing Range, it is an easy 2-hour drive north-west of Brisbane and directly west of the Sunshine Coast. The South Burnett covers 8,421 km<sup>2</sup>; 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 centre of the South Burnett with services including a commercial airport, 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.

Council employees approximately 340 staff, and has an operational budget of \$41 million and a capital budget of \$20 million. Council has a Mayor and six Councillors elected by the community, who meet for General Council Meetings every month to plan the delivery of services and discuss strategic priorities for the Region.



## Our Vision

Individual communities building a strong and vibrant region.

## Our Values

Corporate values are fundamental to Councils' decision-making processes, guiding the way we do business. Our values form the acronym ACHIEVE, which is what we aspire to do as we deliver outcomes for the region and our community.

### A

## ccountability

We accept responsibility for our decisions and actions

### C

## ommunity

Building partnerships, supporting communities and delivering quality services

### H

## armony

Our people working cooperatively to achieve common goals in a supportive and safe environment

### I

## nnovation

Encouraging an innovative and resourceful workplace and community

### E

## thical Conduct

We behave fairly with open, honest and accountable behaviour and consistent decision-making

### V

## ision

Our vision is the driving force behind our action and responsibilities

### E

## xcellence

Striving to deliver excellent environmental, social and economic outcomes



# FAST FACTS

Population\*:

**32,227**  
people



5 Visitor Information  
Centres



3 Aerodromes

**1.45%**

Population  
Growth Rate  
South Burnett\*

**1.92%**

Population  
Growth Rate  
Queensland\*



7 New bus routes linking  
the South Burnett Region



over 17,500 Rateable  
Properties



73 Citizenship  
ceremonies



829 Building and  
planning approvals  
processed



**8,421km<sup>2</sup>**



6 Depots and  
4 Workshops



10 Right to Information  
applications received



\$3.6million on roads



48,134 Phone calls  
answered from Council's  
main number



4,237 Customer  
Services Requests  
received



8,843 Drums recycled

\*Australia Bureau of Statistics, Regional Population Growth, Cat. 3218.0 (Released on 30 April 2013. 2012 data will be revised in August 2013)

# Contents

Welcome	4
Highlights of the Year	6
About your Council	8
Our Vision, Our Values	9
Fast Facts	10
Awards and Recognition	12
Executive Summary	
Mayor's Review	14
Chief Executive Officer's Report	16
Community Financial Report	18
Our Council	22
Our Councillors	28
Councillors Appointments to Committees	30
Our Organisation	
Organisational Structure	33
Executive Management Profiles	34
Our People	38
Council's Governance	40
Audit Committee & Internal Audit	42
Enterprise Risk Management	44
Performance Reports	
Enhancing our Community	48
Growth and Opportunity	62
Our Environment	70
Organisational Excellence	76
Service Delivery and Infrastructure	84
Statutory Information	92
Financial Statements	103
Management Certificate	147
Independent Auditor's Report	152
Index	156
Acronym List	157
Feedback Form	158
Council Contacts	159

# Awards and Achievements

## Our Awards and Achievements...

### Staff Recognised for their Long Service to Council

Council recognised long serving staff that have been working for Local government in the South Burnett area at a function held in the Kingaroy Town Hall in April. The function was attended by staff and their families.

This is the second official awards night where staff with greater than 20 years of service to our organisation were recognised.

There were eight (8) people in the 20 year category, five (5) people in the 30 year category and one (1) person in the 40 year category. All of these people are applauded for their contribution to our Region. Their wealth of experience provides them with a textbook of knowledge gained from work under all sorts of conditions and over a period that has seen significant change.



### Council receives Australasian Reporting Award

Council has received a Bronze Award at the 2013 Australasian Reporting Awards. This is the fifth consecutive year Council has received a Bronze at these prestigious awards.

Council is committed to producing an Annual Report which is an open and detailed account of Council's 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 62 years ago as a means of improving accountability for, and public communication about, the activities of public, government and not-for-profit organisations.

## Council wins LGMA Excellence Award

At the 2013 State Local government Excellence Awards, Council's Executive Support Team won the Teamwork Award for Excellence. The Executive Support Team is an exceptional team consisting of four (4) Administration Officers; Kerrie Le Du, Lynelle Paterson, Amanda Litfin, Bronwyn Barry.

The Local government Managers Association (LGMA) Queensland Awards for Excellence acknowledges and celebrates the outstanding work being undertaken by Local governments across Queensland. This victory is a major achievement for the South Burnett.

The winning team is self managed and provides support services to the Mayor, Councillors, CEO and Manager Governance. The Teamwork Award acknowledged their effective utilisation of resources, strong collaboration, mutual understanding and good communication. They consistently work in a way which was responsive to the needs of the organisation and is a model for Local government across Queensland.

The runner up for the Above and Beyond Award category also went to Council. Mr Greg Lewis, Manager Human Resources was the recipient for his contribution to human resource management in the Region. Greg has facilitated a major internal change program that demanded innovation, excellent interpersonal skills and which resulted in significant cost savings to Council.



## State Award for SBRC's Flood Recovery Team

South Burnett Regional Council's flood recovery efforts were acknowledged with two (2) Council officers receiving the 2013 Local government Managers of Australia Queensland (LGMAQ) Procurement Professional Award at the LGMAQ Procurement Gala Dinner on Wednesday 6 March 2013.

The Flood Recovery Team has been working hard since 2011 to ensure contractors and staff rebuilt South Burnett Region's road network. Council engaged the services of Maurie McGuire in January 2012 as Project Manager to lead the management of the flood works. Mr Gary Wall, General Manager Finance who oversaw the procurement from an accounting and legal perspective was the co-nominee for the Award.

Maurie and Gary's combined skill-set were exceptional and resulted in achievements that made them eligible for the Procurement Professional Award. The Award is a worthy recognition of their long standing community service commitment and dedication to the flood recovery.

As with many Regions across Queensland, the South Burnett experienced the devastation of the 2010/11 floods. There was extensive damage to the road network. The damage in Council's area was estimated at \$57 million.

They have raised the procurement 'bar' to a new level and this standard is now the 'norm' in the South Burnett Regional Council and across Local government in Queensland.





*Severe flooding events and a tough economic climate brought huge challenges to Council which I am proud to say were effectively handled by both Councillors and Staff*

## Mayor's Review

On behalf of Council I am pleased to present the 2012/13 Annual Report which showcases the achievements and progress that has been made by Council. Severe flooding events and a tough economic climate brought huge challenges to Council which I am proud to say were effectively handled by both Councillors and Staff. Hopefully next year will see a return to normal weather conditions which will give Council an opportunity to deliver on our road and infrastructure network.

### Councillors

It is a privilege and honour to lead a group of focused, professional and community driven Councillors whose primary focus is to make the South Burnett a better place to live, work and play. To my Deputy Mayor, Cr Keith Campbell I pay tribute to his outstanding service and for his help, guidance and friendship over the last 12 months. To my other Councillors I offer thanks for not only caring and serving their divisional constituents but for also taking on their new Portfolios which have been a huge success and made a significant difference to our operation. Our ability to work as a team has made a huge difference to our operations. I am honoured to lead a great group of individuals.

### Portfolios

Our new Portfolio system has been an overwhelming success. All Councillors have enjoyed the challenge of leading the Council through their various portfolios and it has enabled them to work closely with the appropriate General Manager and/or Manager. All of us are now working at a strategic level within the organisation and positive outcomes are being achieved.

### South Burnett Directions

As part of this Council's inclusive attitude to Businesses and Community, South Burnett Directions has become a reality in 2013. It was launched by the Hon. David Crisafulli, Minister for Local government, Community Recovery and Resilience in June.

'Directions' has brought together nine (9) business leaders to plan South Burnett's Economic Development and Tourism future. Our Economic and Development Manager, Mr Phil Harding has worked diligently to provide information and consultancy to see this Council and business community partnership flourish. I am proud to Chair this committee.

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

### Good Fiscal Management

This financial year has seen Council embark on a major review of our financial operations. due to the diligence of the Staff and Councillors a \$13 million deficit some years back now sees Council deliver a budget with a small surplus. Despite a huge loss in federal grants I am proud to say we have all made the tough decisions to ensure Council's financial position is a sound one. Council's workforce has decreased during the year not by staff cuts or sackings but by natural attrition and the differences are seen in our Balance Sheet. The sound financial platform that now positions Council for the coming years.

### Community

Our community is the backbone of our region and to every volunteer across the South Burnett can I say thank you. Your commitment to many not for profit organisations allows Council to work side-by-side to ensure our Region continues to be one of the best in our great nation.

### Staff

My work as Mayor and the work of our Councillors could not be achieved without a wonderful band of officers and staff who make up a great team at Council. Can I please place on record my sincere gratitude to the work done by our Chief Executive Officer Ken McLoughlin for his ability to work with a Mayor and Council who want most things done 'yesterday' and for his advice, advocacy and mateship which has made a difficult job easier. I also thank our General Managers for their ability to engage easily with all Councillors and to the staff right across the region who are delivering a service of which we can be proud.

In closing can I say that I am truly honoured to hold the position of Mayor of the South Burnett Regional Council and that I will continue to lead a team of Councillors and Staff to make decisions in the best interests of our community.



**Cr Wayne Kratzmann**  
Mayor

## 2013 Mayoral Charity Gala Ball



Photographs from Left to Right: Table setting at the Mayoral Charity Gala Ball held 1 June 2013, Mayor Wayne Kratzmann and Mrs Kratzmann attending the Mayoral Charity Gala Ball 2013, James Morrison, world class entertainer performed at the 2013 Mayoral Charity Gala Ball



*"My legacy as Chief Executive Officer is for the South Burnett Regional Council to become the Leading Regional Council in Queensland".*

## Chief Executive Officer's Report

This is my second Annual Report having been with the South Burnett Regional Council now for almost two years. During 2011/12 we made solid gains in understanding our business and changing emphasis from working in the business to working on the business. We also chartered a course to long-term economic and environmental sustainability.

### *Business Realignment*

Part of the charter was to realign our business to make savings while not compromising services or service levels. This was a challenge in itself a blueprint was adopted in the 2012/13 budget. However, shortly after the start of the 2012/13 year we experienced large funding cuts from both the State and Federal governments. This clearly made the realignment of our business much more important as it not only had to deliver on our original goal but also accommodate for the funding loss.

### *Legacy Program*

Council during this time maintained focus on its Legacy Program: Roads, Water and Wastewater, and Streetscapes. Roads were further brought to the fore of Council when in January and February 2013 other flood events were experienced. This caused redeployment of Council resources from the planned works program to emergent work which continued for about three months. At this time, work being undertaken as a result of the 2011/12 flood events was not completed. Council rolled the remaining work and the new work together and developed a new project plan to meet the needs of the community. The total flood recovery spend in 2013 event will be in the vicinity of \$60m. It proceeds on track within the project plan timeframes.

### *Flooding Event*

I acknowledge the great work done by my staff in response to the flood events earlier this year. The Disaster Management Group did an amazing job in 2013 and were backed up by the Council staff on the ground that helped with road closures, evacuations, bridge inspections, and organising temporary accommodation. In the recovery phase, staff exceeded what was expected by organising a charity benefit, coordinating volunteers, and providing advice to those affected on possible grant monies available to those in severely affected areas.

### *Budget Planning*

During this year Council discussed and later resolved to introduce a Roads Levy to supplement the work being done under the flood recovery. This decision was only taken after a detailed works plan was developed for roads, both capital improvements and increased maintenance.

### *Capital Works Strategies*

Council now has a streamlined process for managing the day to day operations of Water and Wastewater including a ten year capital program. Waste management has also been bolstered during the year with the commencement of the new ten year strategy which will provide clear direction into the future. Staff that have worked on these two large projects are commended for their efforts.

### *Contingency planning for Private Hospital*

Advice was received during the year that the current occupant of the Community Private Hospital would not be seeking an extension of the current arrangements. Council entered into a due diligence process to develop a contingency plan. This included discussions with the regulatory body. Negotiations were still continuing at the 30 June 2013.

### *South Burnett Directions*

A major achievement during the year has been the establishment of South Burnett Directions. This is a group of eminent business people that have a passion for advancing the region. It has been assembled by staff who have also written a charter, recruitment procedure and facilitate the development of a business plan. All is in readiness for outcomes to be realised in the next financial year as a direct result of this groups efforts.

### *Customer Service Improvements*

Council's customer service now has a full suite of policy and procedure which continues to meet the needs of those who enquire about Council business. I can report that we have improved from the 85% first level handling enquiries by Customer Service Staff to almost 90% which is testimony to the continuous improvement process undertaken by the organisation.

### Planning and Development

The year has been relatively quiet in respect of planning as land development has been subdued across the region. This has enabled the staff of this area to focus on the development of a new planning scheme. This has reduced the need to engage consultants and offset costs in this Department.

### Organisational Restructure

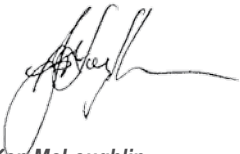
A restructuring of the management level of the organisation was completed during the year. It saw a reduction in General Managers (those reporting to the CEO) from four (4) to three (3). The communities area was combined with planning and environment and this is proving to be a successful move. Properties has been moved from communities to finance and is now being managed as a direct asset.

### Awards and Recognition

Our staff have received several awards and citations during the year. These are mentioned elsewhere in the report but suffice to say that this is evidence of the strong positive culture that is apparent in the organisation for not only did we receive these several awards but did so in competition with many other most of which are much larger than ours.

The 2012/13 year has been very challenging and yet rewarding year, and out of adversity (funding grant cuts) has come a new level of resilience. My legacy as CEO is for the South Burnett Regional Council to become the 'Leading Regional Council in Queensland' and in reviewing the metrics I am now able to put forward an argument to support this claim.

Thanks to my staff, my Council, and my community for all your support during the 2012/13 year – a *'stellar year for South Burnett Regional Council'*.



**Ken McLoughlin**  
Chief Executive Officer

### A year that was...



Photographs from Left to Right: Service Recognition awards and medallions, held April 2013, Tractor Tattoo 2012, Flood damage on Chinchilla-Wondai Rd at Okeden Creek

# Community Financial Report

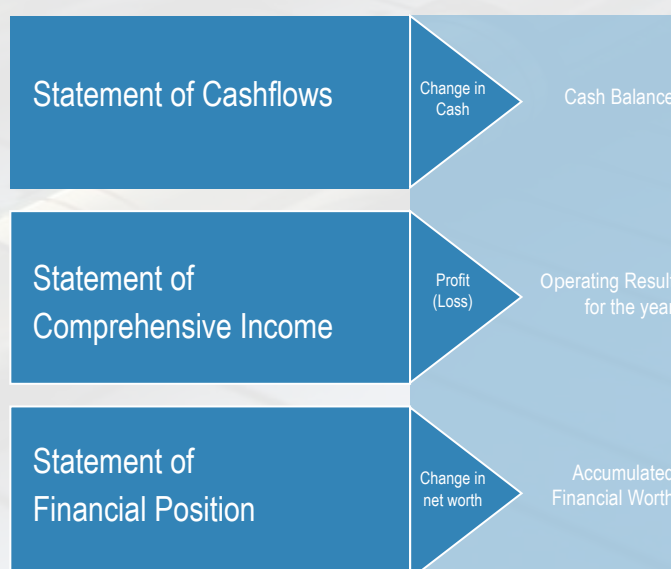


The Community Financial Report is an overview of the key elements of Council's financial performance. The aim of the report is to assist readers in evaluating Council's financial position without the need to interpret the financial statements contained in the Annual Financial Statements (page 103).

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 \$46,222,303 in the bank and ended the year with \$34,697,138. This means that for the entire year we spent \$11,525,165 more in cash than we received. This was mainly due to grant monies Council received for flood restoration works in a previous financial year and the monies were actually spent this 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.

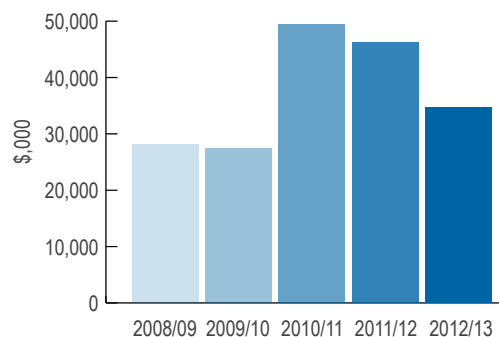
**Investing activities** include money Council receives and spends when we buy or sell property, plant and equipment.

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

### Snapshot

	2013	2012
Opening Cash Balance	46,222,303	49,436,270
Net Cashflow from Operating Activities	(4,358,781)	7,712,368
Net Cashflow from Investing Activities	(10,647,125)	(10,262,605)
Net Cashflow from Financing Activities	(11,525,165)	(3,213,967)
Closing Cash Balance	34,697,138	46,222,303

## Summary of Closing Cash Balance



The 2013 closing cash balance of \$34.6 million was a significant decrease from 2012 of approximately \$12 million because Council received grant monies in advance from the Natural Disaster Relief and Recovery Arrangement (NDRRA) for the reinstatement of the region's assets which were damaged during the 2011 and now the monies were being spent restoring the road network.

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 2013 was \$(24,330,405) and \$629,843 for the financial year ending 30 June 2012. 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). These funds were provided for the reinstatement of the region's assets which were damaged during the 2011 flood event. The initial advance of \$25,942,500 was received in 2011 and was reported as Capital Revenue. The spending of these funds occurred this financial year and is included in materials and services. Further receipt and expenditure of NDRRA funding will occur in the 2014 financial year.

Table of Significant Differences

	2013	2012
COMPREHENSIVE INCOME STATEMENT		
Net Result	\$(24,330,405)	\$629,843
Capital Revenue	\$2,165,464	\$6,050,315
Materials and Services	\$(69,257,507)	\$(24,102,619)

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

	2013	2012
Revenue (R)	79,838,704	61,128,476
Expenses (E)	(104,169,109)	(60,498,632)
Operating Result - Profit/(Loss) (R-E)	(24,330,405)	(629,843)

The \$24.3 million operating loss included monies spent under the Natural Disaster Relief & Recovery Arrangements (NDRRA) for restoration works on infrastructure that was damaged as a result of the flooding events. The funding from NDRRA funding received in advance in a previous financial year.

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.

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 89% 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 2013, Council held total assets worth \$511.4 million.

Liabilities - What our Community owes

The major components of our liabilities include:

- Payables
- Employee benefits
- Borrowings
- Provisions

This year Council increased overall borrowings by \$3 million.

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 4:1 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 it's current bills when they fall due.

Total Loan to Pay

In July 2012 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.

Snapshot

	2013	2012
Assets (A)	537,914,521	572,343,960
Liabilities (L)	(10,192,604)	(9,331,992)
Equity (A-L)	511,401,493	548,796,215

# Our Council

## Our Council



### 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 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.

## 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 next four (4) years. The region is divided into six (6) divisions represented by a Councillor in each division. All voters elect the Mayor.

## 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

In summary, all Councillors, including the Mayor, are responsible for:

- (a) ensuring the Local government -
  - (i) discharges its responsibilities under the Act;
  - (ii) achieves its corporate and community plans;
  - (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.

## 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.

## Councillors' Code of Conduct

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

The key ethical principles of the code reflects the unique nature of Councillors' responsibilities within the context of Local government. It outlines breaches and penalties under the *Local Government Act 2009* and describes how to make a complaint about a breach of the code.

## Mayor MAYOR WAYNE KRATZMANN



*Mayor Kratzmann, Jeff Stephan and Lloyd Jorgensen inspecting the restoration work on River Road, Kingaroy*

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 in Kingaroy with his wife Eleanor and enjoys music, sport and a round of golf when time permits.

*Mayor Kratzmann is the Governance, Economic Development and Tourism Portfolio representative.*

**T:** (07) 4189 9155

**M:** 0458 171 723

**Address:** PO Box 336, Kingaroy Qld 4610

**E:** [mayor@southburnett.qld.gov.au](mailto:mayor@southburnett.qld.gov.au)

**First Elected:** 2012



## Division 1 COUNCILLOR BARRY GREEN



*Cr Barry Green, Shane Potter, Josh Donas, Russell Hood inspecting water sewerage infrastructure*

Division 1 includes the townships of Cornsdale, Booie, Wattlecamp, Johnstown, Wyalla, Sandy Ridges, Runnymede, Bullcamp, 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 Water and Waste Water Portfolio representative.*

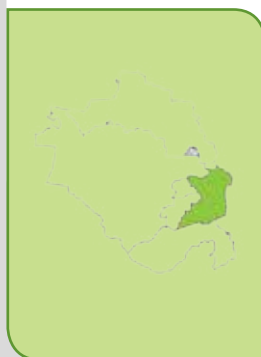
**M:** 0417 767 444

**Address:** PO Box 186, Nanango Qld 4615

**E:** [bgreen@southburnett.qld.gov.au](mailto:bgreen@southburnett.qld.gov.au)

**First Elected:** 2008

**Enrolled Voters:** 3,415



## Division 2 COUNCILLOR DEBRA PALMER



*Cr Palmer and Mayor Wayne Kratzmann playing a tune on 'The Mongrel' during SES Week celebrations in Blackbutt.*

Division 2 includes the townships of Ellesmere, Wengenvile, 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 Community and Cultural Services Portfolio representative.*

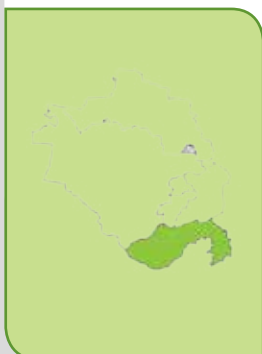
**M:** 0419 769 994

**Address:** PO Box 89, Blackbutt Qld 4306

**E:** [dpalmer@southburnett.qld.gov.au](mailto:dpalmer@southburnett.qld.gov.au)

**First Elected:** 2008

**Enrolled Voters:** 3,471



## Division 3 COUNCILLOR DAMIEN TESSMANN



*Col Miller, Cr Damien Tessmann, Mayor Wayne Kratzmann, Jeff Stephan, construction on Petersens Drive.*

Division 3 includes the townships of Boobie, 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 Roads Portfolio representative.*

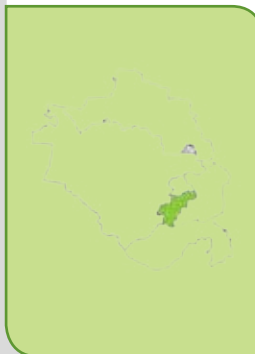
**M:** 0409 490 175

**Address:** PO Box 301, Kingaroy Qld 4610

**E:** [dtessmann@southburnett.qld.gov.au](mailto:dtessmann@southburnett.qld.gov.au)

**First Elected:** 2008

**Enrolled Voters:** 3,465



## Division 4 COUNCILLOR KEITH CAMPBELL



Cr Keith Campbell presenting cheque for \$8798 to Mr David Donaldson, Chief Executive Officer AGL Action Rescue Helicopter

Division 4 includes the townships of Memerambi and Kingaroy.

Cr Campbell has 13 years experience as a Councillor - nine (9) years with the former Kingaroy Shire Council and 4 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 in 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 Finance Portfolio representative.*

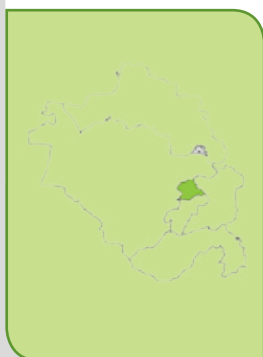
**M:** 0439 708 553

**Address:** PO Box 336, Kingaroy Qld 4610

**E:** [kcampbell@southburnett.qld.gov.au](mailto:kcampbell@southburnett.qld.gov.au)

**First Elected:** 2008

**Enrolled Voters:** 3,628



## Division 5 COUNCILLOR KATHY DUFF



Denise Whyte, Cr Duff and Greg Griffiths inspecting the African Box Thorn

Division 5 includes the townships of Boondooma, Wigton, Speedwell, Okeden, Stalworth, Abbeywood, Stonelands, Windera, Glenrock, Wooroonden, Hivesville, Proston, Marshlands, Kawl Kawl, Keysland, 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 Natural Resources and Parks Portfolio representative.*

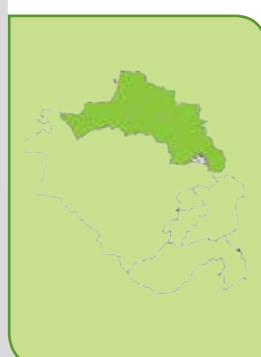
**M:** 0437 020 705

**Address:** 'Di Di' Station 7195 Munduberra-Durong Rd, Proston Qld 4613

**E:** [kduff@southburnett.qld.gov.au](mailto:kduff@southburnett.qld.gov.au)

**First Elected:** 2008

**Enrolled Voters:** 3,340



## Division 6 COUNCILLOR CHERYL DALTON



*Craig Patch and Cr Dalton assessing the new weigh bridge at the Kingaroy Transfer Station*

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, Tingoorra, Wilkesdale, Ballogie, Melrose, MP Creek, Mt McEuen, Keysland, Fairdale, Greenview and Wondai.

This is Cr Dalton's fifth (5) term in Local government, the second (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 is 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 is the Town Planning and Waste Portfolio representative.*

**M:** 0488 798 275

**Address:** PO Box 336, Kingaroy Qld 4610

**E:** [cdalton@southburnett.qld.gov.au](mailto:cdalton@southburnett.qld.gov.au)

**First Elected:** 2008

**Enrolled Voters:** 3,656



# Our Councillors



## 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. In accordance with Section 247 of the *Local Government Regulation 2012* Council resolved to adopt the remuneration rates for the Mayor, Deputy Mayor and Councillors as published in the Local government remuneration tribunal report gazetted. Council later resolved on 16 January 2013 the following remuneration rates and amalgamation loading based on the Councillor Remuneration and Discipline Tribunal 2012 Report:

**Mayor** - 80% of the rate payable to a member of the Queensland Legislative Assembly being \$112,462.00 plus the amalgamation loading set by the Tribunal.

**Deputy Mayor** - 50% of the rate payable to a member of the Queensland Legislative Assembly being \$70,289.00 plus the amalgamation loading set by the Tribunal.

