



# Annual Report 2009/2010



# Welcome to North Burnett Regional Council's 2009/2010 Annual Report

The information in this report demonstrates accountability to stakeholders, who include residents and ratepayers, staff, councillors, investors, community groups, government departments and other interested parties.

## > Copies of the Annual Report

Copies of both the Corporate Plan and this Annual Report are available free of charge electronically on council's website - visit:  
[www.northburnett.qld.gov.au](http://www.northburnett.qld.gov.au)

## > Contact Us

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# Contents

Corporate objective and values .....	4
Our region.....	5
Mayor's overview.....	6
CEO overview .....	7
Elected representatives .....	8-11
Corporate Structure.....	12
Performance at a glance.....	13
Corporate Services	
Director of Corporate Services .....	15-16
Records.....	17
Workplace Health & Safety.....	18
Libraries .....	19
Community & Cultural Services	
Economic Development.....	21
Tourism.....	22-23
Highlights of 09/10 .....	24-27
Technical Services	
Assistant Director of Technical Services.....	28-30
Roadwork's North.....	31
Roadwork's South.....	32
Highlights of 09/10 .....	33
Development & Environmental Services	
Director Development & Environmental Services.....	35-36
Development Services .....	37
Natural Resource Management.....	38-39
Highlights 09/10 .....	40
Community Grants & Donations.....	41-46
Policies.....	47-52
Statutory Information .....	53-55
Community Financial Report .....	56-58
Financial Statements .....	59

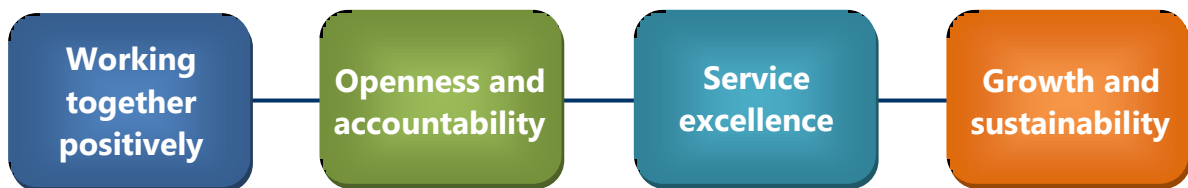
# Corporate objective and values

## >> Vision

"North Burnett to be recognised as a country region of natural beauty close to the coast, where the rural lifestyle and strong community spirit play a positive role in the area's continued development"

## >> Corporate values and principles

North Burnett Regional Council will be guided by the following corporate values and operating principles as it continues to deliver services:



### Working together positively

- > Striving for a united position that works toward a shared vision for the community
- > Provide consistent leadership with a progressive culture
- > Encourage a cohesive community spirit
- > Listen to and work with the community

### Openness and accountability

- > Transparent in our decision making
- > Accept responsibility for our actions and behaviours
- > Build respect and trust between Council and the community through honesty and strong communication

### Service excellence

- > Take the time to understand how we can best serve our community
- > Be responsive to community needs through practical, efficient and effective service delivery
- > Strive for equity in the community through responsible use of resources

### Growth and sustainability

- > Focus on economic sustainability for the community
- > Work towards developing opportunities for community growth
- > Provide services within the capacity of the community to pay

# Our region



Queensland map showing North Burnett Region

The North Burnett Region takes its name from the Burnett River that flows through the area. The region has a picturesque environmental beauty and an abundance of natural resources that support the diverse agricultural industries and a healthy country lifestyle.

## History

Europeans first explored the Burnett district in 1847 when the Assistant Government Surveyor of the time, James Burnett, reported that the area was "open country with the finest sheep pasturage I have seen on this journey". Settlement of the region began in 1848 with the establishment of several sheep stations throughout the area. Sheep were later replaced by cattle grazing, agriculture and horticulture.

## Lifestyle

North Burnett is home to approximately 10,600 residents. The region has a strong connection with its rural background and promotes a safe and friendly atmosphere supported by a healthy country lifestyle. The North Burnett Regional Council is formed from a number of smaller communities that strive to band together to support one another. Each of our communities is proud of our heritage and strongly supports the sustainable development of the region.

## Environment

North Burnett Region has an abundance of natural resources that include: water, rural farmland, mineral deposits, forests, geographical landscapes and national parkland. Points of significant environmental interest include: Auburn, Boyne, Burnett and Nogo Rivers; Cania, Paradise and Wuruma Dams; and Auburn River, Coalstoun and Mt Walsh National Parks.

The region is described as being sub-tropical and sub-humid, with the predominant rain falling between the months of October to March. The annual rainfall for the area ranges from between 704mm in Mundubbera to 916mm in the Mt Perry area.

Mean temperatures range from an average of 5 degrees minimum to 32 degrees maximum. However, temperatures of 40 degrees can be experienced over short periods during the summer months and sub-zero temperatures also occur during the winter months.



## A message from our Mayor



Mayor Joy Jensen

Our second year as a Regional Council has been busy, challenging and rewarding.

In July 2009 we received the untimely resignation of our Chief Executive Officer, Mr John Page and in October Mr Bob Spencer, Director of Technical Services went off-line to concentrate his efforts on an assessment of B-Double Access Roads prior to his ultimate resignation in April 2010.

I'm pleased to report that as a consequence of these significant set backs our internal staff in the persons of Mr Les Hotz and Mr Trevor Harvey stepped up to the plate and deserve our congratulations on not only steadying the ship but in carrying forward our reform agenda.

In the case of the Chief Executive Officer, Council undertook a long and exhaustive replacement process, which resulted in Mr Mark Pitt accepting the position in January 2010. I take this opportunity to welcome Mark, Nicola and their children, Charlotte and Elizabeth to our wonderful region.

From a business management point of view, the most significant achievement in the year included a structural review of the organisation by consultants, Corporate Success Group.

After extensive consultation, and given the experience of our employees working together for almost eighteen months, a new structure was adopted by council on the 16<sup>th</sup> March, 2010.

Council also benefited from business coaching provided by Mead Consulting and sponsored by the State Government. As a result, Council representatives and staff are more conscious of the business principles which must drive efficiencies in the organisation. An example of such innovation is the

rationalisation of our differential rating system and introduction of user pays water pricing across all towns in the Region.

I am also pleased to report on the extensive capital works program completed last year. Some \$17 million was expended providing refurbishments and renewals of vital projects some of which include: upgrade to sporting facilities in Gayndah, Mundubbera and Eidsvold, road infrastructure upgrades of \$5.28million, drainage infrastructure of \$2.23million and commencement of the RM Williams Australian Bush Learning Centre. This facility being built in Eidsvold, on schedule within budget and is due to be officially opened in October 2010.

Council has continued with its strong commitment to Regional Development via extensive community consultation and in terms of economic development, with a series of business advisory groups through out the region.

Going forward, Council faces many challenges including:

- Our regional economy which is based on primary industries. These industries are under pressure from rising costs, imported competition and the high Australian dollar. Council must seek to broaden our industry base.
- A road network, in need of upgrading, on which the community and industry depend. Council must of itself and in cooperation with the State, access funds to upgrade this infrastructure.
- Budget constraints are always a challenge. As a minimum, Council must form a regular alliance with the State to continually maintain and upgrade the road/bridge assets owned by them.

The fact I am most happy to report this year is that Council is working well as a team. Despite an exhausting year, Councillors and senior staff are enthusiastic to serve the community. Their commitment is still strong and loyalty to the region is growing.

My feeling is we are getting organised. I think there is a light we can see at the end of the tunnel and I'm positive the community is about to derive some substantial benefits from our forced amalgamation in 2008.

For this sense of optimism, I thank my fellow Councillors and all employees for their efforts in serving our residents this year.

Joy Jensen

# A message from our Chief Executive Officer



Mark Pitt  
Chief Executive Officer

It gives me great pleasure to present my first Annual Report for the North Burnett Regional Council and the second Annual Report for Council since amalgamation. Since commencing in January 2010, I have visited all areas of the Municipality and met with a large and diverse range of constituents and community groups. I am continually impressed at the range of skills and dedication of the many people I have worked with over the past year and the level of opportunity that exists within our area.

The 2009/2010 year has been one that has seen a number of significant events and activities begin which will have a long and lasting effect on local government, not only in the North Burnett Regional area but across the State of Queensland.

Some very significant projects were secured with forward planning for their implementation on target. Our region continues to grow and progress in the face of many challenges placed before it. Council emphasised the completion of a large capital works programme for the year and review of its organisational structure. This process of self renewal and enhancement will continue to be an important aspect of future operations. Whilst, I believe Council can look back on this past year and be satisfied with its progress, there is still much to be done and now is not the time for us to rest.

The region experienced a declared natural disaster in the second half of the year which caused substantial damage to the road network. Council was eligible to claim only approximately

\$650,000 for this damage and at the time of the preparation of this report had still not received approval to commence the repair works. The repairing of this infrastructure will place additional pressures upon Councils workforce and local contractors over the coming year.

Staffing arrangements in the Managerial section of Council entered a period of review and change and Council resolved to place the Finance and Information Directorate back into the Corporate Services Directorate. It was with regret that Council accepted the resignation of Mr Bob Spencer, Director of Infrastructure Services. The vacancy these two positions had created will complement the existing Directors of Development and Environment and Corporate Services.

Council has completed the major review of its organisational structure during this period and has realigned its directorates to match the principles of the quadruple bottom line being Economic, Governance, Social and Environmental. This new managerial structure was actioned in the second half of this reporting period and will be implemented fully in the next financial year. Council also completed the review of the workforce and the reclassification of its outside workforce during this financial year.

During the 2009 – 2010 financial year, Council had a staff turnover of 18.61%. This compared with the 08/09 figure of 14.29%. Full time equivalent (fte) staff positions as at 30 June 2010 were 240.3. This compares to 224.5 fte as at 15 March 2008.

The training budget was increased and fully utilised over the year as an increased focus on staff training came to the forefront of Council's operations. A large number of positions were reviewed with position descriptions being implemented and/or modernised. This programme will continue to be enhanced over the coming years as will a coordinated approach to staff appraisals.

Other corporate goals achieved in this reporting period were the completion and adoption of the Economic Development Strategy and the Tourism Strategy for the Council area. These two important economic development tools give a framework for future activities and operational expenditure in this area.

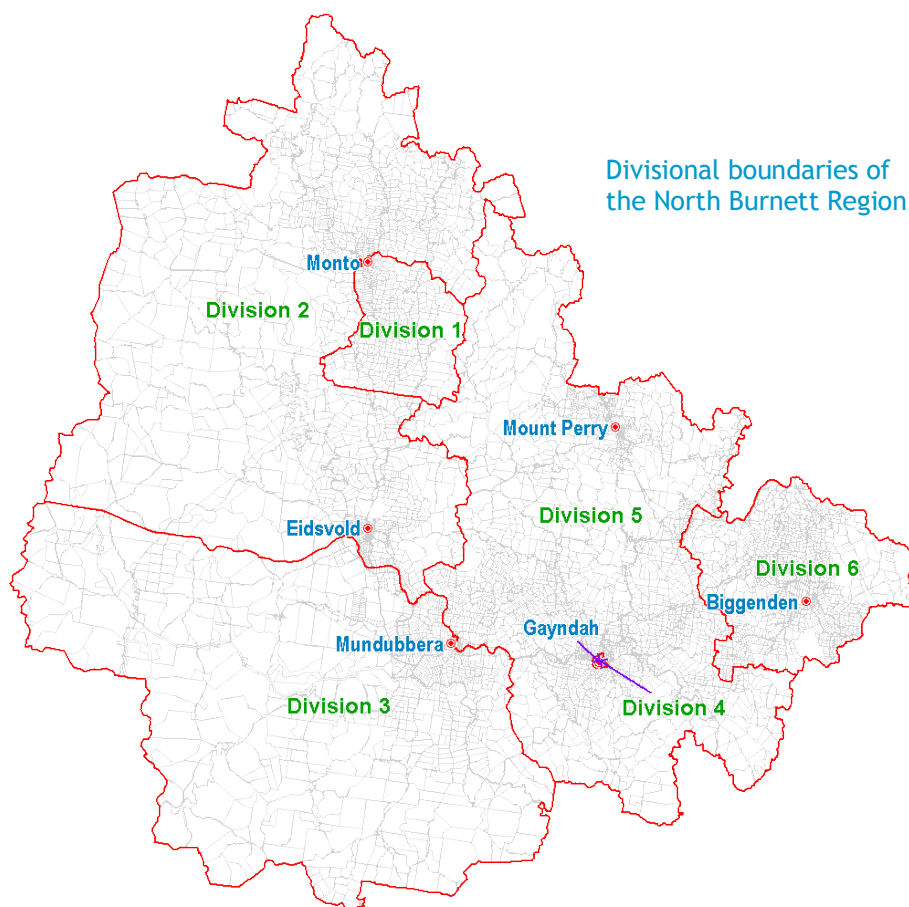
The coming year will have its challenges but also its rewards. A special thanks to our managerial team who put in countless hours and whose patience and dedication are beginning to shine through the myriad of challenges within our Region. To our community, I look forward to working with you and reporting on Council's sustainability into the future.

What is often forgotten when we talk of major projects and events are those behind the scenes. The people who take up the slack and who look after the day to day running of our Regional Council. These people answer complaints, pay the accounts, answer the phones and make sure the pays are processed. They build the roads, make sure the water flows and keep the parks well maintained to name but a few tasks. Finally, but certainly not least, my thanks to our staff who make this Council what it is and give it the arms and legs to achieve.

The Mayor and Councillors of the North Burnett Regional Council have every right to be proud of our Council and our community. I would also take this opportunity to thank the elected members for their support and encouragement during this year.

In conclusion I would like to express my thanks for the welcome that we have received in coming to the North Burnett Regional Council area. I have been made feel exceptionally welcomed and look forward to a very long and positive relationship with the Community and Council. 2009 – 2010 was a memorable year and I look forward, at the end of 2010 – 2011, to being able to share further positive aspects of our Region's growth with you. I would encourage you to take the time to read this report and Council would welcome any feedback on the same.

# Elected Representatives



Divisional boundaries of the North Burnett Region



## Mayor Joy Jensen

P: 0458 696 272

E: [Joy.Jensen@northburnett.qld.gov.au](mailto:Joy.Jensen@northburnett.qld.gov.au)

Councillor Jensen entered Local Government in Mt Perry in March 2000 and was elected Deputy Mayor in her first term. In March 2004 she successfully contested the Mayoralty and filled that position until Perry was amalgamated in March 2008. Joy was successful in a field of seven (7) in the election for Mayor of the North Burnett Regional Council in March 2008.

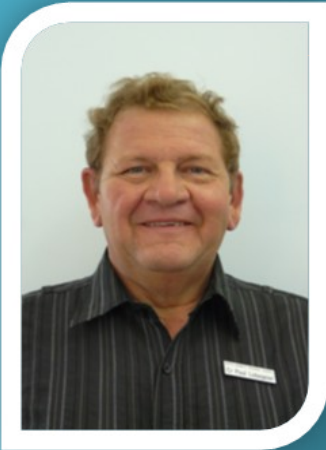
Outside Local Government, Joy has a wide range of interests and is talented in fields ranging from leather work to dressmaking and upholstery to gardening and poetry writing. She has been active in sports such as golf and tennis and is a competent horse woman. Joy was the inaugural Community Care Package Co-ordinator for Perry and has served her community as secretary of the Local HACC Program, Sport and Recreation Club and Mt Perry School P&C. She works in a voluntary role for the Mt Perry Race Club Committee, Show & Rodeo Committee.

As fourth generation graziers of the district, the Jensens breed horses and cattle and operate an accredited feedlot. Joy lists as influential life experiences her time spent governing in the Kimberleys and travelling throughout Africa and South America. Joy is married to Gary and they have two (2) children and one (1) grandchild (so far).



## Councillor Paul Lobegeier

### Division 1



P: 0458 625 952

E: [Paul.Lobegeier@northburnett.qld.gov.au](mailto:Paul.Lobegeier@northburnett.qld.gov.au)

Paul joined Local Government in 1979 representing Divisions six (6), five (5) and two (2) of the old Monto Shire and in total served that Council for almost 20 years until its amalgamation. Paul successfully contested Division 1 of the North Burnett Regional Council in March 2008.

Paul is married to Monique and they have two (2) children. The Lobegeiers' family have followed a range of rural pursuits in the Monto district for many years and Paul now runs a cattle fattening block at Kapaldo, south of Monto.

Paul has been involved in numerous community organisations over a long period of time. He is currently Chair of Monto Aged Care and has always been heavily involved in Natural Resource Management at a State and Federal level, where he aspires to bring some balance and achieve a good outcome for the environment. He has a passion for the Arts and believes rural communities should have the opportunity to partake and develop their personal potential in this field. Paul is heavily involved in the Australia Country Way Rural Getaway and Monto Magic and believes the natural beauty of our area can assist in our economic development.

When not serving the community, Paul likes to pursue his passion for old and not so old machinery.

## Councillor Paul Francis

### Division 2



P: 0458 625 951

E: [Paul.Francis@northburnett.qld.gov.au](mailto:Paul.Francis@northburnett.qld.gov.au)

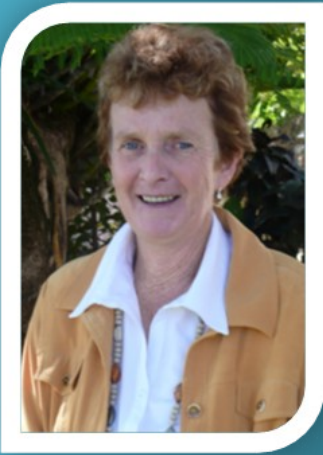
Paul was first elected to Local Government with the Monto Shire in July 1998 until its amalgamation in March 2008. He was subsequently elected as representative for Division two (2) of the North Burnett Regional Council. While his efforts are directed to the communities within his Division, Paul takes a keen interest in all matters affecting both the region and the industry as a whole.

