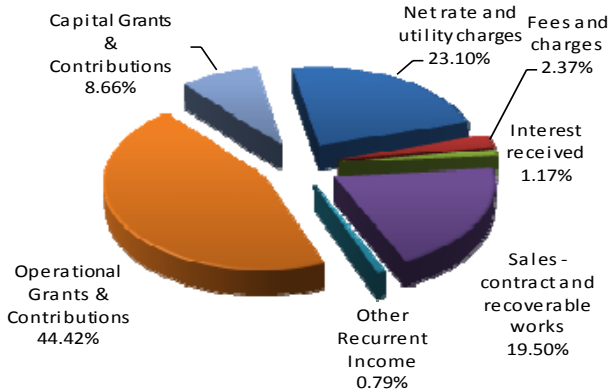


BUDGET 2011 / 2012

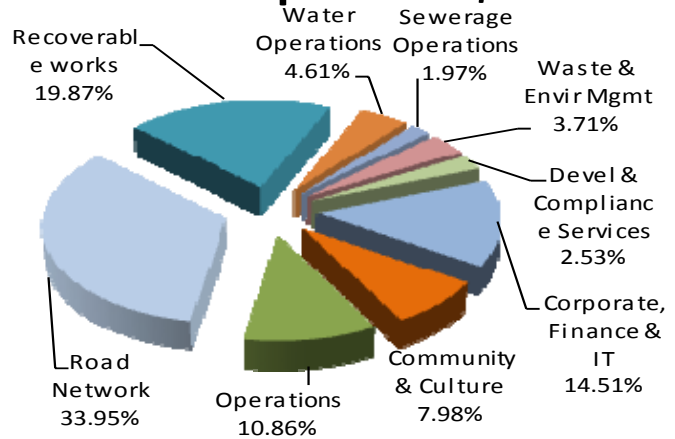


REVENUE & EXPENDITURE

Total Revenue - \$50.1M



Total Expenses - \$45.6M



CAPITAL EXPENDITURE

Key projects 2011/2012

North Burnett Regional Council has allocated funding in the 2011/2012 budget

Water Main Replacement & Upgrade Program	\$300,000
Kerb & Channel Replacement	\$250,000
Town St Reseals	\$350,000
Rural Rd Reseals	\$600,000
Swindon Rd Upgrade	\$465,000
Flagstone Bridge Upgrade	\$545,000
Jack Parr Bridge Upgrade	\$352,000
Upgrade Monto Hall Kitchen	\$80,000

Capital Expenditure by Asset Category

Category	Allocation
Road & Bridge Network	\$5.5M
✓ Town Streets	\$1.9M
✓ Rural Roads	\$2.0M
✓ Drainage Structures	\$1.4M
Water Infrastructure	\$1.9M
Sewer Infrastructure	\$0.5M
Plant	\$2.0M
Buildings	\$0.8M
Other	<u>\$0.6M</u>

Total Capital Expenditure **\$11.3M**

FINANCIAL MANAGEMENT

- ✓ Total Capital Works Budget of \$11.3M
- ✓ Revenue \$50.1M
- ✓ Expenditure \$45.6M
- ✓ Total Assets \$865M
- ✓ Cash at Bank \$12.8M (30/06/12 forecast)
- ✓ No Additional Borrowings

Revenue

- ✓ Net Rates Utility Charges \$11.5M
- ✓ Sales Contracts & Recoverable Works \$9.7M
- ✓ Grants & Contributions \$20.7M
- ✓ Interest Revenue \$583,000
- ✓ Other Revenue \$393,000

Expenditure

- ✓ Employee Expenses \$22.2M
- ✓ Materials & Services \$ 16.4M
- ✓ Finance Costs \$265,000
- ✓ Depreciation \$8.5M

Sustainability Ratios

Sustainability Ratios	Target Result	Result
Asset Consumption Ratio	40%-80%	83%
Asset Sustainability Ratio	>90%	163%
Interest Cover Ratio	0%-5%	2.31%
Net Financial Liabilities Ratio	<60%	16%
Operating Surplus Ratio	0%-10%	0.44%
Working Capital Ratio	1:1—4:1	3.16:1

Council has recently been advised that it is considered to be in a moderate financial position.

This is an improvement from the weak financial position at the point of amalgamation.

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BUDGET 2011 / 2012



RATES, ROADS AND RECREATION

HOW WILL THIS BUDGET AFFECT MY RATES?

GENERAL RATES

North Burnett Regional Council will increase its overall general rate base by an average 5.9% for the coming financial year. There are some variations in the revenue bands within each of the rating categories. The average general rates increase for residential properties will be 5.6%. Properties within the council area have all received a revaluation that is active from 1 July 2011. The increase in valuation does not necessarily mean the same increase in rates. For example the average valuation increase for rural properties was 10.2%. However the increase in rates from rural properties will range from 5% for rural cropping to 6.1% for small rural properties, much lower than the valuation increase.

Within the current valuation much of the variance between residential values across the region has been reduced allowing council to reduce its residential bands from 6 bands to 2. Last year a ratepayer in category 1 paid a minimum general rate of \$530. This year that same minimum will be \$580. An increase of less than \$1 a week. Some ratepayers in these categories will notice a decrease in their minimum rate from the previous year. This is all part of the equalization and valuation effect.

UTILITY CHARGES

In this budget council continues the process of standardizing utility charges across the region. Changes to the utility charges will vary between centres as the standardizing process continues.

DISCOUNT

Ratepayers are eligible for a 10% discount on rates and charges (excluding water consumption and Fire Levy) levied in each six month rating period provided that payment of all current and outstanding monies is received by Council on or before the due date for payment as specified on the rates notice.

PENSIONER REMISSION

A pensioner remission on Council's rates and charges is available through the State Government's Pensioner Rate Subsidy Scheme for eligible ratepayers. The subsidy is available for 20% of rates to a maximum of \$180 per annum.

Information on eligibility is available on the Department of Communities website www.communities.qld.gov.au

ROAD NETWORK

Council has a strong Roads focus for this financial year. With a total of \$5.5 million being allocated to capital works for the road and bridge network. This is in addition to the \$4.7 million allocated to roads and bridge maintenance. Council has dedicated its Roads to Recovery funding of \$1.429 million towards maintenance of roads this year, specifically to increase council gravel resheet program.

Council will also be managing the Infrastructure restoration works within the region under the guidelines of the National Disaster Relief and Recovery Arrangements (NDRRA). Council has commenced and is working hard to continue to develop a productive working relationship with the Queensland Reconstruction Authority (QRA) so that approvals and works can be carried out as soon as possible over the next two years in line with the timeframes set by the state government. All in all there will be a total of \$17 million spent on the regions road network in this coming financial year.

PARKS & GARDENS

Council has allocated an additional 15% from last years budget to the maintenance of Parks and Gardens for the 2012 financial. Following on from the season experienced last year council has renewed its focus on the recreation areas of our towns.

FINANCIAL SUSTAINABILITY

Council has continued to implement the recommendations of the Business Coaching report from 2009 to further strengthen the financial sustainability of the region for the future. Council is within the recommended range for 5 of the 6 financial sustainability ratios as outlined by the Department of Local Government and Planning. Council continues to look to increase its focus for the future of the region. This will then tie into the Community planning that has been commenced to ultimately have a community plan for the region for the next 20 years.

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