**Councillor** - 42.5% of the rate payable to a member of the Queensland Legislative Assembly being \$59,746.00 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 2012/13 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
Salary	\$ 115,699.08	\$ 61,096.88	\$ 61,096.88	\$ 61,096.88	\$ 72,148.05	\$ 61,096.88	\$ 61,786.26
Superannuation Contributions	\$ 13,339.30	\$ 7,064.53	\$ 7,064.53	\$ 7,064.53	\$ 8,325.28	\$ 7,051.30	\$ 7,064.53

## Councillor Meeting Attendance

Pursuant to Section 186(c) of the *Local Government Regulation 2012*, a total of 12 Ordinary Council Meetings and eight (8) Special Meetings were held during the period July 2012 to June 2013. 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
Council Meetings Attended	12	12	9	11	11	12	11
Special Meetings Attended	8	8	8	7	7	8	4
Total Meetings Attended	20	20	17	18	18	20	15

\* 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 post election 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
Telephone	\$ 1,163.06	\$ 905.55	\$ 977.67	\$ 793.96	\$ 746.00	\$ 3,042.19	\$ 838.41
Vehicle	-	\$ 4,308.72	\$ 4,172.74	\$ 4,822.36	\$ 3,483.99	\$ 5,854.87	\$ 5,999.10
Hospitality	\$ 882.10	-	-	-	-	\$ 190.91	-
Discretionary Training	\$ 5,739.21	-	-	\$ 1,227.28	\$ 3,145.45	\$ 343.06	\$ 1,227.27
Accommodation, Meals & Incidentals	\$ 6,247.04	-	\$ 228.12	\$ 896.50	\$ 1,698.41	\$ 468.12	\$ 896.50

## 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 2012/13 reporting period:

Complaint Details	
Total number of orders and recommendations made under section 180(2) or (4) of the Act	Nil
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	Nil
Total number of complaints to the department's chief executive under section 176C(3)(a)(i) of the act	Nil
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	7
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	2
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 2012/13 financial year:

Councillor	Division	Funds
Cr Kratzmann - Mayor		\$ 4,000
Cr Green - Councillor	Division 1	\$ 1,600
Cr Palmer - Councillor	Division 2	\$ 1,600
Cr Tessmann - Councillor	Division 3	\$ 1,600
Cr Campbell - Deputy Mayor	Division 4	\$ 2,000
Cr Duff - Councillor	Division 5	\$ 1,600
Cr Dalton - Councillor	Division 6	\$ 1,600

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

# Councillor Appointments

## Councillor Appointments to Council Committees

COUNCIL COMMITTEES	MEMBERSHIP	COUNCILLOR
Healthy Communities Management Advisory Committee (HC MAC)	2 Councillors	Cr Debra Palmer (Chairperson) Cr Keith Campbell
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 Debra Palmer
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)	2 Councillors	Cr Cheryl Dalton (Chairperson) Cr Debra Palmer
Reconciliation Action Plan Working Group	2 Councillors	Mayor Wayne Kratzmann Cr Kathy Duff
Grants and Donations Committee	3 Councillors	Cr Debra Palmer Cr Kathy Duff Cr Keith Campbell
Workplace Health and Safety Committee	1 Councillor	Mayor Wayne Kratzmann

## Community Donation Night



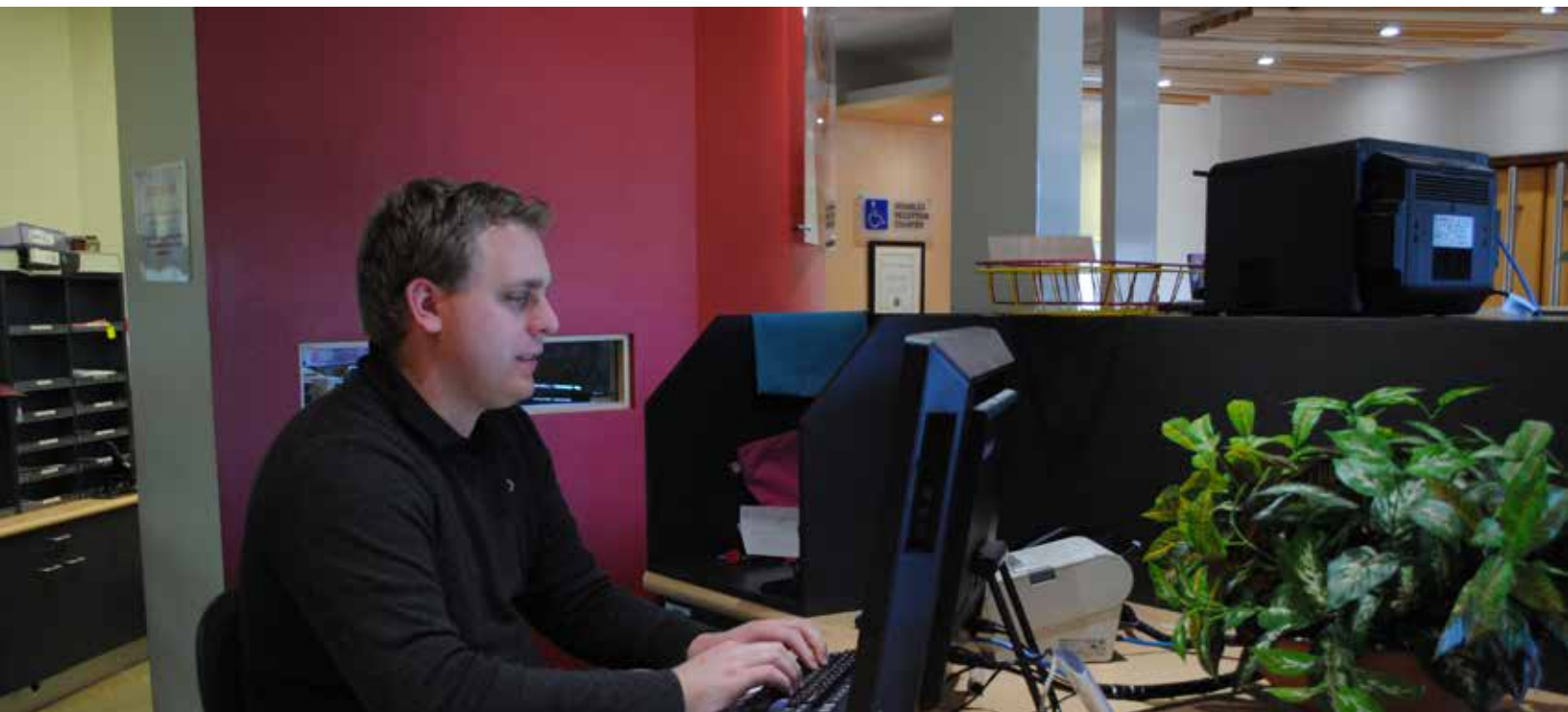
Photograph: Community Donations Awards Night held September 2012

## Councillor Appointments to Community Committees

COMMUNITY COMMITTEES WITH COUNCIL REPRESENTATION	MEMBERSHIP	COUNCILLOR
Toowoomba Golden West South Burnett Tourism 2012/13 Board (TGWSBT)	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 Debra Palmer
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	Mayor Wayne Kratzmann
South Burnett Police Citizens Youth Club (PCYC) Steering Committee	2 Councillors	Cr Debra Palmer Cr Kathy Duff
Crow FM Community Radio Station	1 Councillor	Cr Damien Tessmann
Kingaroy Chamber of Commerce Inc.	1 Councillor	Mayor Wayne Kratzmann
South Burnett Community Network Committee	1 Councillor	Cr Keith Campbell
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 Debra Palmer
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



Photograph: Craig Yarrow, Kingaroy Customer Service Centre

*The Council is the governing body that 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. Four (4) General Managers together with the CEO form the Leadership Team and lead the organisation's administration.*

The Leadership Team (LT) meets on a weekly basis to oversee the operations of Council, and once every three weeks to discuss strategic and policy issues, then again monthly to discuss 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 issues. This leadership team is supported by Managers and staff that 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 administration underpinning the directions of Council.

# Organisational Structure



The diagram above details the organisational structure at 30 June 2013. There are four (4) departments comprising of 15 branches. Each branch is managed by a Chief Executive Officer/General Manager who is responsible for the day to day operations of their branch.

The organisational structure enables Council to make responsible, accountable decisions, which are supported by expert advice and overseen by both internal and external audit processes.

# 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
- Projects

#### 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



Manager Governance  
Sharon Frank

- Community Engagement
- Corporate Registers
- Council Meetings (Agendas & Minutes)
- Councillor Support
- Delegations & Authorisations
- Event Management
- Grant Writing & Management
- Information Privacy
- Internal Audit
- 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



General Manager Projects  
John Kernovski

- Projects



**General Manager Finance and Information Technology**  
**Gary Wall**

Gary commenced in Local government in 1971.

**Department Responsibilities:**

- Finance
- Information Technology
- Properties
- TechOne Business System

**Qualifications:**

- 42 years experience in Local government



**Project Manager**  
**Karen Aspinall**

Implementation of the  
 TechOne Business System



**Manager Finance**  
**Lester Schumacher**

Accounts Receivable & Payable  
 Asset 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 Services**  
**Anthony Bills**

Council Internet  
 Council Intranet  
 GIS  
 Information & Communication Technology  
 Records Management



**Manager Properties**  
**Leanne Petersen**

Airports  
 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:**

- Operations
- 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 Operations**  
**Jeff Stephen**

Bridges, Drainage & Flood Mitigation  
Construction – Roads, Drainage, Foot & Cycleways  
Road Mowing & Slashing  
Roads Infrastructure Maintenance  
Street Lighting  
Traffic Facilities



**Manager Water & Wastewater**  
**Vacant**

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
- Environmental Services
- 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 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  
Youth



## Manager Environmental Services 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

## Our People



### HIGHLIGHTS

- Developing leadership capability by investing in training and developing of our people
- Opportunities for our workplace to upskill through higher duties and secondments
- Executive Support Team wins LGMA Excellence Award for Teamwork: Bronwyn Barry, Kerrie Le Du, Amanda Litfin and Lynelle Paterson
- Runner Up for the LGMA Excellence Award for the Above and Beyond category, Manager Human Resources Mr Greg Lewis

#### Recognising long serving employees

The Staff Service Awards are an opportunity to recognise the contributions of long-serving employees. Their wealth of experience provides their colleagues with a textbook of knowledge gained from working under all sorts of conditions and over a period that has seen significant change. This annual celebration of service to Council includes the presentation of a certificate of appreciation and medallion. Service milestones are acknowledged for 20, 30, 40 and 50 years of service.

#### Gold Award 40 Years of Service

Errol Dunemann

#### Silver Award 30 Years of Service

Bill Hebblewhite  
 Brian Laherty  
 Don Johnson  
 Michael Hunter  
 Michael Wall  
 Russell Gscheidle  
 Shane McDowell

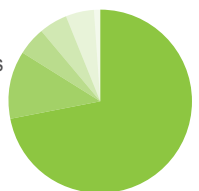
#### Bronze Award 20 Years of Service

Damien Shelley  
 Gary Bemrose  
 Mark Larsen  
 Peter Robinson  
 Rosie Schmidt  
 Sarah Saxer

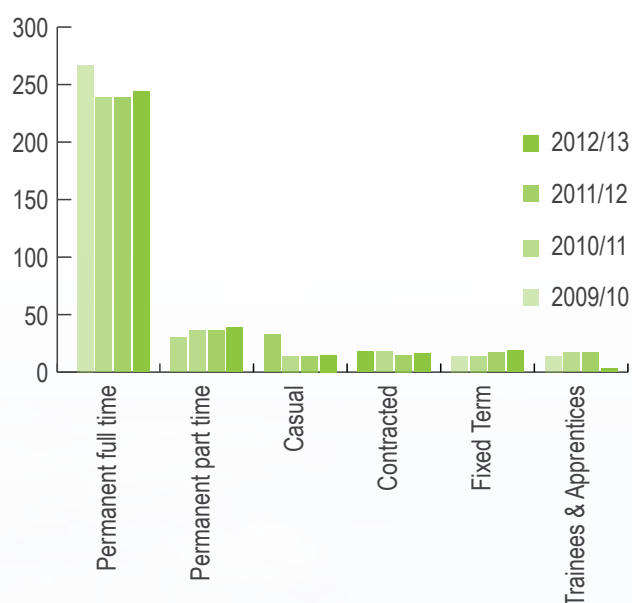
## Employment by type

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

As at 30 June 2013, 343 people were working for Council including seven (7) elected representatives. In addition to our established workforce we also provided employment to two (2) Apprentices and one (1) Trainee.



Trainees & Apprentices 1%  
 Fixed Term 5%  
 Contracted 5%  
 Casual 5%  
 Permanent part time 12%  
 Permanent full time 72%

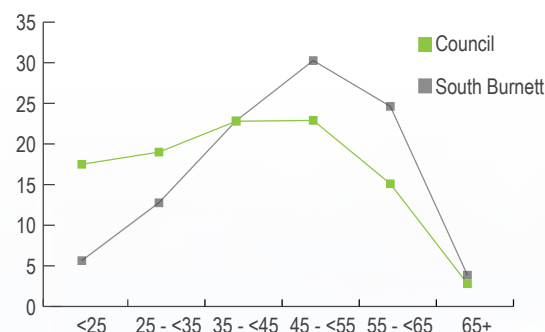


## Workforce composition by age groups

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 45.6 years.

Years	Number	Percentage
15 - < 25	19	6%
25 - < 35	43	13%
35 - < 45	77	23%
45 - < 55	102	30%
55 - < 65	83	24%
65+	13	4%

## Workforce composition by age groups (South Burnett v Council)

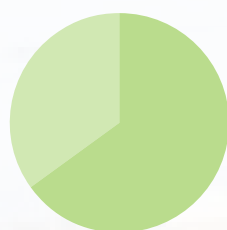


## Workforce by occupation and department

Department	Number	Percentage
Executive Services	37	11%
Finance, Property and Information Technology	56	16%
Infrastructure	136	40%
Planning, Community & Environment	113	33%

## Workforce composition by gender

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



Female 35%  
 Male 65%

## 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 \$244,000 in training and development of the workforce this financial year. Over 48 per cent was spent on training related to workplace health and safety.



# Council's Governance

## Council's Governance

*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.*

### Role of Councillors

The South Burnett region covers an area of 8,421 km<sup>2</sup> and is divided into six 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:

- ensuring the Local government—
  - discharges its responsibilities under this Act; and
  - achieves its corporate and community plans; and
  - complies with all laws that apply to Local governments;
- providing high quality leadership to the Local government and the community;
- participating in Council meetings, policy development, and decision making, for the benefit of the Local government area;
- being accountable to the community for the Local government's performance;
- 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 of the Local government. The role of Councillors is to make decisions which Council officers can then implement on their behalf.

### Role of the Mayor

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

- 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;
- proposing the adoption of the Local government's budget;
- liaising with the chief executive officer on behalf of the other Councillors;
- leading, managing, and providing strategic direction to, the chief executive officer in order to achieve the high quality administration of the Local government;
- directing the chief executive officer, in accordance with the Local government's policies;
- conducting a performance appraisal of the chief executive officer, at least annually, in the way that is decided by the Local government
- 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;
- being a member of each standing committee of the Local government;
- representing the Local government at ceremonial or civic functions.

### 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 community 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 chief executive officer 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 Chief Executive Officer.

## 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 and supported by longer term planning such as the Community Plan. The Community Plan will document the communities' needs and expectations and inform Council's strategic planning through to 2032.

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 2009/13 Corporate Plan, is in the process of being updated.

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.

## 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](http://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 2012/13 reporting year are on page 28.

## 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.

## Council Chambers, Kingaroy



# Audit Committee & Internal Audit

## Audit Committee & Internal Audit



In April 2013, Council approved the revised *Audit Committee Policy* in compliance with section 105 of *Local Government Act 2009* and the provisions of sections 157 to 160 of *Local Government Regulation 2012*.

The main purpose of the Committee is to provide advisory services to Council in the effective performance of its responsibilities related to internal audit and risk management. The *Audit Committee Terms of Reference* specifies the role, responsibilities and authority of the Committee.

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 Mrs Melissa Schroffel (Independent Member). The Chief Executive Officer, General Manager Finance, Property and Information Technology, Manager Finance, Manager Governance and Risk Management Coordinator attend as observers. The Committee meet at least four (4) times each financial year. The Governance Branch provides secretarial functions.

## Internal Audit

The following report on Internal Audits for the reporting period is provided pursuant to Section 119(1)(g) of the *Local Government Regulation 2012*.

Internal Audit provides independent, objective assurance and consulting services as a capability building resource to add value and improve Council's operations. A revised Internal Audit Policy and Terms of Reference (Charter) in compliance with section 105 of the *Local Government Act 2009* and sections 155-156 of the *Local Government Regulation 2012* were approved by Council in April 2013.

The internal audit function provides Council and the Chief Executive Officer with:

- Assessments and evaluation of Council operations and activities as these relate to the achievement of set corporate objectives within the context of proper internal controls and risk management
- Reviews of the integrity and reliability of accounting and financial management, compliance with relevant legislation, Council policies and procedures, operating guidelines and delegations
- Reasonable assurance as to the safeguarding of Council's assets
- Advisory services related to improvement of operational effectiveness, efficiency and economy.

To ensure independence and objectivity of the internal audit function, the Terms of Reference (Charter) provide that:

- Internal Audit shall not be involved in the day to day operations of Council and therefore shall have no managerial authorities or duties except those related to the management of the internal audit function
- Direct and unrestricted access to Council and management shall be provided to Internal Audit. It is authorised to review all areas of Council and to have full, free and unrestricted access to Council's operations, data and records, assets and personnel within the scope of internal audit work
- The internal audit activity shall be free from interference or influence in determining the scope of internal audit work, the frequency and timing of examinations and the communication of audit results.

A risk based internal audit approach is implemented each financial year. A three (3) year plan and an annual internal audit plan is prepared based on the operational risk assessments to be conducted by Council annually.

The objective of internal audit is to assist Council in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the efficiency and effectiveness of Council operations. The Internal Audit function is a unit of the Governance Branch under the Executive Services Department.

The internal audit engagements for the Financial Year 2012/13 focussed on:

- Human Resource Processes - an assessment of the processes involving recruitment and selection, educational assistance, learning and development, equal employment opportunity and work force planning
- Payroll - review of payroll processes and an assessment with regard to correctness, accuracy and internal controls surrounding payroll transactions
- Work Cover Audit - a review and assessment of Council's insurable risks and the transactions related to the insurance coverage of these risks. It also covered the review of historical trends related to work cover claims
- Procurement Policy - mainly covered the review of transactions and supporting documentation related with identified medium sized contracts
- Infrastructure Charges - review of the systems, procedures and transactions involving the assessment, calculation, levying and collection of infrastructure charges for new developments
- Disbursements - review of the accuracy and validity of disbursements related with identified transactions

***Seventy five percent (75%) of the audits specified in the Internal Audit Plan were completed.***

***Two (2) audits were deferred namely Rates Management and Project Management due to the implementation of the new business system.***

***Eighty-two (82) internal audit recommendations were made from the completed audit engagements.***

***Fifty one percent (51%) of the recommendations have been finalised and implemented.***

***Forty nine percent (49%) remain outstanding as of 30 June 2013.***

Internal Audit provided advice and assistance to management during the fiscal year 2012/13. Quarterly monitoring and updating the status of outstanding internal audit recommendations were completed.

In February 2013, the Internal Audit Policy and Internal Audit Terms of Reference were reviewed and revised in line with the amended *Local Government Act 2009* and the *Local Government Regulation 2012*.

## Independent Audit Committee Member - Mrs Melissa Schroffel

Mrs Melissa Ann Schroffel, the independent member of the South Burnett Regional Council Audit Committee, is a finance professional with over ten years experience in internal and external audits. She has worked in various organisations including accounting firms, financial institutions, registered training organisations and in Local government. Melissa is a member of the Institute of Public Accountants, the Institute of Internal Auditors and an associate member of Certified Practising Accountant Australia. She is currently the Chief Finance Officer of the Central West Hospital and Health Service in Longreach. She is also Director of Audit and Finance of Bremel Professional Services, a public accounting firm based in Toowoomba.



# Enterprise Risk Management



Enterprise Risk Management implementation commenced two and half years ago. At the time South Burnett Regional Council was an amalgamated Council, three (3) years young and with no established process for the management of risk, with the exception of a conventional approach to workplace healthy and safety.

Focusing on a framework that was simple and relevant to Council's operation and Council's officers, Enterprise Risk Management has been brought to the forefront of Council's business and operations. Extensive consultation and mentoring has moved risk management from being academic to be an integral part of the quadruple bottom line of Council. The position descriptions of all staff were revised to reinforce risk management responsibilities for all in the conduct of their work.

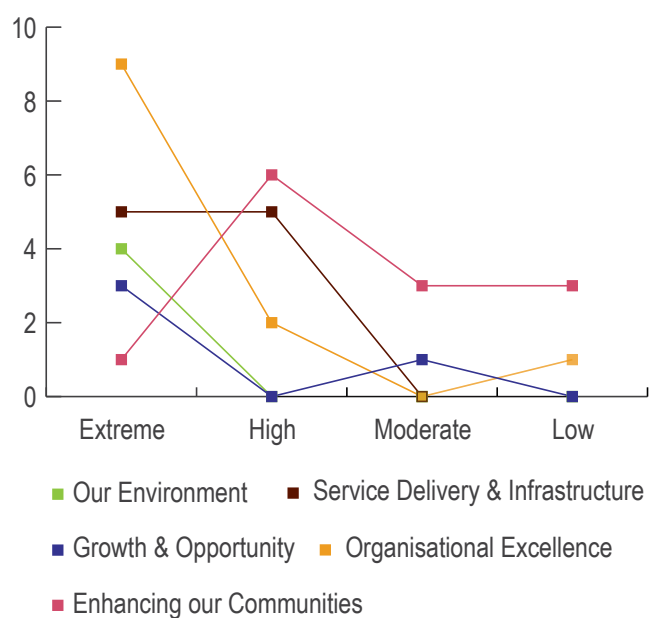
Council has implemented an enterprise risk management framework that focuses both on strategic and operational risks. The Risk Management Policy is formulated in compliance with the *Local Government Regulation 2012* and the AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines.

The Strategic and Operational Risk Registers were updated for the 2012/13 financial year. Reviews of risk mitigation plans were conducted on a six-monthly basis. Project Risk Registers were also completed for the Flood Restoration Project and the TechOne Business System Project.

A total of forty three (43) risks were identified and classified by strategic priority. Among the strategic priorities, the highest risk exposure was in the area of Organisational Excellence (Organisational Management) with a total of nine (9) extreme risks and two (2) high risks.

The Risk Management Policy was reviewed and revised in compliance with the amended *Local Government Act 2009* and the *Local Government Regulation 2012*.

## Risk Management



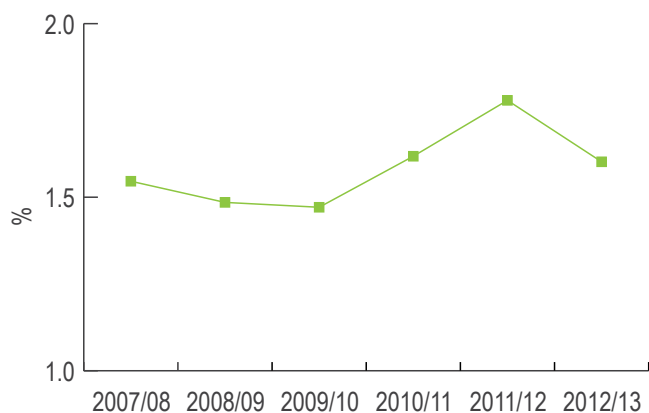
## Risk Management Information System

Council's Risk Management information system for collecting, recording and reporting risk data is a manual electronic system (excel spreadsheets). Council is assessing the suitability of using Risk EMap Version 2 Software. Trials for the reporting capabilities, conversion of the existing data and functionality are planned for 2013/14 financial year.

## WorkCover Injury Performance

The following graph indicates Council's workcover premium performance. The 2012/13 workcover premium was calculated as 1.602 per cent of remuneration. The workcover premium percentage has reduced this year. Key drivers of the premium are common law claims, medical claims and days lost. Council has been working to reduce its workcover premium by focussing policies and procedures for reporting work place incidents, improving claims management, promoting zero harm.

## Workcover Premium Percentage



# Strategic Priority Performance Report

## Strategic Priority Performance Reporting

### Strategic Priority: Enhancing our Communities

Building vibrant, healthy, supportive and inclusive communities

Libraries  
Sport and Recreation  
Heritage  
Arts  
Culture  
Disaster Management  
Compliance Services

### Strategic Priority: Growth and Opportunity

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

Economic Development  
Tourism  
Planning & Development  
Tourism Facilities  
Building, Plumbing and Drainage Services

### Strategic Priority: Our Environment

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

Natural Resource Management  
Parks  
Cemeteries  
Biodiversity  
Waste Management

### Strategic Priority: Organisational Excellence

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

Governance  
Human Resource Management  
Financial Management  
Information Technology  
Rating

### Strategic Priority: 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

Roads  
Water & Wastewater  
Customer Service  
Asset Management  
Property Management Design and Technical Services

ing



# Enhancing our Communities



*To build vibrant,  
healthy, supportive  
and inclusive  
communities*

## HIGHLIGHTS

- Tractor Tattoo 2012, an Edinburgh inspired Tattoo combined with the playing of a Musical Tractor
- Mayor launches *Mayor's Red Earth South Burnett Flood Appeal* to raise funds for farmers affect by flooding events
- Taromeo Cemetery restored to its former glory after being destroyed by the 2011 flooding event
- Reading Bug Project engages young readers
- Big Screen Festival celebrates its seventh (7) year
- South Burnett Local Disaster Group activated in response to Australia Day weekend and subsequent flooding events
- South Burnett Australia Day Award Ceremony celebrated
- Nanango library partnered with the local community to support early childhood literacy and foster a love of reading through the *Reading Bug Program*
- Community gatherings support locals who were affected by the floods
- Local author completes 'Reflections' photobook to record the 2011 and 2013 South Burnett Floods



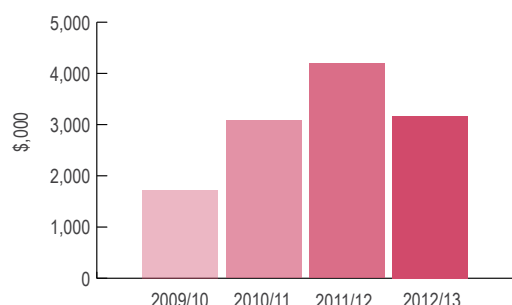
## PERFORMANCE

- Murgon Town Hall gets facelift with a repaint in colours from an early 1900's heritage palette following its listing on the Queensland Heritage Register
- Council enters management agreement with Blackbutt and Benarkin Aged Care Association to manage the Scotthaven Units in Blackbutt
- Delivery of art exhibition program
- Draft *Healthy Eating and Catering Policy* developed for Council events and meetings
- Council helped to organise and fund various Australia Day events across the Region
- Proston Master Plan progresses with strong engagement from the community and key stakeholders
- Kingaroy Heritage Museum steps into future with three (3) new interactive displays representing the peanut industry, town bands and the Paragon Cafe and old Olympic movie theatre
- Volunteer Forum provides opportunities for volunteers to upskill and network
- Draft Disaster Recovery Plan finalised
- Delivered School Based Immunisation Program
- Get on Board Transport Program trials new route
- Annual *Grants and Donation Program* supports community organisations around Region
- Animal Management (Cats and Dogs) Systematic Inspection Program
- Community Recovery Flexible Funding Program assists local community recovery efforts
- Construction commenced on new Skate Park Facility in Murgon
- Memorandum of Agreement (MOA) between Council and the Department of Community Safety to enable the operations of the State Emergency Service (SES) in the South Burnett Region
- Council pledges support for Emergency Services Cadets Program although the State government ceases funding
- Digitising local history photographs and having our pictorial past available online for all to search and view through virtual gallery on the library website.
- Introduced BorrowBox for downloading digital e-audio books.
- Implemented Radio-frequency identification (RFID) technology in Kingaroy Library with a self checkout machine and two (2) desk pads. Library resources were tagged in all South Burnett libraries
- Investigated the options for combining the South Burnett Heritage Collection Records electronically
- Internal Carpark at Taabinga Cemetery as per concept plan
- Construct Columbarium Wall at Memerambi Cemetery
- Taromeo Cemetery – Stone Wall Reconstruction
- Flexible Funding Program completed
- Heat pumps installed in pools across the region

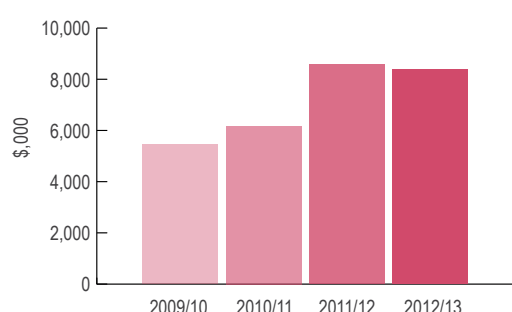


## ACHIEVEMENTS

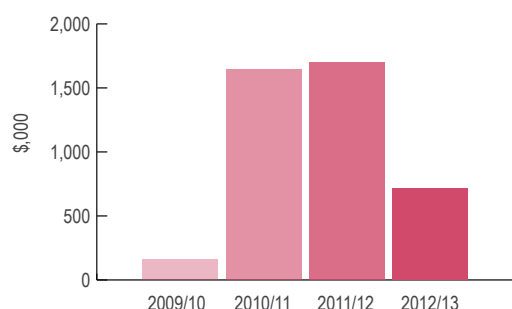
### Enhancing Communities: Total Income



### Enhancing Communities: Total Expenditure



### Enhancing Communities: Grant Revenue



### South Burnett Libraries

Our libraries continued to develop and present numerous programs and events for the community. Library staff worked with emerging and established authors to run book launches, writing workshops and showcase home-grown successful authors like Alice Greenup. Nanango Library partnered with the Australian Taxation Office to provide tax help for the community.

Some of the highlights included the always popular Summer Reading Club, which is a national annual reading program designed to encourage kids to read over the summer holidays. Children across the region enjoyed National Simultaneous Story time. South Burnett Libraries presented weekly story time and craft sessions, delivered internet and database classes, school holiday programs, and invited guest speakers into our libraries and held varying workshops for the public, which was highlighted with author Liz Caffrey's presentation of her book "Reflections" and her meet the author workshops in Kingaroy and Nanango Libraries.

The Readup literacy program for under eight's that continued from April 2012 resulted in 76 new junior library members with 213 new Readup members who were actively visiting the library and using the junior collections.

1,574 new members were welcomed to South Burnett Libraries where they experienced the excitement of discovery and opportunity, through books, the internet, online resources such as e-audio books and participated in our public programs and events. A series of educational and recreations public programs of the highest quality were made available to the public. As a result 4,410 people participated in 660 public programs and events. Significantly 1,300 children and parents attended the story time sessions across the region.

### Council's Christmas Giving

Families in need throughout the South Burnett enjoyed a hearty Christmas dinner thanks to the generosity of donations collected by Council staff.

Over the month of December, Council Staff generously donated and collected from the public non-perishable food items in an effort to support the Salvation Army's Food Hamper Appeal.

Thanks to the Customer Contact Team who were on a mission to make a difference to families in the South Burnett. They drove this project and collected an impressive amount of food items. Each year the Salvation Army seeks assistance by asking for donations of non-perishable food items. This includes plum puddings, Christmas cakes, tins of ham, cans of vegetables or bottles of soft drink. These items are packaged and handed to families/individuals who are unable to buy these items to create a Christmas meal.

It is important that we as a community support each other to ensure Christmas is filled with joy and love and Council is proud that staff and the community have contributed to helping make Christmas a special occasion for everyone.

### Blackbutt Hall Handover the Blackbutt Benarkin Community Council

Blackbutt Benarkin Community Council has successfully taken over the management and maintenance of Blackbutt Hall from Council. This arrangement benefits both the community and Council by ensuring the Blackbutt Hall is managed for the long term and utilised by the people of Blackbutt.

### Community Groups into leases - Nanango Sports Association, Murgon Sports Association, Murgon Show Society, Coverty Creek Social Club

Council has successfully worked with the above community organisations in entering into lease arrangements to occupy, manage and maintain infrastructure within the sport grounds and showgrounds. These arrangements ensure both community and Council assets are maintained and utilised by community groups.

## Proston Master Plan Progresses

Proston Lions Club, South Burnett Regional Council, Stanwell, Smithfield Feedlot and other community organisations and individuals have joined together to fund improvements to the Proston Park.

A wide cross section of the community has been involved in the project with over 30 people from 11 different organisations involved in the planning of the improvements to the Proston Park.