Paul has lived in the Moonford area since 1968 and has been a farmer for 30 years. Married to Mia since 1987, they have two (2) children, Hugh and Alison.

In addition to his Council responsibilities, Paul is heavily involved in the community through organisations such as Rotary, Agforce, Droughtmaster Breeders, and the Australian Stock Horse Society. He has a Certificate IV in Business (Governance) and competencies in Human Resource Management, Financial Management and Marketing through the Dalby Agricultural College.

## Councillor Faye Whelan

### Division 3



P: 0409 625 956

E: [Faye.Whelan@northburnett.qld.gov.au](mailto:Faye.Whelan@northburnett.qld.gov.au)

Faye completed a term in Local Government in the previous Mundubbera Shire before successfully contesting the position of Councillor to Division three (3) of the North Burnett Regional Council.

Faye was born in Gayndah and is descended from a family that arrived in the district in the 1850s. She has lived in Mundubbera since 1971. With her husband Dan, they have three (3) children and seven (7) grandchildren and wouldn't live anywhere else.

While relatively new to Local Government, Faye brings a wealth of life experiences, having completed 35 years in the retail sector with businesses in Gayndah and Mundubbera. Faye's passion for where she lives is reflected in her strong involvement in community groups and associations and her commitment to enhancing the North Burnett Region to achieve a better place for people to live and work.

An Australian Sports Medal was awarded to Faye by Her Majesty Queen Elizabeth II to commemorate Year 2000. This was awarded to recognise Faye's dedication to sports administration. Faye has also been the recipient of two (2) Australia Day Awards. Faye's educational qualifications (as yet not formally recognised) are cited as a Bachelor of Life Experiences and a Doctorate of Motherhood.

## Councillor Peter Huth

### Division 4



P: 0458 625 961

E: [Peter.Huth@northburnett.qld.gov.au](mailto:Peter.Huth@northburnett.qld.gov.au)

Peter has lived most of his life in the North Burnett and moved from his home town of Mt Perry to Gayndah as a young man. He commenced his career in Local Government in Gayndah as a Councillor in March 1994. He was subsequently elected as Mayor of the Gayndah Shire in 1997 and served two (2) terms in that position 1997-2004. He was elected to Division 4 of the North Burnett Regional Council in March 2008.

During his career in Local Government, he has involved himself in many aspects of community life. He also has a broad knowledge of government and corporate business having held positions on several boards at Regional and State levels, including Ports Corporation of Queensland, Queensland Rural Ministerial Advisory Committee and The Lands Protection Council of Queensland. He is also a keen proponent of the Zonhoven, Belgium/Gayndah Sister City relationship which celebrates its 20th anniversary this year.

Peter has lived in Gayndah for 37 years and together with Pamela, have a daughter, Madeleine. Peter enjoys overseas travel and appreciates the satisfaction and benefits it brings, however he is always happy to return to the region he considers home, where he would like to secure a future for all people who live here. For many years, Peter has collected Citroen motor vehicles to the point where he now has the largest private collection of the marque in Australia. His favourite is a 1968 DS21 Cabriolet built by renowned French coach builder Henri Chapron of Paris.

## Councillor Peter Baker

### Division 5



P: 0458 625 960

E: [Peter.Baker@northburnett.qld.gov.au](mailto:Peter.Baker@northburnett.qld.gov.au)

Peter entered Local Government as a member in the previous Perry Shire in 1994 and was successful in contesting Division 5 of the North Burnett Regional Council in March 2008.

In his life previous to Local Government, Peter spent 20 years in the Royal Australian Air Force as a life support fitter, i.e. maintaining parachutes, life rafts, pilot safety and survival equipment. He served at most bases in Australia and overseas in Malaysia, the Philippines, Singapore and New Zealand.

On leaving the RAAF in 1988, Peter, his wife Colleen and daughters settled in Mt Perry in search of a lifestyle and environment conducive to raising a healthy and happy family, away from the problems of urban living.

Peter has always been very involved in the local community through such things as Rural Fire Brigades, where he is warden of two (2) districts and State Emergency Service where he has completed training in vertical rescue, road crash rescue, advanced resuscitation and search. Peter is also vice president of the Mt Perry RSL sub-branch.

Peter is a keen sportsman and while no longer agile enough for hockey or squash, he still enjoys running and cycling. Like other Local Government representatives, he would love the opportunity to spend more time fishing.

## Councillor Lofty Wendt

### Division 6



P: 0458 625 950

E: [Lofty.Wendt@northburnett.qld.gov.au](mailto:Lofty.Wendt@northburnett.qld.gov.au)

Lofty entered Local Government in March 2004 as Councillor of the Biggenden Shire and was elected representative of Division 6 of the North Burnett Region in March 2008. He also completed 12 years as Environmental Officer with Biggenden Shire Council. This experience introduced Lofty to local community service which he undertakes with a passion in his current position.

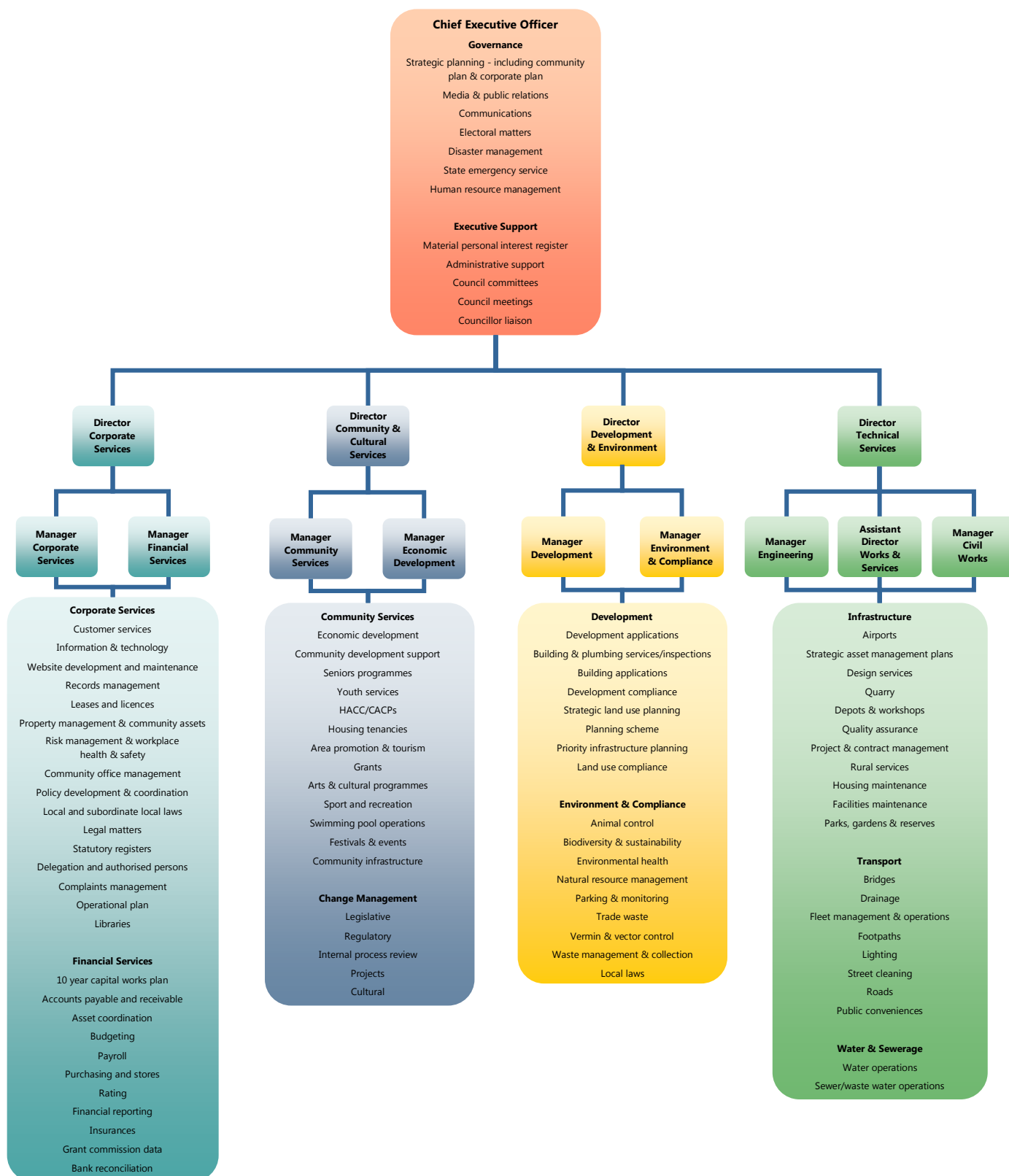
The Wendt family arrived in Biggenden in 1956 and as a young man Lofty joined the army. In a career spanning 30 years, he rose to the rank of Regimental Sergeant Major and served his country in places such as England, Malaya, Vietnam and New Zealand.

Lofty, together with his wife Wynsome, live in Degilbo where he is very active in the community. He is a member of Biggenden Lions, RSL, and the Rugby League Club, just to name a few. When not serving the community, he takes every opportunity to indulge in his passion for fishing, where he is involved with the Biggenden Amateur Fishing Club and Paradise Dam Stocking Association.

Lofty has been recognised on two (2) occasions for his leadership qualities whilst in the army. In 1969 he was awarded a BEM for what was deemed outstanding results and in 1982 he was awarded an OAM for leadership while serving in the 8th Battalion, Royal Australian Regiment.



# Corporate structure



# Performance at a glance

## >> Strategic priorities

The 2009-2013 Corporate Plan is currently the highest order document within Council and as such, directs and informs all other plans, activities, budgets and policies of Council. This plan was reviewed in the reporting period.

During the year Council commenced preparation of a *Community Plan* which will give a ten to twenty year vision to our region, which will be updated as required. When adopted this will be the premium planning document for the North Burnett Region.

The key strategic priorities and their corresponding corporate objectives identified in the corporate plan are:

### Community infrastructure and disaster management



Our goal is to have infrastructure and facilities in place that are well planned, affordable and offer a safe environment to the community.

### Economic development and tourism



Our goal is to have an enhanced standard of living within the community through encouraging existing businesses to grow and fostering new economic and tourism development opportunities.

### Organisational capability



Our goal is to provide improved council business systems and processes, and have a valued, skilled and motivated team focused on meeting community needs.

### Community cohesion and identity



Our goal is to have a cohesive community where council services are delivered consistently and equitably throughout the region.

### Environment



Our goal is to be environmentally responsible in the region's ongoing development, by improving and managing the natural built environments.

### Community services and health



Our goal is to ensure the community has access to a range of affordable services that supports their health, wellbeing and mobility.

### Culture, heritage, sport and recreation



Our goal is to be a region that cherishes its history and offers a variety of choices for participation in community and sporting life.

# *Corporate Services*



# Corporate Services

2009-2010 has seen a continuation of the work commenced last year to decentralise Councils' administration and processes. The original mandate imposed by Councillors following the amalgamation, was that a Council presence be maintained in all centres. We are pleased to achieve Councils instruction and confirm the following general alignment of functions:

Centre	Function
Mundubbera	Creditors
Gayndah	Debtors
Monto	Pay/HR
Eidsvold	Rates
Mt Perry	Costing
Biggenden	Receipting/Reconciliation

## Operational Plan

In accordance with legislative requirements the Operational Plan has been reviewed on a quarterly basis. The Operational Plan may also be viewed on Councils website at [www.northburnett.qld.gov.au](http://www.northburnett.qld.gov.au).

## Information Technology

Council's IT staff undertook a variety of projects over the year, some of which are outlined below.

### Computer Renewals

The approach to computer replacements was radically changed this year to accommodate a desire to move Council as quickly as possible to a standard operating environment, based on Windows 7 and Citrix.

A number of new technologies were trialled, and an Intel Atom and NVIDIA Ion platform were eventually chosen. These computers offer an energy saving of up to 70% when compared to the computers they replaced and with a lower purchase price present a substantial cost saving to Council.

All computers in Biggenden and Gayndah offices were renewed this year, with two offices to follow using similar technologies over each of the next two years.

Computers in the Biggenden and Gayndah offices that were still relatively competent were relocated to other offices to replace ageing models. Any leftover equipment with value will be disposed of in accordance with Council's policies.

### Network Expansions

In the past, Council's network has been fragmented by offsite premises such as water treatment plants and depots. This fragmentation meant that Council resorted to using costly separate internet connections and phone lines for those buildings, as well as having to attend on-site for technical support and maintenance.

There has been a concerted effort this year to bring as many of Council's premises online with Council's network using various low-cost wireless and wired technologies with great results. IT staff are now able to support those buildings directly, disconnect separate internet connections and reduce reliance on costly separate phone lines.



Mr Les Hotz  
Director of  
Corporate Services

## Policy Development

Council has an ongoing program to upgrade Policies in all areas of its operation to project Council's attitude to a range of subjects to the community and more importantly, provide consistency in the decision making process.

Policies which have been developed over the past year include:

### 2009/10 Adopted Statutory Policies

102	Grants to Community Organisations	Policy & Strategy Meeting - 01/09/2009
104	Purchasing	Policy & Strategy Meeting - 06/04/2010
105	Entertainment & Hospitality	General Meeting - 11/05/2010
113	Not-For-Profit Community Organisation	Policy & Strategy Meeting - 01/06/2010

Total = 4

### 2009/10 Adopted General Policies

216	Maintenance of Footpath	Policy & Strategy Meeting - 01/06/2010
217	Public Space - Tree	Policy & Strategy Meeting - 01/06/2010
218	Business Streetscape	Policy & Strategy Meeting - 01/06/2010
219	Deputy Mayor (Rotational Basis)	Policy & Strategy Meeting - 07/07/2009
220	Handling of Confidential Information (Closed Meetings)	Policy & Strategy Meeting - 07/07/2009
221	Upgrading of Unsealed Roads to Rural Standards	Policy & Strategy Meeting - 06/04/2010
222	Street Naming	Policy & Strategy Meeting - 07/07/2009
224	Community Events & Festivals	Policy & Strategy Meeting - 07/07/2009
225	Community Events / Town Presentation	Policy & Strategy Meeting - 01/09/2009
226	Workplace Health & Safety	Policy & Strategy Meeting - 07/07/2009
228	Volunteer	Policy & Strategy Meeting - 04/08/2009
229	Mobile Kitchen Use	General Meeting - 15/12/2009
230	Rate Recovery	Policy & Strategy Meeting - 06/04/2010
231	State Emergency Vehicle Usage	Policy & Strategy Meeting - 02/02/2010
232	Trade Waste	General Meeting - 16/03/2010
233	Debtors Recovery	Policy & Strategy Meeting - 01/06/2010

Total = 16

## Leases / Licenses

A considerable effort was made during the year to review current leases in all the previous shire areas and reassign the leases to the new legal identity which is North Burnett Regional Council.

# Records

## What we do, who we are

The Records department of the North Burnett Regional Council creates, stores, preserves, disposes and provides guidance on the management of official Council records. The department consists of three staff members who consistently guide and promote recordkeeping across the region ensuring Council business is properly documented and official records are managed accurately to support frontline service delivery, good governance and accountability.

## Our mission

To promote a healthy understanding of the necessity of good recordkeeping.

## Our values

Innovation, creativity and openness to ideas in our work, cooperation and mutual support.

## Legislation and functions

We are required under the Public Records Act 2002 to:

- > Ensure that public records of Queensland are made, managed, kept and, if appropriate, preserved in a useable form for the benefit of present and future generations;
- > Provide that access to records is consistent with the principles of the Right to Information Act 2009 and Information Privacy Act 2009.

To ensure that Council remains compliant with the Public Records Act 2002, the Records department develops and promotes efficient and effective methods, procedures and systems for the creation, management, storage and disposal of council records and increases staff awareness, commitment and skills in the creation and management of these records.

## Outputs and outcomes

During 2009-2010, the Records Department:

- > Hosted a records management workshop to four other regional councils
- > Received 9620 letters
- > Received 1496 customer requests
- > Registered 32153 documents into councils information management system (infoXpert)
- > Trained 67 staff in records management & infoXpert
- > Built an archive facility to safely store public records



Karen Cooney, Kent Burchard & Kirralee McDougall  
Records Team

- > Implemented new Right to Information & Information Privacy legislation (Right to Information Act 2009)
- > Records staff attended records and information seminars
- > Commenced archiving project to transfer permanent records to Queensland State Archives
- > Participated in 4 online government surveys

As Councils information repository grew and with the increase in statutory and legal obligations, it was vital to upgrade the information management system and manage all information from a central point whilst providing systematic control over the life cycle of the recorded information. Any authorised staff member can now create, view, edit, share and manage documents safely and securely anytime and anywhere thus increasing productivity and efficiency.



# Workplace Health & Safety

Overall this has been a year with minimal change to the operations of the Workplace Health and Safety department. Direction and future focus remain the key theme for workplace health and safety whilst still ensuring statutory compliance is maintained against governing legislation.

The main goal of providing employees with a safe place to come to work is continually improving throughout the organisation. Injury statistics and key performance indicators reflect the positive attitude of workers on the issue of safety, with the same encouraging trends affirmed and replicated in the results from the workplace health and safety department annual workplace audit.