The upgrades are planned over two (2) stages. The first stage is to upgrade the existing BMX track, build a set of tables and chairs, erect a picnic shelter and install a barbecue.

The Tarong Community Partnership Fund provided \$18,300 towards the picnic shelter and barbecue. Smithfield Feedlot offered to donate soil, transportation and the machinery to commence construction of the BMX track which has been designed by the local youth. Council provided labour, plant and equipment towards the upgrade.

The amount of community support and ownership of this project was overwhelming.

This project was a great example of different groups, businesses and the Council working together to improve park facilities for the people of Proston.

Stage Two (2) of the project will focus on the installation of lighting, the construction of an amphitheatre and possibly the expansion of the skate park and the BMX track.



## 100 Years on the Block Festival

Over the June long weekend the Kingaroy Information Art and Heritage Precinct hosted "100 Years on the Block" - a festival to celebrate 100 years of the 1913 Kingaroy Shire Council Chambers. There were market stalls, a jumping castle, the St John's whip crackers, vintage cars and motorbikes, face painting, old time games, a devonshire tea stall and a Dad and Dave performance. It was a great day with over 1,000 visitors attending.



Photograph: Residents enjoying some devonshire tea during the 100 years on the block festival.

## Volunteer Forum 2013

The 2013 Volunteer Forum was attended by 60 volunteers from Council's Visitor Information Centres, Art Galleries, Museums and Libraries.

The main purpose of the having Volunteer Forum is to help improve the skills of our volunteers, teach them new skills and help them to network with other volunteers from our Centres. This year the theme for the Forum was "My Centre Rules" which was a way of getting the volunteers more passionate about their centres – nothing like a bit of volunteer rivalry. The Wondai Woodcrafters made a nice timber plate that was presented to the winning Centre.

One the day, volunteers got to partake in easy exercises with a workshop hosted by Kerry Oldfield from Healthy Communities, Greg Lewis, Manager Human Resources, gave a presentation on how volunteers should conduct themselves and present themselves when volunteering. The special guest for the forum was South Burnett author Alice Greenup who spoke to the volunteers about her life and the challenges she has faced. Alice was a big hit with the volunteers. As a treat, the volunteers each received a copy of Alice's book which she personally signed. Other presentations on the day were related to the Libraries, Museums and Art Galleries which gave the volunteers helpful tips which they have applied back in their centres.

To finish of the day the volunteers took part in a team building exercise where they had to decorate a cake. For some this proved to be a little bit of a challenge but in the end it was all fun and games.

The winner of the 2013 My Centre Rules was the South Burnett Timber Museum and Wondai Visitor Information Centre.

## Visitor Information Centres (VIC)

The Kingaroy Information Art and Heritage Precinct has a little facelift which new shelving purchased, new products arriving and new technology being used.

Council purchased four (4) iPads that visitors can borrow and use to help plan their trip as well as checking emails, facebook and the news. Volunteers have found the iPads to be educational as well with some never using one before and are now amazed how technology has changed.

The precinct was also part of a pilot program to trial a new tourist application for Tourism Queensland. The app was modelled on a Visitor Information Centre giving visitors similar information that they would receive if coming into an actual centre. This was a six (6) month trial, the VIC is still waiting to see if the app will be given the go ahead.

## Blackbutt Visitor Information Centre

The Blackbutt Visitor Information Centre is operated by 25 enthusiastic volunteers, in total they have worked 4,530 hours serving 11,435 visitors to Blackbutt.

The volunteers participated in a number of Famil Trips including tour the Edelweiss Bed & Breakfast to inspect the Swiss Chalets and other accommodations. A trip to Moore for the launch of the "Flood Book" by Elizabeth Caffery was informative as was the trip to Bribie Island, to have a look at the information pods in the Bribie Island Seaside Museum.

## Wondai Visitor Information Centre/Timber Museum Complex

The complex has seen significant changes over the past 12 months. The Timber Museum continues to work closely with the woodworkers for new and interesting products to sell. New products such as a spurtle, a pen made from a corn cob and a folding table has contributed to a 5% increase in merchandise sales.

Wondai VIC has launched into social media launching a facebook page however the uptake has been slow, It is anticipated in time social media will be a means of communicating products for sale and used as a positive marketing tool to promote the Timber Museum to Tourists.

This year the VIC has seen an increase in volunteers from outside the region. This lead to the development of an induction booklet. The purpose of the booklet was to provide new volunteers with immediate knowledge of Wondai, its history and the history of the Timber Museum.

With a decline in schools visiting the Museum due to curriculum changes, a school package has been developed. The package aligns the educational benefits of the Timber Museum with the current curriculum requirements for each school level.

## Murgon Visitor Information Centre

Each year as part of the volunteer's incentive program volunteers are encouraged to participate in family tours to enhance their knowledge of local and regional areas. This year volunteers travelled to the Chinchilla Historical Museum and Miles Historical Village. Volunteers enjoyed learning about the historical and tourist features of each town. A family trip of the local area was also undertaken, with volunteers travelling to the Wondai Heritage Museum, Mulanah Gardens, Taabinga Homestead and Ringsfield House.

This year for the first time, Murgon VIC decided to introduce Christmas hampers for sale. The hampers were filled with products and souvenirs representative of the area.

## Wondai Heritage Museum

Covering 1,600m<sup>2</sup> and with over 20,000 exhibits on display, the centre continues to showcase the district's history. Volunteers who operated the museum have concentrated on maintaining and protecting exhibits, and cataloguing each individual exhibit piece into the "Mosaic" computer programme. There are several thousand items with their individual histories, pictures and description currently entered on the programme. This system assists greatly with answering visitor queries.

Special attention has been paid to cleaning down outdoor exhibits and coating with "Penetrol" in order to preserve longevity and to enhance visual appearance. With a shortage of regular volunteers standard general cleaning and maintenance throughout the premises, as well as the preservation works, has dominated much of volunteer time.

In the entrance of the Museum, volunteers have introduced a table which features unknown artefacts from the past. Visitors to the museum enjoy the opportunity to look and handle the items and guess what they are. This has particularly fascinated for school children who regularly visit the Museum.

## Facelift for Murgon Hall

The Murgon Town Hall got a facelift following its listing on the Queensland Heritage Register. The hall was painted in colours from an early 1900's heritage palette.

Designed by Brisbane architect Clifford Ernest Plant and constructed in 1938 by Maryborough builder HG Neilsen, the hall and commercial shop precinct was heritage listed in November this year.

The new colours enhance the hall and highlight the individual features of the building. The adjoining heritage listed commercial shops and the clock tower were painted at the same time. The entire precinct is a 'must see' for visitors to the South Burnett.



*Photo: The old Murgon Town Hall (left) and the Newly painted Murgon Town hall (below)*



## Taromeo Cemetery

During the January 2011 floods, the heritage listed Taromeo Cemetery was destroyed. Taromeo Cemetery is thought to be one of only two stone walled family cemeteries in Australia. It is part of the larger Taromeo Homestead Complex and is heritage listed in the State Heritage Register under the *Queensland Heritage Act 1992* (Place ID 601123). It is one of the region's most popular tourist attractions and the community is extremely passionate about its significance for not only the South Burnett, but also the entire state.

With the help of volunteers and the amazing work of Roy and Geoff Welling (Stonemasons) the cemetery has been restored to its former glory.

It would not have been possible without funding assistance from the Federal Government's Department of Sustainability, Environment, Water, Population and Communities, "Your Community Heritage Program" and the State Government's Department of Local Government and Planning's "Local government Grants and Subsidies Program."



*Photograph: Taromeo Cemetery after the 2011 Floods*



*Photograph: Taromeo Cemetery during the reconstruction phase.*



*Photograph: Taromeo Cemetery restored to its former glory.*

## South Burnett Australia Day Celebrations 2013

Council announced the 2013 Australia Day Award Winners at the region's official awards ceremony held on the eve of Australia Day.

The ceremony commenced with a flag entrance conducted by the 123 Army Cadet Unit, followed by the Australian National Anthem sung by Blackbutt Singers.

The 2013 Australia Day Award winners were:

South Burnett Citizen of the Year - Louise Judge

Kingaroy Citizen of the Year - Debbie Jackson

Murgon Citizen of the Year - Raelene Dennis

Nanango Citizen of the Year - John Atkins

Wondai Citizen of the Year - Lyn Manthey

South Burnett Young Citizen of the Year - Melissa Crawford

Kingaroy Young Citizen of the Year - Jessica Case

Murgon Young Citizen of the Year - Andrea Taylor

Nanango Young Citizen of the Year - Lauren Hume

Wondai Young Citizen of the Year - Pascha Robbins

South Burnett Community Event of the Year - Bloomin' Beautiful Blackbutt Festival

South Burnett Small Communities Award - Kumbia Historical Society

South Burnett Cultural Award - Kingaroy Eisteddfod Inc.

South Burnett Junior Sports Person of the Year - Shaylissa Rout

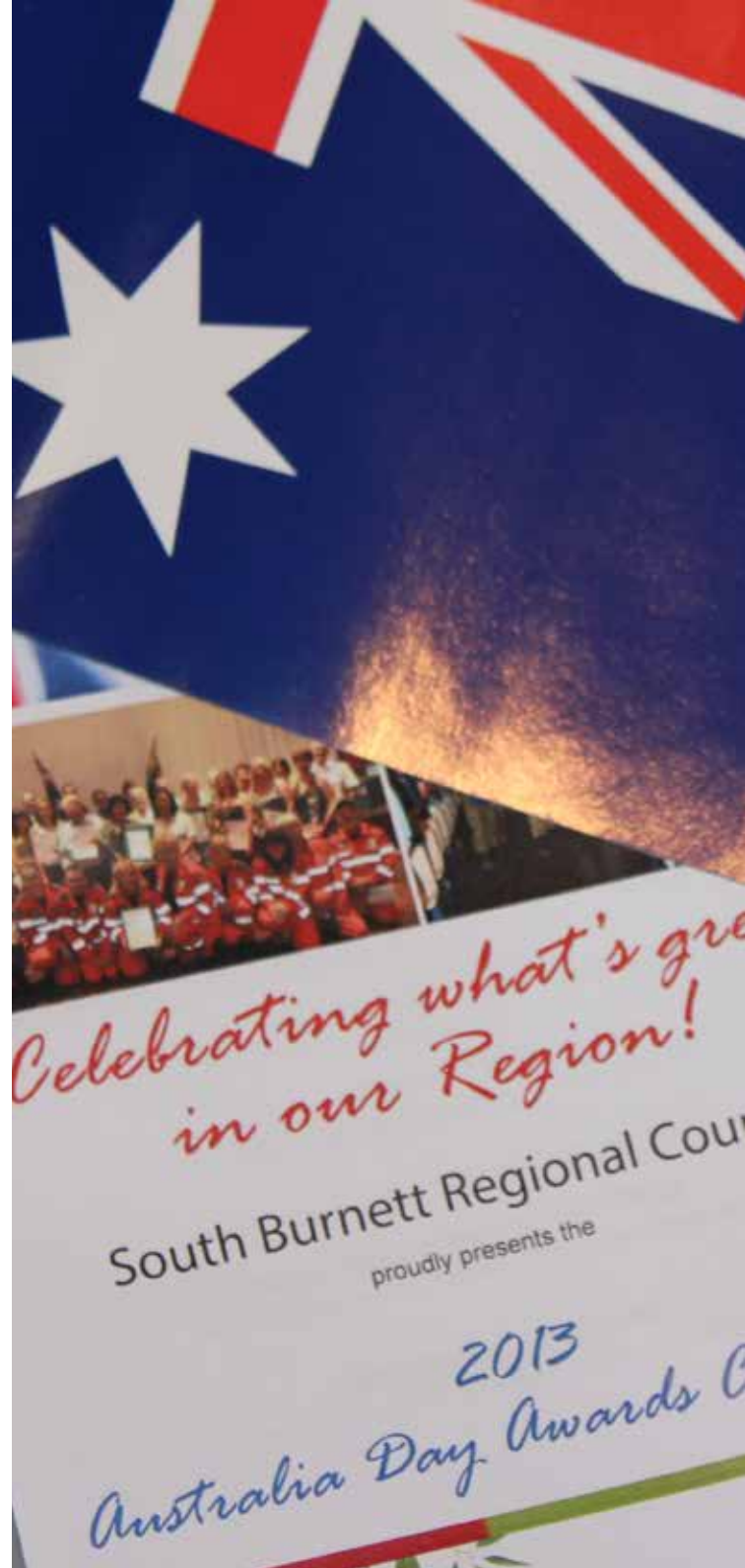
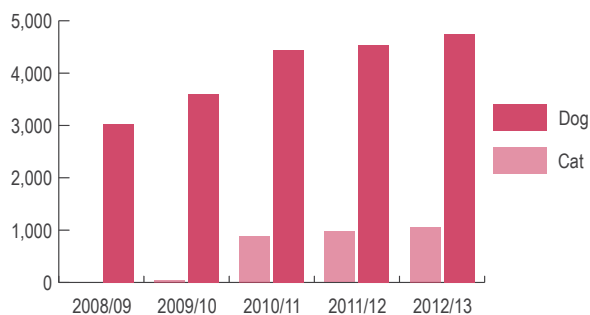
South Burnett Senior Sports Person of the Year - Joel Smallwood

South Burnett Sports Administrator of the Year - Eddie Krauksts

## 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.

## Enhancing Communities: Animal Registrations



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

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

# Mayor's Gala Charity Ball

## Mayoral Gala Charity Ball



*Mayor hosts Charity Gala Ball to raise funds for the Mayor's Community Benefit Fund. The Fund will provide funding to help build the capacity of South Burnett Community Organisations to deliver services, activities and programs for the benefit of the region.*

More than 400 community and business leaders gathered at the inaugural Mayoral Charity Gala Ball in June. Guests enjoyed a performance by world class entertainer James Morrison and his Motown Band. The host for the night was Queensland newsreader Heather Foord.

Raising over \$30,000 for the South Burnett community, Mayor Wayne Kratzmann announced the launch of the South Burnett Mayor's Community Benefit Fund which will be an avenue for not-for-profit South Burnett organisations to gain funding for community projects in our region.

The ball was a huge boost to the local economy and showcased local produce and wines. Council received feedback from many local businesses in regards to the number of people shopping and booking services in the week of the ball.

Stanwell and Downer EDI were the proud event sponsors of the night. Gold sponsors for the Ball included South Burnett CTC, South Burnett Community Bendigo Bank, South Burnett Radiology and Silver sponsors included Civil Mining and Construction Pty Ltd, Ergon Energy, Global Engineering Pty Ltd, Hitachi Construction Machinery (Australia) Pty Ltd, Ken Mills Toyota, Pharmacy Essentials, Swickers and Westec Civil.

The National Anthem was sung by local young talent Bridget O'Shanassy who was energetically applauded by guests for her stunning performance. Kingaroy State High School Band played in the forecourt and during dinner and the evening's entertainment finished with local band Russ and the Bungers.

Thanks must go to all community groups and volunteers for their contribution on the night.

The event took place in June at the Dr Ellen-Kent Hughes Forecourt and Town Hall precinct in Kingaroy.

# Big Screen Festival

## Big Screen Festival

In its seventh (7) year, the Big Screen Festival has proved again to be a highlight of the South Burnett event calendar. The festival began with three (3) successful school screenings, which saw 700 Nanango students in attendance. Students watched movies 'The Cup, Elephant Tales and The Sapphires.'

Red Carpet Opening Night was sponsored by Heritage Nanango Community Branch to the value of \$7500. Guest Star Magda Szubanski attended the evening offering photo opportunities to dignitaries and a meet and greet at the food and wine function. The night began with speeches from Mayor Wayne Kratzmann on behalf of Council. The Opening Night film was 'Goddess' and was attended by the largest audience in the seven year running of this event.

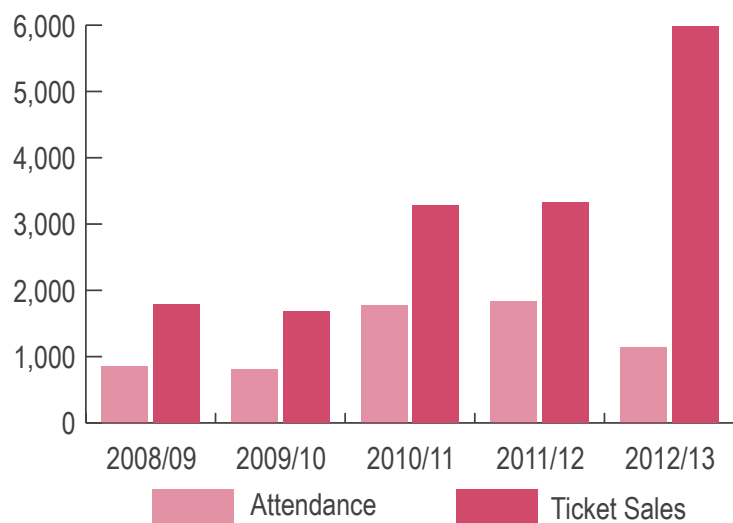
As the festival coincided with the Nanango Race Day the organisers planned the two (2) events to compliment each other. We were very lucky to have secured a star willing to make an appearance at the race meeting. Guest appearances may not always be possible depending on the guest's commitments, preferences and cost. Fortunately Magda Szubanski agreed to attend the Nanango Races and judge 'Fashion of the Field'. Magda thoroughly enjoyed the races, and performed above and beyond her contract for the festival.

'Save Your Legs' was chosen to suit a completely different interest group to what had been shown at the big screen film festival in previous years. The session was marketed to the sporting audience, and local sporting clubs were invited to this screening, however screening were poorly attended.

Saturday Night featured the movie 'The Sapphires'. A chocolate fountain and our star guest Magda Szubanski 'wooed' the audience in true Magda style giving a singing performance and great answers to what could have been very awkward questions.

Sunday Morning in Nanango started with 'Return to Nims Island' our annual family screening, and it seemed that the movie was 'too old' for our regular target audience. Free Screening of 'The Artist' a new Black and White movie saw numbers average compared to previous years. Notably the car club attended this session; a group targeted allowing us to showcase archival recordings with mechanical features.

### Big Screen Ticket Sales and Attendance Figures



# Tractor Tattoo 2012



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

TRACTOR TATTOO 2012 was a community arts and cultural project based around the transformation of an old tractor into a playable instrument. The project included the composition of an original piece of music for the event and a month of visual arts projects across the region themed around 'tractors'. The project was developed from the Council's Arts, Culture & Heritage Policy and community consultation along with the Creative Regions team as part of the Creative Generators program.

Why the name Tractor Tattoo 2012? A tractor is synonymous with a rural area whether you are a farmer, a tree changer or a child at school. Tattoo was chosen as the Edinburgh Tattoo is famous worldwide for its musical performance and tattoos are also an art form.

The project was managed through the Arts, Culture and Heritage Management Advisory Committee, a committee established by Council. Council contracted Creative Regions to produce the 4 hour main event. Funding for the musical instrument and composition component of the project has been provided by the Regional Arts Fund, Australia Council for the Arts and Arts Queensland.

Tractor Tattoo was a month long regional arts festival where our community celebrated the arts. During September the region showcased exhibitions, events and a musical performance based around the Tractor Tattoo theme. The main event was a community concert based around the transformation of a tractor into a playable musical instrument. This instrument was built by an artist who engaged with the community by teaching people how to play the instrument and a composer wrote a musical piece for both the tractor and community choirs to perform. The musical event featured many community bands, choirs and other performance pieces.

The project began in February 2012 with an eight-month long community engagement process. Council wanted to engage with the community, to involve visual and performing arts groups; to challenge and diversify the

repertoire of the choirs and community musicians; to engage with non-arts organisations and to provide a focal project for the South Burnett Region in terms of participation and engagement in the arts.

Tractor Tattoo 2012 event attracted a crowd of over 1,000 people on the September regional arts festival weekend. It had all the elements of a great South Burnett show with local artists from performing on various stages. Food, fun and of course the public art piece of the musical tractor constructed by Steve Langton were enjoyed by all who attended.

Christened “the Mongrel”, the tractor performed a solo piece and also accompanied local performers to present an original musical composition produced specifically for the night.

The benefits of the event is not just the one day of free entertainment showcasing South Burnett talent, it is the month long art event program and the 12 months where South Burnett artists have been working to produce some fantastic art projects. Our communities worked together on this event and the tractor theme engaged with everyone.

Tractor Tattoo 2012 has been the largest event held at the newly renovated Kingaroy Town Hall forecourt. The night’s firework display proved difficult with the wind conditions and the requirements to have a large isolated area in Memorial Park for safety reasons. For those who ventured into the Town Hall car park after the Tractor Tattoo, they saw one of the best fireworks displays in recent times.

Since the event the musical tractor has travelled around the region. Children and adults alike have the opportunity to experience the ‘Mongrel’ and belt out a tune.

South Burnett Regional Council was successful in obtaining over \$100,000 in funding from Regional Arts Fund, Australia Council for the Arts and Arts Queensland to host the event for the community which included the construction and acquisition of the public art musical tractor and the creation of an original musical composition.



## Tractor Tattoo 2012



Photographs from Left to Right: Old Tractor, Tractor Tattoo Art, Tractor Momentos

# Healthy Communities

Memorial Park, Kingaroy



*A plan towards the South Burnett becoming a region of active and healthy communities.*

The South Burnett Healthy Communities Plan is a solid policy framework to help achieve the vision for the South Burnett to become a *Region of active and healthy communities*. The Healthy Communities Management Advisory Committee has progressed implementation of the Plan with some projects funded through the CPAG Healthy Communities initiative.

## COAG Healthy Community Funded Programs

**Heartmoves** – a low-to-moderate intensity exercise program, designed for people who are living with health conditions. This programs ran for six (6) months with 1 session per week.

- No of Programs delivered – nine (9)
- Towns – Kingaroy, Murgon, Nanango, Wondai, Boondooma
- No of participants – 125
- Delivered by local exercise professionals

**Lift for Life** - Lift for Life is a resistance training program for people with or at risk of developing type two (2) diabetes and other chronic conditions. This programs ran for 6 months with 2 session per week.

- No of Programs delivered – four (4)
- Towns – Kingaroy, Murgon
- No of participants – 56
- Delivered by local exercise professionals

**Adult Swimming** – adult swimming and water confidence programs delivered at Council pools during school terms, one (1) session per week.

- No of programs delivered – four (4)
- Delivered in following towns – Blackbutt, Kingaroy, Wondai
- No of participants – 31
- Delivered by local swimming coaches

**Heart Foundation Walking Groups** – free walking groups run by volunteer walk organisers

- No of active walking groups (within 2012-13 FY) – 13
- Towns – Blackbutt, Nanango, Kingaroy, Wondai, Murgon, Proston, Hivesville.
- No of walkers - 83

**Active Parks and Pools** – in this program community members are able to try out local activities with local providers, such as gyms and sports clubs, that they can potentially join.

- Implemented in the following Towns – Kingaroy, Nanango
- No of participants - 69

#### Community Gardens

- Towns - Kingaroy Community Garden (Pound Street)
- No of participants – 53
- Examples of Activities/Workshops at the community garden – Working Bees, Healthy Cooking Demonstration, education sessions

**Lighten Up** – a healthy lifestyle program delivered by Qld Health and RHealth. In 2013 this program focussed on Diabetes Prevention.

- No of participants – 47
- Program conducted in the following towns – Nanango, Dulong, Proston, Wondai, Kingaroy, Murgon

**Community Kitchens** - A Community Kitchen is a group of like-minded individuals who come together on a regular basis to socialise and cook affordable and nutritious meals.

- No of participants – 52
- Implemented in the following Towns – Murgon, Nanango, Proston, Kingaroy, Blackbutt-Benarkin, Wondai

#### Community Events

One (1) event held in 2012/13 FY - SBRC Healthy communities and SB PCYC partnered with BBBF in September 2012 to deliver a BVRT bike ride and walk as part of the festival

**Healthy Eating Promotional Activities (in conjunction with National Healthy weight Week 2012)** – included mini health checks, healthy recipe taste test, health promotion information display)

- No of participants – 151
- Towns visited – Blackbutt, Nanango, Kingaroy, Wondai, Murgon
- Partners – RHealth, Community Health Nurses, medical students through Qld Rural Medical Education.

**Parent Volunteer Program** – this program linked with Blackbutt State School and aimed to up-skill the school's parent volunteers.

- Food Safety Supervisor training provided for parents at Blackbutt StateSchool – up-skill parent volunteers from tuckshop/breakfast club
- No of parents who participated in training – seven (7)



# Disaster Management

## Disaster Management

*During the Australia Day weekend and subsequent flooding events in January/February/March 2013 the South Burnett Local Disaster Group was activated and the region was declared a natural disaster region by the Minister. These events saw similar damage to Council's infrastructure that was experienced in the 2010/11 floods. In some cases roads that had been reinstated after the previous floods have been redamaged. Our rural sector in particular suffered significant impacts.*

### Disaster Recovery Plan

As a result of the three flooding events, Council took the opportunity to engage a consultant to develop a Disaster Recovery Plan. The plan has been finalised and will be presented to LDMG for adoption.

The development of this plan during the recovery phase of the flooding events has been of great benefit with good input from the Recovery Committee which was established as a result of the 2013 floods.

The recovery phase of the flood events this year is still operational, particularly in providing support to affected farmers.

### Disaster Preparedness

Council engaged a Fire Planning Consultant to undertake a risk assessment on Council controlled roadsides and reserves. The assessment identified high fire risk sites. Prescribed burn plans have been developed and six fuel load sites identified reduction burning undertaken. These sites included Wondai Treatment Plant, Old Rifle Range Road Reserve, Wondai Racecourse Reserve, Tingoorra Reserve, Mt Stanley Road Reserve and Nanango Fauna Sanctuary.

Members of the Local Disaster Management Group (LDMG) undertook the following training for Recovery Arrangements, Disaster Management Arrangements, Evacuation, Evacuation Centre Management, and Disaster Management Planning.

During the SES Week liong celebrations held in November 2012, Murgon SES undertook a Murgon to Brisbane Trek providing 'get ready' information sessions in Murgon, Wondai, Kingaroy, Nanango and Blackbutt. Part of the event also included handing out 'Disaster Ready Kits' to the local community and help the residents futher understand community preparedness.



Photograph: Blackbutt SES volunteers cooking up a storm during SES Week celebrations in Blackbutt.

### Mayor's Red Earth South Burnett Flood Appeal Raised \$83,069 for local farmers

In response to the Australia Day 2013 flooding event South Burnett Regional Council launched the Mayor's Red Earth South Burnett Flood Appeal. The appeal was to raise funds for our rural landholders. The theme of the Appeal was "Donate Local, Support Local, Shop Local, Sustain Local."

The Mayor's Red Earth South Burnett Flood Appeal was a joint initiative of the South Burnett Regional Council and the Red Earth Community Foundation. Numerous businesses and community organisations got behind the appeal by donating or raising money. Huston Ford donated a Nissan Micra valued at \$16,000. Channel Nine newsreader Heather Ford drew the winner of the raffle at the Mayor's Gala Ball in June.

The Mayor's Red Earth South Burnett Flood Appeal concluded on 31 May raising a total of \$83,069 for farmers affected by recent flood events.

The funds raised were distributed to eligible residents in the form of 'South Burnett Dollars'. These dollars were then used at South Burnett businesses therefore helping our local economy.

The response to the appeal was overwhelming. The success of the appeal was not possible without the generous support of local businesses and the numerous not-for-profit community organisations, volunteers, and school children, who have been fund raising for our farmers.



Photograph: back left to right: Karen Seiler, Georgie Somerset, front Mayor Wayne Kratzmann

# Enhancing our Communities

## 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

- Introducing e-book to the libraries' collections.
- Partnering with Healthy Communities to run children and adult workshops in school holidays for all library sites.
- Centralising key library services in Kingaroy library to maximise the level of output for the whole region
- Introducing internet wireless access to the branch libraries.
- Annual Survey of Physical Activities Providers
- Healthy Catering Guidelines
- COAG Healthy Communities Initiative Project to continue over the next Financial Year
- Ride the South Burnett Community Ride (funded by SBRC Healthy Communities and Stanwell)
- Community Grants and Donations Presentation Night
- Recreation Strategy
- South Burnett Health and Lifestyle Expo (partnership program)

## PERFORMANCE SUMMARY

### OVERALL PROGRESS

<b>EC 1</b>	<b>A community with the capacity to develop the area of arts, culture and heritage</b>	
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
<b>EC 2</b>	<b>An active, safe and healthy community</b>	
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
<b>EC 3</b>	<b>A community with the ability to manage natural and man-made disasters</b>	
EC 3.1	Maintain an effective Counter Disaster Management Framework	✓ Achieved Target
<b>EC 4</b>	<b>A transport system that connects communities</b>	
EC 4.1	Advocate and partner with other organisations to develop regional transport solutions	➤ Progressing

### Tractor Tattoo 2012



# Growth and Opportunity

## Growth and Opportunity



*To build  
vibrant,  
healthy,  
supportive  
and inclusive  
communities*

### HIGHLIGHTS

- Council established a peak economic and tourism body, *South Burnett Directions*.
- Drafting of new Planning Scheme progresses
- Consistently complied with Statutory timeframes for development applications
- Good attendance numbers at business mentoring workshops
- Formal agreement arranged for management of Brisbane Valley Rail Trail (BVRT)
- Kingaroy Aerodrome Precinct Plan under development
- Fast track application process implemented for low risk development applications

### CHALLENGES

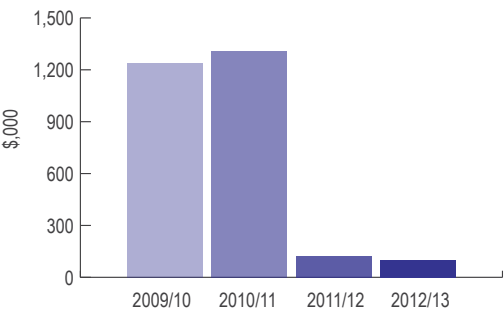
- Attracting additional volunteers to the Visitor Information Centres (VIC)
- Increased numbers of development applications for multiple dwelling units with poor design has the potential to detract from the residential amenity of the established residential areas. Council may have to adopt an interim policy to encourage good design as an interim measure until the adoption of the new planning scheme.
- Supply Chain Model project has been deferred due to the withdrawal of support from program partners



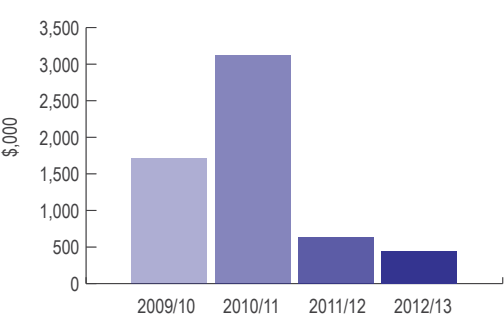
# PERFORMANCE

- Successful lobbying of State government to change legislation regarding potential Strategic Cropping Land
- Hosted Business Improvement Workshops - social media, strategy development, marketing and operational efficiencies
- Hosted Digital Economy Workshop - five (5) week program
- Short Term Skills Development program
- Effective partnerships - Green Army Projects
- Community Work placements
- Audits completed on 5% of all plumbing work undertaken by plumbers under the revised provisions for minor plumbing works
- Draft Infrastructure Charges Resolution completed
- Supply chain model investigations were undertaken with three (3) South Burnett businesses with two (2) identifying business growth opportunities
- Improvements to Coolabunia Saleyards
- Yallakool Tourist Park - cabin upgrades completed
- Lake Boondooma - cabin upgrades completed
- Support for "Hand Made in Country" Southern Queensland Country Project to encourage and promote local hand made goods and services

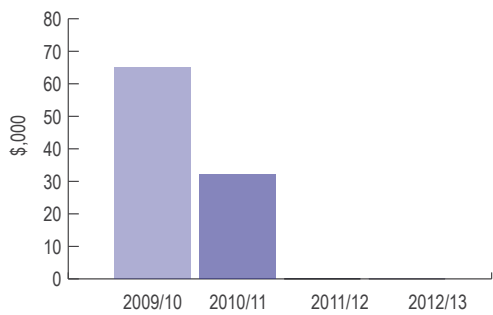
Growth & Opportunity: Total Income



Growth & Opportunity: Total Expenditure



Growth & Opportunity: Grant Revenue





## Draft Planning Scheme Progresses

Council made significant progress with the drafting of the new planning scheme. Following workshops with representatives from specific focus groups in the community a draft planning scheme document and accompanying maps were drafted. The draft document was extensively workshopped by Council and senior staff to ensure that the document promotes a common sense and pragmatic approach to planning in the region. An informal review of the draft planning scheme by the Department of State Development Infrastructure and Planning indicated that the draft document has been drafted in a way that reads well and is simple to follow. Once Council has adopted the draft planning scheme it needs to be referred to the Minister for State Development Infrastructure and Planning for a state interest check before Council can proceed with public consultation. It is anticipated that the planning scheme will be adopted as draft by the end of the second quarter (December 2013) and that it will be on public display early 2014.

## Potential Strategic Cropping Land

The policy of the former Department of Environment and Heritage Protection excluded the use of rural land for legitimate rural uses, like piggeries, in some instances. Council's planning staff, with the assistance of the planning portfolio Councillor, successfully lobbied the State government and the Deputy-Premier to change the strategic cropping land legislation and the Department's policy to allow legitimate rural uses. The process involved a meeting with officers from the Department to explain the practical issues with the Department's policy and culminated in a written submission to the Department.

## Infrastructure Charges Resolution

The State Planning Regulatory Provision (adopted charges) ("SPRP") which came into effect 1 July 2012, outlines the maximum charges Local governments can recover from development connecting to Council infrastructure. To date, Council were levying charges in accordance with policies contained in the four planning schemes of the four former shire Council's that were amalgamated to form the current Council. In order to bring Council's process in line with the SPRP it was decided that Council should make a resolution under the SPRP. Council's planning staff supported the process to draft a resolution that involved the employment of a specialist consultant and two workshops with Councillors to decide on appropriate charges for the region. To smooth in the transition to a new charging regime it was agreed to adopt a different charge for each of the four former Council areas due to the difference in the current charge under the planning scheme policy. The agreed charge is based on the current charge with an initial 10% increase and an agreed position to a price path over five years to standardise the charge across the Council area. The resolution will be formally adopted at the Council meeting on 18 September 2013.

## Manage IPA requirements and IDAS process - within statutory timeframes

The IDAS process remains as the prescribed process to consider and decided development applications. Council consistently complied with the statutory timeframes and it is anticipated that the implementation of new business management software will support monitoring compliance and streamline the application process.

To speed up the approval process for low risk development applications Council implemented a "fast track" application process. Through this process applicants are able to obtain approval within five business days by paying a reduced application fee and provide very basic information. This process has been extended to most low risk applications.

## Process Building Applications

Under the *Building Act 1975* Council is required to keep a record of all building approvals until the building is demolished. Staff from the building section provided support to a Council project involving the scanning and collating of all existing building records. Historic building records were also included in this process. Through this process an electronic building record is now available that can be accessed via by staff via Council's GIS software. The creation of an electronic records system provided the opportunity for Council to electronically receive and archive approvals issued by private certifiers in addition to simplifying Council's building record searches process.

Throughout the year Council's building certifier provided extensive advice and practice assistance to Council's Property Section regarding maintenance issues with older buildings on Council owned properties. A significant project during the years was the feasibility of levelling the Kingaroy town hall floor while providing access to all persons. There was also extensive advice provided regarding the historic restoration and development of a caravan park to the Boondooma Historic Association that maintains and operate the Boondooma Homestead.

Councils' Building Certifier undertook a significant number of compliance audits over and above the normal building work inspections and assessment required in response to applications. This included undertaking compliance inspections and following up on swimming pool fence compliance with State legislation. Budget accommodation is now also inspected to confirm compliance with the relevant legislation for budget accommodation.

## Process Plumbing Applications

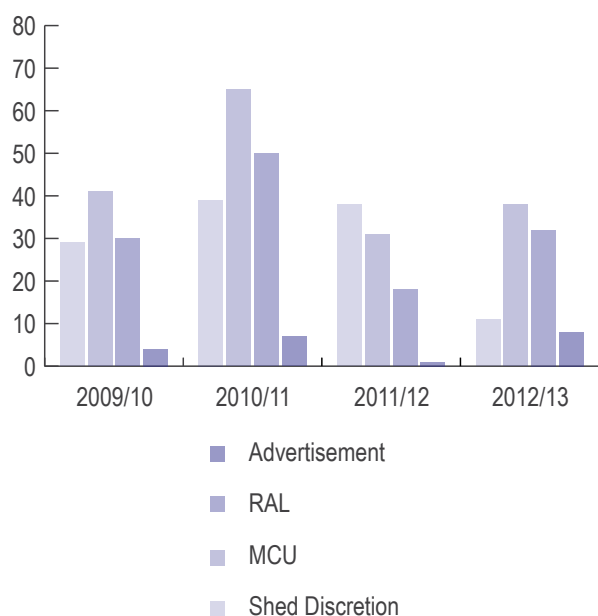
Throughout the year Council's plumbing inspectors have continued to provide assessment services under the Plumbing and Drainage Act 2002 in response to applications. This included compliance inspection of the work undertaken to replace the aging fire fighting water supply line at the Kingaroy General hospital. Assessment and inspections services were extended to Council's Infrastructure Department to include inspection of waste treatment devices treating waste ware prior to discharging to Council's sewerage system.

Council is required to audit 5% of all plumbing work undertaken by plumbers under the revised provisions for minor plumbing work including the installation of solar hot water heaters. Council's plumbing inspectors undertook audits of the work that the Plumbing Industry Council identified in the region within quarterly time frames specified by the state government.

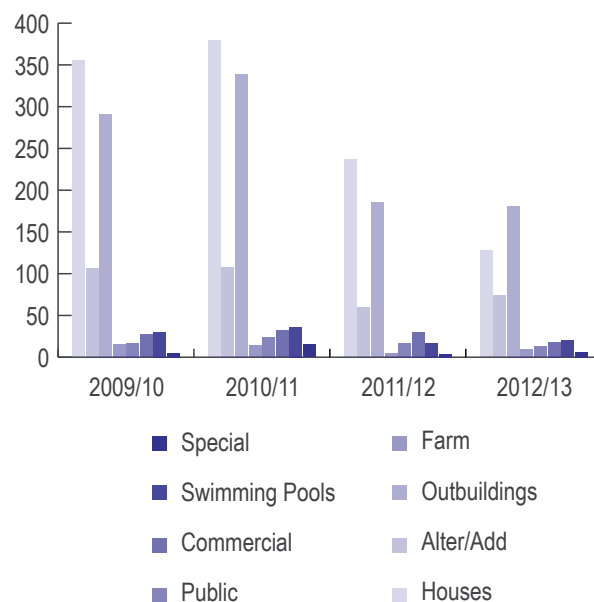
As part of its regulatory role Council issued reminder notices as part of the administration process of the registers for the household sewerage treatment plants and backflow prevention devices connect to Councils' reticulated water supply network.

Throughout the year Council's plumbing inspectors provided extensive advice and practice assistance to Council's Property Section regarding maintenance issues with older buildings on Council owned properties including project management services for renovation work at the Kingaroy Private Hospital.

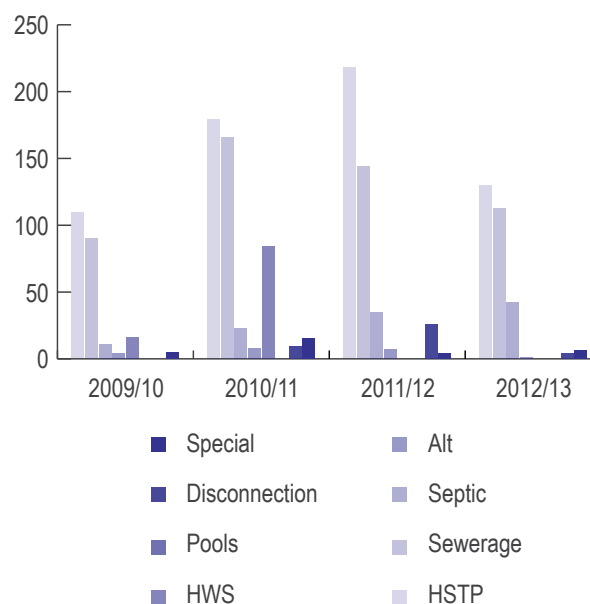
## Planning Approvals by Type



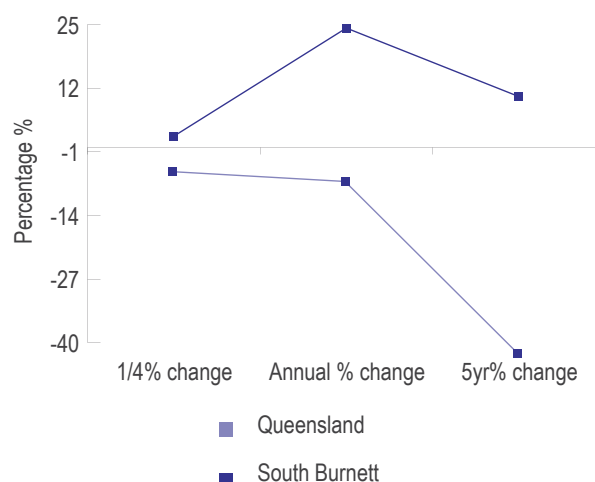
## Building Approvals by Type



## Plumbing & Drainage Approvals by Type



## Dwelling Growth Comparison



# South Burnett Directions



## *Council establishes a peak economic and tourism body, South Burnett Directions.*

Economic and Tourism Development in the South Burnett is set for a boost with the establishment of South Burnett Directions. This peak body will identify key projects to drive economic and tourism growth in the region by working alongside local business and tourism associations. It will develop key strategies, deliver project outcomes and provide a 'united South Burnett voice' to lobby and negotiate with government and industry.

During the second half of 2012, the South Burnett Regional Council's Mayor Wayne Kratzmann instigated meetings with locally based business and industry representatives, tourism representatives, Local Member for Nanango and South Burnett Regional Council Officers. The aim of these meetings were to gauge support for the establishment of a peak South Burnett body with a clear vision, structure and resources to drive economic and tourism development. In response to the positive feedback from these meetings, South Burnett Regional

Council unanimously moved for the establishment of a peak economic and tourism development organisation named South Burnett Directions.

Council entered into further community consultation and were overwhelmed with the support and positive response for the idea to establish South Burnett Directions.

Feedback from meetings with the business community indicated that a Steering Committee made up of skills based people with fresh ideas and a passion to succeed and time as opposed to a group of people based on geographical location would best serve the Region.

The South Burnett Regional Council Deputy Mayor was tasked with Chairing a Selection Committee to select through public notification suitably qualified individuals to form the South Burnett Directions Steering Committee.

The Selection Committee comprised:

- Cathy Davis – President South Burnett Tourism Association
- Sandy Towell – Chairman Nanango Arts Network Alliance
- Leo Geraghty – President Murgon Business Development Association
- Rod Steel – President Kingaroy Chamber of Commerce

Over 20 expressions of interest for membership of the Steering Committee were received. The Selection Committee invited the following nine (9) people to form the inaugural South Burnett Directions Steering Committee:

- Barb Madden
- Brett Heading
- Georgie Somerset
- Graham Archdall
- John Carey
- Ken Mills
- Linchon Hawks
- Maryanne Pidcock
- Richard Fahy

Council's Mayor Wayne Kratzmann will Chair the Steering Committee. The First meeting was in April 2013. The official launch of South Burnett Directions was held in May.

South Burnett Directions will be governed by a Charter and through a the Steering Committee deliver project outcomes that:

- Support existing business in the South Burnett
- Encourage Increase investment by existing businesses in the South Burnett
- Attract investment to the South Burnett
- Promote the South Burnett through Regional Tourism
- Support development in Economic and Tourism sustainability of the South Burnett

It is envisaged that as the organisation's foundations strengthen, Council's 'hands on' approach will reduce and its focus shift away from governance to strategic visioning and project delivery.

The Steering Committee will determine and recommend the most appropriate structure and income model for the long term ongoing success of economic and tourism development in the South Burnett. As the Steering Committee determines projects of regional significance that will benefit the South Burnett, locally based Working Groups will be established to assist with the delivery of project outcomes.

Council has set up an Economic and Tourism Development Office in the Kingaroy Forecourt on Glendon Street. This office will accommodate the Council's Economic Development and Tourism team dedicated to developing the South Burnett's future in conjunction with South Burnett Directions. In the coming months the office, will display South Burnett products and services.

For further information about South Burnett Directions, visit South Burnett Regional Council's Economic and Tourism Development Unit, Glendon St, Kingaroy or visit our Facebook page – [www.facebook.com/southburnettdirections](http://www.facebook.com/southburnettdirections) or visit [www.southburnett.qld.gov.au](http://www.southburnett.qld.gov.au)





## Wind Farms

A Wind Farm is proposed in close proximity to the common boundary between South Burnett Regional Council and Western Downs Regional Council. Presently, the applicant is seeking to have the project assessed under a Community Infrastructure Designation (CID) process through the Department of Local government and Planning.

The Department of Environment and Resource Management (DERM) do not have any specific legislation relating to noise emitting from wind farms under the *Environmental Protection Act 1994*. Council at its Meeting of 18 January 2012 resolved that:

"Any noise impact generated by the proposed Wind Farm should comply with relevant legislation and Australian Standards in particular – *Environmental Protection (Noise) Policy 2008*, Environmental Protection Agency (EPA) Noise Measurement Guidelines and AS2107:2000 - Acoustics – Recommended design sound levels and reverberation times for building interiors and implement a *State Planning Policy* that allows for a minimum 2km buffer between residences and Wind Farm turbines."

Council has been lobbying the relevant State government agencies to prepare and implement a *State Planning Policy* for the purposes of assessing this application and also future applications given the State government's commitment to clean energy generated by renewable resources.

The compiling of a *State Planning Policy* should also ensure that Council be considered to be a stakeholder in this process so that local issues can be tabled and considered by the State in any policy.

## Heat Pumps into Swimming Pools - Kingaroy, Murgon, Nanango & Wondai

Kingaroy, Murgon and Wondai public swimming pools have had heat pumps installed. Heat pumps were jointly funded by RLCIP grant and Council. The heat pumps have been installed to increase the temperature of pools and provide a longer and warmer swimming season for the community.

## Fully signed agreement for BVRT

Council and the Brisbane Valley Rail Trail Ambassadors developed a lease arrangement to allow future use and management of the Brisbane Valley Rail Trail. Funding was sourced by grants and Council Capital Expenditure to fund repair and maintenance works to preserve the heritage value of the rail trail.

## Coolabunia Saleyards and South Burnett Tick Facilities

Regular sales were held throughout the year with approximately 9,800 head sold through the yards. Annual sales were well down on the previous years due to local flooding events accompanied by the dry period out west. Services included at the yards include tick inspection, spraying and dipping services along with coordinated cattle yarding provides agents, buyers and sellers with a central point of contact.

## Lake Boondooma Caravan and Recreation Park

16,274 visitors stayed at the Lake Boondooma Caravan and Recreation Park during the year. This represents a 10% reduction from the previous year due to the 2013 flooding events.

Dam water level was over 90% all year. A number of large fishing competitions were held at the dam. Fish stocks were replenished by the restocking committee.

## Yallakool Park on BP Dam

10,415 visitors stayed at the Yallakool Park on Bjelke-Petersen Dam during the year. These visitor numbers were similar to the previous year despite the flooding events. The visitor average length of stay was 3.39 nights which is up on the previous year at 3.14.

Plans were prepared and tenders were sought to build a new amenities block next financial year.

During 2013/14 the Dam water level was above 90% all year. Water activities and fishing were plentiful.

# Growth and Opportunity

## FUTURE INITIATIVES

- New Planning Scheme adopted
- Priority Infrastructure Plan prepared and adopted with the new Planning Scheme
- Review of new planning scheme for anomalies
- Deliver projects that support economic and tourism development through South Burnett Directions
- Enhancing Passenger Transport Project to support entire intra region passenger transport for the next twelve months.
- Yallakool Tourist Park - Amenities Block upgrade
- Business Plans for Boondooma Dam and Yallakool Tourist Park
- Economic Development Strategy Finalisation
- Business Attraction Prospectus
- New amenities block at Yallakool Park on BP Dam
- Precinct master planning for vibrant townships
- Major Tourism Event
- Electronic lodgement system for building, plumbing and drainage application through new business system
- Lobby State government to prepare and implement a State Planning Policy for Wind Farms
- Council pledges inkind support for 2014 UAV Challenge Outback Rescue event to be held in Kingaroy at Sir Joh Bjelke-Peterson Airport



## PERFORMANCE SUMMARY

### OVERALL PROGRESS

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

## South Burnett Energy Centre, Nanango



# Our Environment

## Our Environment



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

### HIGHLIGHTS

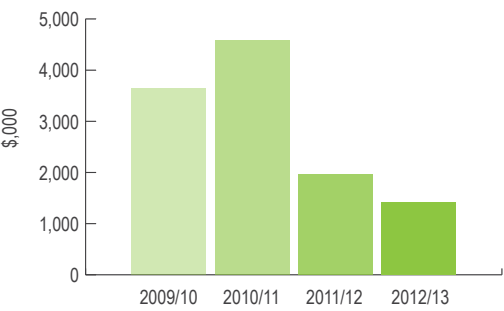
- Carbon Management Plan finalised
- Implementation of the State Government's Waste Levy Strategy completed
- Recovery assistance after the flooding events including coordinating and supporting Blazeaid assistance to affected farmers
- Recovery phase of Council infrastructure including parks and public areas after flooding event
- New fence around playground, Gazebo, tables and chairs and amenities block at Memorial Park Kingaroy
- Taabinga Cemetery carpark and caretakers storage shed
- Exercise equipment stations along walkway Angel Avenue Murgon
- Bike training track with traffic signs - Butterfly Park Nanango
- Installation of barbeque, shelter and tables at Proston Park in partnership with Proston Lions Club and Stanwell Corporation
- Fencing of Wooroolin Park playground - partnership program - Council supplied fencing materials and Wooroolin Lions club erected fence
- Completed weighbridge and roadworks at Kingaroy Waste Disposal Facility



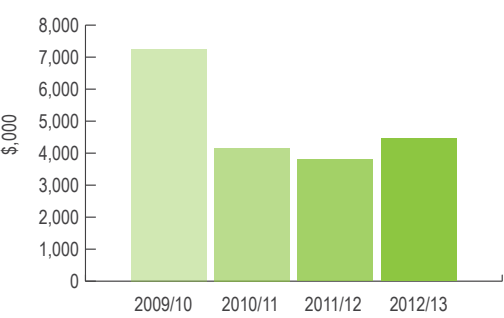
# PERFORMANCE

- Kingaroy Animal Shelter - Upgrade Plumbing
- Regional Waste Management Strategy - 40% complete
- Participate in the drumMUSTER program
- Kumbia Transfer Station Improvements
- Memerambi Transfer Station – Resurface Hardstand Area
- Hivesville Transfer Station – Purchase 2 x 10M3 Skip Bins
- Blackbutt Waste Disposal Facility Improvements - Progressing
- Biodiversity & Carbon Management Grant – Stage One (See Page 72)
- Pest Survey Program conducted
- New Skate Park in Murgon
- Commenced childrens climbing walls at River Road Park Kingaroy, Pioneer Park Nanango and the Skate Park Murgon

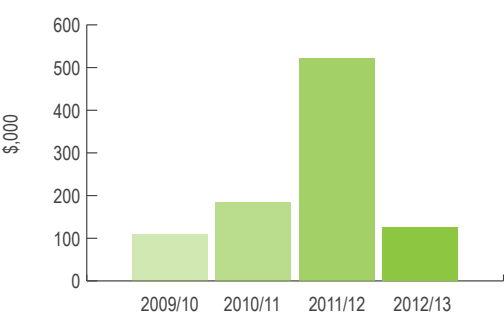
Our Environment: Total Income



Our Environment: Total Expenditure



Our Environment: Grant Revenue



# Biodiversity Program

## Biodiversity Program



### *Biodiversity and climate change programs commence across the South Burnett Region.*

Last financial year the Australian Government approved Council receiving \$1.6 million to implement biodiversity and climate change programs across the South Burnett region.

The South Burnett project will span six (6) years and is aimed at improving vegetation connectivity through 200 hectares of planting programs within urban and village landscapes. Planting activities will improve biodiversity values across the region while also contributing to regional carbon management outcomes. Planting programs will also provide horticultural training opportunities for indigenous students".

Funding will also be used to develop and implement fire and biodiversity plans that enable land managers to reduce fuel loads and minimise the risk of wildfire while protecting biodiversity in the Region.

The Biodiversity Fund aims to improve the resilience of Australia's unique species to the impacts of climate change, enhance the environmental outcomes of carbon farming projects, and help landholders protect carbon and biodiversity values on their land.

The South Burnett project will also address the threat of invasive weeds within the region through the development of coordinated treatment programs that utilise a range of management techniques such as biological control, fire, herbicide and sustainable land management practices.

This financial year saw the commencement of the project with a biodiversity project coordinator engaged to develop partnerships with local industry, landholders, schools and community groups to develop and implement coordinated programs across the region.

## Progress Report

- Biodiversity Project Coordinator engaged
- Engaged with University of Southern Queensland & Sustainable Corporate Solutions under contract to develop the methodology for reduced carbon emissions from fire management activities
- Engaged consultant to produce planting plans for the re-connection of the native ecosystems interrupted from the urban development of Kingaroy, Murgon, Wondai, Blackbutt and Nanango
- Carbon Management Plan Completed
- Biodiversity Plan finalisation delayed due to flood mitigation works - expected to commence finalisation in 2013/14 FY
- Implementation of a Lantana treatment program 85% complete - delayed due to flooding event - remaining works programmed for 2013/14 FY.
- Firebreak maintenance and planned burns completed – 10.63 kilometres of firebreaks, 15 Fire Management Plans, five (5) planned burns
- Plantings of 3000 tube stock in Murgon and Blackbutt areas delayed to 2013/14 due to flooding event
- The provision of registered training in Arboculture to at least two (2) volunteers was delayed to 2013/14 FY due to the flooding event
- Council delayed the enrolment of five (5) key personal in an Arboculture Course as these particular staff were involved in flood recovery works
- Rolled out African Love Grass program in Durong area with landholders in accordance with program plan
- Implemented Green Cestruim treatment and landholder partnership program
- Implemented Chinese Elm treatment and landholder partnership program
- Implemented Broad Leafed Privet treatment and landholder partnership program
- Implement Parthenium treatment program with effected landholders
- Implemented Council's annual planned declared and environmental weed treatment programs
- Installed bollards at the culturally significant area of Coomba Falls to prevent further vehicular access to the area which is degrading vegetation, historic cultural values and accelerating erosion

## Future Initiatives

- Erect interpretative signage at Coomba Falls to assist with the long term understanding of the significance and preservation of the area
- Regional Fire Management Regime including the individual plans for 15 reserves
- Update the assessment of 1,398 roads within the South Burnett boundaries with specific attention to the 529 roads that have endangered species or fire sensitive vegetation and develop category conditions for fuel reduction
- Plan and implement Box Thorn treatment and landholder partnership program
- Plan and implement biological control program for declared and noxious weeds
- Implement and coordinate Giant Rats Tailed grass treatment and landholder partnership programs
- Conduct further threatened species mapping and update database



## Regional Waste Management Plan

Council has completed its internal workshops for the development of its proposed waste strategy. Due to financial and staff resourcing constraints there has been delays in being able to finalise a draft of the South Burnett's Waste Strategy to be released to the Public for Consultation. It is now hoped that the document may be released by early 2013.

## Implementation of State Government Waste Levy Strategy

The Waste Levy which had been introduced by the then Labour State Government on 1 December 2011 was effectively removed by the incoming LNP State Government on 1 July 2012.

## Council Assists the Treatment of Boxthorn

Council provided \$80,000 in assistance to landowners to treat African boxthorn.

Council provided up to \$2,000 worth of treatment or herbicide to eligible applicants who developed a *Sustainable Land Management Plan* and made a matching contribution either in labour, materials or equipment. African boxthorn is a spiny shrub from South Africa which was introduced to Australia in the mid 1800's as a hedge plant, it has since spread into pastures, roadside, railways and waterways. It is a Class 2 declared pest plant. African boxthorn causes havoc for domestic stock and reduces the productivity of pasture land.

It is a requirement under the *Land Protection Management Act* that landholders control this weed.

The program offered landholders a range of options including access to spray equipment, treatment advice, the development of a *Sustainable Land Management plan*, mapping and identification of the weed. The program and funding will assist in containing these infestations and over time significantly reduce these outbreaks.

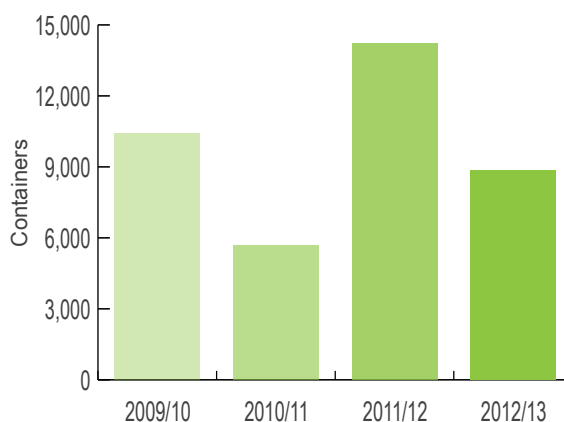
## Waste Collection Services

The graph below show the Tonnes of Recyclables per financial year collected through Nanango's kerbside collection



## Drum Muster

A total of 8,843 were received from chemical users for the year 2012/13 financial year. The results are mainly due to the Durong area being serviced this year as well as completing some



# Our Environment



## CHALLENGES

- Work programs for 2012/13 have been delayed due to the flooding events of early 2013. This will affect the delivery of work programs through to June 2014
- Transitioning into the new waste collection contract from 1 July 2014
- Integrating the new business system with Council's compliance regime

## FUTURE INITIATIVES

- Participate in the mobileMUSTER program
- Participate in the drumMUSTER program
- Implement Regional Waste Management Plan
- Nanango Streetscape Project - Stage One (1) & Two (2)
- Artist to refresh murals in Nanango to compliment other streetscape work
- Engage artist to assist local youth to paint graffiti art on the climbing walls at River Road Park Kingaroy, Pioneer Park Nanango and the Skate Park Murgon

## PERFORMANCE SUMMARY

## OVERALL PROGRESS

<b>ENV 1</b>	<b><i>Our region's environmental assets are promoted, protected and enhanced</i></b>	
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>Achieve Target</i>
<b>ENV 2</b>	<b><i>Environmentally responsible and efficient waste management</i></b>	
ENV 2.1	Develop and implement a Regional Waste Management Plan	✓ <i>Achieve Target</i>
ENV 2.2	Provide cost effective waste management facilities and operations	✓ <i>Achieve Target</i>

## Wooroolin Wetlands Boardwalk



# Organisational Excellence



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

## HIGHLIGHTS

- New Business System implementation progresses with 'go live' date postponed to October 2013
- New Procurement Policy supports local business
- Council self nominates for State wide Local government Workcover Workplace Health and Safety Scheme Audit
- 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

## PERFORMANCE

- Loan Borrowing Strategy adopted
- Council supports Constitutional Recognition Referendum campaign
- Long Term Financial Forecast adopted
- Asset Management Committee established
- Council lobbies State government to lift exemption threshold for payroll tax on Local government eligible business which Council only became liable for since amalgamation
- Net Financial Liabilities Ratio indicates Council has significant financial capacity to service net liabilities

The following policies were review and adopted by Council:

- |  |                          |
|--|--------------------------|
| • Media Relations Policy               | • Audit Committee Policy |
| • Undetected Water Leaks Policy        | • Internal Audit Policy  |
| • Councillor Discretionary Fund Policy | • Procurement Policy     |
| • Risk Management Policy               | • Revenue Policy         |





## Safety Audit

Council was one of handful of Councils to self-nominate to be a part of the state-wide Local government WorkCover Workplace Health and Safety (WHS) Scheme Audit. The process involved a review of the full spectrum of workplace health and safety processes and practices

In 2012, a preliminary Audit was conducted by an LGW appointed auditor to identify deficits in the SBRC WHS system. A rectification action plan (RAP) was developed to work through prior to the full external audit in October 2013.