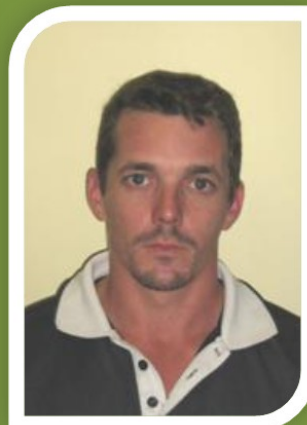
There continues to be positive growth and acceptance of workplace health and safety within the organisation, which is backed up by unwavering support of WH&S personnel by senior management representatives.

The need to foster staff development is a fundamental element of improving the safety of all workers. Mandatory training of employees continues to be a success for workplace health and safety with investigations into developing more training and development programs for staff underway.

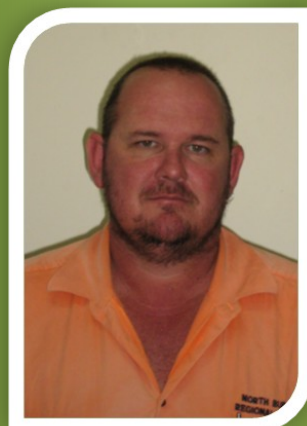
The workplace health and safety department again prepared a fiscally responsible budget for consideration by Council, and endeavour to work within the budgetary framework at all times.

With the harmonisation and roll-out of workplace health and safety legislation from State control into one piece of Federal legislation just around the corner, a large number of unknowns lay before the Workplace Health and Safety department. It will be a busy time over the next 12 months to ensure that this new legislation is fully implemented.

Year	Days Lost	Claims	Total Injuries
08/09	873	16	?
09/10	707	17	49



Mr Daniel Hart  
Workplace Health &  
Safety Officer



Mr Steve Lee  
Workplace Health &  
Safety Officer

# Libraries

Council operates Libraries in Biggenden, Eidsvold, Gayndah, Monto, Mt Perry and Mundubbera. During the year opening hours across the region were standardised in all centres as was the standard of services provided.

	Biggenden	Eidsvold	Gayndah
<b>Monday</b>	10:00-4:30	9:00-4:30	10:00-4:30
<b>Tuesday</b>	10:00-4:30	9:00-4:30	10:00-4:30
<b>Wednesday</b>	10:00-4:30	9:00-4:30	10:00-4:30
<b>Thursday</b>	10:00-4:30	9:00-4:30	10:00-4:30
<b>Friday</b>	10:00-4:30	9:00-4:30	10:00-4:30
<b>Saturday</b>	Closed	Closed	9:00-12:00
<b>Lunch</b>	12:30-1:30	12:30-1:30	12:30-1:30

	Monto	Mt Perry	Mundubbera
<b>Monday</b>	10:00-4:30	Closed	10:00-4:30
<b>Tuesday</b>	10:00-4:30	10:00-4:30	10:00-4:30
<b>Wednesday</b>	10:00-4:30	2:00-4:30	10:00-4:30
<b>Thursday</b>	10:00-4:30	2:00-4:30	10:00-4:30
<b>Friday</b>	10:00-4:30	10:00-4:30	10:00-4:30
<b>Saturday</b>	9:00-12:00	Closed	9:00-12:00
<b>Lunch</b>	12:30-1:30	12:30-1:30	12:30-1:30

## Artwork Displays

Artwork from Cynthia Mahomet (Mundubbera) and photographs from Melissa McCord (Eidsvold) have been displayed throughout the year. Visitors were able to walk through and look at the pieces whilst enjoying reading about the story behind each of them. Venita Law from Eidsvold has made and supplied a range of Indigenous souvenirs for tourists or anyone interested in the culture and artwork.

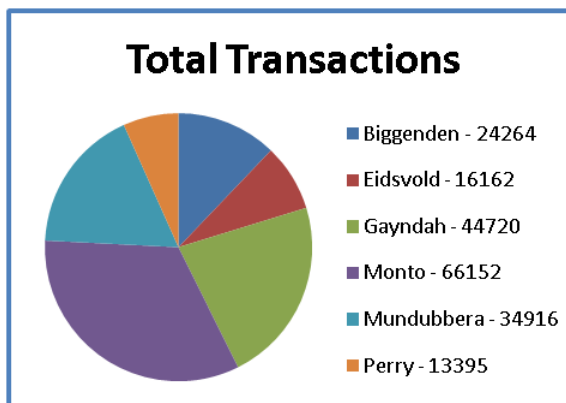
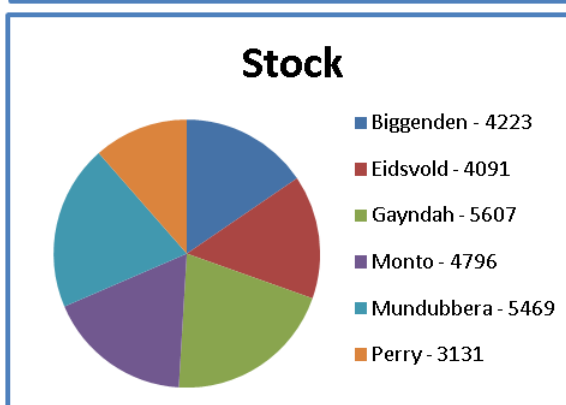
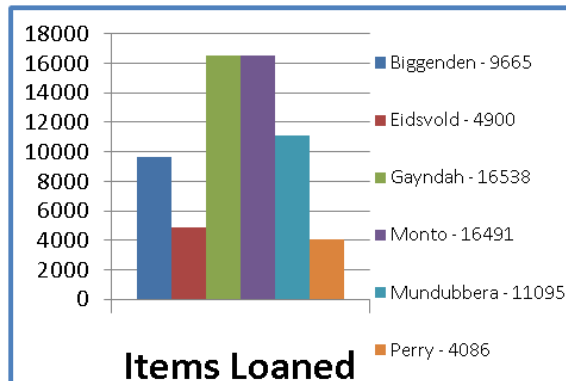
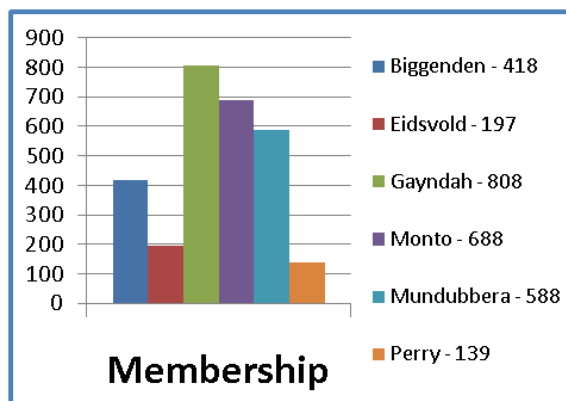
## Sports Library

Funding has been approved for a Sports Equipment Library at Eidsvold, which will be situated where the current tourism section is. Letters have been sent out to the Eidsvold community informing them of this project and asking for their thoughts and suggestions on sports equipment they feel would be beneficial for the community. Quotes for different equipment have already been obtained.

## Under 8s Week

Under 8's Week was held from the 21<sup>st</sup> to 28<sup>th</sup> of May. The theme was 'Living Diversity, Act Locally, Think Globally'. Mundubbera Library had a display relating to the theme for the week.

Mundubbera prep students visited the library for a story telling and activity session as part of the event. Students were given activity booklets and were split into two groups where they coloured in and read story books. Rhyme time booklets provided by State Library of Queensland and scrapbooks were distributed to the students.



# Community & Cultural Services



# Economic Development

## Achievements

Since commencing duties in early March 2010, Council's Economic Development Officer has experienced an extremely busy and productive period with numerous community consultations and proposal enquiries.

The Economic Development Plan was reviewed with consideration to recommendations culminating from the Business Advisory Group (BAG) meetings and potential economic and tourism opportunities that the region is able to offer and develop. Throughout the review process it has been highlighted that economic development is critical in terms of building the region as a place of potential business opportunities and sustainable economic growth.

Negotiations with Registered Training Organisations (RTO) and Government Departments were conducted with the aim of identifying and accessing funding for possible agricultural, business and industry expansions. Whilst the recent global economic conditions has created funding pressures on all organisations including Council, verbal and in-kind support has been received and will be further investigated.

Following key strategies in the Plan, business surveys were compiled and personally delivered so that the Economic Development Officer could introduce himself and obtain personal comments and suggestions from the regional business owners and/or operators.

## Town Walkabouts

A big thank you to everyone who participated in the "Town Walkabouts" earlier this year. Many positive comments were highlighted about each of our towns, however it was an invaluable exercise when it comes to prioritising improvements which need to be made. A report summarising these priorities has been released based on four key areas:

- Aesthetics
- Safety
- Access (especially disability access)
- Infrastructure/Services

Although there were many positive comments, three priorities for action were identified:

1. Our towns do not adequately cater for visitors (signage, information, parking).
2. There is a general lack of pedestrian safety.
3. Limited disability access, public building access was generally acceptable but access to some town centre businesses were considered below average.

Council will be working to address these issues, along with key priorities identified in each of our six towns.

A copy of the "Town Walkabout" report is available from the North Burnett Regional Council by phoning 1300 696 272 (1300 MY NBRC) or heading to our website [www.northburnett.qld.gov.au](http://www.northburnett.qld.gov.au)

## Initiatives & Objectives 2010-2011

- Assist and coordinate potential economic and tourism development opportunities in the North Burnett Regional Council area and enhance and market its capacity as a location for residential opportunities, primary production, industry, government services and tourism through investigating and identifying a range of funding and revenue sources.
- Investigate funding opportunities to provide adequate tourism facilities and improvements to existing or lack of amenities.
- Prepare promotional material for the area aimed at achieving maximum target audiences.
- Continue to liaise with the North Burnett Regional Futures Board to investigate future economic potential.
- Develop strategies in order to progress recommendations from the North Burnett Economic Development Plan.

## Tourism Strategy

The North Burnett Tourism Strategy was adopted by Council and in September the first edition of the North Burnett regional road map was produced which has been extremely popular with visitors, delivery truck drivers and emergency services.



## The Pioneer

The Pioneer was officially unveiled by artist Dave Machen of Bundaberg at the conclusion of the 2010 Biggenden Australia Day Award Ceremony.

The already famous sculpture is almost three metres high and attracts interest from both locals and tourists.

In the former Biggenden Shire Council's bid to Arts Queensland in 2007, the Regional Arts Development Fund committee members under the chair of Councillor Mary Randall called expressions of interests from artists to submit proposed works for a sculpture to represent industries past depicting an early settler as a tribute to the pioneers of Biggenden Shire.

Mr Dave Machen was awarded the project and described his design as representing industries past; it alludes to remnants of old working sites where you would often find the history in a decayed state. The old barrow is a common find throughout the Biggenden area, around the closed mines, cattle properties and even timber yards.

It is iconic of history past. From this concept Dave developed a figure in the same manner – the men of iron who battled for survival and our modern development. They were not old men as some would think but men of action and excitement in their new ventures.



## Visitor Attractions

Three public artwork projects contributed to the development of visitor attractions in the region. In September the installation of the stainless steel sculpture 'Moonlight' by artist Chris Calcutt added another feature to the Monto Lister Street Artwalk.

After advertising for "Sculpture Walk" ideas in August 2009, the Mundubbera Enterprise Association utilized Norm & Michelle Harris's sculpture submission and the creativity of artist, Chris Calcutt to produce a series of 4 sculptures which were completed on 19 January 2010 and unveiled during the Australia Day celebrations on 26 January, 2010.

Designed to reflect the natural and cultural heritage of the area, the first in the series is next to the iconic train in Bicentennial Park. The "Mundubbera" archway incorporating a sculpture of a fruit picker on a large granite seat base is designed to give a great photo opportunity with the river-bank trees as a backdrop. Next in the series is the 1800mm ceratodus, cut from 32mm steel and featuring stainless steel water ripples on its base. The ceratodus (lung fish) is native to the Burnett River, next to the park. The third sculpture is of a cattleman and beast. The base of this sculpture features stainless steel wheat emblems, referring to the grain growing history of the area. A gum tree featuring footprint cut-outs and a symbolic original owner is the final in this series of sculptures

These projects were supported by Council and Arts Queensland through the Regional Arts Development Fund.



## >> Highlights of 09/10

### RM Williams Australian Bush Learning Centre



It won't be long before the whips are cracking and bush skills are being shared at the RM Williams Australian Bush Learning Centre (RMWABLC) in Eidsvold! Passers-by will have noticed Council has completed the pad in preparation for construction. Tenders have been let and the first phase will be completed by 30 June this year.

The public meeting held in late January was also a great success with more than 30 people attending, and Council would like to thank all who contributed on the night. The Board also met with the region's educators seeking input on gaps in education services in the North Burnett.

### 300,000 Mega Litres of Water

For the first time in its history, on March 2nd 2010 in the afternoon, Paradise Dam was officially at full capacity with water starting to trickle, then flow down the entire length of the spillway. After 4 years of construction ending in November 2005, it took less than 5 years for Paradise Dam to become an important economic factor in the North Burnett Region. Now holding 300,000 mega litres of water and assuring 100% of all committed water allocations to irrigators of the Bundaberg Region for the foreseeable future. Long before today's Paradise Dam came into existence, Paradise Township was a thriving gold mining community recovering a total of 11511 oz of gold. Now partially underwater, a new paradise for local tourism is growing rapidly in attractions and visitors. An ideal start is the information centre with fish and turtle displays as well as information on guided walks and available cruises.

### Home And Community Care (HACC) & Community Aged Care Packages (CACPs)

In 2009/10 HACC & CACPs programs continued to work within the North Burnett Region to provide care to frail, aged persons and younger people with disabilities and their carers to enable them to remain living independently in their own homes for as long as practical within available resources. Together we provide, as part of respite and transport, a monthly shopping bus to Bundaberg (becoming fortnightly closer to Christmas) and have subsidised bus outings to various locations throughout the region with the latest to Gympie for a trip on the Valley Rattler, all utilising the local community bus service. Due to travel restraints for many recipients, local get-togethers have been arranged utilising local facilities including the Mt Perry Hall, Mingo Crossing and the Mt Perry Federal Inn.

There are currently four of the five CACPs packages utilised and thirty-two recipients of the HACC program. The majority of recipients receive Domestic Assistance and Home Maintenance services which are provided by local staff members who are trained to clean, maintain and monitor recipients and their homes. Through external CACPs funding, Certificate III in Home & Community Care has been offered to the staff with three (3) completing this qualification at the start of the year and one (1) staff member continuing on studies to a Certificate IV to be completed early next year. The support for the community that the Council displays in providing this service is greatly appreciated and valued by its recipients, the community and care staff.



# >> Highlights of 09/10

## Arts and Culture

The North Burnett Regional Council has achieved many outcomes this year in the area of Arts and Culture. Council has again been successful in securing funding for the Regional Arts Development Fund for the coming financial year, and has this year, delivered another innovative and unique Arts program and funding for our communities.

This financial year, the North Burnett Regional Council adopted its very first Arts and Cultural Strategy, 2010-2013, which was accompanied by the North Burnett Regional Council Cultural Mapping Document. The strategy was the result of an extensive consultation delivery, which spanned over 8 months. Consultations were held throughout the North Burnett with community groups, individuals, businesses and School communities. Feedback has been very positive.

The North Burnett Galleries continue to grow and to deliver some exciting exhibits. A Regional Networking Group for galleries and history/heritage is planned to commence early in the next financial year.

## Community Bus Services

North Burnett Regional Council continues to support the various community bus services which operate throughout our region, providing an essential service or transportation to our communities. Council continues to work closely with the Jena Boran Corporation for the provision of a return bus service on Thursdays, from Mundubbera to Bundaberg, servicing Mundubbera, Gayndah and Biggenden. Council has also continued to run the Eidsvold Bus Service which also provides transportation on a weekly basis. Callide Coaches has received Council's support in the promotion of their bus service twice weekly, travelling from Biloela to Maryborough on Wednesdays and Fridays.

## Community Housing

North Burnett Regional Council continues to maintain its Community Housing programs in Biggenden, Eidsvold and Mt Perry. Applications continue to be received in these three centres, which shows a continued demand for community housing in our region. Council has continued to work with the local advisory groups with the management of the housing facilities, and continues to work closely with the Department of Communities.

## Central Burnett Youth Services

In early 2010 the Central Burnett Youth Service was unmanned due to the resignation of the Youth Worker. After discussions with the Lifeline – Fraser District Youth Support Coordinator, Council negotiated a three (3) year agreement with Lifeline to provide Youth Services to the Central Burnett. It is Council's view that this agreement will provide the community with youth services in the most appropriate and effective manner. An important part of the agreement will see youth workers based locally, offering services to the communities of Gayndah, Mundubbera and Biggenden.

Council continues to receive significant contributions from the Queensland State Government particularly for the youth of our region. The multitude of activities, personal support in social, educational, health and community matters benefit the young individuals as well as the entire community of the North Burnett region. Council is pleased to acknowledge the State support it continues to receive.

## Special Events

Two very successful inaugural events were held during the year. A Taste of the Burnett - celebration of cultures was held in Mundubbera in August.

The Northern Queensland Recreational Aircraft Association (QRAA) Fly-In event was held at Monto in June. It attracted many visitors from outside the region and generated new income into the local communities.



# >> Highlights of 09/10

## Australia Day Celebrations

### Biggenden

Citizen of the Year - Mrs Barbara Nelson  
Community Event of the Year - Take a kid fishing day  
Junior Sports Award - Mr Andrew Seabrook  
Sports Administrator Award - Mr John Cormie  
Senior Cultural Award - Mrs Estelle Harvey  
Junior Cultural Award - Biggenden State School Students  
- Remembrance Day Service  
Achievement Award - Mrs Michelle Kinbacher (Voluntary Work for the Biggenden Community)

A very successful Australia Day was held in Beiers Park, Biggenden. The day's celebrations commenced with an Aussie breakfast prepared by the Biggenden SES Support Group. The music and public address system was kindly provided by Albert Jones.

Councillor Kevin (Lofty) Wendt OAM BEM extended a warm welcome to the 200 residents, guests and visitors in attendance. Guest Speaker for the ceremony was Cassie Percival, an international level Triathlete. Cassie spoke of growing up and commencing her sporting career in Biggenden, encouraging the youth of Biggenden to have a go and not believe that a sporting career cannot be pursued from a small rural community. A vote of thanks to the guest speaker was moved by Natasha Eggleston.

Councillor Wendt OAM BEM presented the Australia Day Awards with a Certificate of Achievement presented to Michelle Kinbacher.

### Eidsvold

Citizen of the Year - Mrs Mary Nelson  
Young Citizen of the Year - Miss Jemma Collins  
Community Event of the Year - Eidsvold Show Ball Sub Committee (Pink and Black Tie Gala Evening)  
Senior Sports Award - Eidsvold Eagles (Eidsvold Rugby League Football Club)  
Junior Sports Award - Miss Sammi-Jo Pointon  
Sports Administrator Award - Mrs Valerie Pashalis  
Senior Cultural Award - Ms Laurel Ellerton  
Junior Cultural Award - Eidsvold State School ATSIAP Leadership Group

### Gayndah

Citizen of the Year - Mrs Helen Walker  
Young Citizen of the Year - Mr Matthew Gatt-Walters  
Community Event of the Year - Gayndah Flood & Fire Concert (Mrs Elvia Slack and Jan Rawlins)  
Senior Sports Award - Mr Jordan Giddins  
Junior Sports Award - Mr Haydin Elsebach  
Sports Administrator Award - Mr Hane Ostwald  
Senior Cultural Award - Mr Ron Tannock  
Junior Cultural Award - Miss Samantha Beasley

### Monto

Citizen of the Year - Mr Grahame Sanderson  
Young Citizen of the Year - Miss Elise Giles  
Community Event of the Year - Order of the Eastern Star  
Senior Sports Award - Mr Nicole Curtis  
Junior Sports Award - Mr James Dederer  
Sports Administrator Award - Mrs Beryl Avis  
Senior Cultural Award - Mrs Betty Zumbansen  
Junior Cultural Award - Mr Shane Delisser

### Mount Perry

Citizen of the Year - Barry & Jocelyn Warrell  
Young Citizen of the Year - Elliot Nicholson  
Community Event of the Year - Mt Perry Races  
Junior Sports Award - Matt Nicholson  
Senior Cultural Award - Rae Watson  
Junior Cultural Award - Rochelle Brooks  
Community Spirit Award - Jim & Wendy Castle

### Mundubbera

Citizen of the Year - Mrs Loris Doessel  
Young Citizen of the Year - Mr Mitchell McLennan  
Community Event of the Year - Bat's N Bull's / 7-a-side cricket  
Senior Sports Award - Mr Bevan Holzheimer  
Junior Sports Award - Miss Isabel Emmerton  
Sports Administrator Award - Mr Bradley Beezley  
Senior Cultural Award - Mr Gilbert Webb  
Junior Cultural Award - Miss Brittni Crofts  
Service Award - Miss Marion Denholm

Mundubbera was a hive of activity at the Australia Day Celebrations held at Bicentennial Park, Durong Road. Breakfast was served from 7.30am and local entertainment performed by Mr David Holleran and the Mundubbera Community Choir was enjoyed by all who participated.

Fifteen members of the Mundubbera District Pony Club, dressed in formal attire, performed the flag raising ceremony. Minister Scott Dulley, opened with the morning prayer and led the Australia Day Affirmation.

One minute silence was held as a sign of respect for the passing of 2009 Citizen of the Year, Mrs Glenice Doessel.

## >> Highlights of 09/10

### Citrus Harvest Kick-Off

Mundubbera held its very first Community Citrus Harvest Kick-Off on Friday, 23<sup>rd</sup> April 2010. An enormous crowd of between 1500-1800 people attended to help celebrate the start of a successful citrus season, and the coming together of cultures from around the world.

The event was funded by the Department of Immigration and Citizenship, in partnership with the North Burnett Regional Council. A free Aussie Lions BBQ and free Tongan food feast were provided, along with entertainment and free kids rides.

The Tongan visitors who are partaking in the Pacific Seasonal Worker Pilot Scheme, performed some traditional songs and David O'Halloran, Katie Anbeek and Alex Kolo provided the entertainment for the evening. MCs for the night were non-other than Mundubbera's own Alex O'neil and Tony "Swampy" Becker, who did an amazing job.

Two football matches were held to help with the celebrations – the Mundubbera Tigers vs the Tongan Team and a Mayoral Multi-Cultural Challenge. The matches were tough and many new friendships were made.

Council would like to thank all the community groups and members who assisted with making this successful event.



# *Technical Services*

# Technical Services

The year has been a busy one in terms of the Budget Expenditure achieved and the quality of work produced.

Council experienced some leadership changes in October 2009 when the Director of Infrastructure Services, Mr Bob Spencer, temporarily stepped aside from his normal duties to complete road safety audits necessary for the processing of over twenty (20) B-Double route applications.

In conjunction with these road safety audits a proposed B-Double Route network was established which will be one of the discussion topics addressed by the "Road Users Groups" once they are established and functional.

Bob Spencer resigned from Council in April 2010 and his effort in establishing our regional workforce are acknowledged and applauded. Council is in the process of filling this vacancy.

## Works Program

The following works programs were successfully concluded:

Road Maintenance	\$4m
Capital Roadworks	\$3.6m
Main Roads Maintenance	\$1.94 m
Main Roads Works	\$0.44 m

## Consultants

One of Council's objectives last year was to reduce its use of outside consultants in favour of developing internal staff. I am pleased to report success in this area, not only in Technical Services, but throughout the Council. In our instance, Technical Services has been able to assist in technical assessments of development applications as well as commence the standardisation of construction standards – all jobs that were previously outsourced.

## Asset Management

Under the new Local Government Act all Councils must adopt formal asset management plans for all classes of Council assets by December 2010. The plans provide information as to how Council will progress to having an operating asset management system by December 2012. The information produced by the system will provide the basis for setting the Council's budgets including operation and capital works and be auditable proof to rate payers and all levels of Government that the assets of Council are being maintained to the levels of service adopted by Council.

To achieve these statutory milestones Council has employed an experienced Asset Management Co-ordinator (Mr. Chris Littlejohns) to head the Asset Management team of two technical officers and a finance/administration officer. The achievement of the statutory milestones is a huge task for North Burnett as there were no systems operating prior to amalgamation that could be expanded to suit the new council. Progress to date has been on target however there is no room for disruption or this group will not be able to achieve the required deadlines.



Mr Bob Spencer  
Director of  
Technical Services



Mr Trevor Harvey  
Assistant Director of  
Technical Services

### Reseal Program

This year was the first of a two year trial where Council has joined with the South Burnett Regional Council in joint tendering to complete both Councils reseal programs. Total program expenditure was in the vicinity of \$2m. The project management of this year's trial was the responsibility of the North Burnett Regional Council and the program on the ground went exceptionally well. The savings previously achieved by running a consolidated reseal program within the North Burnett Regional Council have been considerable and the efficiencies gained by going this extra step will be assessed once the second year of the program has been completed.

### Bridge Gang

There are 54 wooden bridges within the North Burnett Region which are monitored by Technical Services. Council was successful in obtaining a State Government (DEEDI) grant for the employment of a second bridge gang to help with the maintenance/repairs required to keep these bridges trafficable.

Council has four qualified bridge inspectors within the two gangs which assists in maintaining the level of inspection required for these aging structures.

The program to replace these bridges with alternate structures has continued with replacement of two bridges on Beeron Road commenced, one with concrete box culverts and one with a steel modular bridge.

The employment of the second bridge gang has given Council the capacity to work on wooden bridges for Main Roads. During the year Council has carried out major work on two bridges on the Eidsvold-Theodore Road for the Department.

### Main Roads Work

The Queensland Government through Main Roads provides a major proportion of the Regions works program. Unfortunately this year the level of Main Roads works was well below normal budget levels which placed a huge strain on Council's operational budget.

Senior staff are in continual dialogue with the Department to try and extract early commitment of projects and funding levels for Council over the next few years.



### Plant Purchases

Council remains committed to providing and maintaining good equipment which is reflected in the budget commitment of \$4.25m.

This expenditure has allowed Council to establish a reliable modern plant fleet. Further replacements will now be based on the results of a plant utilisation study that was commenced at the end of the financial year.

### Staff

There are currently 159 persons employed in the external workforce delivering services to the North Burnett Region, of this number 19 are engaged in the provision of Water and Sewerage.





# Roadwork's North

## Roads To Recovery

Harpurs Hill Road, Mount Perry - \$132,679  
Upgrade unsealed road to a bitumen sealed road.

Kerwee Road, Eidsvold - \$86,309  
Widen existing culvert and bitumen seal as part of B Double upgrade.

Nerangy Road, Eidsvold - \$66,236  
Widen existing floodway and pavement upgrade as part of B Double upgrade.

Swindon Road, Mount Perry - \$150,268  
Upgrade drainage and pavement widening.

Derraranbungy Creek, Mundubbera - \$555,005  
Replace timber bridge.

Beeron Creek, Mundubbera - \$152,862  
Replace timber bridge.

Monto Bunyip Hole - \$190,188  
Replace timber bridge.

## Main Roads TIDS

Kirra Weir Road, Eidsvold - \$220,617  
Upgrade unsealed road to a bitumen sealed road.

Airport Road, Monto - \$216,000  
Upgrade unsealed road to a bitumen sealed road.

## Main Roads RPC

Burnett Highway, Eidsvold & Monto - \$250,000  
Pavement rehabilitation works.

## Shire Capital Works

Abercorn Road, Eidsvold & Monto - \$134,032.  
Upgrade narrow bitumen seal to double lane bitumen seal.

Monto - \$123,602.  
Sealed roads pavement rehabilitation.

Mungy Road, Mount Perry - \$52,070  
Upgrade drainage and pavement widening.

Rawbelle Road, Eidsvold - \$27,905  
Pavement rehabilitation.



## Roadwork's South



### Roads to Recovery

Monogorilby Road, Mundubbera - \$53,501  
Widen and gravel resheet 2.01km section.

Mt Narayen Road, Mundubbera - \$39,341  
Widen and gravel resheet 1km section.

Wigton Road, Gayndah - \$7,918  
Widen and seal intersection.

### TIDS

Coringa Road, Biggenden - \$150,000  
Widen and overlay to sealed standard 2km section.

Wilson Valley Road, Biggenden - \$166,000  
Widen and overlay to sealed standard.

Wigton Road, Gayndah - \$283,832  
Widen and overlay to sealed standards 3km section.

Humphrey Binjour Road Gayndah - \$92,037  
Widen to double width sealed standards.

Gayndah-Mundubbera Road, Mundubbera - \$172,000  
Construct 1.4km of gravel road to a 7m wide sealed standard.

Riverleigh School Bus Road, Mundubbera - \$124,170  
Widen 1km of road to 7m wide sealed standard.

### Shire Capital Works

Boondooma Road, Mundubbera - \$123,441  
Realign and construct 600m section of road to gravel standard and widen two curved to a sealed standard.

Queen Street, Dallarnil - \$53,720  
Reconstruct street and rectify drainage issues.

Deep Creek Road, Biggenden - \$74,539  
Widen and gravel to 7m width standard.

Eureka Road, Biggenden - \$68,180  
Install pipe culverts, form and gravel road.

Elizabeth Street, Biggenden - \$102,049  
Install stormwater system to alleviate local flooding.

South Street, Barrow Street & Spencer Street Gayndah - \$7000  
Seal improvements.

# Water & Sewerage

## Fluoridation

The State Government has legislated that all communities in excess of 1,000 people must have fluoride added to the water supply. This legislation effects the Monto, Gayndah and Mundubbera townships with a deadline for completion of December 2011.

During the year Council completed the Fluoride Concept Design Report for fluoride addition to the three water supplies which is a requirement before the Government will release funding for the construction of the three plants. The report has been accepted by the relevant Minister and the tendering and construction phase will commence in the first half of 2010/2011.

## Telemetry

Work commenced on the installation of a Regional telemetry and control system (SCADA) for all Water and Sewerage facilities. The plants at Mundubbera and Biggenden were the first two to be completed. The completion of this project will not only give operators more consistent level of information to assist in plant operation it will also help maintain compliance to statutory requirements for water and waste water treatment.

The installation of the SCADA system will continue in the 2010/11 financial year.

## Gayndah Water Main

A new 250cm water main was installed under the footpath in Capper Street using directional drilling techniques. By adopting this technology Council avoids trenching and reduces many of the costs and inconveniences associated with working in populated and busy areas.

## Mundubbera Water Main

A project commenced to install a 250cm water main from the Mundubbera Water Tower to the industrial area. This project is part of the mains replacement program and is also expected to address some low water pressure issues experienced in isolated areas of the water distribution system.

## Monto Water Augmentation

Water main installation in the Mill Road and Flinders Street areas of Monto were commenced as part of the funded water augmentation project originally undertaken by the former Monto Shire Council. This project is aimed at increasing the reliability of the water distribution system.

## *Development & Environment Services*

# Development & Environment Services

## Regional & Local Community Infrastructure Program

Council received a grant of \$1,201,000 under this program to undertake eleven (11) projects throughout the Region. Council saw a need to provide better facilities for its six communities. Several projects were discussed and those carried out were considered the most beneficial. Upgraded and new facilities results in positive communities. Six of the projects incorporated provisions for disabled persons. The projects were:

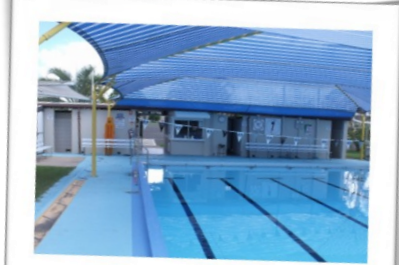
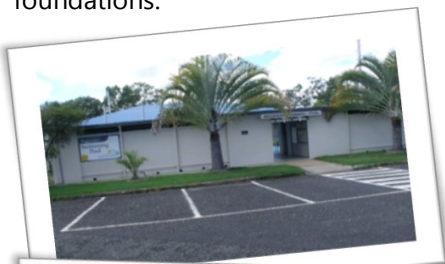
### Mount Perry Copper Mine Creek Walkway

This project was the construction of a walkway for residents and tourists from the Mount Perry Museum over Copper Mine Creek to a gold stamper shed.



### Biggenden Swimming Pool Upgrade

All buildings were painted, the floors coated with seamless flooring and finally an entirely new kiosk has been installed to serve the visitors. Just as important was the repairing of the shade sail foundations.



### Eidsvold Football/Polocrosse Amenities Building

Construction of an amenities building, including change rooms, toilets and canteen on the Eidsvold Sportsground Reserve.



The existing amenities buildings at the Eidsvold football grounds were not in a fit state for use. Eidsvold was to host the 2008 rugby league grand final, however, officials relocated the grand final to a neighbouring town, using the state of the buildings as part of their reasoning.



Mr Bob Savage  
Director of Development &  
Environmental Services



## North Burnett Regional Council Area Signage



The provision of regional signage throughout the North Burnett Region assists in promoting tourism in the newly amalgamated Council, its towns and communities.

## Disabled Access Toilets Lister Street, Monto



The old toilets at this site had suffered from damage due to soil movement. The new facility will provide functional amenities for many years to come.

## Mt Perry Office

This project provided disabled access to the Mount Perry administration office.



## Mobile Kitchen



There were a number of Council owned facilities that have inadequate kitchens. Instead of repairing or replacing these kitchens, Council decided to purchase a mobile kitchen that can be transported to any venue in the region for a function. The mobile kitchen can also be used where there are no facilities, e.g. field days, aquatic carnivals, etc.

## Mundubbera Indoor Sports Complex



This project was for the construction of a covered multi purpose sports facility at Archer Memorial Park at Mundubbera. The building measures 20m x 36m x 6m high, is clad in colorbond including one fully clad gable end wall with a 2m sun visor down both length walls and the other gable end fully open.

## Gayndah Sportsground



The construction of a building on the Gayndah Sportsground provided amenities and a club house for the various sporting organisations that utilise the grounds. There were previously only storage and limited facilities available.

## Disabled Access Toilet Biggenden Lions Park



Toilets were in place in the Lions Park, however disabled access was not available. The construction of an adjoining disabled access toilet provides access for the disabled.

## Mount Perry SES Amenities



The project was to upgrade and provide disabled access to the amenities at the Mount Perry State Emergency Service Building. The current toilets were not to standard and did not have disabled access. Construction included adding an extension to one end of the building.

# Development Services

## Statement

Council provides services in the area of Planning, Building and Plumbing/Drainage to ensure that acceptable standards are met and that there is consistency with community expectations and that development complies with relevant legislation and policies at all times to protect and enhance community health and safety with respect to land use and the built environment.