The RAP listed over 190 administrative actions and over 100 identified improvements within our worksites. Council embraced a *whole of organisation approach* from Leadership to the operator in the field in addressing the rectification action plan.

Whilst not all RAP actions will be completed prior to the October 13 audit, the timelines are in place and being progressed to achieve 100% rectification.

This audit process contributed to a positive culture transformation and has resulted in Council being invited to join the *Zero Harm at Work Leadership Program*.

## Reduction of Overtime Allowances

Through a Human Resources metrics approach it was identified that overtime allowances were not being organisationally monitored or controlled.

Overtime allowances accounted for a substantial financial burden within the context of the size and functions of the organisation. It was acknowledged that there was an established perception by some staff who regularly worked overtime of an 'entitlement to a standard amount of overtime per pay period'.

The Leadership Management Team (LMT) monitored and managed overtime allowances through a process of sound work and project planning with an understanding to reduce overtime allowances. One such management action was that all overtime work needed to be approved by the relevant LMT member prior to work undertaken.

## "Pot of Gold" Supervisor Training

The ever elusive '*pot of gold at the end of the rainbow*' has been the unpinning concept to the introduction of training for supervisors. The philosophy being that if the supervisors or line managers of an organisation are skilled in managing staff, the organisation will be able to achieve a best practice in productivity and retention to maximise financial efficiency.

The training program has been developed and delivered by the Human Resources Branch which included the development of associated learning materials for the supervisors. The program will be ongoing where supervisors will receive training and achieve competency in areas such as Human Resources Employee Standards, Human Resources policies and procedures, performance appraisal techniques, and WHS duties and responsibilities

The programmed training sessions will be conducted periodically during the year and are adaptable to be able to address identified deficits.

The results of the training are difficult to identify in a statistic based approach however through the Human Resources Metrics, the Human Resources Branch will be able to detect an influence on trends.

## Council Suffered Budget Shock

Council had to adjust its budget as a result of funding cuts inflicted by the Federal and State governments as well as the downturn in the economy which decreased Council's revenue.

The reduction in grant money and reduced income was so large that it outweighed significant work Council has done to reduce its operating expenditure. Council reduced expenditure by about \$1.4 million yet the Federal and State cuts totalled about \$1.6 million. Council was in a good position going forward but the reality is that these cuts are real and had to be managed.

Council is concerned that further Federal and State government cuts may be thrust upon Council and the economic recovery will take longer than predicted.

## Recruitment Training

Council has identified that one of the most significant determinants of employee engagement and productivity commences at the point of recruitment. The Human Resources Branch has actively engaged an approach where the team for which the vacancy exists leads the recruitment process with the human resources branch providing advice and expertise in support of the process.

A formal 'tick sheet' has been developed to assist supervisors and teams with the 'on boarding' process of new staff whereby there is a step by step process from ordering the name badge to discussing expectations. This process will be a part of the 'pot of gold' supervisor training so as to ensure that supervisor's understand the significance of 'on boarding' a new employee resulting improved productivity and retention outcomes.

The Human Resources Branch will, through the human resources metrics, be able to identify retention trends.

## Uniform Changes

Since amalgamation there has been consultation with the field staff workforce so that a determination can be made for a standardisation of the field staff uniform to long trousers and long sleeved shirt ensuring colours of the uniform meet Workplace Health and Safety requirements.

Through the Workplace Health and Safety Committee, a number of aspects of the field staff uniform has been determined. During the first six (6) months of 2013/14, a finalisation of the shirt (material, colour, make) will be determined after further 'in the field trials' are conducted.

It is expected that the new field staff uniform will be phased in during 2013/14.

This process has been embedded in the culture transformation program and has contributed to an identifiable shift in moral in the field staff group of Council.

## Council Buying Local

Council will officially "Think Local First" following major changes to the procurement policy. The amendments to Council's procurement policy means local businesses will have even more opportunity to be Council's preferred supplier of goods.

Council has made it a policy that where there are business located in the South Burnett that can provide the goods or services required then staff are encouraged to obtain quotations from those businesses in the first instance. It is Council's policy to obtain three (3) quotes for any product over \$1000 and if there are three (3) local businesses that supply it then we will get quotes from locals."

Council's has also increased the pricing variance from 5% to 10%, so that if a local businesses is within 10% of a quote we have obtained from a business outside the region we will choose the local business as our first priority.

Considering the tough economic times the decision to make these changes demonstrates how much Council's wants to help kick start our local economy. The intent of this policy is to encourage purchases in the South Burnett and develop our economy further.

The new policy is designed to give local businesses a better opportunity to be able to supply Council's goods and services. It signals that the Council wants to do more business with businesses within the region.

## 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 on:

- Compliance with the new expenditure levels in the *Local Government Regulation 2012*,
- Local purchasing content
- Preparatory work for calling Preferred Suppliers for Wet and Dry Hire of Plant and Equipment and Trades and General Services.

## Consolidated Banking Arrangements

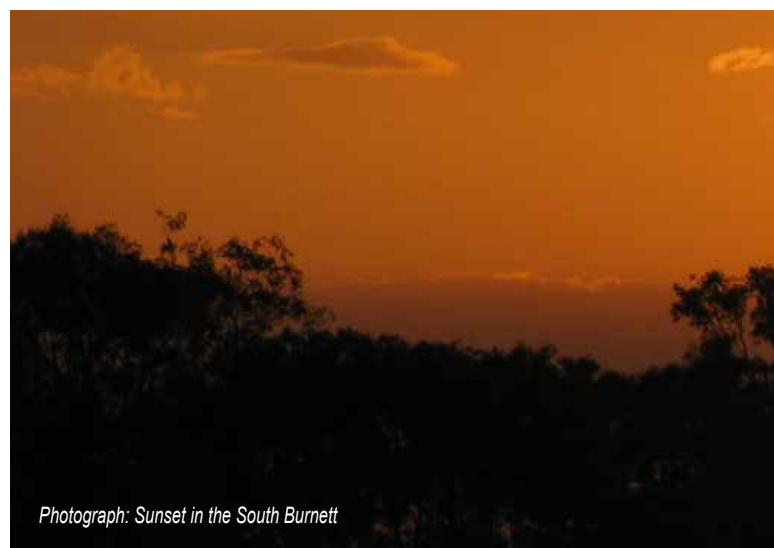
During the financial year Council called and awarded tenders for the provision Banking Services to Council. The tender was awarded to the National Australia Bank. The prime purpose was to consolidate banking arrangements into one bank as Council continued to operate several bank accounts which were in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

## 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
- 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 was 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 nine (9) financial years. In addition, borrowing levels, the level of restricted cash, capital budgets and other relevant sustainability indicators were discussed.



Photograph: Sunset in the South Burnett

## Financial Planning

Council's key Financial Planning documents required under the *Local Government Regulation 2012* are:

- Five (5) year Corporate Plan,
- Annual Budget – for the current year and the next two (2) financial years,
- Relevant Measures of Sustainability – for the current year and the next nine (9) financial years,
- Long Term Financial Forecast – covering a period of at least 10 financial years,
- Long Term Asset Management Plan – for 10 financial years or more.

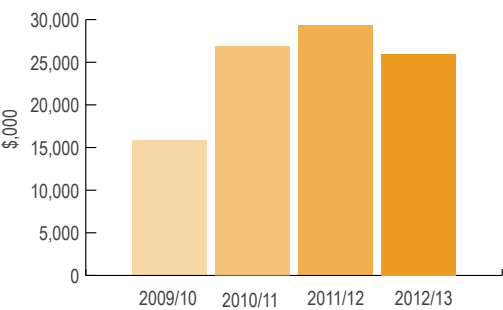
These key documents are adopted by Council at the annual budget meeting with the exception of the Corporate Plan. Council is also required to adopt the following financial policies:

- 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 nine (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.

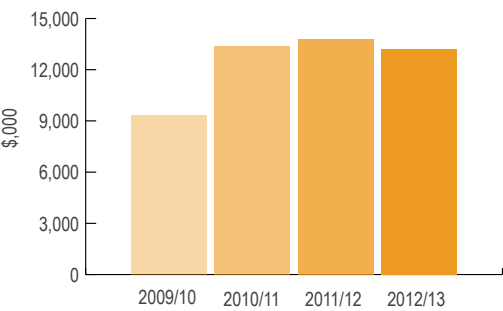
These policies are reviewed each year by Council usually as part of the Budget development and adoption process.

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 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.

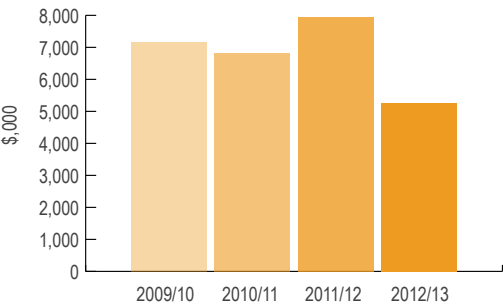
Organisational Excellence: Total Income



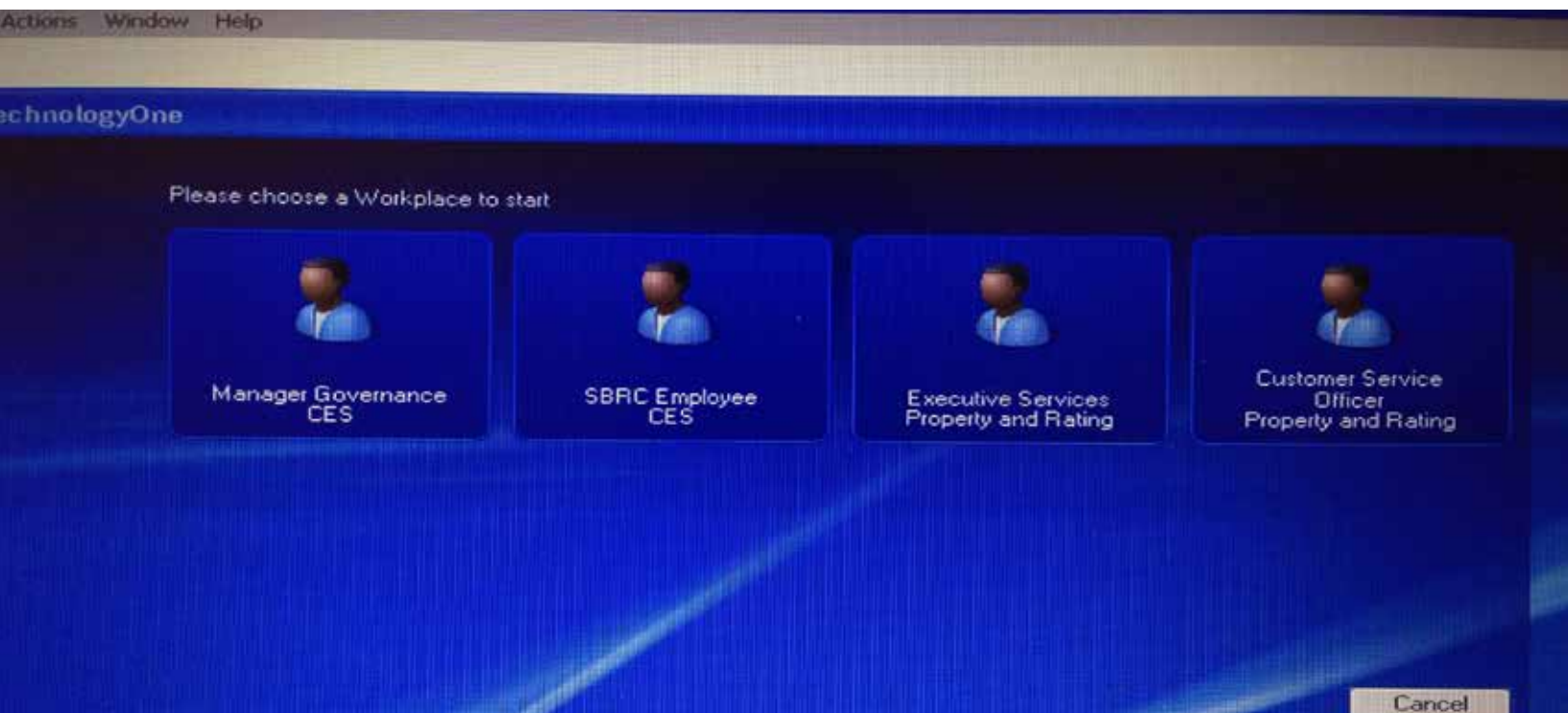
Organisational Excellence: Total Expenditure



Organisational Excellence: Grant Revenue



# New Business System



## *New business system set to transform how Council does business*

Council began investigations into software solutions available to the Local government industry in 2010, as the finance solution Council was using did not meet the needs of the newly amalgamated regional Council. Council approved the replacement of its finance package with a full business software solution with the tender awarded to Technology One with their *OneCouncil* solution.

The solution design phase began with workshops and input from key users from all areas of Council. The workshops involved Technology One consultants and key users working through business processes with OneCouncil solution design. The overall aim of the project was to improve processes and provide a better level of service and information to Council and our community without having to increase staffing levels to achieve this. All opportunities to review processes and implement changes that provided increase service delivery and information to Council and the community were implemented.

A reconciliation team was established to ensure that the information coming from one Finance Package across to the new package was accurate. This team consisted of staff from – Stores, Fleet, Assets, Animals, Debtors, Cemeteries, Rates, Planning and Finance. This team met fortnightly to review information that was being extracted for accuracy. Two (2) staff were allocated the Name and Address Register (NAR) to consolidate as much as possible.

The original “GoLive” date of the first weekend in April 2013 was not achievable and a more realistic date of 30 June 2013 was set as the formal “GoLive”, the decision was made during May not to go Live on 1 July and to set a new date of 19 October as our new Go-Live Date.

## Long Term Borrowing Strategy

During the year under review the Asset Management Plans informed the budget in terms of the level capital expenditure requirements for the next ten years to refurbish and develop Council's assets to meet service level requirements.

Council has not borrowed funds since the establishment of the Regional Council. As part of the development of the 2013 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 to commence an ongoing bridge replacement program currently from 2014 to 2022.

In addition borrowings have been proposed for complementary and betterment works. Complementary works refers to work that Council may choose to carry out on assets in conjunction with projects funded under the Natural Disaster Reconstruction and Recovery Arrangements. Council may choose to undertake complementary works where a better whole of life outcome for the asset is attained or to restore adjacent assets to a similar service level. Betterment projects are those which improve the asset's level of resilience to future natural events.

## Asset Management Plans

Long Term Asset Management Plans were first adopted by Council during the prior financial year. These plans will be reviewed during the 2014 financial year.

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 available external funding which may become available in subsequent financial years.

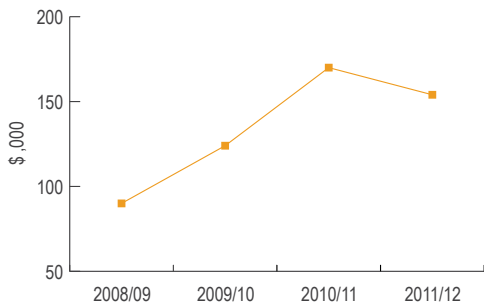
## Payroll Tax

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.

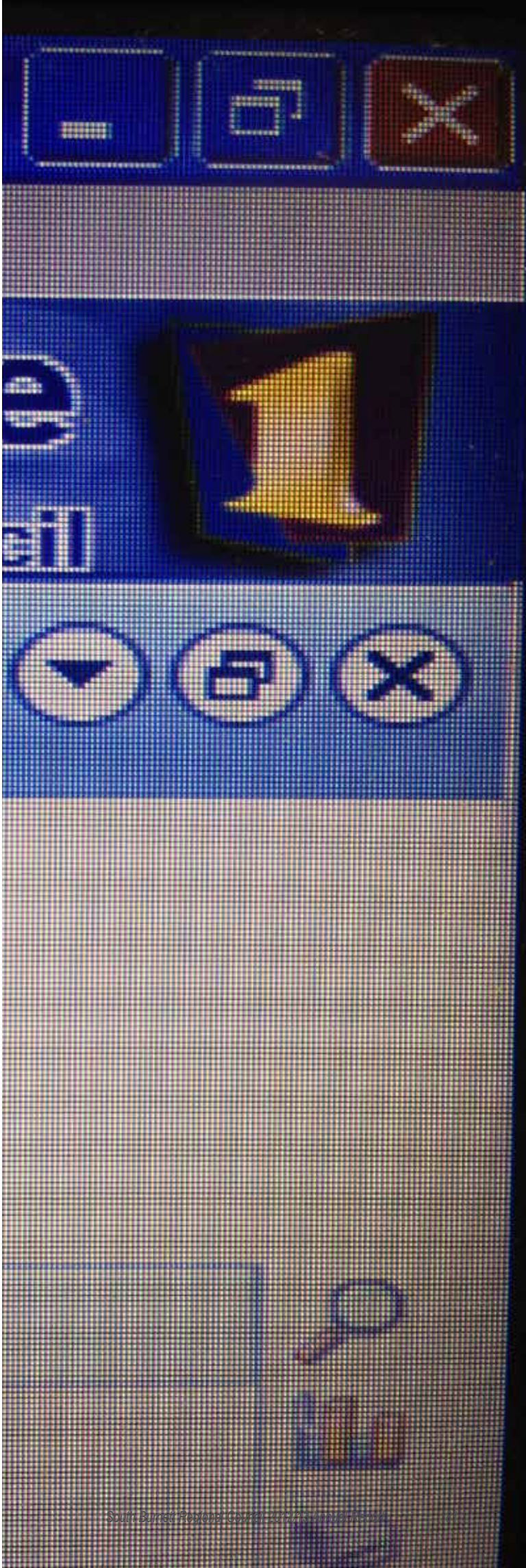
Council has been lobbying the State government to raise the exemption threshold for payroll tax on Local government eligible business to \$25 million and indexed by CPI for the for the next four (4) years.

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



## 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. The Financial Sustainability Ratios are as follows:

**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.

**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.

**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.

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 see page 150. 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 (2) 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 indicates Council has a good capital expenditure level as it is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.

The Net Financial Liabilities Ratio indicates 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. Council therefore has significant financial capacity and the ability to increase its loan borrowings if necessary.

Ratio	What the Ratio Means	Industry Target/ Measure	Ratio based on Actual Performance	
			2012	2013
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. A positive ratio indicates that surplus revenue is available	Between 0% and 10%	-4.7%	-34%
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%	159.67%	97%
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%	-56.6%	-19%

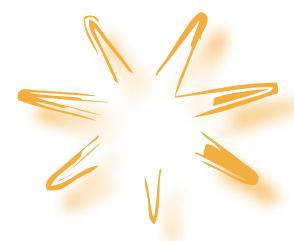
## CHALLENGES

- 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 Business System
- Preparing the business model to facilitate the \$34 million Borrowing Program
- Redevelopment of the Asset Management Plans with the Asset Management Committee
- 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 million
- Implement raft of changes in Australian Accounting Standards
- Meeting community expectations within budget restraints

# Organisational Excellence

## FUTURE INITIATIVES

- Full implementation of new Business System - OneCouncil solution
- Redesign Council's Website
- Implement Policy Framework
- Implement Zero Harm in our Workplace
- Workforce Planning Framework to be developed
- Achieve full Workplace Health & Safety Audit Accreditation
- Planning for new Enterprise Bargaining Agreement



## PERFORMANCE SUMMARY

## OVERALL PROGRESS

<b>EXC 1</b>	<b>Effective financial management</b>	
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
<b>EXC 2</b>	<b>Effective business management</b>	
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
<b>EXC 3</b>	<b>A skilled and sustainable workforce</b>	
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
<b>EXC 4</b>	<b>Ethical, accountable and transparent decision-making</b>	
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
<b>EXC 5</b>	<b>An informed and engaged community</b>	
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
<b>EXC 6</b>	<b>Effective advocacy and strategic partnerships</b>	
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 and Infrastructure



Flood Damage from the 2013 Floods

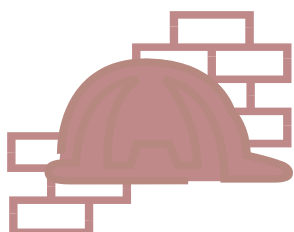
*The provision of quality services and infrastructure for our growing community that is planned, provided and managed on sound asset management principles.*

## HIGHLIGHTS

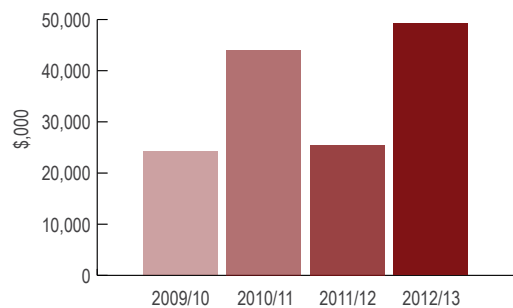
- 2011 Flood Resoration works 85% complete
- Nanango Water Treatment Plant dosing facility upgraded
- Lagoons were upgraded as part of the Blackbutt Wastewater Treatment Plant augmentation
- Rapid assessment and lodgement of the 2013 NDRRA submissions for damage to road, water, sewerage, parks, gardens and community assets put Council in a leading position to gain funding approvals
- \$9.6million on emergent and restoration works completed as a result of the 2013 flooding event

## PERFORMANCE

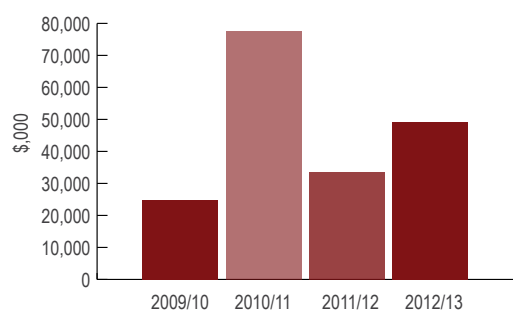
- Road Inspection Program Implemented
- Timber bridge Inspections and Maintenance Program Drafted
- Road Safety Audit conducted
- Developed and implemented Standard Maintenance Practices
- Developed a ten (10) year Rolling Works Program
- Developed a rolling six (6) month program for Maintenance activities
- Drinking Water Quality Management Program Adopted
- Automated Call Distribution Software installed
- Customer Contact knowledge base developed - HARRY (Helping Access Relevant Resources for You)



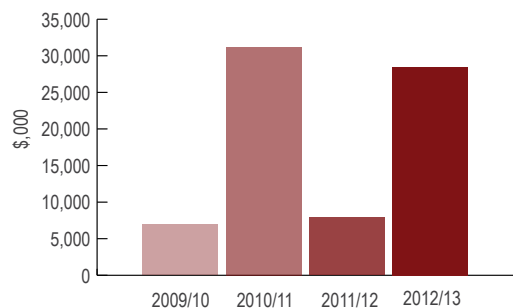
Service Delivery & Infrastructure: Total Income



Service Delivery & Infrastructure: Total Expenditure



Service Delivery & Infrastructure: Grants Revenue



## Flood Restoration Program

The 2011 flood restoration works were 85% complete when the region was hit by the record floods of January, February and March 2013. Many roads were washed out and repaired several times during the initial three (3) month emergent works period. By the end of June 2013 Council had expended approximately \$9.6 million on emergent and permanent restoration works for the 2013 floods. This mammoth task was achieved through the combined efforts of Councils dedicated day labour crews and the assistance of flood restoration contractors.

Rapid assessment and lodgement of 2013 NDRRA submissions for damage to road, water, sewerage, parks and gardens and community assets put Council in a leading position to gain funding approvals as quickly as possible. Through close cooperation with the Queensland Reconstruction Authority Council has been able to plan a delivery strategy to have \$7 million of high priority works commenced in July 2013 and the bulk of the \$65 million program planned to go to tender at the end of September 2013.

Meanwhile extensions of time were sought and granted for the completion of 2011 works which were targeted to be completed by October 2013. Council inspectors will continue to monitor the condition of roads and if necessary temporary holding works will be carried out to keep them safe until the final works are completed. The target completion date for all works is December 2014 and Council will be working with the contractors to ensure that every effort is made to complete the works on schedule.

## Nanango Water Treatment Plant - Chlorination Upgrade

This dosing facility was upgraded to replace the existing gas chlorination system with one utilising liquid sodium hypochlorite. Greater safety for staff and the public has been achieved by eliminating the risk of chlorine gas leaks. Automatic dose rate control and duty/standby dosing pump arrangements were utilised to increase the overall reliability and accuracy of disinfecting Nanango's potable water supply.

## Murgon Water Pump Station Hospital Pump Station

The Murgon Water Pump Station was upgraded to service the additional demand created by expansion of the Castra Aged Care Facility in Murgon. New pumps and electrical controls were installed within the existing building adjacent to the water tower. Innovative controls were required to maintain normal pressure conditions for domestic water supply demand and increased performance when fire fighting conditions are sensed.

## Blackbutt Wastewater Treatment Plant Lagoons

The lagoons were upgraded as part of the Blackbutt Wastewater Treatment Plant augmentation. The final stage of this lagoon upgrade was to install baffle structures to prevent short-circuiting of effluent and increase the overall detention time. Curtain baffles were utilised rather than the initially specified rigid construction type to reduce cost and provide easier maintenance of the lagoons for future mechanical sludge removal.

## 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.

Approximately 35 valves were replaced in the water networks across the region.

Reactive maintenance across the region required attendance to the following:

225 wastewater issues

511 water service issues

197 water main breaks

Of these 348 required action after normal working hours.

## Economic Development Office Fit-out

Council fitted out the new South Burnett Directions and Economic Development Office in Glendon Street, Kingaroy. This office will be utilised by Council's Economic Development staff to showcase local businesses, regional and local economic growth and will be used as a meeting point for industry representatives and economic advisors.

## Depot Clean up

Council has conducted a clean up program at all Council Depots by disposing of equipment or materials that is no longer required for Council work or no longer efficient for Council to use. The depots are very important work sites for storing equipment or preparing materials for construction or installation on other work sites.

## Fast Facts for Water & Wastewater 2012/13

- 2,030,000kL of potable water produced
- 291,000kL of non-potable water produced
- 1,392,000kL of wastewater collected
- Replacement of 7.8 kilometres of water mains across the region
- 360m of Kingaroy's Trunk Sewer replaced under emergency conditions and using slip lining technology

## Fluoride Scrapped

This year Council resolved to stop the adding of fluoride to town water supplies across the Region. The expensive fluoridisation program that Council had to put in place under the Bligh government did not consider the issues specific to our Region. The facts were that the number of residents that drink town water was very low and the cost of fluoridation was very high.

Following the State government giving back this decision to Councils, Council took a balanced position for the good of the entire community. Council did not get into the fluoride health debate. Council is committed to responsible service delivery and this included getting value for money and promoting the health of residents. For this reason Council scrapped the fluoridation of town water until there was evidence that the majority of residents drink town water.

Council acknowledges that the drinking water's taste and smell needs to be improved. However, the town water supplies across the region are heavy in minerals and as such require costly processing to make them more palatable to residents. This is a long term goal and will be costly. A large percentage of houses have rain water tanks and these are used for drinking water. Most of this expensive fluoride additive was being flushed down toilets and hosed onto gardens.

## Lion's Club Fences in Wooroolin Park

The fencing of Wooroolin Park (*pictured below*) is a wonderful example of the Wooroolin Lions and Council working in partnership to enable community needs to be met in a way that Council can afford. The park is a popular meeting place for residents and visitors alike and now parents can take their children into the park where they'll be safely guarded by a new fence donated by Council and installed by the Lions Club.

Council appreciates the Lion's Club approaching us with the suggestion and manpower to help us fence the Wooroolin Park. Wooroolin has many young families who've preferred to travel to other towns because they feel more at ease when their children are playing in a fenced area. The Wooroolin Park is located on the Bunya Highway in Wooroolin.



## Kids Climb the Walls

Children in the South Burnett will benefit from Proceeds of Crime with three (3) new horizontal climbing walls being added to our parks. The horizontal climbing wall is the second one of this design in Australia.