During this, the second year post amalgamation, Council has further streamlined the operations of the Development Service Department. This has seen a reduction in staff numbers, quicker response times, and across the board cost savings. The processing of Planning applications is now undertaken in the Gayndah Office. Building applications are processed in the Biggenden Office, whilst Plumbing and Drainage applications are processed in the Perry and Gayndah offices. Customer Service Officers have been maintained in the other regional offices to redirect enquiries and accept applications.

## Scope

This report forms part of the Department of Development, Environment and Infrastructure's second annual report for the North Burnett Regional Council.

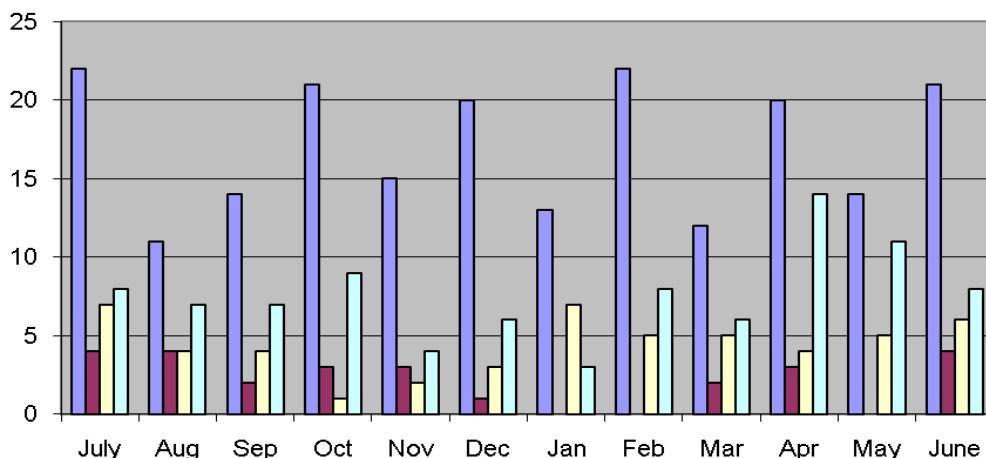
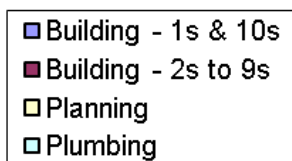
## Report

Development statistics for the 2009/2010 financial year show that Council received and processed; approximately twenty (20) building, five (5) planning and eight (8) plumbing applications per month with a combined total for the year of 375.

A large percentage (54%) of the applications were for class 1 and 10 (dwellings and domestic sheds). Refer to table below.



Mr Lex Webster  
Manager of  
Development Services



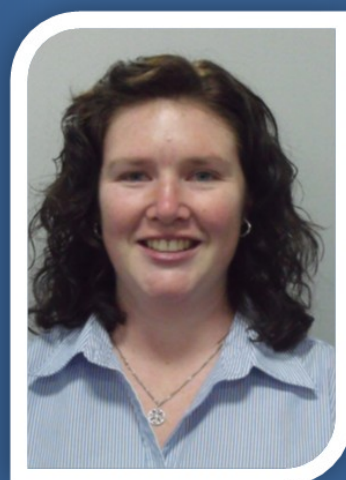
# Natural Resource Management

## Freshwater turtle Awareness Day

Council resolved to support World Turtle Day by creating awareness about Burnett's freshwater turtles, in particular the White throated Snapping Turtle. A Freshwater Turtle Awareness Day was held on the 24<sup>th</sup> August at Paradise Dam, where the turtle hatchery is located. Approximately 100 people attended the event. Council Officers did a Freshwater Turtle, Freshwater Fish and Paradise Town history presentation and a guided bush walk was also on offer.

Other activities included games (Sack race and egg/spoon race both using 'turtle eggs'), colouring in table and BBQ lunch. NBRC's NRM Awareness Trailer and BMRG's Coastal Trailer were both there to share information on everything from live weed samples and advice from Councils Land Protection Officer to other native species.

A small competition to name three of the freshwater turtles on display in the kiosk/ information centre was run. A big thank you to everyone who suggested a name for the turtles. We had some fantastic suggestions and out of them the following names were chosen:  
'Turbo' the Saw Shelled Turtle, name suggested by Cody.  
'Bubbles' the Krefft Turtle, name suggested by Wyatt.  
'Bob' the Broad Shelled Turtle, name suggested by John.



Miss Lee Dorahy  
Natural Resources Officer

## Development of Pest Management Plan

Every year in Queensland pest plants and animals cost more than \$710 million in lost production and control. Pests cause significant economic losses, cause degradation of natural resources, threaten biodiversity and interfere with human activities. Under the Land Protection (Pest and Stock Route Management) Act 2002 all local governments are required to have Pest Management Plans in place for declared pests in their area. North Burnett Regional Council has begun preparing a new Local Government Area Pest Management Plan. Council and the North Burnett community have been operating under six LGA Pest Management Plans since 2008 and they are all now due to be redeveloped. The development of one Pest Management Plan will provide a consistent approach to Pest Management across the North Burnett region.





## Displays at Annual Agricultural Shows

A display was held at 6 Burnett Annual Agricultural shows. The Natural Resource Management Trailer was utilised to display information on Natural Resource Management, pest plants and pest animals. The display include live pest plants at some of the shows and information on threatened species that are found in the North Burnett such as the Native Thistle and White Throated Snapping Turtle.

## Glossy Black Cockatoo Program

Commencing in 2005, this project focuses on awareness and identification training of this threatened species, native to our area. The birds are more prevalent in the northern part of the Region. North Burnett Regional Council is also a partner with the Glossy Black Conservancy that undertakes a similar program across South East Queensland and North East New South Wales.

In May 2010 a technical workshop and a field Day was held in Moonford and Monto. These events provided attendees with the tools and experience to identify the Glossy Black-Cockatoo. Identification was provided to ensure that the three Black Cockatoos found in this area could not be confused. This program is continuing so look out for more field days and information sessions. For more information on identification visit [www.glossyblack.org.au](http://www.glossyblack.org.au).



## African Lovegrass Action Group and Demonstration Site

African Lovegrass (*Eragrostis curvula*) is a perennial grass with highly invasive qualities and the potential to create dense monocultures in the landscape. Livestock production can be dramatically impacted by the presence of African Lovegrass. The distribution of African Lovegrass in Queensland is concentrated in the southern part of the State.

In November 2009 an African lovegrass (ALG) action group was formed in the North Burnett to provide a platform for collaborative effort in controlling and minimising the impact of ALG on various stakeholders. Objectives of the action group are: • creation of a management plan • lobbying for declaration • mapping • sourcing funding and research • promoting weed hygiene practices. A major goal of the group is to gain the commitment from all stakeholders including local and state government, relevant utilities, landholders and other relevant bodies to help contain ALG. A plan is being developed by the ALG Action Group. The purpose of the plan is to outline the management and containment of African lovegrass across the North Burnett Regional Council's geographical area.

The management of African lovegrass requires a coordinated and committed strategic approach, and the implementation of best practice management. It is intended to provide guidance in the development of a consistent approach to the containment and management of African lovegrass across the North Burnett Regional Council area. This Plan is being developed with valuable input from landholders, Transport and Main Roads, Ergon Energy, Powerlink, Australian Agricultural College Corporation (AACC), neighbouring local governments, Burnett Mary Regional Group, and Biosecurity Queensland.



## >> Highlights of 09/10

### Tidy Towns Awards 2009

The North Burnett Region was presented with three Tidy Town Awards for the Wide Bay Burnett with the North Burnett taking out 3 categories for the region. They were announced on 28<sup>th</sup> of July 2009. Monto received the *Australia Post Bush Spirit Award* recognising community hardship, Biggenden received the *Paradise & Bishopp Outdoor Advertising Heritage Award Runner up* recognising a commitment to the preservation, conversation and celebration of history, heritage and culture within a community (specifically the Biggenden Historical Society Museum) and the North Burnett Regional Council itself received the *Environmental Protection Award* recognising the community's commitment to the protection and management of the environment.

### Playground upgrade Beiers Park

The installation of a recycled rubber soft fall floor in the Biggenden Beiers Park playground as well as new playground equipment assure the children in Biggenden an attractive and safe environment to play in.



## *Community Grants & Donations*

## >> Summary of expenditure

### Biggenden

Organisation	Inkind	Donation	Description
Biggenden Blue Care Services	-	12.50	In-kind Wages 0.5 hour-ride on mower 13.08.09
Biggenden Show Society	-	253.29	In-kind Wages / bobcat for preparing showground
Biggenden Bowls Club	-	162.34	Wages 2.75 hours irrigation 29/09/09-15/01/10
Biggenden & District Pony Club	-	106.65	In-kind- Wages & Plant 3.5 hour-ride on mower
Biggenden Historical Society	-	365.46	Rates reduction (assessment 10002-0-0)
Dallarnil Sports Club	-	950.00	2/11/09 Towards Purchase of Refrigerator for Sports Club
A & C Seabrook	-	250.00	QLD Softball Championship funding Wide Bay Repres
Dallarnil State School	-	100.00	Donation towards Awards of Rodeo Night
Siena Johnson	-	250.00	Grant towards Sport Competition Expenses
Biggenden A&P Society	112.50	-	Mowing 14/2/10 1.5hours
Dallarnil Sports Association	192.47	-	2h inkind work with tipper
Blue Care Biggenden Donation	106.62	-	Mowing 10/2/10 1.5hours
Uniting Church Biggenden	80.02	-	Mowing 10/2/10 1hours
Catholic Church Biggenden	80.02	-	Mowing 10/2/10 1hours
Anglican Church Biggenden	80.02	-	Mowing 10/2/10 1hours
Biggenden Bowls Club	28.69	-	Mowing 16/03/10 0.5hours
Biggenden & District Pony Club	49.49	-	Mowing 25/02/10 0.75hours
Coalstoun Lakes School	299.06	-	Inkind work 4h, tipping truck
Biggenden Comm.Heritage Society	51.38	-	Mowing 10/02/10 0.5hours
Biggenden Health Service	151.65	-	11/05 /10 17.5hours (tractor, Hilux, Jack)
	1,231.92	2,450.24	
<b>Total</b>		<b>3,682.16</b>	

### Eidsvold

Organisation	Inkind	Donation	Description
Eidsvold Show Society	-	1,000.00	Donation towards annual 2010 Eidsvold Show
Eidsvold State School-Anzac	-	412.61	Trophies & medals with engraving for sports
Eidsvold Musicians Muster	-	1,942.37	31/0/10—bridge gang & patching truck
Eidsvold Football Club	-	285.00	Laminated photos, printing for football event
Abercorn State School	-	400.00	School camp bus travel cost contribution
Eidsvold Rodeo, Campdraft Committee	-	250.00	Sponsorship of Campdraft event
Eidsvold Branch Little Athletics	-	250.00	Sponsorship of sports events U13 competition
	-	4,539.98	
<b>Total</b>		<b>4,539.98</b>	

Organisation	Inkind	Donation	Description
Orange Festival	-	43.90	Materials - festival float late invoice
Gayndah Development Assn	-	3,385.00	Community grant for Gayndah town notice board
Gayndah Swim Club Mercantile Relay	-	500.00	Community grant payed 07/01/10 - swim relay
Australian Red Cross Gayndah	-	100.00	Red cross calling donation 08/03/10
Gayndah - QCWA	-	1,358.22	Reimbursement rates assessment 30422-0000
Binjour Bowls Club	-	250.00	Grant payment 21/04/10 - prize money for bowls event
Gayndah Girl Guides	-	572.46	Waiver of rates
Renee Thuerkauf-Smith	-	800.00	Community grant 15/07/09
Burnett State College	-	171.13	In kind wages 8 hours work to apply sawdust
Gayndah Hospital Auxillary	-	800.00	Purchase of oxygen condenser
Burnett Historical Literacy Gr	-	1,000.00	Towards purchase of new laptop
Gayndah Netball Assn	-	250.00	Towards payment of rates
Gayndah & District Tennis Assn	-	556.80	Waiver of general rates
Burnett State College	-	800.00	Defensive driving course/Mick Lutvey citizen award
Regan Clibborn	-	250.00	Wesley Hospital Kim Walters Choice Program
Hayden Elseback	-	250.00	Rugby sponsorship/Funding Wide Bay represent
Jordon Giddins	-	250.00	Sponsorship sports championship event participation
Tory Robertson	-	250.00	Community grant donation show horse competition
Bree Robertson	-	250.00	Community grant donation Little Athletics
Taylor McCosker	-	250.00	Community grant donation Little Athletics
	-	12,087.51	
<b>Total</b>		<b>12,087.51</b>	





## Monto

Organisation	Inkind	Donation	Description
Mulgildie Rodeo	-	111.01	Wheelie bin/1h inkind wages/1h Isuzu truck
Monto & District Show Society	-	316.00	\$66 inkind - wages 1.5h/0.5 cab truck
Monto Cultural & Historical Society	-	6,000.00	Annual donations 08/09-09-10
Monto Festival	-	5,000.00	Community grant donation towards running the festival
Monto State High School	-	143.52	Inkind work 4h and truck 1h
Bancroft Campdraft	-	201.79	Inkind work 15/04/10 8h and truck 4h
Monto State High School	-	300.00	Donation annual speech night
Monto Garden & Trade Expo	-	106.04	Expo support, 2.5 inkind wages/1h Isuzu truck
Central Qld Gem Show	-	19.83	Inkind wages 1h 13/08/09
Mulgildie State School P&C	-	61.66	Inkind wages 1.5h/1h cab truck 10/09/09
Monto & District Show Society	-	498.18	Percentage reduction of rates
Roslyn Benecke	-	250.00	State Championship - Wide Bay Sports
Rural Fire Brigade - Airport Monto	-	140.00	Hire of stump grinder 29/12/09 for shed slab
Gary Kerr	-	159.00	D/Payment 2547 petty cash
Monto Festival	1,413.03	-	Inkind wages during Monto festival
Monto & District Show Society	869.26	-	60h inkind wages, 9.5h truck 03/10
Monto Race Club	114.55	-	12h inkind wages, 1.5h truck 03/10
Monto Polo Cross	257.62	-	17h inkind wages, 2h garbage truck 10/05/10
Cania Dam Fish Stocking Assn	275.09	-	24h inkind wages, 4h truck 17/03/10
CQ Gem Show	86.36	-	1 tyre for Monto Magic truck
Monto & District Historical Society	735.99	-	Show support, 15h inkind wages/14h Isuzu truck
Monto Polo Cross	139.98	-	7.5h inkind wages
Monto Chamber of Commerce	776.00	-	Inkind wages 15.5h/6h Isuzu truck, loader
Rural Fire Brigade - Airport Monto	11,302.09	-	Slab, concrete, 49h truck/backhoe, 73h inkind wages
Mulgildie Campdraft	96.36	-	Inkind 6h/1h truck
Monto Fly In	16,965.80	-	33+ hours inkind work
Monto Dairy Festival	444.05	-	Sponsorship of participation of Rexanna Williams
Monto Silver Buckle Campdraft	154.94	-	Inkind wages
	33,631.12	13,307.03	
<b>Total</b>		<b>46,938.15</b>	

## Mt Perry

Organisation	Inkind	Donation	Description
Gin Gin High School	-	300.00	NBRC Bursary Sponsorship
Mt Perry Fine Arts	-	200.00	Donation to Mt Perry Fine Arts/Peoples choice sponsor
Mt Perry Rodeo Committee	-	5,350.00	Reimbursement of upgrading showground yards
Mt Perry Show Society	-	700.00	Grant donation towards Mt Perry show
Mt Perry State School	-	1,000.00	Purchase of seating for oval
Mt Perry QCWA	-	250.00	Christmas event/Cancer fundraiser sponsorship
Mt Perry Family History	-	500.00	Council donation for mining deaths research
LGL Equigold & Golding	230.77	-	Mt Perry dump truck pull, 7h inkind wages
	230.77	8,300.00	
<b>Total</b>		<b>8,530.77</b>	

## Mundubbera

Organisation	Inkind	Donation	Description
Donations	-	201.26	2h inkind wages
Lions Club Mundubbera	-	1,720.00	Donation for community notice board
Mundubbera Rotary Club	-	1,543.20	Bicentennial Park granite delivery, 39h inkind wages, 17h loader/backhoe/mower
Motocross Mundubbera	-	1,105.82	
Mundubbera & District Historical Society	-	1,092.97	Inkind wages 7.35h prime mover/2.5h steam engine heritage day
Mundubbera Show Society	-	50.56	0.5h inkind, 0.5h tipper 06/05/10
Mundubbera Enterprise Assn	-	139.98	Street carnival 1.5h inkind wage/newspaper advert
7/a side Cricket	-	440.00	Pulse electrical labour, power to removable buildings
Cultural Heritage	-	15.72	1h inkind wages
Mundubbera Rugby League	-	107.62	12h inkind wages, 1h truck
Mundubbera Show Society	-	800.00	2010 Mundubbera Magic show sponsorship
Mundubbera Hospital Auxiliary		586.29	Anniversary twilight celebration, 2h inkind wages/bins
Monogorilby School	-	88.84	Inkind wages 2h/1h cab utility rubbish removal wheelie bin
Monogorilby Hall	-	205.38	Inkind wages 2.45h/Nissan UD truck 2.5h
Mundubbera QCWA	-	54.16	Mowing - wages 0.25h 28/07/09 0.25h 19/02/10
Mundubbera State School	-	300.00	Donation 47th annual awards night
Rural Fire Services Water Truck	-	321.65	Inkind 5h/Izusu truck 3h 90k 26/09/09
Letitia Berthelsen	-	750.00	QPSS boys under 12 softball championship sponsor
Mundubbera Anglers/ Stocking Assn	-	150.00	Three rivers fishing classic sponsorship
Mundubbera Bullarama Assn	-	250.00	Bullarama sponsorship
State Emergency Services	-	138.23	SES premises mowing, 1h mower/1h inkind wages
Mundubbera Kindergarten	-	400.00	Grant towards purchase of colour printer
Mundubbera Community Devel Assn	-	281.94	Grant towards artists performance
Mundubbera Show Society	187.01	-	5h inkind work/1.5h tipper
Mundubbera Enterprise Association	2,145.05	-	Inkind wages/tip truck, roller, backhoe, grader - construction of platform for signage
Mundubbera QCWA	14.16	-	0.5h inkind
	2,346.22	10,743.62	
<b>Total</b>		<b>13,089.84</b>	



### North Burnett Regional Council

Organisation	Inkind	Donation	Description
Fruit Fly Program	-	400.00	Bugs for bugs
Life Education Australia	-	8,500.00	Caring for kids program - ongoing support
Queensland Arts Council	-	4,000.00	Productions/Performances for 12 schools
National Aboriginal & Islander Day	-	450.00	Grants for NAIDOC week
Observance Committee	-		
<b>Total</b>	<b>-</b>	<b>13,350.00</b>	

### Total Donations

	Inkind	Donation
	37,440.03	64,778.38
<b>Total</b>	<b>-</b>	<b>102,218.41</b>

### Non Profit Organisations Hall Waivers & Photocopies

Waivers	Inkind	Description
Biggenden	3,442.20	Hall Hire & Photocopying
Eidsvold	7,130.20	Hall Hire & Photocopying
Gayndah	6,283.00	Hall Hire & Photocopying
Monto	93,255.05	Hall Hire & Photocopying
Mt Perry	270.00	Hall Hire & Photocopying
Mundubbera	11,605.77	Hall Hire & Photocopying
<b>Total</b>	<b>121,986.22</b>	

# *Policies*



Policy Title:	<b>Borrowing of Funds</b>
Policy No:	106
Policy Subject:	Financial Operations
Directorate:	Finance & Information Services
Department:	Financial Operations
Responsible Officer:	Director of Finance & Information Services
Authorised by:	North Burnett Regional Council
Adopted Date:	General Meeting – 08/04/2008
Review Date:	08/04/2010
Authorities	<i>Local Government Finance Standard 2005</i>

## **INTRODUCTION:**

### **Legislative Requirements**

The Local Government Finance Standard requires Councils to have a Borrowings Policy, it specifies the minimum content of such a policy and requires a summary of the policy to be included in the Annual Report.

## **OBJECTIVES:**

### **Application of the Policy**

This policy will apply whenever Council is considering borrowing funds externally. It does not apply to leasing or hire purchase arrangements.

### **Background and Considerations**

Council recognises the desirability of establishing reserves sufficient to fund future developments, particularly for water and sewerage, and to use these funds when appropriate to avoid external borrowings for relatively minor acquisitions and developments. Council may, however, determine to borrow funds on the basis of immediate need, as well as for strategic reasons and/or because it is economically advantageous to do so.

The level of debt in individual programs and in total is a matter for Council to decide from time to time. Due recognition will be given to:

- The type and extent of benefits to be obtained from borrowing – including the length of time the benefits will be received
- The beneficiaries of the acquisition or development
- The impact of interest and redemption payments on both current and forecast rates revenue
- The current and future capacity of the rate base to pay for borrowings and the rate of growth of the rate base
- Likely movements in interest rates for variable rate borrowings
- Other current and projected sources of funds such as headwork's
- Competing demands for funds

It is recognised that, as infrastructure such as water and sewerage are usually funded in advance of community requirements and borrowings are repaid by future users, it is appropriate to utilise debt to fund future infrastructure capacity. The appropriate mix of sources of funds will depend on the factors mentioned above.

Capital expenditure on general community facilities is usually funded from such revenue sources as general rates, special rates, grants, subsidies and borrowings. Borrowings from these developments should be limited to what can be repaid by the existing rate base and, in general, should be over a shorter period so that current users substantially contribute to the debt servicing and redemption. Debt on existing facilities should not become a burden on future generations who may not receive benefits from these facilities. Again, the appropriate combination of debt and revenue will depend upon the type of development and the Council's circumstances at a time.

**PRINCIPLES:**

Council will, in general, seek to minimise its dependence on borrowings in order to minimise future revenue committed to debt servicing and redemption charges.

Council will only borrow funds for the purpose of acquiring assets, improving facilities or infrastructure and/or substantially extending their useful life.

Council may borrow to meet strategic needs or to take advantage of opportunities for development providing there is a demonstrably extending their useful life.

Redemption and interest charges on borrowings, including those relating to water and sewerage, are to be repaid from revenue generated in those areas and the full costs are to be taken to account in these areas.

Where borrowings are to be repaid by special rates, the revenue and repayments will be matched as far as is practical. Borrowings may be repaid early should revenue exceed scheduled repayments. Repayments will not exceed twenty percent of general rates revenue.

Borrowings will only be made in accordance with the adopted budget.

Borrowings from the Queensland Treasury Corporation (QTC) or, if from another organisation, with the approval of the Queensland Treasurer and Department of Local Government and Planning, Sport and Recreation.

Borrowings will normally be for a maximum of ten years. Shorter borrowing periods and earlier repayments will be taken where possible and appropriate. If a longer term is appropriate, and this may be the case for some infrastructure assets such as water and sewerage, the term will not exceed the life of the asset, or twenty years, whichever is the shorter period.

**SCHEDULE OF DEBT**

2009/2010 Actual Balance	\$1,089,698
Budget 2010/2011	\$2,960,000

No further Borrowings have been planned in the following 9 financial years at this stage.

Policy Title:	<b>Revenue</b>
Policy No:	111
Policy Subject:	Financial Operations
Directorate:	Finance & Information Services
Department:	Financial Operations
Responsible Officer:	Director of Finance & Information Services
Authorised by:	North Burnett Regional Council
Adopted Date:	Policy & Strategy Meeting – 06/05/2008
Review Date:	01/07/2009
Authorities:	<i>Local Government Finance Standard 2005</i>

## **INTRODUCTION:**

Under the *Local Government Act 1993* Council is required to review and adopt its Revenue Policy prior to the end of each financial year. The Revenue Policy is intended to be a strategic document that is adopted in advance of setting the budget. It sets out the principles that Council will use to set its budget and identifies in broad terms the general strategy to be used for raising revenue.

## **OBJECTIVES:**

The purpose of the policy is to identify the planning framework within which Council operates and to set out the principles used by Council for:

- Making and levying rates and charges;
- Exercising its powers to grant rebates and concessions;
- Recovery of unpaid amounts of rates and charges.

## **PRINCIPLES:**

### **Legislative Requirements**

Section 513 of the Local Government Act 1993 requires Council to develop and adopt a revenue policy with the following requirements:

#### 513A Preparation and adoption of revenue policy

- A local government must, for each financial year, prepare and, by resolution, adopt a revenue policy.
- The local government must ensure each revenue policy is prepared and adopted in enough time, before the start of the financial year for which it is prepared, to allow preparation and adoption of a budget for the financial year consistent with the policy.
- When the policy is adopted by the local government, it becomes the local government's revenue policy for the financial year for which it is prepared.

#### 513B Requirements and content of revenue policy

- A local government's revenue policy, or an amendment of its revenue policy, must comply with the Local Government Finance Standard 2005.
- The revenue policy must, if, under 109 section 1035A, the local government intends to remit rates or defer payment of rates for the financial year, state the purpose of the remittance or deferral. 109 Section 1035A (Local government may grant concessions to classes of land owners)
- A local government may, by resolution, amend its revenue policy for a financial year at any time before the financial year ends.

513C Copies of the revenue policy to be available for inspection and purchase

A local government must –

- Ensure its revenue policy is open to inspection; and
- Make copies available for purchase at its public office at a price not more than the cost to the local government of producing the copy and, if a copy is supplied to a purchaser by post, the cost of postage.

## **PRINCIPLES (CONTINUED):**

### **Legislative Requirements (continued)**

Section 12 of the Local Government Finance Standard 2005 requires Council's revenue policy to include the following:

A local government's revenue policy for a financial year must include details of the principles applied by it for the following –

- Making and levying rates and charges;
- Exercising its powers to grant rebates and concessions;
- Recovery of unpaid amounts of rates and charges.

### **Policy Period**

This policy will be effective from 6 May 2008 and will remain in force until modified by Council resolution.

### **Policy Principles**

#### ***Making and Levying Rates and Charges***

In general Council will be guided by the principle of user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy.

Council will also have regard to the principles of:

- Transparency in the making of rates and charges;
- Having in place a rating regime that is simple and inexpensive to administer;
- Equity by taking account of the different levels of capacity to pay within the local community;
- Responsibility in achieving the objectives, actions and strategies in Council's Corporate and Operational Plans;
- Flexibility to take account of changes in the local economy, adverse seasonal conditions and extraordinary circumstances;
- Maintaining valuation relativities within the council;
- Maintaining council services to an appropriate standard;
- Meeting the needs and expectations of the general community; and
- Assessing availability of other revenue sources.

In levying rates Council will apply the principles of:

- Making clear what is the Council's and each ratepayer's responsibility to the rating system;
- Making the levying system simple and inexpensive to administer;
- Timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy; and
- Equity through flexible payment arrangements for ratepayers with a lower capacity to pay.



## **PRINCIPLES (CONTINUED):**

### **Exercising Its Powers to Grant Rebates and Concessions**

In considering Council's powers to grant rebates and concessions, Council will be guided by the following principles:

- Equity – by having regard to the different levels of capacity to pay within the local community;
- Similar treatment for ratepayers with similar circumstances;
- Transparency – by making clear the requirements necessary to receive rebates and concessions;
- Flexibility – to allow Council to respond to local economic issues, adverse seasonal conditions and extraordinary circumstances; and
- Fairness – in considering the provision of community service rebates and concessions.

### **Recovery of Unpaid Amounts of Rates and Charges**

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the following principles:

- Transparency – by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- Making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
- Capacity to pay – in determining appropriate arrangements for different sectors of the community;
- Equity – by having regard to providing the same treatment for ratepayers with similar circumstances; and
- Flexibility – by responding where necessary to changes in the local economy.

### **Operating Capability**

The change in operating capability of the Council is disclosed as the bottom line of the Operating Statement.

Council intends to progressively improve the quality of its operations to enable funds to be available to ensure the long term maintenance of the Council's infrastructure. Such action is being assisted by Council seeking alternative means of funding through grants, private works and productivity improvements and operation of business units.

### **Depreciation Funding**

In order to maintain operating capability, depreciation on all Council's property, plant, equipment and infrastructure will be fully funded.

The depreciation will be based on the assets' estimated useful lives and will be included as an annual charge against operating revenues. The cash equivalent of this depreciation charge will be used to provide for the replacement or substitution of the Council's non current assets. Any surplus to requirements will be carried over to future years through the Capital Funding Statement.

# *Statutory Information*

## TENDERS

All purchasing was conducted in accordance with Part 3 of Chapter 6 of the Local Government Act.

## COMPETITIVE NEUTRALITY

No competitive neutrality complaints were received during the reporting period.

## COUNCILLOR'S CODE OF CONDUCT AND COMPLAINTS PROCESS

Description	Total
The total number of breaches of the Local Government's Code of Conduct committed by Councillors as decided during the year.	0
The name of each Councillor decided during the year to have breached the code, a description of how the code was breached, and details of any penalty imposed on the Councillor.	0
The number of complaints about alleged breaches of code of conduct by Councillors, other than frivolous or vexatious complaints, that were referred to the conduct review panel or CEO.	0
The number of recommendations made to the Local Government by the conduct review panel during the year that were or were not adopted by Council.	0
The number of complaint resolved under the Local Governments general complaints process during the year and the number of those complaints that related to an alleged breach by a Councillor of the Local Government's Code of Conduct.	0
The number of complaints made to the Ombudsman, and notified to the Local Government during the year about decisions made by the Local Government in relation to enforcements of its Code of Conduct.	0

## EXPENSES INCURRED BY AND FACILITIES PROVIDED TO COUNCILLORS

Councillors were provided with electronic equipment to enable them to perform their duties. Resources included a computer workstation, printer, modem and mobile phone as required.

Expenses were incurred for vehicle usage, conferences, accommodation, meals, travel and telecommunications. Total expenses were \$10,686.11.

## COUNCILLOR REMUNERATION AND SUPERANNUATION

North Burnett Regional Council is classified as a Category three (3) Council in Schedule 1 (Remuneration Schedule) of the Local Government Remuneration Tribunal Report of 2009. Under this schedule remuneration is set as a percentage of the rate payable to a Member of Queensland Legislative Assembly i.e. Mayor 70%, Deputy Mayor 42.5%, Councillors 35%.

Superannuation contributions up to 12% of a Councillors base remuneration are payable provided Councillor's contribute 6%.

	Gross Remuneration	Council Super	Incidentals*
Mayor Joy Jensen	\$95,389.13	\$11,342.62	\$0.00
Cr Paul Lobegeier	\$47,749.49	\$5724.26	\$1353.01
Cr Paul Francis	\$47,749.49	\$5724.26	\$58.48
Cr Faye Whelan	\$49,350.00	\$5978.96	\$557.45
Cr Peter Huth	\$54,590.89	\$6,543.34	\$8,524.92
Cr Peter Baker	\$47,702.17	\$5720.26	\$117.25
Cr Kevin Wendt	\$49,650.93	\$0.00	\$75.00

\*Council provides vehicles for council related travel to all councillors except Cr Huth. Cr Huth uses his private vehicle and is paid mileage.

## COUNCILLOR MEETING ATTENDANCE

	General Meeting (12)	Policy & Strategy (7)	Special Meeting (3)
Mayor Joy Jensen	12	7	3
Cr Paul Lobegeier	12	6	3
Cr Paul Francis	12	6	1
Cr Faye Whelan	11	7	3
Cr Peter Huth	10	4	2
Cr Peter Baker	12	6	2
Cr Kevin Wendt	12	7	2

## CONTROLLED RESERVES AND ROADS

North Burnett Regional Council has control of:

### Rural

Sealed – 764.67km

Unsealed – 3095.86km

### Urban

Sealed – 99.73km

Unsealed – 22.03km

There are 285 Assessments which are designated reserves under the Land Act 1994.

This land does not have a value for the Council's financial statements.

## FREEDOM OF INFORMATION

There was one (1) application received under the Freedom of Information Act during 2009-2010.

## OVERSEAS TRAVEL

No overseas travel was undertaken.

## EXPENDITURE IN RELATION TO CONSULTANTS, ADVERTISING, ENTERTAINING AND HOSPITALITY

The following amounts were expended:

Consultant Services: \$1,753,276

Advertising: \$5,118.32

Entertainment & Hospitality: \$12,615.08

	2008/09	2009/10
Corporate Services	\$52,527	\$340,978
Culture	\$317,330	\$497,117
Development	\$165,809	\$341,099
Environment	\$25,392	\$28,231
Finance	\$192,618	\$193,079
Planning	\$311,491	\$352,773
<b>TOTAL</b>	<b>\$1,065,168</b>	<b>\$1,753,276</b>

## DETAILS OF SPECIAL RATES AND CHARGES

### Rural Fire Services Levy

Pursuant to Section 128A of the Fire and Rescue Service Act 1990, Council make and levy a special charge for the purpose of raising revenue for each Rural Fire Brigade.  
\$5 per assessment.

### Environmental Levy

A separate charge of \$48 is made under the *Local Government Act 1993*, section 972. The levy applies to every assessment within the North Burnett Regional Council area regardless of other restrictions. This amount provides for the costs of complying with the environmental responsibilities of the Council under the *Integrated Planning Act 1997* and the *Environmental Protection Act 1994*, with respect to Council's waste disposal facilities and the costs of control of noxious weeds.

## SUMMARY OF REBATES AND CONCESSIONS ALLOWED IN RELATION TO RATES

### Pensioner Subsidy

The State Pensioner Rate Subsidy Scheme (PRSS) provides a subsidy of a predetermined percentage on some Council rates and charges to pensioners who are in receipt of a pension from the Commonwealth Government, and who comply with the guidelines established by the Queensland Department of Communities. The State Government subsidy is currently set at twenty percent (20%) of the applicable rates and charges up to a maximum of \$180.00 per annum.

### Discount

A "full discount" of ten percent (10%) is allowed on the amount of differential general rate or minimum general rate levy, water charges other than consumption charges, sewerage, cleansing and environmental levy, provided all rates, charges and arrears are paid in full by the full discount due date. The due date is the date nominated by Council and printed on the relevant notice and must be 30 clear days from the date of issue of the notice.

## Sporting Clubs and Community Organisations

The Council does not exempt community organisations from rates, however on application from a non-profit community based organisation, Council may provide a donation to fully or partially pay for the rate levied at its discretion.

## EQUAL EMPLOYMENT OPPORTUNITY

North Burnett Regional Council is committed to the implementation of, and adherence to equal employment opportunity principles in all facets of its operations. It strives to ensure all staff members have equal access to opportunities and decisions are based on the principle of merit. Council's EEO Policy Statement is subject to ongoing review. In conjunction with the EEO Policy a Management Plan was developed outlining strategies that will contribute to the attainment of EEO principles. Based on the Management Plan an Annual EEO Forward Plan is developed to identify, promote and implement effective strategies that will compliment and enhance Council's existing management practices.