The three (3) horizontal climbing walls will be erected at River Road Park in Kingaroy, Pioneer Park in Nanango and the Skate Park in Murgon. The project is fully funded under the Proceeds of Crime Act 2002 through the Attorney General's Department at a total cost of \$88,000. River Road is the first of three (3) projects to be completed.

The key to a horizontal climbing wall is to go from left to right without touching the top or bottom. They tend to be about 2.4 meters high so children can climb sideways without the need for safety equipment. They are designed so one side of the wall can be easier for the Juniors with the other side of the wall with a higher degree of difficulty once you have mastered the Junior wall. The walls are moulded and have the proper climbing cleats, which are the hand holds, and can be moved every few months to keep the wall challenging.

Once all three walls are completed, Council will be looking to find some local graffiti street artists to paint these walls. They will be multi-functional being both a piece of art and park equipment.



Photograph: (above) Manager Natural Resource Management and Parks, Mr Greg Griffith and Cr Kathy Duff inspecting the construction of the climbing wall in River Road Park, Kingaroy. (below) Murgon Climbing Wall and Skate Park.



## Streetscapes

Council has identified *Streetscapes* as one of its three legacies. As a result work has been done in many towns and villages to improve their amenity. Murgon CBD (pictured right), Wondai Village Green, and Nanango CBD have all been planned and work started during the year.

Murgon now boasts a CBD that has a treed centre that is lit by ground lights, resurfaced main street, and a heritage painted hall and shopping area.

Wondai's Village Green Stage 1 is completed and has transformed the centre of town. This has connected the town which was previously divided by a train track (this has now been removed).

Nanango, the Region's 1848 Pioneer town, has been concept planned for redevelopment in four (4) stages. The first two stages have been progressed to final design and the clearing of a site for a central business district park has been completed. Works will start in year 2013/14.



# Customer Service

## Customer Service



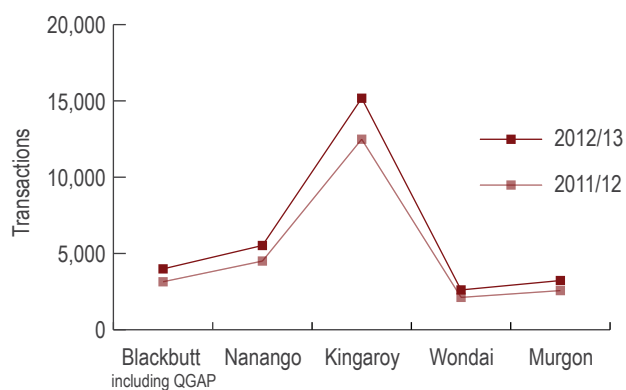
*Customer Request  
Response  
System targets  
80% of requests  
acknowledged  
in 10 days  
together with  
80% of customers  
receiving a formal  
response after  
defect inspection*

### Customer Request Response System Development and Implementation

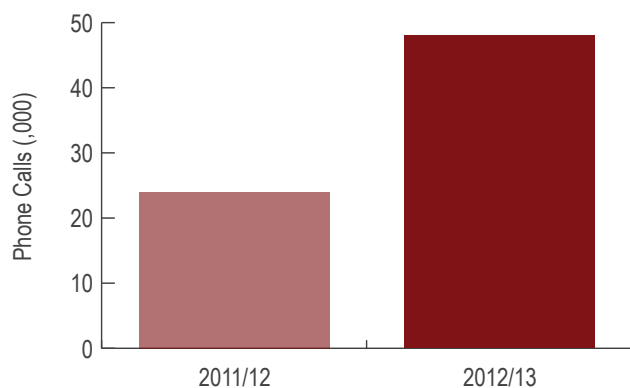
The flooding events for 2011 and early 2013 challenged Council's existing customer request system. In response to these demands the Roads and Drainage Infrastructure Administration Team worked closely with the Customer Contact Officers to develop a response system that ensured every road or drainage defect reported by the public was accurately and reliably reported and that customer receives a formal response.

This system has been working well and Council has confidence in its reliability. The reported defect is inspected by experienced officers and the appropriate action is determined and scheduled. The new Tech1 software system for creating and tracking Works Orders for all projects large and small is under development and is expected to further enhance the Customer Request Response System.

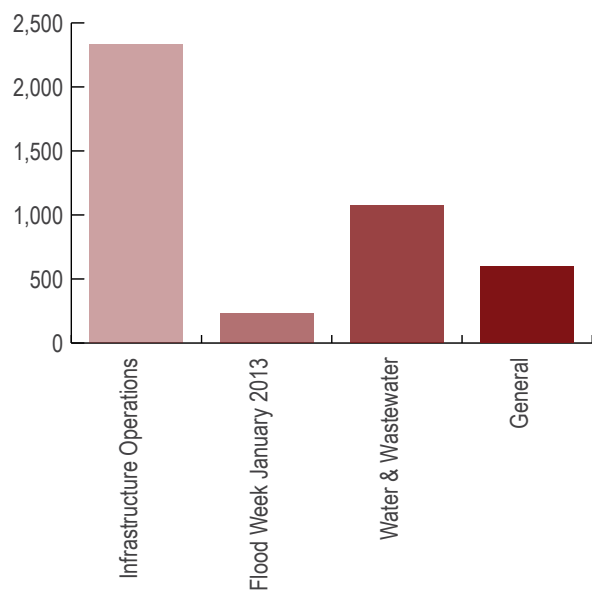
## Recepting



## Phone Calls



## Customer Requests



## Infrastructure Operations

Infrastructure Operations, 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.

Operations have 89 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 \$8.59 million for the financial year with a budgeted investment in roads and associated infrastructure of:

- Maintenance - Roads, drainage and footpaths \$3.7 million
- Construction - Roads and bridges \$4 million

*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)
- Black Spot
- SafeST
- Regional and Local Community Infrastructure Program (RLCIP)
- Queensland Rails (QR for the next 5 years)

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

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

Projects	Description
D'Aguilar Highway (Yarraman-Kingaroy)	Intersection Improvements – Peterson Drive
Kingaroy-Barkers Creek Road	PMB Reseal & Rehabilitation
Bunya Highway (Dalby-Kingaroy)	Rehabilitate and Widening Works – Youngman Street to River Road to Showgrounds
D'Aguilar Highway (Yarraman-Kingaroy)	Passing Lane North of Lucas Road

Transport Infrastructure Development Scheme (TIDS)	
Peterson Drive	Intersection Improvements
Manumbar Road	Construct to new seal 2 lane standard
Lamb Street	Footbridge
Kapernick Bridge	Replace bridge and approaches
Hivesville Road	Upgrade Floodways
TH Burns Road (Glencoe Road)	Widen and Seal
Nanango Brooklands Road	Rehabilitate and widen
Radunz Road	Widen and seal

SafeST	
Tanduringie State School	Passenger Set-down Facility
Winderar State School	Passenger Set-down Facility

Roads to Recovery (RTR)	
Crumpton Drive	Road upgrade to 8 m formation and 6.5 m seal
TH Burns Road	Road upgrade to 8 m formation and 6.5 m seal
Peterson Drive (Royles Road Intersection)	Widen the existing seal
Hivesville Road	Upgrade Floodway
Nanango Brooklands	Improve intersection of Nanango Brooklands and Darley Crossing Road

Revenue	
Millis Way, Nanango	Intersection improvement to Golf Club
Kumbia Apex Park, Roberts Street, Kumbia	Intersection Improvement
Transmitter Road (Bunya Hwy), Wooroolin	Intersection Improvement
Alice Creek Road	Culvert
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
Tessmann Road North, Kingaroy	Special Drainage Project

Regional Footpath Programme	
Glendon Street	(Haly Street – Alford Street), Kingaroy
Jarrah Street	(Haly Street – Fitzroy Street), Kingaroy
Baynes Street	(Baynes Street), Wondai
Stephen Street West	(Gore Street – Dr's Surgery), Murgon

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

*Performance – 48% 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.

Over expenditure of the maintenance budget was necessary due to the extreme wet weather last year. The wet weather caused weakening of the road pavements and scouring of unsealed roads. Where minor to moderate deterioration of the road surface is normally expected the excessive wet weather accelerated the deterioration of the road network faster than normal across the region.

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

*Performance – 48% expenditure*

## Department of Transport and Main Roads

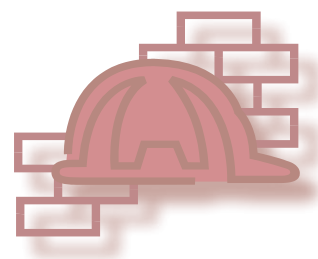
Council continues to deliver its Routine Maintenance Performance Contract (RMP) to DTMR. This year's contract totalled \$1,577,177 m inclusive of reseal preparation, with an additional \$450,000. Council completed 100% of this year's contract.

These flood events caused significant damage across the South Burnett region. Council submitted emergent works claims to the Federal Government via the Queensland Reconstruction Authority (QRA) under the Natural Disaster Relief and Recovery Arrangements (NDRRA) totalling \$4.6 m and an estimate reconstruction cost of \$50m. Additionally, the Department of Transport and Main Roads claims for damage to the region's Main Roads network totalled \$1,977,625 m.

# Service Delivery and Infrastructure

## 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

<b>SD1</b>	<b>Quality Customer Service</b>	
SD1.1	Establish customer service standards within resource capabilities that promote the delivery of quality services to all customers	✗ Postponed
<b>SD2</b>	<b>Infrastructure that meets our communities needs</b>	
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

Council Customer Service Centre, Murgon



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

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 2011/12

That in accordance with Section 92(5) of the *Local Government Act 2009* and Chapter 2 Part 8 of the Local government (Finance, Plans and Reporting) Regulation 2010 and on the basis of the principles laid down in Councils Revenue Statement, Council make and levy a Separate Charge - Environmental Levy of \$25 for the year ended 30 June 2013 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 2012 and ending 30 June 2013; and

The estimated cost of implementing the overall plan in 2012/13 is \$820,889 which includes grant funds and carry over funds from 2011/12.

This levy generated total revenue of \$442,722 (including interest of \$2,712.21 for the 2012/13 financial year.

Environmental Levy expenditure for the 2012/13 financial year was;

Programs	Allocation
Environmental Levy Operating Expenses	\$ 131,261
Biodiversity Programs	\$ 340,259
Significant Environment Areas Operating Expenses	\$10,159
Fire Management Programs	\$ 7,264
Erosion Control	\$ 1,392
<b>Total</b>	<b>\$490,335</b>

\$363,673 will be carried forward from previous years due to the flooding events that have affected the delivery of environmental programs.

### Special Charge - Rural Fire Brigades 2012/13

That in accordance with Section 92(3) of the *Local Government Act 2009* and Part 6 of the Local government (Finance, Plans and Reporting) Regulation 2010 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:-

- 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*).
- 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.
- The time for implementing the overall plan is 1 year commencing 1 July 2012 and ending 30 June 2013.
- The estimated cost of implementing the overall plan is \$222,000.

Area	Allocation
Abbeywood/Hivesville	\$4,763
Ballogie	\$13,899
Booie Rise	\$3,969
Brigooda	\$1,786
Brooklands	\$10,914
Bullcamp	\$992
Bunya Mountains	\$7,243
Cloyna	\$10,914
Coverty	\$8,533
Dangore	\$1,488
East Nanango	\$8,930
Glencoe	\$10,934
Kunioon Hodgeleigh	\$1,984
Maidenwell District	\$10,945
Malar Booie	\$9,426
McEuen	\$12,899
Mondure District	\$8,037
Rocky Creek	\$595
Sandy Ridges	\$10,914
South Nanango	\$15,875
Speedwell	\$2,084
Stuart River	\$15,399
Tablelands	\$7,938
Taromeo	\$22,821
Waringa	\$496
Wattle Grove	\$2,481
Wattlecamp	\$9,922

This levy generated revenue of \$216,180 for the 2012/13 financial year which was distributed to brigades during the year.

### Separate Charge - Waste Management Levy 2012/13

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 \$91.00 per rate assessment for the 2012/13 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 \$1,231,469.94 in the 2012/13 reporting period.

### Separate Charge - Community Rescue & Evacuation 2012/13

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 \$2 per annum for the year ended 30 June 2013, 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 \$154,346.36 in the 2012/13 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 2012 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 190KI 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 (*Operations*) Regulation 2010, 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 (*Operations*) Regulation 2010 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 (*Finance, Plans and Reporting*) Regulation 2010 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 (*Operations*) Regulation 2010 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:

- transparent and effective processes, and decision-making in the public interest; and
- sustainable development and management of assets and infrastructure, and delivery of effective services; and
- democratic representation, social inclusion and meaningful community engagement; and
- good governance of, and by, Local government; and
- 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.

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 judgements 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](http://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.

Remuneration packages for 2012/13 were:

- 4 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 2012/13 financial year. One Council employee undertook overseas travel in an official capacity as follows:

Council Officer: Ken McLoughlin, Chief Executive Officer

Destination: New Zealand

Purpose: Local government Chief Officers Group Conference

Cost: \$1,413.50

## 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. Four (4) complaints remained unresolved in the reporting period.

There was one unresolved Administrative Action Complaints carried over from 2011/12 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. rioid.

## 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 2012/13 they dealt with ten (10) 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 2012/13 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](http://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*)

Photograph: Kingaroy Library



# Councillor Discretionary Fund Allocations

The Council determined that for the 2012/13 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 2012/13 financial year.

## Cr Wayne Kratzmann

Purpose of Funding	Amount	Community Organisation (where applicable)
Gold sponsorship - Overcoming the hurdles of life through positive living! Gold & Pink Dinner	\$ 454.55	Orana Lutheran Complex
Support Gala Ball Fundraiser	\$ 615.25	Kingaroy Community Kindergarten
Community Fundraiser - Shave for a Cure	\$ 350.00	Leukaemia Foundation
Renewal of domain name registration	\$ 96.59	Community Website - Proston & Districts Online
New BBQ Donated	\$ 261.00	Friends of Cultcha
New BBQ Donated	\$ 228.28	Proston SES
Sponsorship - Major Prize for Nanart 2013	\$500.00	Nanart - Nanango Arts Festival
Donation - Wheatlands State School Centenary	\$500.00	Wheatlands State School
Pump Repairs	\$387.26	Murgon Golf Club

## Cr Barry Green

Purpose of Funding	Amount	Community Organisation (where applicable)
Sponsorship - Art Prizes	\$200.00	Nanango Art Society
Donation - Annual Mardi Gras Festival	\$300.00	Nanango Funfest Committee
Donation to support Vintage Car & Hot Rod Show, Maidenwell	\$200.00	South Burnett Gas Guzzlers
Food Hampers	\$525.00	The South Burnett Pantry Inc
Donation toward materials for Art Displays in Pioneer Park	\$375.00	Nanango Art Society

## Cr Kathy Duff

Purpose of Funding	Amount	Community Organisation (where applicable)
Lectern for Proston Hall	100.00	N/A SBRC Community Facility
Donation toward Food Vouchers	500.00	Salvation Army Rural Chaplaincy
Donation toward Website Development	1,000.00	Murgon Business and Development Association

## Cr Cheryl Dalton

Purpose of Funding	Amount	Community Organisation (where applicable)
Donation to purchase tables for town hall, Wooroolin	\$1,600.00	Wooroolin Community Committee Inc

## Cr Debra Palmer

Purpose of Funding	Amount	Community Organisation (where applicable)
Donation to Art Show	\$200.00	Winds of Change
Contribution to Signage	\$161.00	Tanduringie State School
Donation to purchase white goods/ furniture for Aged Units, Blackbutt	\$1,000.00	Blackbutt & Benarkin Aged Care Association Inc
Donation for Signage	\$100.00	Blackbutt Benarkin & District Tourism Association
Donation to assist SB Gas Guzzlers Inc - Car Show July	\$139.00	South Burnett Gas Guzzlers Rods & Customs Incorp

## Cr Damien Tessmann

Purpose of Funding	Amount	Community Organisation (where applicable)
Stefan Planic Bursary Donation	\$200.00	Kingaroy State High School
Donation toward purchase of new radios	\$1,400.00	135 Australian Army Cadets (Wondai)

## Cr Keith Campbell - Deputy Mayor

Purpose of Funding	Amount	Community Organisation (where applicable)
Directional signage	\$500.00	Saint Mary's Catholic College
First aid equipment, training resources and uniforms	\$1,400.00	St John's Ambulance Queensland
Donation to Time 4 Kids Program 2013	\$100.00	South Burnett PCYC

# 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 \$100,843 on Community Grants for the 2012/13 financial year.

Applicant	Purpose	Amount Approved	Applicant	Purpose	Amount Approved
Corey Smith	2013 International Open G-judo Tournament in Netherlands	\$250.00	Blackbutt garden & Country Lifestyle Expo (Lions Club)	Event Costs	\$500.00
Courtney Sippel	The National Exchange - Cricket Championships (Girls)	\$250.00	Boots & Bulldust Inc Festival	Event Costs	\$500.00
Jared Sippel	The National Exchange - Cricket Championships (Boys)	\$250.00	Brody Hatchman	Australian Youth Futsal Team Tour - China 2013	\$500.00
Jessica Allen	2012 Ten Pin Bowling Australia National Restricted Teams Challenge	\$250.00	Clive Weier	Australian Indoor Bias Bowls National Championships	\$500.00
Katie Paterson	2012 Athletics Australia AWD (Athletes with Disabilities) Junior Championships	\$250.00	Daphne Ladlow	Australian Indoor Bias Bowls National Championships	\$500.00
Les Porter	Sponsorship of the 'Flying Peanut' in the Great Endeavour Rally	\$250.00	Hivesville Christmas Carnival Committee - Christmas Carnival	Christmas Carnival	\$500.00
Proston State School Annual Award Night	Awards Night	\$250.00	Kingaroy & District Ministry Ass. Inc	Kingaroy Christmas Carols	\$500.00
Rachelle Murray		\$250.00	Kingaroy Lions Club Inc - Charity Rodeo	Charity Rodeo	\$500.00
Renee Irvine	School Sport Australia 12 and under Cricket Championship	\$250.00	Kingaroy State High School Annual Award Night	Awards Night	\$500.00
Stan Munday	2013 International Open G-judo Tournament in Netherlands	\$250.00	Kumbia Hall Committee - Christmas Carnival	Christmas Carnival	\$500.00
Sue Maynard	2012 Ten Pin Bowling Australia National Restricted Teams Challenge	\$250.00	Lions Club of Nanango Inc - Christmas Carnival	Christmas Carnival	\$500.00
Sylvia Hiltunen		\$250.00	Michelle Hunter	State of Origin - NSW vs QLD	\$500.00
Wondai Hospital Auxiliary Fete	Fete Costs	\$250.00	Murgon State School Annual Award Night	Awards Night	\$500.00
Wondai State School Annual Award Night	Awards Night	\$250.00	Nanango State High School Annual Award Night	Awards Night	\$500.00
Yarraman State School Annual Award Night	Awards Night	\$250.00	Nanart Arts Festival	Event Costs	\$500.00
Murgon & District Military History	Installation of Information Boards at 3rd Armoured Div Memorial Site	\$300.00	Proston & District Lions Club - Christmas Carnival	Christmas Carnival	\$500.00
Tableland Hall Association Inc.	Replacement of existing toilets	\$406.30	Proston Rally Car Club Inc	Event Costs	\$500.00
NAIDOC School Week Initiatives	Donation to NAIDOC Week	\$450.00	Proston State School P&C Assoc	2012 Spring Fete	\$500.00
Beth Weier	Australian Indoor Bias Bowls National Championships	\$500.00	Queensland Country Women's Association - Gympie & South Burnett Div	Central Region Meeting of QCWA	\$500.00
Blackbutt Benarkin Lions Club Inc - Christmas Carnival	Christmas Carnival	\$500.00	Quota International of Kingaroy Inc Student of the Year Quest	Student of the Year Quest	\$500.00

Applicant	Purpose	Amount Approved
RSPCA - Paws	Event Costs	\$500.00
Salvation Army	Refuse Costs	\$500.00
SB Orchid Society	Event Costs	\$500.00
Shelley Allen	2012 Ten Pin Bowling Australia National Restricted Teams Challenge & Seniors Challenge	\$500.00
South Burnett Community Orchestra Association Hall Hire	Hall Hire	\$500.00
South Burnett Regional Pipes & Drums	Operational Costs	\$500.00
South Burnett Reserve Forces Day Committee	Event Costs	\$500.00
South Burnett Sub-chamber of Agricultural Societies - Rural Ambassadors & Miss Showgirl	Rural Ambassadors & Miss Showgirl	\$500.00
St Vincent de Paul	Refuse Costs	\$500.00
St. Mary's Catholic College Annual Award Night	Awards Night	\$500.00
The Blackbutt Singers	Hall Hire	\$500.00
Vincent Larkin	Australian Indoor Bias Bowls National Championships	\$500.00
Wondai & District Town Band Association - Operational Costs	Operational Costs	\$500.00
Wondai Garden Expo (Autumn)	Event Costs	\$500.00
Wondai Garden Expo (Spring)	Event Costs	\$500.00
Wondai Prostin Mini Mods Carnival	Event Costs	\$500.00
Proston Community Kitchen - Auspiced Meals on Wheels?	Community Kitchen	\$600.00
Blackbutt Show Society	Event Costs	\$1,000.00
Booie Hall Association Public Liability Insurance	Public Liability Insurance	\$1,000.00
Boondooma Historical Society Restoration Committee - Spirit of the Bush	Spirit of the Bush Event Costs	\$1,000.00
Brahmousin Association - Cattle School	Event Costs	\$1,000.00
Burrandowan Campdraft Association Inc.	Campdraft	\$1,000.00
Chahingah Reserve Association Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00

Applicant	Purpose	Amount Approved
Farmers Hall Inverlaw Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Go Getta Girls Inc	Mothers Day Classic	\$1,000.00
Golden Casket Variety Special Children's Christmas Party	Campdraft	\$1,000.00
Growing the Burnett Inc	To assist with the establishment of a mid-week fresh food market	\$1,000.00
Ironpot Farmers Hall Association Public Liability Insurance	Public Liability Insurance	\$1,000.00
Kingaroy Show Society	Event Costs	\$1,000.00
Kumbia & District Charity Campdraft Association	Campdraft	\$1,000.00
Kumbia Hall Committee Public Liability Insurance	Public Liability Insurance	\$1,000.00
Kumbia Race Club Inc.	Races	\$1,000.00
Murgon Music Muster	Event Costs	\$1,000.00
Murgon Show Society	Event Costs	\$1,000.00
Nanango AP & I Society	Event Costs	\$1,000.00
Nanango Campdraft Association	Campdraft	\$1,000.00
Nanango Country Music Muster	Event Costs	\$1,000.00
Nanango Race Club	Races	\$1,000.00
Peanut Festival - Motors in Motion	Event Costs	\$1,000.00
Proston Goldenspurrs Campdraft Association	Campdraft	\$1,000.00
Proston Show Society	Event Costs	\$1,000.00
QLD Dairy & Heriatge Museum Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Relay for Life	Event Costs	\$1,000.00
South Burnett Race Club - Wondai Races	Races	\$1,000.00
Tableland Hall Association Inc. Public Liability Insurance	Public Liability Insurance	\$1,000.00
Wheatlands State School P&C Committee	Wheatlands State School Centenary Celebrations	\$1,000.00
Wondai AP&I Society	Event Costs	\$1,000.00
Wooroolin Hall Public Liability Insurance	Public Liability Insurance	\$1,000.00
QCWA Hivesville Branch	Installation of new Hot water System and Pressure Pump	\$1,200.00
Kumbia Kindergarten Inc	A Classic Casino Night	\$1,818.18

Applicant	Purpose	Amount Approved
Tanduringie State School P&C Assoc	Maidenwell Hotel Bullride	\$2,000.00
Nanango Golf Club	Upgrade to Clubhouse	\$2,007.00
Crow FM	Emergency Generator	\$2,312.00
Bloomin' Beautiful Blackbutt Festival	Event Costs	\$3,000.00
Burrandowan Picnic Race Club	Races	\$3,000.00
Nanango Funfest	Event Costs	\$3,000.00
SB Events Food & Wind in the Park	Event Costs	\$3,000.00
The South Burnett Pantry Inc.	Fuel & Transport Costs	\$3,000.00
Wooroolin Lions Club	Building of Canteen - Wooroolin Sports Ground	\$3,000.00
SB Care	Operational Costs	\$18,000.00

Photograph: Grape vines, Murgon



# FINANCIAL STATEMENTS

# South Burnett Regional Council

## Financial Statements

### For the year ended 30 June 2013

#### Table of contents

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

- 1 Significant Accounting Policies
- 2 Analysis of Results by Function
- 3 Revenue Analysis
- 4 Grants, Subsidies, Contributions and Donations
- 5 Capital Expenditure
- 6 Employee Benefits
- 7 Materials and Services
- 8 Finance Costs
- 9 Depreciation and Amortisation
- 10 Cash and Cash Equivalents
- 11 Trade and Other Receivables
- 12 Inventories
- 13 Investments
- 14 Investment Property
- 15 Property, Plant and Equipment
- 16 Intangible Assets
- 17 Trade and Other Payables
- 18 Borrowings
- 19 Provisions
- 20 Asset Revaluation Surplus
- 21 Retained Surplus/(Deficiency)
- 22 Reserves
- 23 Commitments for Expenditure
- 24 Contingent Liabilities
- 25 Superannuation
- 26 Trust Funds
- 27 Reconciliation of Net Result for the year to net cash inflow (outflow) from Operating Activities
- 28 Events After the Reporting Period
- 29 Financial Instruments

Management Certificate

**South Burnett Regional Council**  
**Statement of Comprehensive Income**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3(a)	32,872,421	30,754,566
Fees and charges	3(b)	3,278,562	3,393,786
Rental income	3(c)	694,060	626,079
Interest received	3(d)	1,470,809	2,366,857
Sales revenue	3(e)	6,119,153	4,842,608
Other income	3(f)	844,322	1,096,874
Grants, subsidies, contributions and donations	4(a)	32,393,913	11,997,391
		<u>77,673,240</u>	<u>55,078,161</u>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	4(b)	2,165,464	6,050,315
<b>Total revenue</b>		<u>79,838,704</u>	<u>61,128,476</u>
<b>Total income</b>		<u>79,838,704</u>	<u>61,128,476</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(22,744,483)	(22,409,988)
Materials and services	7	(69,257,507)	(24,102,619)
Finance costs	8	(744,812)	(687,945)
Depreciation and amortisation	9	(11,284,169)	(10,442,688)
		<u>(104,030,971)</u>	<u>(57,643,239)</u>
<b>Capital expenses</b>	5	(138,138)	(2,855,393)
<b>Total expenses</b>		<u>(104,169,109)</u>	<u>(60,498,632)</u>
<b>Net result</b>		<u>(24,330,405)</u>	<u>629,843</u>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase / (decrease) in asset revaluation surplus	20	(13,064,317)	(57,539,628)
<b>Total other comprehensive income for the year</b>		<u>(13,064,317)</u>	<u>(57,539,628)</u>
<b>Total comprehensive income for the year</b>		<u>(37,394,722)</u>	<u>(56,909,785)</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**  
as at 30 June 2013

		Council	
		2013	2012
	Note	\$	\$
<b>Current assets</b>			
Cash and cash equivalents	10	34,697,138	46,222,303
Trade and other receivables	11	5,633,967	7,530,687
Inventories	12	943,697	980,166
Investments	13	10,000	10,000
		<u>41,284,802</u>	<u>54,743,156</u>
<b>Total current assets</b>		<u>41,284,802</u>	<u>54,743,156</u>
<b>Non-current assets</b>			
Trade and other receivables	11	22,843	23,624
Investment property	14	6,359,998	6,590,124
Property, plant and equipment	15	482,460,006	504,752,418
Intangible assets	16	7,786,872	6,234,639
<b>Total non-current assets</b>		<u>496,629,719</u>	<u>517,600,804</u>
<b>Total assets</b>		<u>537,914,521</u>	<u>572,343,960</u>
<b>Current liabilities</b>			
Trade and other payables	17	6,218,812	6,157,159
Borrowings	18	830,841	578,743
Provisions	19	3,142,951	2,596,090
<b>Total current liabilities</b>		<u>10,192,604</u>	<u>9,331,992</u>
<b>Non-current liabilities</b>			
Borrowings	18	11,681,355	8,452,712
Provisions	19	4,639,069	5,763,042
<b>Total non-current liabilities</b>		<u>16,320,424</u>	<u>14,215,754</u>
<b>Total liabilities</b>		<u>26,513,028</u>	<u>23,547,745</u>
<b>Net community assets</b>		<u>511,401,493</u>	<u>548,796,215</u>
<b>Community equity</b>			
Asset revaluation surplus	20	114,034,559	127,098,876
Retained surplus/(deficiency)	21	397,366,934	389,331,406
Reserves	22	-	32,365,933
<b>Total community equity</b>		<u>511,401,493</u>	<u>548,796,215</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 2013

#### Council

	Asset revaluation surplus	Retained Surplus	Reserves	Total
Note	20 \$	21 \$	22 \$	\$
<b>Balance as at 1 July 2012</b>	127,098,876	389,331,406	32,365,933	548,796,215
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)
<b>Total comprehensive income for the year</b>	<b>(13,064,317)</b>	<b>(24,330,405)</b>	<b>-</b>	<b>(37,394,721)</b>
<b>Transfers to and from reserves</b>				
Transfers from reserves	-	32,365,933	(32,365,933)	-
Total transfers to and from reserves	-	32,365,933	(32,365,933)	-
<b>Balance as at 30 June 2013</b>	<b>114,034,559</b>	<b>397,366,934</b>	<b>-</b>	<b>511,401,493</b>
<b>Balance as at 30 June 2011</b>	<b>184,638,505</b>	<b>377,720,599</b>	<b>43,346,896</b>	<b>605,706,000</b>
Net Result	-	629,843	-	629,843
Other comprehensive income for the year				
Increase / (decrease) in asset revaluation surplus	(57,539,628)	-	-	(57,539,628)
<b>Total comprehensive income for the year</b>	<b>(57,539,628)</b>	<b>629,843</b>	<b>-</b>	<b>(56,909,785)</b>
<b>Transfers to and from reserves</b>				
Transfers to reserves	-	10,980,963	(10,980,963)	-
Total transfers to and from reserves	-	10,980,963	(10,980,963)	-
<b>Balance as at 30 June 2012</b>	<b>127,098,876</b>	<b>389,331,406</b>	<b>32,365,933</b>	<b>548,796,215</b>

The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.