Council also has an Equal Employment Opportunity and Workplace Harassment Policy to eliminate unlawful discrimination, sexual and general harassment in the workplace, to ensure employees are treated fairly and policies and procedures are consistent with EEO principles. The policy is designed to increase employee morale and motivation by increasing staff confidence in Council's human resource management practices and providing an environment where all employees can enjoy their work and relationships with colleagues.

## REGISTERS AND PUBLIC DOCUMENTS

The following material is available for inspection by contacting Council's Customer Service.

### Registers

- ♦ Register of Charges of the Local Government Act
- ♦ Delegations by Council
- ♦ Delegations by Chief Executive Officer
- ♦ Register of Enterprises
- ♦ Register of Interests
- ♦ Register of Lands
- ♦ Register of Policies
- ♦ Register of Roads
- ♦ Register of Local Laws

### Public Documents

- ♦ Corporate Plan
- ♦ Annual Report
- ♦ Register of Fees and Charges
- ♦ Minutes
- ♦ List of Fees and Charges
- ♦ Code of Conduct
- ♦ Statement of Affairs
- ♦ Rates Recovery Policy
- ♦ Revenue Statement
- ♦ Advertising Policy
- ♦ General Complaints Process
- ♦ Complaints Management and Grievance Policy

# *Community Financial Report*



# Community Financial Report

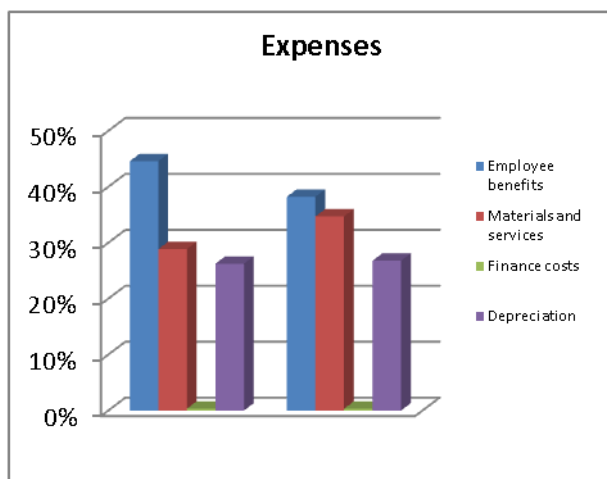
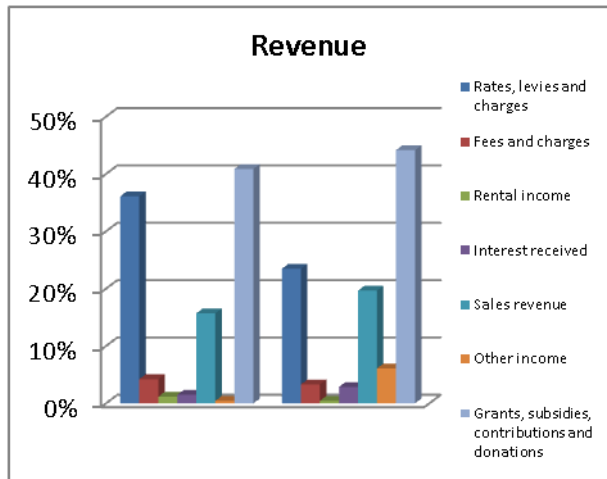
This report is provided for the benefit of stakeholders who may not have a finance background and is intended to present information in a format that is more readily understood.

The detailed financial statements consist of four statements and supporting notes. The statements are the Statement of Comprehensive Income which summarises all transactions that affect Councils equity; the Statement of Financial Position summarises Councils assets (what we own) and Councils liabilities (what we owe); the Statement of Changes in Equity provides insight into the movement in components of equity; and the Statement of Cash Flows provides information relevant to where Council's cash came from and where it was spent. The notes provide greater detail than can be shown in the statement themselves.

## Statement of Comprehensive Income

This statement summarises the source of various types of income and the areas of expense that relate.

Council's revenue is derived from Grants provided by State and Commonwealth Government (40.87%), rates and levies paid by property owners (36.11%), charges for recoverable works (15.69%) which are mainly the Department of Main Roads and other sources.



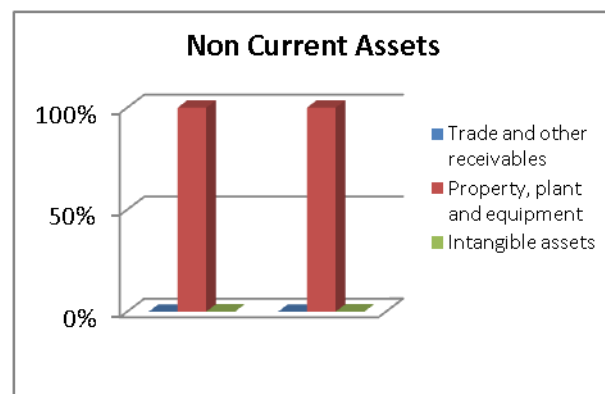
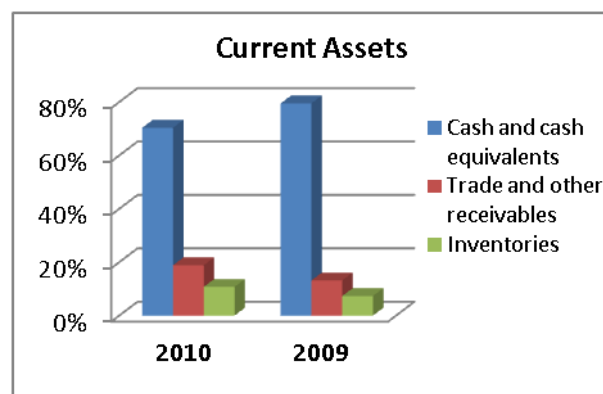
The money raised is used to pay wages and associated costs (44.56%), to acquire necessary materials and services (28.85%) and to provide for future replacement of assets through depreciation (26.26%).

The above revenue less the expense results in an operating surplus or deficit. In this particular year there was a deficit of \$5.6million which was funded from earlier surpluses. It is Councils intention that future years will be a break even position with a surplus being the ultimate goal.

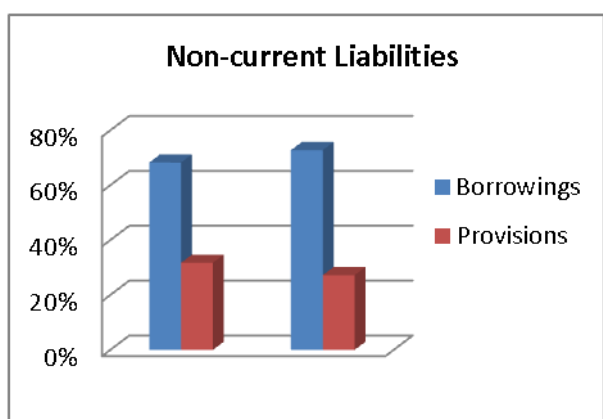
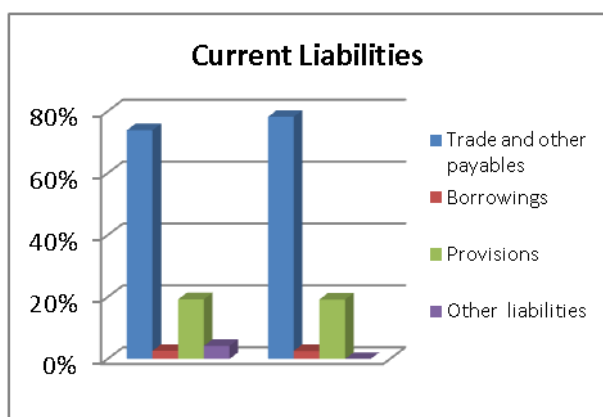
Capital revenue, capital expense and other comprehensive income are all included here for completeness but are either transferred to capital or reserves thus forming no part of the accumulated surplus.

## Statement of Financial Position

This statement summarises what Council owns (assets) and what it owes (liabilities). The net of assets less liabilities equals the Community equity and can only change from year to year by the amount of the statement of comprehensive income.



When the North Burnett Regional Council was formed it took over all the assets and liabilities of the former Shire Councils with net assets totaling \$646,555,580. This sum was broken down into Capital and accumulated surplus with capital comprising non current assets less non current liabilities plus an amount for working capital while accumulated surplus comprised current assets less current liabilities less working capital. These numbers are set out in Note 19 of the financial statements.



Working capital is calculated as the amount required as at the 1<sup>st</sup> of July each year to fund Councils activities until rates and other revenues begin to flow.

In this the second period of the North Burnett Regional Council existence we have ended with capital increased by almost 4.3million, the asset revaluation reserve up by 5.7 million and an accumulated surplus of \$327,922 which may be used for future works.

## Statement of Cash Flow

This summarises the overall affect of the transactions behind the earlier two statements which collectively resulted in a reduction of cash of almost \$6 million, principally due to high capital expenditure as Council strived to bring all assets to a uniform standard.

## Summary

As the effects of amalgamation are being absorbed and charges and service standards are brought to uniformity across the former Shires the financial situation must of necessity fluctuate. Council is aware of the need to provide value for money and is working to that end.

2009/2010 will be the last year of budgeted operating deficits with future budgets being framed in a socially as well as financially responsible manner.

The result for the year is shown as a positive gain of 4.3million dollars. While this is accurate from an accounting view point, it could be misleading. Halfway down the page of the Statement of Comprehensive Income is the "net operating surplus" which is the figure most likely to be recognised by the general public as it is analogous to profit or loss. The figures below that are income not normally seen in "for profit" entities and expenses that could not be considered "normal".

While a "loss" of this magnitude is of concern it must be looked at in context with the costs incurred as a direct result of amalgamation, such as standardising of wage rates, and the need to ensure that all residents receive an equal level of service.

Council has brought service levels across the area in line with the best practice of the former Shires and is now concentrating on equalising the rate payer contribution through standard levels of rates and utility charges.

When the North Burnett Regional Council came into existence it "inherited" current assets of \$21.5 million and liabilities of \$6.5million representing a net position of \$15 million. By the end of 2009 the net position had dropped slightly to just under \$13 million. Remembering that 2009 was a period of 15.5months this was a very good result.

At the end of 2010 the net position was down to about \$6.5 million but non-current assets had increased by more than \$10 million over 2009. Given that 2009/2010 was the period of the Global financial crisis, this is also a very good result.

The future looks very bright with Council's plans coming to fruition and the 2010/2011 budget seeing a healthy increase in the cash and surplus position.

# *Financial Statements*

# Financial Statements

For the year ended 30 June 2010



<b>Table of Contents</b>	<b>Page No</b>
Statement of Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the financial statements	
1 Significant accounting policies	5
2 Analysis of results by function	16
3 Revenue analysis	18
4 Grants, subsidies, contributions and donations	19
5 Gain / loss on disposal of non-current assets	19
6 Employee benefits	19
7 Materials and services	19
8 Finance costs	20
9 Depreciation and amortisation	20
10 Capital income/expense	20
11 Cash and cash equivalents	21
12 Trade and other receivables	21
13 Inventories	21
14 Property, Plant & Equipment	22
15 Trade and other payables	25
16 Borrowings	25
17 Provisions	26
18 Other liabilities	26
19 Reclassification of Equity 2008/2009	27
20 Asset revaluation surplus	28
21 Retained surplus/(deficiency)	28
22 Commitments and Contingent liabilities	29
23 Superannuation	30
24 Trust funds	31
25 Reconciliation of net operating surplus for the year to net cash inflow (outflow) from operating activities	31
26 Financial instruments	32
27 National Competition Policy	36
28 Events after the reporting period	37
Management Certificate	38
Independent Auditor's Report	

North Burnett Regional Council  
Statement of Comprehensive Income  
For the year ended 30 June 2010

		2010 (12 months)	2009 (15.5 months)
	Note	\$	\$
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3(a)	10,280,538	9,163,478
Fees and charges	3(b)	1,200,948	1,289,880
Rental income	3(c)	330,504	175,032
Interest received	3(d)	429,946	1,116,765
Sales revenue	3(e)	4,468,375	7,673,854
Other income	3(f)	125,922	2,471,409
Grants, subsidies, contributions and donations	4(a)	11,636,079	17,155,225
		<u>28,472,312</u>	<u>39,045,643</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(15,190,835)	(17,189,540)
Materials and services	7	(9,834,131)	(15,606,540)
Finance costs	8	(111,275)	(136,184)
Depreciation	9	(8,949,628)	(12,048,440)
		<u>(34,085,869)</u>	<u>(44,980,704)</u>
<b>Net operating surplus before capital income/expense</b>		<u>(5,613,557)</u>	<u>(5,935,061)</u>
<b>Capital income</b>			
Grants, subsidies, contributions and donations	4(b)	3,987,935	5,778,311
Gain on disposal of non current assets	5	295,462	279,855
Gain on Restructure of local government	10		654,918,180
		<u>4,283,397</u>	<u>660,976,346</u>
<b>Capital expense</b>			
Revaluation Decrement in excess of revaluation reserve	10	-	(8,485,706)
Impairment of Land for Resale		(65,576)	-
		<u>(65,576)</u>	<u>(8,485,706)</u>
<b>Net operating surplus/(deficit)</b>		<u>(1,395,736)</u>	<u>646,555,579</u>
<b>Other comprehensive income</b>			
Increase / (decrease) in asset revaluation surplus	20	5,724,631	204,104,366
<b>Total other comprehensive income for the period</b>		<u>5,724,631</u>	<u>204,104,366</u>
<b>Total comprehensive income for the period</b>		<u>4,328,895</u>	<u>850,659,945</u>

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



North Burnett Regional Council  
Statement of Financial Position  
As at 30 June 2010

	<b>Note</b>	<b>2010</b> <b>\$</b>	<b>2009</b> <b>\$</b>
<b>Current assets</b>			
Cash and cash equivalents	11	9,567,938	15,550,100
Trade and other receivables	12	2,562,666	2,575,264
Inventories	13	1,462,216	1,432,819
<b>Total current assets</b>		<b>13,592,821</b>	<b>19,558,183</b>
<b>Non-current assets</b>			
Trade and other receivables	12	122,218	15,248
Property, plant and equipment	14(a)	848,201,451	837,806,279
Intangible assets	14(b)	194,659	163,426
<b>Total non-current assets</b>		<b>848,518,328</b>	<b>837,984,953</b>
<b>Total assets</b>		<b>862,111,149</b>	<b>857,543,136</b>
<b>Current liabilities</b>			
Trade and other payables	15	4,189,348	4,159,562
Borrowings	16	148,428	137,147
Provisions	17	1,091,947	1,021,354
Other liabilities	18	238,563	-
<b>Total current liabilities</b>		<b>5,668,286</b>	<b>5,318,063</b>
<b>Non-current liabilities</b>			
Borrowings	16	992,586	1,138,969
Provisions	17	461,437	426,159
<b>Total non-current liabilities</b>		<b>1,454,022</b>	<b>1,565,128</b>
<b>Total liabilities</b>		<b>7,122,308</b>	<b>6,883,191</b>
<b>Net community assets</b>		<b>854,988,841</b>	<b>850,659,945</b>
<b>Community equity</b>			
Capital	19	644,831,922	640,548,525
Asset revaluation surplus	20	209,828,997	204,104,366
Retained surplus/(deficiency)	21	327,922	6,007,054
<b>Total community equity</b>		<b>854,988,841</b>	<b>850,659,945</b>

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

North Burnett Regional Council  
Statement of Changes in Equity  
For the year ended 30 June 2010

	Capital	Asset revaluation surplus	Retained Surplus	Total
Note		20	21	
	\$	\$	\$	\$

**For the year ended 30 June 2010**

<b>Balance as at 1 July 2009</b>	640,548,525	204,104,366	6,007,054	850,659,945
Net operating surplus/(deficit)	-	-	(1,395,736)	(1,395,735)
Other comprehensive income for the year				
Increase / (decrease) in asset revaluation surplus	-	5,724,631	-	5,724,631
<b>Total comprehensive income for the year</b>	-	5,724,631	(1,395,736)	4,328,896
<b>Transfers to and from reserves</b>				
Transfers to/from capital	4,283,397	-	(4,283,397)	-
Total transfers to and from reserves	4,283,397	-	(4,283,397)	-
<b>Balance as at 30 June 2010</b>	<b>644,831,922</b>	<b>209,828,997</b>	<b>327,922</b>	<b>854,988,841</b>

**For the period ended 30 June 2009**

<b>Balance as at 15th March 2008</b>	-	-	-	-
Net operating surplus	-	-	646,555,579	646,555,579
Other comprehensive income for the period				
Increase / (decrease) in asset revaluation surplus	-	204,104,366	-	204,104,366
<b>Total comprehensive income for the period</b>	-	204,104,366	646,555,579	850,659,945
<b>Transfers to and from reserves</b>				
Transfers to/from capital	640,548,525	-	(640,548,525)	-
Total transfers to and from reserves	640,548,525	-	(640,548,525)	-
<b>Balance as at 30 June 2009</b>	<b>640,548,525</b>	<b>204,104,366</b>	<b>6,007,054</b>	<b>850,659,945</b>

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

North Burnett Regional Council  
Statement of Cash Flows  
For the year ended 30 June 2010

	Note	2010 (12 months) \$	2009 (15.5 months) \$
<b>Cash flows from operating activities</b>			
Receipts from customers		16,098,990	22,762,452
Payments to suppliers and employees		(25,028,112)	(35,023,439)
		(8,929,123)	(12,260,987)
Interest received		429,946	1,116,765
Rental income		330,504	175,032
Non capital grants and contributions		11,636,079	17,709,183
Borrowing costs		(78,341)	(136,184)
<b>Net cash inflow (outflow) from operating activities</b>	25	<u>3,389,065</u>	<u>6,603,809</u>
<b>Cash flows from investing activities</b>			
Cash received from restructure of local government	10	-	17,522,528
Payments for property, plant and equipment		(13,944,684)	(15,348,203)
Payments for intangible assets		(31,233)	(71,485)
Net movement in loans and advances		(96,970)	-
Proceeds from sale of property plant and equipment		610,264	1,375,065
Grants, subsidies, contributions and donations		4,226,498	5,778,311
<b>Net cash inflow (outflow) from investing activities</b>		<u>(9,236,125)</u>	<u>9,256,216</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		(186)	(123,977)
Repayment of borrowings		(134,916)	(185,948)
<b>Net cash inflow (outflow) from financing activities</b>		<u>(135,102)</u>	<u>(309,925)</u>
Net increase (decrease) in cash held		<u>(5,982,162)</u>	<u>15,550,100</u>
Cash at beginning of the financial period		15,550,100	-
<b>Cash at end of the financial period</b>	11	<u>9,567,938</u>	<u>15,550,100</u>

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

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**1 Significant accounting policies**

**1.A Basis of preparation**

These general purpose financial statements for the year 1 July 2009 to 30 June 2010 have been prepared in accordance with Australian Accounting Standards and comply with the requirements of the Local Government Act 1993 and the Local Government Finance Standard 2005.