**South Burnett Regional Council**  
**Statement of Cash Flows**  
For the year ended 30 June 2013

Note	Council	
	2013 \$	2012 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	44,854,714	40,265,416
Payments to suppliers and employees	(83,027,465)	(46,855,431)
	(38,172,751)	(6,590,015)
Interest received	1,470,809	2,366,857
Rental income	694,060	626,079
Non capital grants and contributions	32,393,913	11,997,391
Borrowing costs	(744,812)	(687,945)
<b>Net cash inflow (outflow) from operating activities</b>	27 (4,358,781)	7,712,368
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(13,777,194)	(16,710,933)
Net movement in loans and advances	30,781	(35,776)
Proceeds from sale of property plant and equipment	933,824	433,790
Grants, subsidies, contributions and donations	2,165,464	6,050,315
<b>Net cash inflow (outflow) from investing activities</b>	(10,647,125)	(10,262,605)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	4,000,000	-
Repayment of borrowings	(519,259)	(663,730)
<b>Net cash inflow (outflow) from financing activities</b>	3,480,741	(663,730)
<b>Net increase (decrease) in cash and cash equivalent held</b>	(11,525,165)	(3,213,967)
<b>Cash and cash equivalents at the beginning of the financial year</b>	46,222,303	49,436,270
<b>Cash and cash equivalents at end of the financial year</b>	10 34,697,138	46,222,303

*The above statement should be read in conjunction with the accompanying notes and Summary of Significant Accounting Policies.*

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**1 Significant Accounting Policies**

**1.A Basis of Preparation**

These general purpose financial statements are for the period 1 July 2012 to 30 June 2013 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 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 and the recognition of assets and liabilities of the former Councils at the amounts at which they were recognised by the transferor local governments.

**1.C Basis of 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 2013 and nor do they incorporate the results of the controlled entities for the year ended 30 June 2013. 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.

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Effective for annual report periods beginning on or after:
AASB 9 Financial Instruments (December 2009)	1 January 2015
AASB 10 Consolidated Financial Statements	1 January 2013
AASB 11 Joint Arrangements	1 January 2013
AASB 12 Disclosure of interests in other entities	1 January 2013
AASB 13 Fair Value Measurement	1 January 2013
AASB 119 Employee benefits (completely replaces existing standard)	1 January 2013
AASB 127 Separate Financial Statements (replaces the existing standard together with AASB 10)	1 January 2013
AASB 128 Investments in Associates and Joint Ventures (replaces the existing standard)	1 January 2013
AASB 1053 Application of Tiers of Australian Accounting Standards	1 July 2013
AASB 1055 Budgetary Reporting	1 July 2014
2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)	1 January 2015
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	1 July 2013
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2015
AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets	1 January 2012
AASB 2010-10 Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters	1 January 2013
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements	1 July 2013
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	1 July 2012
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	1 July 2013
AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements	1 July 2013
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 January 2013
AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13	1 January 2013
AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income	1 July 2012
AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)	1 January 2013
AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	1 July 2013
AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20 (AASB 1)	1 January 2013
AASB 2011-13 Amendments to Australian Accounting Standard - Improvements to AASB 1049	1 July 2012
AASB 2012-1 Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, AASB 7, AASB 13, AASB 140 & AASB 141]	1 July 2013
AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]	1 January 2014
AASB 2012-4 Amendments to Australian Accounting Standards – Government Loans [AASB 1]	1 January 2013
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]	1 January 2013

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

<i>AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures</i> <i>[AASB 9, AASB 2009-11, AASB 2010-7, AASB 2011-7 &amp; AASB 2011-8]</i>	1 January 2013
<i>AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i> <i>[AASB 7, AASB 12, AASB 101 &amp; AASB 127]</i>	1 July 2013
<i>AASB 2012-9 Amendment to AASB 1048 arising from the Withdrawal of Australian Interpretation 1039</i>	1 January 2013
<i>AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments</i> <i>[AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 &amp; 2011-7 and Interpretation 12]</i>	1 January 2013
<i>AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments</i> <i>[AASB 1, AASB 2, AASB 8, AASB 10, AASB 107, AASB 128, AASB 133, AASB 134 &amp; AASB 2011-4]</i>	1 July 2013
<i>AASB 2013-1 Amendments to AASB 1049 - Relocation of Budgetary Reporting Requirements</i>	1 July 2014
<i>Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2013

**AASB 9 Financial Instruments (effective from 1 January 2015)**

AASB 9, which replaces AASB 139 Financial Instruments: Recognition and Measurement, is effective for reporting periods beginning on or after 1 January 2015 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

These standards aim to improve the accounting requirements for consolidated financial statements, joint arrangements and off balance sheet vehicles.

The AASB is planning to amend AASB 10. The amendments are expected to clarify how the IASB's principles about control of entities should be applied by not-for-profit entities in an Australian context. Hence, the South Burnett Regional Council is not yet in a position to reliably determine the future implications of these new and revised standards for the council's financial statements.

AASB10 redefines and clarifies the concept of control of another entity, and is the basis for determining which entities should be consolidated into another entity's financial statements. Once the AASB finalises its not-for-profit amendments to AASB 10, the South Burnett Regional Council will reassess the nature of its relationships with other entities, including entities that aren't currently consolidated.

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 arrangement. Subject to any not-for-profit amendments to be made to AASB 11, the South Burnett Regional Council will need to assess the nature of any arrangements with other entities to determine whether a joint arrangement exists in terms of AASB 11.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**AASB 13 Fair Value Measurement (AASB 13)**

AASB 13 applies to reporting periods beginning on or after 1 January 2013 and will therefore be applied by Council in the 2013-14 reporting period. This standard is not required to be applied retrospectively, therefore there is no impact from the application of AASB 13 to values or other disclosures in the 2012-13 financial statements.

The standard sets out a new definition of "fair value", as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of the Council's assets and liabilities (excluding leases) that are measured and/or disclosed at fair value or another measurement based on fair value. The key changes will relate to the level of disclosures required.

The South Burnett Regional Council has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don't comply, the necessary changes will be implemented. While the Council is yet to complete this review, no significant changes are anticipated, based on the fair value methodologies presently used. Therefore, and at this stage, no consequential material impacts are expected for the South Burnett Regional Council's property, plant and equipment as from 2013-14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. The recognised fair values will be classified according to the following fair value hierarchy that reflects the significance of the inputs used in making these measurements:

Level 1 - Fair values that reflect the unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Fair values that are based on inputs other than quoted prices that are directly or indirectly observable for the asset or liability

Level 3 - Fair values that are derived from data not observable in an active market.

To the extent that any fair value measurement for an asset or liability uses data that is not "observable" outside the Council, the amount of information to be disclosed will be relatively greater.

**Amendments to AASB 119 Employee Benefits**

A revised version of AASB 119 Employee Benefits applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively.

The revised standard includes changed criteria for accounting for employee benefits as "short-term employee benefits". Had the South Burnett Regional Council applied the revised standard this year, no reported amounts would have been amended as the Council already discounts the annual leave liability.

The concept of "termination benefits" is clarified and the recognition criteria for liabilities for terminations benefits will be different. If termination benefits meet the timeframe criterion for "short-term employee benefits", they will be measured according to the AASB 119 requirements for "short-term employee benefits". Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for "other long-term employee benefits". Under the revised standard, the recognition and measurement of employer obligations for "other long-term employee benefits" will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. The South Burnett Regional Council contributes to the Local Government Superannuation Scheme (Qld) as disclosed in note 26. The revised standard will require South Burnett Regional Council to make additional disclosures regarding the Defined Benefits Fund element of the scheme. There is 56 employees currently on Defined Benefit Plans.

The reported results and position of the council will not change on adoption of the other pronouncements as they do not result in any changes to the council's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements. The council does not intend to adopt any of these pronouncements before their effective dates.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**1.H Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of Council's accounting policies, management is required to make judgements, 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. Judgements, 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 15  
Contingencies - Note 24  
Provisions - Note 1 (v) and Note 1 (x) and Note 19  
Investment Property - Note 1 (p) and Note 14  
Intangible Assets - Note 1 (r) and Note 16 including:  
- valuation and impairment of water allocation assets.

**1.I 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. In the financial year ended 30 June 2012, and previous years, an equivalent amount was transferred from retained earnings to the relevant reserve until the funds were expended. Unspent non-reciprocal capital grants were placed in the Unspent capital grants reserve. On 10 May 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.

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 the 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

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

Council receives cash contributions from property developers to construct assets such as roads and footpaths and to connect new property developments to water and sewerage networks in the local government area. Where agreements between Council and the developers relating to these contributions are determined to fall within the scope of AASB *Interpretation 18 Transfers of Assets from Customers* these contributions are recognised as revenue when the related service obligations are fulfilled.

Developers may also make cash contributions towards the cost of constructing existing and proposed water supply and sewerage headwork's in accordance with Council's planning scheme policies. (Headworks including pumping stations, treatment works, mains, sewers and water pollution control works). Cash contributions in relation to water supply and sewerage headwork's are not within the scope of AASB *Interpretation 18* because there is no performance obligation associated with these contributions. Consequently, these cash contributions are recognised as income when received.

AASB *Interpretation 18* has been applied prospectively from 1 July 2009. All cash contributions were recognised as revenue on receipt prior to 1 July 2009.

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

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 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 that 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.

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)

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

Borrowings - measured at amortised cost (Note 1 w)

Finance lease liabilities - measured at amortised cost (Note 1 v)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

The fair value of financial instruments is determined as follows:

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts and are not disclosed separately.

The fair value of borrowings, as disclosed in Note 18 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

The fair value of trade receivables approximates the amortised cost less any impairment. The fair value of payables approximates the amortised cost.

South Burnett Regional Council does not recognise financial assets or financial liabilities at fair value in the Statement of Financial Position.

**1.K Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at the 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. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

All known bad debts were written-off at 30 June 2013. 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 receivables.

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 2013

**1.M Inventories**

Stores, raw materials and water held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted 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 2013 Council did not have 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. This includes land held by Council for a currently undetermined future use.

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 2013

**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  
Plant and Equipment  
Sewerage  
Buildings  
Roads, Drainage and Bridge Network  
Work in progress  
Major Plant & Equipment  
Water

Acquisition 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 and 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 means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

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, buildings, major plant and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with *AASB116 Property, Plant and Equipment*. Other plant and equipment and Work in Progress are measured at cost.

Land, buildings and major plant 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 comprehensively revaluing these assets at least once every five years, with interim valuations using a suitable index being otherwise performed on an annual basis where there has been a material variation in the index. The indexation percentage for the buildings valuations has been derived from reference to costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook), Construction Data from the Australian Bureau of Statistics and APV Valuers own internal market research and costings.

Infrastructure assets are revalued annually by assessing unit rates based on actual cost.

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 that asset class.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

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.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Details of valuers and methods of valuations are disclosed in Note 15.

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 assets 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.

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in Note 15.

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 performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 15.

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.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**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.

It has been determined that Council's Intangible Assets have an indefinite useful life, and the assets are therefore not amortised. The assets are carried at costs less accumulated impairment charges.

Water Allocation Assets are held at cost. A high level analysis of Water Allocation Assets has been carried out which resulted in no impairment. A full review will be undertaken during the 2014 financial year.

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 of expected benefit to Council. The new business system will be implemented in the financial year ending 30 June 2014.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate. Details of the estimated useful lives assigned to each class of intangible assets are shown in Note 16.

**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 a 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.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**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 it is expected that the leave will be paid in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

Salaries and Wages

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 17 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 17 as a payable.

Sick Leave

Council expenses sick leave as it taken and therefore no liability has been recognised for this obligation. No entitlement rests 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 the Council's employment or other associated employment which would result in the 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 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 19 as a provision.

**1.W Borrowings 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.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**1.X Restoration Provision**

A provision is made for the cost of restoration in respect of refuse dumps and quarries 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 19.

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*

The provision represents the present value of the anticipated future costs associated with the closure of 32 old and operating refuse disposal sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires 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 2034 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 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 quarry 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 2042 and that the restoration on the various sites will occur progressively after closing.

The gravel pits and waste landfill facilities are situated on Council controlled land they are classified 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.

**1Y 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 assets 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 reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**1.Z Retained Surplus**

This represents the amount of Council's net funds not set aside in reserves (refer Note 1.AA) to meet specific future needs.

**1.AA Reserves**

Council's cash and cash equivalents are subject to a number of internal restrictions that limit the amount that is available for discretionary or future use. In prior years council accounted for these restrictions using a system of 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.

The former reserves operated as follows:

Future Capital Works Reserve

This reserve represents amounts set aside for the future development within the South Burnett Regional Council area.

Asset Replacement Reserve

This reserve represents amounts set aside for the future replacement of Council assets.

Constrained Public Contributions Reserve

This reserve represents the unspent portion of contributions from the public towards specific community projects.

Constrained Works Reserve

This reserve represents contributions received for capital work where the required works have not yet been carried out. Unspent grants received by Council are also placed in this reserve until the obligation is satisfied.

Future Recurrent Expenditure Reserve

This is a cash backed reserve and represents amounts that are accumulated within the Council to meet anticipated future recurrent or operating expenditure needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

**1.AB National Competition Policy**

The Council has reviewed its activities to identify its business activities. As no activities meet the thresholds setout 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.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**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 in 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 ATO or payable to the ATO is shown as an asset or liability respectively.

The Council pays payroll tax to the Queensland Government on certain activities.

**1.AF Carbon Pricing**

In 2011 the Australian Government introduced a Clean Energy Legislation package. One aspect of this package, which impacts Council indirectly is the introduction of a pricing mechanism for greenhouse gas emissions in the Australian economy.

Council operates a number of small landfill facilities that have annual emissions of carbon dioxide equivalent that are below the individual site threshold of 25,000 tonnes. Council modelling indicates that the facilities are unlikely to exceed this threshold in the foreseeable future therefore no direct liability has arisen, or is likely to arise as a result of this legislation.

Council has been, and will continue to be indirectly impacted through increased costs arising from the carbon pricing mechanism. The most significant of these will be electricity and fuel. Commonwealth Treasury modelling published in July 2011 in the document "Strong growth, low pollution modelling a carbon price" indicates that the carbon pricing is expected to increase electricity prices by 10% within 5 years from 1 July 2012 and increase other costs by 0.7% on inflation. In addition fuel tax credits will be progressively reduced over the initial fixed price period.

Council's latest modelling indicates that electricity and fuel is likely to increase as follows:

<b>Year</b>	<b>Electricity \$</b>	<b>Fuel \$</b>
2014	94,814	616,287
2015	39,822	794,823

In light of the recent change in federal government the future of the legislation remains uncertain. The above disclosure represents the estimated impact of the legislation as it stands as at the date of approval of these financial statements. In the event that the legislation is repealed or replaced, council will reassess the impact, if any, on electricity and fuel costs.

## **2. Analysis of Results by Function**

### **2(a) Components of council functions**

The activities relating to the Council's components reported on in Note 2(b) 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 2013

**2 Analysis of Results by Function**

(b) Income and expenses defined between recurring and capital are attributed to the following functions:

**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	Net Result	Assets
	Recurrent		Capital		Recurrent	Capital									
	Grants	Other	Grants	Other											
	2013	2013	2013	2013											
	\$	\$	\$	\$					2013	\$					
Organisational Excellence	5,088,749	20,690,996		165,665	-	-	25,945,410	13,063,984	138,138	-	13,202,122	12,715,761	12,743,288	510,826,040	
Enhancing Our Communities	487,796	2,452,037		228,750	-	-	3,168,583	8,369,689	-	-	8,369,689	(5,429,856)	(5,201,106)	3,007,512	
Growth & Opportunity	-	101,335		-	-	-	101,335	446,531	-	-	446,531	(345,196)	(345,196)	233,387	
Our Environment	125,000	1,295,660		-	-	-	1,420,660	4,454,841	-	-	4,454,841	(3,034,181)	(3,034,181)	126,376	
Service Delivery & Infrastructure	26,692,368	20,739,299		1,771,049	-	-	49,202,716	77,695,926	-	-	77,695,926	(30,264,259)	(28,493,210)	23,721,206	
Total Council	32,393,913	45,279,327		2,165,464	-	-	79,838,704	104,030,971	138,138	-	104,169,109	(26,357,731)	(24,330,405)	537,914,521	
Controlled entity net of eliminations	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Total consolidated	32,393,913	45,279,327		2,165,464	-	-	79,838,704	104,030,971	138,138	-	104,169,109	(26,357,731)	(24,330,405)	537,914,521	

**Year ended 30 June 2012**

Functions	Gross program income						Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations	Net Result	Assets
	Recurring		Capital		Recurring	Capital									
	Grants	Other	Grants	Other											
	2012	2012	2012	2012											
	\$	\$	\$	\$											
Organisational Excellence	7,942,335	21,360,062		5,621	-	-	29,308,018	11,493,699	2,313,744	-	13,807,443	17,808,698	15,500,575	535,555,049	
Enhancing Our Communities	864,948	2,495,412		835,044	-	-	4,195,404	8,571,898	-	-	8,571,898	(5,211,538)	(4,376,494)	5,450,328	
Growth & Opportunity	-	122,723		-	-	-	122,723	636,686	-	-	636,686	(513,963)	(513,963)	557,771	
Our Environment	516,564	1,458,185		6,212	-	-	1,980,961	3,795,890	-	-	3,795,890	(1,821,141)	(1,814,929)	142,595	
Service Delivery & Infrastructure	2,673,544	17,644,387		5,203,438	-	-	25,521,369	33,145,066	541,649	-	33,686,715	(12,827,135)	(8,165,346)	30,638,217	
Total Council	11,997,391	43,080,769		6,050,315	-	-	61,128,475	57,643,239	2,855,393	-	60,498,632	(2,565,079)	629,843	572,343,960	
Controlled entity net of eliminations	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Total consolidated	11,997,391	43,080,769		6,050,315	-	-	61,128,475	57,643,239	2,855,393	-	60,498,632	(2,565,079)	629,843	572,343,960	

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

Note	Council	
	2013 \$	2012 \$
<b>3 Revenue Analysis</b>		
<b>(a) Rates, levies and charges</b>		
General rates / Community levy	21,141,128	20,544,361
Separate rates	2,076,699	1,705,652
Water	3,930,679	3,578,347
Water consumption, rental and sundries	2,835,866	2,722,005
Sewerage	3,490,655	2,721,592
Waste management	2,510,322	2,348,706
Total rates and utility charge revenue	35,985,349	33,620,664
Less: Discounts	(2,757,103)	(2,516,408)
Less: Pensioner remissions	(355,825)	(349,690)
	<u>32,872,421</u>	<u>30,754,566</u>
<b>(b) Fees and charges</b>		
Other fees and charges	3,278,562	3,393,786
	<u>3,278,562</u>	<u>3,393,786</u>
<b>(c) Rental income</b>		
Investment property rental	694,060	626,079
	<u>694,060</u>	<u>626,079</u>
<b>(d) Interest received</b>		
Interest received from term deposits	1,255,751	2,155,069
Interest from overdue rates and utility charges	215,058	211,788
	<u>1,470,809</u>	<u>2,366,857</u>
<b>(e) Sales revenue</b>		
<b>Sale of services</b>		
Contract and recoverable works	6,119,153	4,842,608
	<u>6,119,153</u>	<u>4,842,608</u>
<b>(f) Other recurrent income</b>		
Other income	844,322	1,096,874
	<u>844,322</u>	<u>1,096,874</u>
<b>4 Grants, Subsidies, Contributions and Donations</b>		
<b>(a) Recurrent</b>		
General purpose grants	7,046,159	10,421,922
State government subsidies and grants	17,564,689	1,413,128
Donations	909	-
Commonwealth government subsidies and grants	7,747,284	122,563
Contributions	34,872	39,779
	<u>32,393,913</u>	<u>11,997,391</u>
<b>(b) Capital</b>		
State government subsidies and grants	1,959,541	5,817,075
Contributions	205,923	196,240
Donations	-	37,000
	<u>2,165,464</u>	<u>6,050,315</u>

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

		Council	
	Note	2013 \$	2012 \$
<b>Conditions over contributions</b>			
Contributions recognised as income during the reporting period and obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date are as follows:-			
Non-reciprocal grants for expenditure on services		3,053,842	243,374
Non-reciprocal grants for expenditure on infrastructure		2,764,436	2,141,867
Developer contributions for infrastructure		33,700	196,240
		<u>5,851,978</u>	<u>2,581,481</u>
<b>5 Capital Expenditure</b>			
<b>Gain / loss on disposal of non-current assets</b>			
(a) Proceeds from the sale of property, plant and equipment		809,595	385,660
Less: Book value of property, plant and equipment disposed of		(663,690)	(2,963,183)
		<u>145,905</u>	<u>(2,577,523)</u>
(b) Proceeds from sale of land and improvements		124,229	48,130
Less: Book value of land sold		(115,000)	(326,000)
		<u>9,229</u>	<u>(277,870)</u>
<b>Revaluations</b>			
Revaluation down of investment property	14	(293,272)	-
		<u>(293,272)</u>	<u>-</u>
Total capital income		<u>(138,138)</u>	<u>(2,855,393)</u>
<b>6 Employee Benefits</b>			
Total staff wages and salaries		20,424,692	15,793,780
Councillors' remuneration		493,990	485,996
Annual, sick and long service leave entitlements		3,063,858	4,552,151
Superannuation	25	2,307,970	2,208,020
		<u>26,290,510</u>	<u>23,039,947</u>
Other employee related expenses		30,586	61,401
		<u>26,321,096</u>	<u>23,101,348</u>
Less: Capitalised employee expenses		(3,576,613)	(691,361)
		<u>22,744,483</u>	<u>22,409,988</u>

Councillor remuneration represents salary, superannuation contributions and other allowances paid in relation to the carrying out of their duties.

	2013 #s	2012 #s
Total Council employees at the reporting date:		
Elected members	7	7
Administration staff	164	157
Depot and outdoors staff	139	148
Total full time equivalent employees	<u>310</u>	<u>312</u>

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

		Council	
		2013	2012
	Note	\$	\$
<b>7 Materials and Services</b>			
Advertising and marketing		124,312	280,019
Administration supplies and consumables		348,962	398,516
Audit of annual financial statements by the Auditor-General of Queensland		205,380	193,440
Bad Debt Expense		68,058	-
Communications and IT		1,195,706	901,876
Consultants		415,701	1,092,266
Contractors		30,119,528	9,168,799
Donations paid		300,535	22,921
Power		1,900,318	1,770,274
Repairs and maintenance		28,875,967	4,412,348
Rentals - operating leases		125,348	302,521
Subscriptions and registrations		109,497	123,378
Travel		28,641	73,670
Other materials and services		5,439,554	5,362,591
		<u>69,257,507</u>	<u>24,102,619</u>
<b>8 Finance Costs</b>			
Finance costs charged by the Queensland Treasury Corporation		654,487	584,629
Bank charges		90,325	103,316
		<u>744,812</u>	<u>687,945</u>
<b>9 Depreciation and Amortisation</b>			
<b>Depreciation of non-current assets</b>			
Buildings		2,362,375	2,042,580
Major Plant and equipment		13,251	1,289
Other plant and equipment		1,745,794	1,541,233
Road, drainage and bridge network		3,836,984	3,855,985
Water		2,012,928	1,688,764
Sewerage		1,312,837	1,312,837
Total depreciation and amortisation	15	<u>11,284,169</u>	<u>10,442,688</u>

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

Note	Council	
	2013 \$	2012 \$
<b>10 Cash and Cash Equivalents</b>		
Cash at bank and on hand	8,566,878	6,394,453
Deposits at call	26,130,260	21,371,519
Term deposits	-	18,456,331
Balance per Statement of Cash Flows	<u>34,697,138</u>	<u>46,222,303</u>

Councils 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	5,818,278	18,769,686
Unspent developer contributions	4,515,705	5,111,806
Unspent loan monies	3,161,997	5,259
*Internally imposed expenditure restrictions at the reporting date:		
Future capital works	8,870,037	-
Future recurrent expenditure	2,960,281	-
Total unspent restricted cash	<u>25,326,298</u>	<u>23,886,751</u>

\* These restrictions were previously allocated as reserves

Cash, cash deposits and term deposits are held in the Australian and New Zealand Bank, National Australia Bank, Commonwealth Bank of Australia, Bank of Queensland, Queensland Treasury Corporation, Heritage Building Society and Electricity Credit Union Ltd 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:-

<b>Banking Institution</b>	<b>Short term</b>	<b>Long term</b>
ANZ	A-1+	AA-
CBA	A-1+	AA-
NAB	A-1+	AA-
QTC	A-1+	AA+
BOQ	A2	BBB+
HBS	A2	BBB

**11 Trade and Other Receivables**

**Current**

Rateable revenue and utility charges	3,166,323	2,785,764
Other debtors	1,603,894	3,710,465
Less: provision for impairment of debts	(20,000)	(20,000)
GST recoverable	477,597	449,659
Loans and advances to controlled entities and associates	11,379	41,379
Prepayments	394,774	563,419
	<u>5,633,967</u>	<u>7,530,687</u>

**Non-current**

Loans and advances to community organisations	22,843	23,624
	<u>22,843</u>	<u>23,624</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 due to the low quantum of amounts owed.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>12 Inventories</b>			
<b>Inventories held for sale</b>			
Land held for sale		104,365	115,994
		<u>104,365</u>	<u>115,994</u>
<b>Inventories held for distribution</b>			
Quarry and road materials		27,104	35,891
Plant and equipment stores		812,228	828,281
		<u>839,332</u>	<u>864,172</u>
Total inventories		<u>943,697</u>	<u>980,166</u>
<b>13 Investments</b>			
Nanango Progressive Community Ltd		10,000	10,000
		<u>10,000</u>	<u>10,000</u>
The shares in Nanango Progressive Community Ltd are not traded on an active market and their fair value cannot be ascertained			
<b>14 Investment Property</b>			
Fair value at beginning of financial year		6,590,124	5,862,105
Additions		63,146	-
Revaluation	5	(293,272)	728,019
Fair value at end of financial year		<u>6,359,998</u>	<u>6,590,124</u>
Investment property comprises:			
- Lake Boondooma Tourist Facility;			
- Yallakool Tourist Facility;			
- Land for sale at Boondooma Dam, Murgon and Wondai			
<b>Fees &amp; Charges Revenue from Tourist Facilities</b>			
Lake Boondooma Tourist Facility		652,250	713,037
Yallakool Tourist Facility		539,367	474,796
		<u>1,191,617</u>	<u>1,187,833</u>
<b>Expenditure from Tourist Facilities</b>			
Lake Boondooma Tourist Facility		433,817	480,043
Yallakool Tourist Facility		333,741	334,313
		<u>767,558</u>	<u>814,356</u>

At reporting date there was no property being constructed or developed for future use as investment property.

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

**15 Property, Plant and Equipment**

**Council - 30 June 2013**

Basis of measurement	Land and improvements		Buildings		Major plant		Other plant and equipment		Road, drainage and bridge network		Water		Wastewater		Asset Restoration		Work in progress		Total
	Fair Value	\$	Fair Value	\$	Fair Value	\$	Cost	\$	Fair Value	\$	Fair Value	\$	Fair Value	\$	Fair Value	\$	Cost	\$	
<b>Asset values</b>																			\$
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		16,996,839		704,651,408
Additions	-		-		-		-		-		-		-		-		12,161,816		12,161,816
Disposals	(115,000)		-		-		(2,991,061)		-		-		-		-		-		(3,106,061)
Revaluation adjustment to asset revaluation surplus	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)		-
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)
<b>Closing gross value as at 30 June 2013</b>	<b>42,275,954</b>		<b>126,434,989</b>		<b>-</b>		<b>30,144,562</b>		<b>294,239,749</b>		<b>129,904,223</b>		<b>78,673,398</b>		<b>4,115,658</b>		<b>6,091,940</b>		<b>711,880,473</b>

Note

5  
20

**Accumulated depreciation and impairment**

Opening balance as at 1 July 2012	-		16,698,118		1,560,000		18,329,801		64,306,532		52,855,811		46,148,728		-		-		199,898,990
Depreciation provided in period	-		2,362,375		13,251		1,745,794		3,836,984		2,012,928		1,312,837		-		-		11,284,169
Depreciation on disposals	-		-		-		(2,327,371)		-		-		-		-		-		(2,327,371)
Revaluation adjustment to asset revaluation surplus	-		(538,478)		(335,101)		-		17,572,217		4,281,269		(415,228)		-		-		20,564,679
Transfers between classes	-		-		(1,238,149)		1,238,149		-		-		-		-		-		-
<b>Accumulated depreciation as at 30 June 2013</b>	<b>-</b>		<b>18,522,015</b>		<b>-</b>		<b>18,986,373</b>		<b>85,715,733</b>		<b>59,150,008</b>		<b>47,046,337</b>		<b>-</b>		<b>-</b>		<b>229,420,467</b>

9  
5  
20

**Consolidated book value as at 30 June 2013**

Residual Values	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
Range of estimated useful life in years	-		79,911,516		-		4,958,406		-		-		-		-		-		84,869,922
	Not Depreciated		40 - 100		20		3 - 20		5 - 100		20 - 80		20 - 60		Not Depreciated		Not Depreciated		-

Additions comprise:

	\$		\$		\$		\$		\$		\$		\$		\$		\$		\$
Renewals	-		-		-		-		-		-		-		-		10,974,946		10,974,946
Other additions	-		-		-		-		-		-		-		-		1,186,870		1,186,870
Total additions	-		-		-		-		-		-		-		-		12,161,816		12,161,816

**South Burnett Regional Council**  
**Notes to the Financial Statements**  
For the year ended 30 June 2013

**Council - 30 June 2012**

Note	Land and improvements	Buildings	Major plant	Other plant and equipment	Road, drainage and bridge	Water	Wastewater	Asset Restoration	Work in progress	Total
	41,166,464	123,213,001	1,700,000	27,744,184	333,452,088	137,530,751	59,733,740	-	17,428,628	741,968,856
	-	-	-	-	-	-	-	5,243,171	16,710,932	21,954,103
5	(326,000)	(2,037,746)	-	(2,294,941)	(1,100,019)	(1,296,430)	(127,557)	-	-	(7,182,693)
20	(893,695)	2,056,622	60,000	(40,829,522)	(30,807,632)	18,325,369	-	-	-	(52,088,858)
5	470,631	6,553,589	-	3,856,416	4,555,923	1,386,761	319,401	-	(17,142,722)	-
	-	194,667	-	(194,667)	-	-	-	-	-	-
	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	704,651,408

Opening gross value as at 1 July 2011

Additions

Disposals

Revaluation adjustment to asset revaluation surplus

Transfers from work in progress

Transfers between classes

**Closing gross value as at 30 June 2012**

**Accumulated depreciation and impairment**

	-	16,574,004	1,490,000	18,833,458	61,121,552	53,707,915	35,444,097	-	-	187,171,026
9	-	2,042,580	1,289	1,541,233	3,855,985	1,688,764	1,312,837	-	-	10,442,688
5	-	(767,309)	-	(1,879,327)	(364,538)	(787,455)	(94,861)	-	-	(3,893,510)
20	-	(1,316,720)	68,711	-	(306,467)	(1,753,413)	9,486,675	-	-	6,178,766
	-	165,563	-	(165,563)	-	-	-	-	-	-
	-	16,698,118	1,560,000	18,329,801	64,306,532	52,855,811	46,148,728	-	-	199,898,990

Opening balance as at 1 July 2011

Depreciation provided in period

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Transfers between classes

**Accumulated depreciation as at 30 June 2012**

**Total written down value as at 30 June 2012**

	40,417,400	113,282,015	200,000	10,781,191	231,771,938	53,957,639	32,102,225	5,243,171	16,996,838	504,752,418
	-	-	-	-	-	-	-	-	-	-
Residual value										
Range of estimated useful life in years	Not Depreciated	40 - 100	20	3 - 20	5 - 100	20 - 80	20 - 60	Not Depreciated	Not Depreciated	-

**15 Property, Plant and Equipment**

**Land and improvements**

The fair value of land and improvements are measured at current market value as at 30 June 2013 as independently determined by APV Valuers & Asset Management. Fair value was derived by reference to market based evidence including observable historical sales data for properties of similar nature and specification within the South Burnett Regional Council and surrounding areas.

**Buildings**

Building assets were inspected and revalued as at 30 June 2013 by APV Valuers and Asset Management. Where a depth in market was identified, buildings were assessed at fair value in accordance with AASB116 *Property, Plant and Equipment*. Under AASB116 the fair value of an asset is the best estimate of the price reasonably obtainable in the market at the date of valuation.

Buildings, where there is no depth of market, have been valued on a depreciated current replacement basis. This is calculated by determining the gross current replacement cost and determining the amount of accumulated depreciation to reflect the level of service potential remaining in the asset. The depreciation of the assets has been carried out on a component level by conducting a condition assessment on each of the various components within each building/asset.

The impact of the revaluation on the written down value of the building asset class is an increase of 0.92%.

Depreciation is calculated on a straight line basis less residual value were applicable.

**Major plant**

The Gross Current Value of the asset has been assessed on the basis of replacement with a new asset having similar service potential and includes allowances for preliminaries and professional fees. The Gross Current Values have been derived from reference to costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook) and the internal market research and costings as at 30 June 2013 as independently determined by APV Valuers & Asset Management.

The Net Current Value is the Gross Current Value less accumulated depreciation calculated to reflect the consumed or expired service potential of the asset. The depreciation of the assets has been carried out on a component level by conducting a condition assessment on each of the various components within the asset.

**Other plant and equipment**

Other plant and equipment is measured at original cost less accumulated depreciation in accordance with *Local Government (Finance, Plans and Reporting) Regulations 2010* and AASB116 *Property, Plant and Equipment*.

**Infrastructure**

There is no market for Council's infrastructure assets as these are held to provide essential services to the community. Accordingly, the fair value of all infrastructure assets is measured at written down current replacement cost.

**Water and Wastewater**

Water and wastewater assets were revalued as at 30 June 2012 by consulting engineers Opus International Consulting (PCS) Ltd using data gathered from construction projects and by first principles based on production rates and material costs. A review of the rates relating to passive (mains) assets was undertaken by South Burnett Regional Council infrastructure staff as at 30 June 2013. This review involved analysing samples of actual projects undertaken in the 2012/13 financial year and determined that no significant change had occurred and that no change to existing rates was required.

Water and wastewater revaluation figures in Note 15 relate to actual cost projects taken up from Work in Progress being adjusted to unit rate values.

Unit rates for water passive assets range from \$60/m (25-40mm mains) to \$403/m (375mm mains)

Unit rates for wastewater passive assets range from \$107/m (150mm mains) to \$665/m (525mm mains)

Depreciation is calculated on a straight line basis.

**Roads**

A review of unit rates for road and drainage assets was undertaken by South Burnett Regional Council infrastructure staff as at 30 June 2013. This review involved analysing samples of actual projects undertaken in the 2012/13 financial year. Sampling of seal, pavement and drainage components identified variances within 5% and as such, it was determined that no change to existing rates was required.

Road revaluation figures in Note 15 relate to the adjustment to the written down value of roads due to the impact of flood events during the 2012/13 financial year and because of actual cost projects taken up from Work in Progress being adjusted to unit rate values. A condition assessment of the road and drainage assets was undertaken during the year to account for the 2013 flood events. This resulted in a reduction of the written down value of that class of asset of \$17,180,945.

Examples of current rates for road components are as follows:

Asset Group	Feature	Multiplier	Unit	Unit Rate
Road Surface	Asphalt	Base Value:	M2	\$21.98
Road Surface	Spray Seal	Base Value:	M2	\$3.05
Sealed Pavement	Primer Seal Coat	Base Value:	M2	\$3.05
Unsealed Pavement	100mm Local gravel	Base Value:	M2	\$5.15
Kerb & Channel	Integral Kerb & Channel	Base Value:	M2	\$54.30
Footpath	Concrete	Base Value:	M2	\$70.61
Pipe	375mm Rein Concrete pipe	Base Value:	Each	\$2,059.41
Pipe	450mm Rein Concrete pipe	1.4	Each	\$2,579.76
Culvert	Culvert Height upto 450mm & Width upto 1200mm	Base Value:	Each	\$10,384.00
Bridge	Timber Bridge	1.00	M2	\$2,803.40
Floodway	Floodway	Base Value:	M2	\$145.45
Armco	Armco Guardrail	Base Value:	M	\$305.88

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

Note	Council	
	2013 \$	2012 \$
<b>16 Intangible Assets</b>		
<b>Water Allocation</b>		
Opening gross carrying value	6,234,639	6,234,639
Closing gross carrying value	6,234,639	6,234,639
<b>Computer Software</b>		
Opening Gross Carrying Value	-	-
Additions	1,552,233	-
Closing Gross Carrying Value	1,552,233	-
Opening Amortisation	-	-
Amortisation charge for the year	-	-
Closing Accumulated Amortisation	-	-
Net carrying value at the end of financial year	1,552,233	-
The software items will have a finite estimated lives of 10 years. Straight line amortisation will be used with no residual values.		
Total intangible assets	7,786,872	6,234,639
<b>17 Trade and Other Payables</b>		
<b>Current</b>		
Creditors and accruals	3,743,936	3,589,609
Annual leave	2,311,520	2,403,190
Other entitlements	163,356	164,359
	6,218,812	6,157,159
<b>18 Borrowings</b>		
<b>Current</b>		
Loans - Queensland Treasury Corporation	830,841	578,743
	830,841	578,743
<b>Non-current</b>		
Loans - Queensland Treasury Corporation	11,681,355	8,452,712
	11,681,355	8,452,712
<b>Loans - Queensland Treasury Corporation</b>		
Opening balance at beginning of financial year	9,031,455	9,695,185
Loans raised	4,000,000	-
Principal repayments	(519,259)	(663,730)
Book value at end of financial year	12,512,196	9,031,455

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

		<b>Council</b>	
		<b>2013</b>	<b>2012</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<p>The QTC loan market value at the reporting date was \$13,528,585, this represents the value of the debt if Council repaid it at that date. As the intention of Council is to hold the debt for its term, no provision is required to be made in 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 30 September 2014 to 30 September 2031. There have been no defaults or breaches of the loan agreement during the period. Principal and interest repayments are made quarterly in arrears.</p>			

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>19 Provisions</b>			
<b>Current</b>			
Long service leave		3,101,873	2,444,973
Other		41,078	151,117
		<u>3,142,951</u>	<u>2,596,090</u>
<b>Non-current</b>			
Quarry rehabilitation		867,247	859,128
Refuse restoration		3,248,411	4,384,043
Long service leave		523,411	519,871
		<u>4,639,069</u>	<u>5,763,042</u>
Details of movements in provisions:			
<b>Quarry rehabilitation</b>			
Initial Recognition		859,128	859,128
Increase/(decrease) in provision due to change in discount rate		8,119	-
Balance at end of financial year		<u>867,247</u>	<u>859,128</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.			
<b>Refuse restoration</b>			
Initial Recognition		4,384,043	4,384,043
Increase/(decrease) in estimate of future cost		(947,882)	
Increase (decrease) in provision due to change in discount rate		(187,750)	-
Balance at end of financial year		<u>3,248,411</u>	<u>4,384,043</u>
This is the present value of the estimated cost of restoring approximately 32 old and current refuse disposal sites to a useable state at the end of their useful life.			
<b>Long service leave</b>			
Balance at beginning of financial year		2,964,844	2,824,309
Long service leave entitlement arising		480,343	364,096
Long Service entitlement extinguished		-	18,158
Long Service entitlement paid		(185,903)	(241,719)
Balance at end of financial year		<u>3,259,284</u>	<u>2,964,844</u>

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>20 Asset Revaluation Surplus</b>			
<b>Movements in the asset revaluation surplus were as follows:</b>			
Balance at beginning of financial year		127,098,876	184,638,505
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Land and improvements		1,777,560	(893,695)
Buildings		(5,897,606)	3,373,339
Plant and equipment		(186,750)	(8,711)
Road, drainage and bridge network		(22,997,042)	(40,523,055)
Water		14,843,173	(29,054,219)
Sewerage		(603,652)	8,838,694
Investment Properties		-	728,019
Balance at end of financial year		<u>114,034,559</u>	<u>127,098,876</u>
<b>Asset revaluation surplus analysis</b>			
The closing balance of the asset revaluation surplus comprises the following asset categories:			
Land and improvements		24,615,498	22,837,938
Buildings		54,614,018	60,511,624
Plant and equipment		471,442	658,192
Road, drainage and bridge network		4,036,234	27,033,277
Water		14,669,053	(174,120)
Sewerage		15,628,314	16,231,966
		<u>114,034,559</u>	<u>127,098,876</u>
<b>21 Retained Surplus/(Deficiency)</b>			
Movements in the retained surplus were as follows:			
Retained surplus/(deficit) at beginning of financial year		389,331,406	377,720,599
Net result attributable to Council		(24,330,405)	629,844
Transfers (to)/ from capital reserves for future capital project funding, or from reserves funds that have been expended or closed:	22		
Asset replacement reserve		8,484,441	(375,320)
Constrained public contributions reserve		5,111,806	407,685
Constrained works reserve		14,551,407	12,600,817
Transfers (to) recurrent reserves for future project funding, or from reserves funds that have been expended:			
Recurrent expenditure reserve		4,218,279	(1,652,219)
Retained surplus at end of financial year		<u>397,366,934</u>	<u>389,331,406</u>

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>22 Reserves</b>			
Council's cash and cash equivalents are subject to a number of internal restrictions that limit the amount that is available for discretionary or future use. In prior years council accounted for these restrictions using a system of 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.			
The internal restrictions that have been placed on council's cash and cash equivalents are now disclosed in Note 10.			
Reserves held for funding future capital expenditure			
Asset replacement reserve		-	8,484,441
Constrained public contributions reserve		-	5,111,806
Constrained works reserve		-	14,551,407
		-	28,147,654
<b>Reserves held for funding future recurrent expenditure</b>			
Future recurrent expenditure reserve		-	4,218,279
		-	4,218,279
Total reserves		-	32,365,933
<b>Movements in capital reserves:</b>			
<b>Future capital works reserve</b>			
Balance at beginning of financial year		-	-
Transfer from retained surplus for future expenditure		-	-
Balance at end of financial year		-	-
<b>Asset replacement reserve</b>			
Balance at beginning of financial year		8,484,441	8,109,121
Transfer from retained surplus for future expenditure		-	375,320
Transfer to the retained surplus/capital due to the closure of the reserve		(8,484,441)	-
Balance at end of financial year		-	8,484,441
<b>Constrained public contributions reserve</b>			
Balance at beginning of financial year		5,111,806	5,519,491
Transfer from retained surplus for future expenditure		-	(407,685)
Transfer to the retained surplus/capital due to the closure of the reserve		(5,111,806)	-
Balance at end of financial year		-	5,111,806
<b>Constrained works reserve</b>			
Balance at beginning of financial year		14,551,407	27,152,224
Transfer from retained surplus for future expenditure		-	(12,600,817)
Transfer to the retained surplus/capital due to the closure of the reserve		(14,551,407)	-
Balance at end of financial year		-	14,551,407
<b>Movements in recurrent reserves:</b>			
<b>Future recurrent expenditure reserve</b>			
Balance at beginning of financial year		4,218,279	2,566,060
Transfer from retained surplus for future expenditure		-	1,652,219
Transfer to the retained surplus/capital due to the closure of the reserve		(4,218,279)	-
Balance at end of financial year		-	4,218,279

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>23 Commitments for Expenditure</b>			
<b>Operating leases</b>			
Minimum lease payments in relation to non-cancellable operating leases are as follows:			
Within one year		207,456	213,391
One to five years		449,480	391,217
		<u>656,936</u>	<u>604,608</u>
<b>Contractual commitments</b>			
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:			
Garbage collection contract (expires 1 July 2014)		540,699	405,743
Security		10,674	-
Cleaning contractors		636,251	1,516,818
		<u>1,187,624</u>	<u>1,922,561</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 is not anticipated any liability will 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 Queensland Government's workers 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 \$870,572 for 30 June 2013 and was \$736,769 in the prior year 30 June 2012.

**South Burnett Regional Council**  
**Notes to the financial statements**

For the year ended 30 June 2013

		Council	
		2013	2012
	Note	\$	\$

**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)

The 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. The Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.

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 2012 (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.

		Council	
		2013	2012
	Note	\$	\$
The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:	6	2,307,970	2,208,020

**South Burnett Regional Council**  
**Notes to the financial statements**  
For the year ended 30 June 2013

	Note	Council	
		2013 \$	2012 \$
<b>26 Trust Funds</b>			
<b>Trust funds held for outside parties</b>			
Security deposits		690,953	865,046
		<u>690,953</u>	<u>865,046</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 the Council, they are not brought to account in these financial statements.

**27 Reconciliation of Net Result for the year to net cash inflow (outflow) from Operating Activities**

<b>Net result</b>	(24,330,405)	629,843
<b>Non-cash items:</b>		
Depreciation and amortisation	11,284,169	10,442,688
Revaluation adjustments	293,272	-
Change in future rehabilitation and restoration costs	-	(5,243,171)
	<u>11,577,441</u>	<u>5,199,517</u>
<b>Investing and development activities:</b>		
Net (profit)/loss on disposal of non-current assets	(155,134)	2,855,393
Capital grants and contributions	(2,165,464)	(6,050,315)
Flood restoration expenditure incurred 2011	8,199,537	-
	<u>5,878,939</u>	<u>(3,194,922)</u>
<b>Financing activities:</b>		
	-	35,775
	<u>-</u>	<u>35,775</u>
<b>Changes in operating assets and liabilities:</b>		
(Increase)/ decrease in receivables	1,866,719	145,088
(Increase)/decrease in inventory	36,469	(19,576)
Increase/(decrease) in payables	61,653	(618,180)
Increase/(decrease) in other provisions	550,403	5,534,823
	<u>2,515,244</u>	<u>5,042,155</u>
<b>Net cash inflow from operating activities</b>	<u>(4,358,781)</u>	<u>7,712,368</u>

**28 Events After the Reporting Period**

There were no material adjusting events after the balance date.

**South Burnett Regional Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2013**

**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 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 counterparty 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	Council	
		2013	2012
Financial assets		\$	\$
Cash and cash equivalents	10	34,697,138	46,222,303
Receivables - rates	11	3,166,323	2,785,764
Receivables - other	11	2,095,713	4,205,127
<b>Total financial assets</b>		<b>39,959,174</b>	<b>53,213,194</b>

*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.

# **South Burnett Regional Council** **Notes to the financial statements** **year ended 30 June 2013**

## **Financial instruments**

### *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.

Ageing of past due receivables and the amount of any impairment is disclosed in the following table:

	<b>Council</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Not past due	1,658,505	4,100,033
Past due 31-60 days	116,960	32,890
Past due 61-90 days	18,004	3,039,353
More than 90 days	3,693,934	-
Impaired	(20,000)	(20,000)
<b>Total</b>	<b>5,467,403</b>	<b>7,152,276</b>

Due to the value of rates currently outstanding the Council has commenced a process for the sale of land for rate arrear properties to be conducted in the 2013/14 financial year for properties that have outstanding rates 3 years or more.

## **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 counter unexpected volatility in cash flows. The following lines of credit were available at the end of the reporting period:

	<b>Council</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Overdraft - QTC working capital facility	10,000,000	-
Available at 30 June	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 cash flows (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 2013**

**29 Financial instruments**  
**Council**

	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
<b>2013</b>					
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>
<b>2012</b>					
Trade and other payables	6,157,159	-	-	6,157,159	6,157,159
Loans - QTC	1,191,658	4,466,628	8,929,830	14,588,116	9,031,455
	<u>7,348,817</u>	<u>4,466,628</u>	<u>8,929,830</u>	<u>20,745,275</u>	<u>15,188,614</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.

	Net carrying amount	Profit or loss		Equity	
		1% increase	1% decrease	1% increase	1% decrease
Council	\$	\$	\$	\$	\$
<b>2013</b>					
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
<b>Net total</b>	<u>22,184,942</u>	<u>221,849</u>	<u>(221,849)</u>	<u>221,849</u>	<u>(221,849)</u>
<b>2012</b>					
Other investments	46,222,303	398,279	(328,279)	398,279	(328,279)
Loans - QTC	(9,031,455)	(90,314)	90,314	(90,314)	90,314
<b>Net total</b>	<u>37,190,848</u>	<u>307,965</u>	<u>(237,965)</u>	<u>307,965</u>	<u>(237,965)</u>

**South Burnett Regional Council**  
**Notes to the financial statements**  
**For the year ended 30 June 2013**

**29 Financial instruments**

**Fair value**

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 18.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

**Fair value - hierarchy**

The recognised fair values of financial assets and liabilities are classified based on the lowest level of input significant to the overall fair value:

Level 1 - quoted prices (unadjusted) in active markets for identical instruments

Level 2 - inputs other than quoted prices included in Level 1 that are observable either directly or indirectly

Level 3 - valuation techniques for which any significant input is not based on observable market data.

According to the above hierarchy, the fair values of each class of financial instrument carried at fair value are as follows:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Council</b>				
<b>30 June 2013</b>				
<b>Financial liabilities</b>				
Loans - QTC	(13,528,586)	-	-	(13,528,586)
<b>Total financial liabilities</b>	<u>(13,528,586)</u>	<u>-</u>	<u>-</u>	<u>(13,528,586)</u>
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>30 June 2012</b>				
<b>Financial liabilities</b>				
Loans - QTC	(10,188,070)	-	-	(10,188,070)
<b>Total financial liabilities</b>	<u>(10,188,070)</u>	<u>-</u>	<u>-</u>	<u>(10,188,070)</u>

**South Burnett Regional Council**  
**Financial statements**  
For the year ended 30 June 2013

**Management Certificate**  
For the year ended 30 June 2013

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**

Date: 31/10/13



---

**Chief Executive Officer**  
**Ken McLoughlin**

Date: 31/10/13

**South Burnett Regional Council  
Current-year Financial Sustainability Statement  
For the year ended 30 June 2013**

**Measures of Financial Sustainability**

Council's performance at 30 June 2013 against key financial ratios and targets:

	How the measure is calculated	Actual - Council	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-34%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	97%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-19%	not greater than 60%

**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 2013.

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:

**South Burnett Regional Council**  
**Financial statements**  
For the year ended 30 June 2013

**Certificate of Accuracy**  
For the year ended 30 June 2013

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**

Date: 31/10/13



---

**Chief Executive Officer**  
**Ken McLoughlin**

Date: 31/10/13

**South Burnett Regional Council  
Current-year Financial Sustainability Statement  
For the year ended 30 June 2013**

Measures of Financial Sustainability	Measure	Target	Projected for the years ended									
			Actuals at 30 June 2013	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
Council												
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	-34%	1.5%	5.0%	6.6%	7.5%	9.2%	9.8%	10.0%	11.3%	11.9%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	97%	301.8%	284.1%	217.1%	138.4%	146.7%	134.4%	131.1%	115.1%	128.0%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	-19%	4.8%	33.9%	55.0%	52.3%	48.9%	41.9%	34.1%	21.9%	12.6%

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 investments 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 2013

**Certificate of Accuracy**

**For the long-term financial sustainability statement prepared as at 30 June 2013**

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**



---

**Chief Executive Officer**

**Ken McLoughlin**

Date: 31/10/13

Date: 31/10/13

## 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 2013, 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.

### *Opinion*

In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, in all material respects, the current-year financial sustainability statement of South Burnett Regional Council, for the year ended 30 June 2013, 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.



P J FLEMMING CPA  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane

## 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 2013, 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.

### *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 –
  - (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 2012 to 30 June 2013 and of the financial position as at the end of that year.

### **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.



P J FLEMMING CPA  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane

# INDEX

Accountability.....	4, 12, 41, 95
Acronym List.....	150
Advocacy.....	15, 83
Audit Committee.....	42
Awards.....	12
Cycleways.....	36
Bjelke-Petersen Dam .....	7, 68, 155
Boondooma Dam .....	7, 68, 155
Brisbane Valley Rail Trail .....	6, 62, 68
Cash Flow Statement.....	19
Challenges.....	7, 61, 62, 75, 82, 91
Chief Executive Officer's Report.....	16-17
Climate Change.....	72, 93
Code of Conduct.....	23, 29, 41
Committees.....	30
Community.....	48
Community Engagement.....	22, 34, 56
Community Financial Report.....	19
Complaints.....	29, 97
Compliance.....	73, 74, 43, 46
Consultants.....	17, 80
Contents.....	11
Controlled Entities.....	97
Corporate Governance.....	40
Corporate Governance Framework.....	4
Councillors.....	28
Overseas Travel.....	97
Reimbursement.....	29, 95
Remuneration.....	28
Customer Feedback Form .....	154
Customer Service.....	46, 88, 91
Development Applications.....	6, 62, 64
Divisions.....	23, 40
Donations.....	30
Economy.....	6, 46
Elections.....	23
Environment.....	70
Equal Employment Opportunity (EEO).....	97
Ethics.....	41
Executive Management .....	34
Executive Remuneration.....	97
External Audit.....	43
Financial Statements.....	103
Financial Sustainability.....	82
Flood Mitigation.....	73
Future.....	46, 61, 68, 69, 75, 86, 91
Grants.....	30, 49, 52, 61
Healthy Communities Plan.....	58
Highlights.....	6
Hospitality.....	29, 41
Human Resources.....	38, 57, 77, 78
Income Statement.....	20
Insurance.....	43, 96
Internal Audit.....	43, 76
Library Services.....	61
Mayor's Review.....	14
Organisational Structure.....	33
Overseas Travel .....	97
Policies.....	11, 16, 22, 24, 26, 34, 54, 66, 76-79, 89, 90

Priority Infrastructure Plan.....	69
Procurement.....	6, 43, 76, 78
Rates.....	20, 35, 80
Remuneration, Councillors.....	41, 94
Remuneration, Executive.....	97
Research.....	93, 97
Right to Information.....	98
Risk Management.....	42, 44, 45
Risk Assessment.....	43, 60
Service Delivery and Infrastructure.....	84
Stakeholders.....	49, 69
Statement of Changes in Equity.....	78, 21
Statement of Financial Position.....	21
Strategies.....	16, 44, 66, 75, 93
Statutory Information.....	92
Targets.....	82, 88
Tenders.....	68, 78, 97
Tourism.....	6, 66, 69, 99
Training.....	38, 43, 70, 76
Values.....	9
Vision.....	9
Waste .....	6, 36, 74, 94
Disposal.....	71
Recyclable.....	74
Waterways.....	74, 93
Workforce.....	7, 39, 83
Workplace Health and Safety .....	39, 77

## Acronym list

Australian Institute of Management	AIM
Australasian Reporting Awards	ARA
Burnett Inland Economic Development Organisation	BIEDO
Brisbane Valley Rail Trail	BVRT
Chief Executive Officer	CEO
Certified Internal Auditor	CIA
Council of Australian Governments	COAG
Community Plan	CP
Community Training Centre	CTC
Department of Local government and Planning	DLGP
Department of Transport and Main Roads	DTMR
Enterprise Bargaining Agreement	EBA
Equal Employment Opportunity	EEO
Emergency Operations Centre	EOC
Goods and Services Tax	GST
Helping Access Relevant Resources for You	HARRY
Healthy Communities Committee	HCC
Information and Communications Technology	ICT
Integrated Planning Act	IPA
Joint Consultative Committee	JCC
Key Performance Indicator	KPI
Local Disaster Management Group	LDMG
Local government Act	LGA
Local government (Finance, Planning & Reporting Regulation 2010	LG (F,P & R) R
Local government Association of Queensland	LGAQ
Natural Disaster Relief Recovery Arrangements	NDRRA
National Film and Sound Archives	NFSA
Natural Resource Management	NRM
Planning Institute of Australia	PIA
Planning Information and Forecasting Unit	PIFU
Priority Infrastructure Plan	PIP
Queensland Information Centres Association	QICA
Queensland Reconstruction Authority	QRA
Queensland Treasury Corporation	QTC
Regional Arts Development Fund	RADF
Regional Economic Development Advisory Board	REDAB
Regional and Local Community Infrastructure Program	RLCIP
Recovery Point Objective	RPO
Regional Road Group	RRG
Recover Time Objective	RTO

Roads to Recovery	RTR
South Burnett Healthy Communities Plan	SBHCP
South Burnett Local Disaster Management Group	SBLDMG
Toowoomba Golden West South Burnett Tourism	TGWSBT
Traffic Infrastructure Development Scheme	TIDS
Wide Bay Regional Plan	WBRP
Written-down Value	WDV
Workplace Health and Safety Management System	WHSMS
Water Industry Operators Association	WIOA
Waste Management Plan	WMP

# 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:

ExcellentGoodSatisfactoryPoor

How would you rate the usefulness of the information?

How would you rate the degree of detail provided?

How could the information be made more useful?

Structure:

ExcellentGoodSatisfactoryPoor

How would you rate the grouping of information in each section?

How would you rate the sequencing of the sections?

How could grouping and sequencing be improved?

Style and Design:

ExcellentGoodSatisfactoryPoor

How would you rate the style of writing?

How would you rate the clarity of information in tables and graphs?

How could the style and design be improved?

Overall rating of the report:

ExcellentGoodSatisfactoryPoor

Please provide an overall rating of this report.

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

# COUNCIL CONTACTS



**[www.southburnett.qld.gov.au](http://www.southburnett.qld.gov.au)**

## **South Burnett Regional Council**

PO Box 336, Kingaroy QLD 4610

**email:** [info@southburnett.qld.gov.au](mailto: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

## **Libraries:**

**Blackbutt Library**  
69 Hart Street, Blackbutt QLD 4306

**Kingaroy TJ 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

## **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

## **Recreational Facilities:**

**Boondooma Dam Caravan and Recreation Park**  
40 Bushcamp Rd, Proston Qld 4613 (07) 4168 9694

**Yallakool Park on Bjelke-Petersen Dam**  
Barambah Road, Murgon Qld 4605 (07) 4168 4746