Pursuant to Part 1B of the Local Government Act 1993 and in accordance with the Local Government Reform Implementation Regulation 2008, the North Burnett Regional Council was formed on 15 March 2008 as a consequence of the amalgamation of Biggenden, Eidsvold, Gayndah, Monto, Perry and Mundubbera Shire Councils.

The Local Government Reform Implementation Regulation 2008 and the Local Government Reform Implementation (Transferring Areas) Amendment Regulation (No.1) 2008 transferred the assets and liabilities of the former Biggenden, Eidsvold, Gayndah, Monto, Perry and Mundubbera Shire Councils to the North Burnett Regional Council at the changeover date.

Pursuant to Section 159YQ of the Local Government Act 1993 and Sections 26 and 35 of the Local Government Reform Implementation Regulation 2008, financial statements for 2008-09 were prepared for the period 15 March 2008 to 30 June 2009. The 2009-10 financial year is from 1 July 2009 to 30 June 2010.

Assets and liabilities of the former Councils were recognised by North Burnett Regional Council on 15 March 2008 at the previous book values of the transferor local governments. This is shown as income in the comparative figures of the Statement of Comprehensive Income and Note 10.

North Burnett Regional Council adopted consistent accounting policies from its commencement date of 15 March 2008.

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 Constitution**

The North Burnett Regional Council is constituted under the Queensland Local Government Act 1993 and is domiciled in Australia.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**1.D "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.E Currency**

The Council uses the Australian dollar as its functional currency and its presentation currency.

**1.F 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 resulted in the following changes to Council's accounting policies:

*Presentation of Financial Statements (AASB 101 Presentation of Financial Statements, AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101, AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101)*

The revised Standard and Amending Pronouncements do not affect any of the amounts presented in the financial statements, but have changed the disclosures made in the financial statements. The change in terminology in the revised AASB 101 has resulted in the Balance Sheet being renamed the Statement of Financial Position, and the Cash Flow Statement being renamed the Statement of Cash Flows. The former Income Statement has been replaced with a single Statement of Comprehensive Income. In line with the new concept of "comprehensive income" the bottom of the Statement contains other Comprehensive Income that was previously included in the Statement of Changes in Equity.

*Interpretation 18 Transfers of Assets from Customers*

The council receives contributions from property developers (termed "developer contributions") to construct an item of infrastructure assets (such as roads, footpaths, water or sewerage infrastructure) for new property developments in their local government area and once constructed, these assets are usually owned by the council regardless of whether the developers construct these assets themselves or whether the developers contribute cash to the council in order for the council to construct the assets.

In prior years, the council accounts for these contributions using the principles of AASB 1004 *Contributions*, recognising revenue upon receipt in the belief that these are non-reciprocal transfers. However, AASB Interpretation 18 *Transfers of Assets from Customers*, has been applied prospectively from 1 July 2009, asserts that these contributions fall under AASB 118 Revenue as they actually represent an exchange transaction (a fee for service). Consequently, Interpretation 18 concludes that these types of contributions should be recognised as the related service obligations are fulfilled, not as revenue on receipt.



North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

At the end of the reporting period, the Standards and Interpretations listed below were in issue but not yet effective.

	Effective for annual report periods beginning on or after:
AASB 9 Financial Instruments (December 2009)	1 January 2013
AASB 124 Related Party Disclosures (December 2009)	1 January 2011
2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (May 2009)	1 January 2010
2009-8 Group Cash-settled Share-based Payment Transactions (July 2009)	1 January 2010
2009-9 Additional Exemptions for First-time Adopters (September 2009)	1 January 2010
2009-10 Classification of Rights Issues (October 2009)	1 January 2013
2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)	1 January 2013
2009-12 Amendments to Australian Accounting Standards in relation to AASB 8 Operating Segments (December 2009)	1 January 2011
2009-13 Amendments to AAS arising from Interpretation 19 (December 2009)	1 July 2010
2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (Interpretation 14) (December 2009)	1 January 2011
Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments (December 2009)	1 July 2010

Management have yet to assess the impact that AASB 9 Financial Instruments and 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 is likely to have on the financial statements of Council as it is anticipated that further amendments will occur. Council does not expect to implement the amendments prior to the adoption date of 1 January 2013.

2009-5 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project includes amendments to AASB 117 Leases which revise the criteria for classification of leases involving land and buildings. Council will be required to reassess the classification of the land components of all unexpired leases that Council has entered into as at 1 July 2010, on the basis of the information existing at the inception of the relevant lease. If any such leases are reclassified to become finance leases, retrospective accounting adjustments will be processed as far as practicable.

Initial application of the other Standards/Interpretations in issue but not yet effective is not expected to have any material impact on Council's financial statements.

#### **1.G 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.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Depreciation and amortisation - note 1.N and note 14
- Valuation of property, plant and equipment - Note 1.N and Note 14
- Impairment of property, plant and equipment - Note 1.N and Note 14
- Provisions - Note 1.R and Note 17
- Contingencies - Note 22.

**1.H Rates, levies, grants and other 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 amounts are recognised as revenue in the period in which they are received.

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. An equivalent amount is placed in a reserve until the funds are expended. Unspent non-reciprocal capital grants are placed in the Unspent capital grants reserve. Council spends all recurrent grants in the year received and therefore Council has not established a reserve for this purpose.

Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements. Council does not currently have any reciprocal grants.

Contribution from customers

Interpretation 18 limits the term "service activity" to the development of the infrastructure assets. It does not include future ongoing supply of services using those assets.

For example, in the case of a water supply system, the performance obligation created when the council receives a cash contribution may be to connect the new properties to the water grid by constructing infrastructure such as new water pipes in the area. The council's obligation does not include providing water to the properties, as it will be charging separately for water usage and the water prices charged are the same regardless of whether the property developer made any contribution towards the water infrastructure. Hence revenue is recognised by reference to the stage of completion of the new water pipes.

Where the council receives assets such as partially or fully developed roads, water pipes, etc instead of cash, the council must consider whether it has any performance obligations. For example, if the property developer laid water pipes as it constructed the properties and contributed those pipes to the council, the council may (or may not) have an obligation to do further work necessary to connect all the properties to the water grid. If further work is required, the council would record the fair value of the water pipes received as an asset with a corresponding liability for deferred income which the council would recognise as revenue by reference to the stage of completion of the remaining work to be done. If the council has no performance obligation (i.e. no further work required), it recognises revenue upon receipt of the assets.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

Non-cash contributions

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Rental income

Rental revenue is recognised as income on a periodic straight line basis over the lease term.

Interest

Interest received is accrued over the term of the financial asset using the effective interest method.

**1.I 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.

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.J)

Receivables - measured at amortised cost (Note 1.K)

Financial liabilities

Payables - measured at amortised cost (Note 1.Q)

Borrowings - measured at amortised cost (Note 1.S)

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 16 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.

Council does not recognise financial assets or financial liabilities at fair value in the Statement of Financial Position following initial recognition.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 26.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**1.J 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.K Trade and Other 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. 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 has the power 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 four years. Security is not normally obtained.

**1.L Inventories**

Stores and raw materials 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.

**1.M Land held for resale**

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost and net realisable value. Inventory items are always treated as current assets.

Profit arising upon sale of land is recognised in the Statement of Comprehensive Income on the signing of a valid unconditional contract of sale.

**1.N 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 with a total value of less than \$5000, and infrastructure assets and buildings with a total value of less than \$10000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

The classes of property, plant and equipment recognised by the Council are:

- Land
- Buildings
- Plant and equipment
- Road, drainage and bridge network
- Water
- Sewerage
- Other structures

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

Wage 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, and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB116 Property, Plant and Equipment and the Local Government Finance Standard 2005. Plant and equipment is measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by 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.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation reserve, 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 to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

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 14.



North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

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.

Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the 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 14.

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 North Burnett Regional Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the Land Act 1994 or the Land Title Act 1994 is not controlled by council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

**1.0 Intangible assets**

Only intangible assets with a cost or other value exceeding \$10000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed.

Water allocation rights are stated at cost and are considered to have indefinite lives and are not amortised. The useful life is reviewed annually to determine whether event or circumstance continue to support an indefinite life. The carrying value is reviewed annually for impairment.

It has been determined that there is not an active market for any of the Council's intangible assets. Therefore, the assets are recognised and carried at cost less any impairment losses.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**1.P Impairment of non-current assets**

Each non-current physical and intangible asset and group of assets is assessed for indicators of 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 immediately 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 reserve 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.Q Trade and other Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

**1.R 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 there is no unconditional right to defer payment 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 15 as a payable.

Annual leave

A liability for annual leave is recognised and is calculated on current wage and salary levels and includes related employee on-costs. This liability represents an accrued expense and is reported in Note 15 as a payable.

Sick leave

Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised for this obligation. This liability represents an accrued expense and is reported in Note 15 as a payable.

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 23.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

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 17 as a provision.

**1.S Borrowings and Borrowing Costs**

Loans payable are measured at amortised cost using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

All borrowing costs are expensed in the period in which they are incurred.

**1.T 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 in the surplus in respect of that asset is removed from the asset revaluation surplus.

**1.U Retained surplus/(deficiency)**

This represents the amount of Council's net funds not set aside in reserves to meet specific future needs.

**1.V National competition policy**

The Council has reviewed its activities to identify its business activities. Details of these activities are disclosed in Note 27.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**1.W Rounding and comparatives**

Amounts included in the financial statements have been rounded to the nearest dollar.

Comparative information has been restated where necessary to be consistent with the presentation and disclosures in the current reporting period.

**1.X 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 24.

**1.Y 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.

**1.Z Capital**

Capital represents the net carrying value of the capital assets less the amount of capital debt and asset revaluation surplus at the reporting date and includes the estimated initial value of working capital recognised at its inception. It represents the net investment of council funds in assets purchased to deliver future services to the community.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

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

The activities relating to the Council's components reported on in Note 2(b) are as follows :

**Corporate governance**

This comprises the support functions for the Mayor and Councillors, Council and committee meetings and statutory requirements.

**Finance and information technology**

The support functions of Management of the Council's finance, information technology and administration.

**Community services**

Community services and facilities including cultural, health, welfare, environmental and recreational services.

This function includes:

- Aged Care
- Economic Development
- Libraries
- Entertainment venues
- Environmental licences and approvals.

**Planning and development**

Management of the development of the shire and approval processes for development and building.

**Transport infrastructure**

Providing and maintaining roads and drainage.

**Waste management**

Providing refuse collection and disposal services.

**Water infrastructure**

Providing water supply services.

**Sewerage infrastructure**

Providing sewerage services.

**Other Infrastructure**

Includes Parks & Gardens, Caravan Parks, Swimming Pools



North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

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 2010									
Functions	Gross program income		Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net operating surplus	Net Assets
	Recurring	Capital		Recurring	Capital				
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Corporate governance	799,348	853,000	1,652,348	1,754,800	-	1,754,800	(955,452)	(102,452)	47,414,207
Finance and information	13,829,639	231,669	14,061,308	11,973,925	65,576	12,039,501	1,855,714	2,021,807	11,664,191
Community services	678,044	63,914	741,958	827,270	-	827,270	(149,226)	(85,312)	-
Planning & development	218,614	-	218,614	192,000	-	192,000	26,614	26,614	-
Transport services	5,073,828	2,598,766	7,672,594	10,524,119	-	10,524,119	(5,450,291)	(2,851,525)	755,065,111
Waste management	756,834	-	756,834	737,288	-	737,288	19,546	19,546	-
Water services	2,157,727	154,620	2,312,347	2,278,180	-	2,278,180	(120,453)	34,167	17,156,921
Sewerage services	1,269,345	110,582	1,379,927	1,210,549	-	1,210,549	58,796	169,378	8,710,582
Other services	3,688,933	270,846	3,959,778	4,587,736	-	4,587,736	(898,803)	(627,958)	14,977,828
Total Council	28,472,312	4,283,397	32,755,709	34,085,867	65,576	34,151,443	(5,613,555)	(1,395,734)	854,988,841

Period 15th March 2008 to 30th June 2009

period from March 2000 to 30 June 2003									
Functions	Gross program income		Total income	Gross program expenses		Total expenses	Net result from recurring operations	Net operating surplus	Net Assets
	Recurring	Capital		Recurring	Capital				
		\$			\$				
Corporate governance	190,678	654,961,592	655,152,270	6,931,595	6,931,595	(6,740,916)	648,220,676	\$	46,844,535
Finance and information	15,587,778	-	15,697,607	-	3,179,032	3,179,032	12,408,746	12,518,575	-
Community services	1,082,786	109,829	1,085,786	2,733,634	2,733,634	2,733,634	(1,650,848)	(1,647,848)	11,902,702
Planning & development	229,012	3,000	1,085,786	908,338	908,338	908,338	(679,326)	(679,326)	-
Transport services	9,411,243	-	13,027,451	26,426,510	26,426,510	26,426,510	(17,015,267)	(13,399,059)	755,433,919
Waste management	659,043	3,616,208	659,043	958,368	958,368	958,368	(299,325)	(299,325)	-
Water services	2,040,480	-	2,025,783	3,104,220	3,104,220	6,004,577	(1,063,740)	(3,978,794)	17,128,679
Sewerage services	1,065,228	(14,697)	1,065,228	1,439,030	1,439,030	7,024,379	(373,802)	(5,959,151)	9,177,499
Other services	8,779,395	-	1,079,809	(700,023)	5,585,349	(700,023)	9,479,418	11,779,832	10,172,610
Total Council	39,045,643	2,300,414	700,021,989	44,980,704	8,485,706	53,466,410	(5,935,061)	646,555,579	850,659,944

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

	Note	2010 \$	2009 \$
<b>3 Revenue analysis</b>			
<b>(a) Rates, levies and charges</b>			
General rates		6,586,770	5,981,708
Separate rates		278,697	249,354
Water		2,237,254	2,402,117
Sewerage		1,369,765	1,217,415
Waste management		718,785	660,567
Fire Levy		16,496	16,703
Total rates and utility charge revenue		11,207,767	10,527,864
Less: Discounts		(927,229)	(1,365,918)
Less: Pensioner remissions		-	1,532
		<u>10,280,538</u>	<u>9,163,478</u>
<b>(b) Fees and charges</b>			
Community Services Fees		44,176	58,583
Building and development fees		218,614	280,790
Hall Hire		123,756	20,181
Licences and registrations		57,674	46,385
Burial Fees		66,831	60,382
Caravan Parks		334,495	351,112
Rate Searches		46,865	48,042
Water & Sewer Fees		54,124	66,104
Trade Waste & Recycling		96,352	85,016
Other fees and charges		158,061	273,286
		<u>1,200,948</u>	<u>1,289,880</u>
<b>(c) Rental income</b>			
Other rental income		330,504	175,032
		<u>330,504</u>	<u>175,032</u>
<b>(d) Interest received</b>			
Interest received from term deposits		366,643	1,063,254
Interest from overdue rates and utility charges		63,303	53,511
		<u>429,946</u>	<u>1,116,765</u>
<b>(e) Sales revenue</b>			
Contract and recoverable works		4,468,375	7,673,854
Total sales revenue		<u>4,468,375</u>	<u>7,673,854</u>
The amount recognised as revenue for contract revenue during the financial year is the amount receivable in respect of invoices issued during the period. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.			
<b>(f) Other income</b>			
Other income		125,922	2,471,409
		<u>125,922</u>	<u>2,471,409</u>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

	Note	2010 \$	2009 \$
<b>4 Grants, subsidies, contributions and donations</b>			
<b>(a) Recurrent</b>			
General purpose grants		10,100,039	12,111,536
State government subsidies and grants		738,240	2,044,065
Commonwealth government subsidies and grants		674,709	2,844,586
Contributions		123,091	155,038
		<u>11,636,079</u>	<u>17,155,225</u>
<b>(b) Capital</b>			
State government subsidies and grants		1,654,535	2,220,062
Commonwealth government subsidies and grants		2,333,400	3,558,249
		<u>3,987,935</u>	<u>5,778,311</u>
<b>5 Gain / loss on disposal of non-current assets</b>			
Proceeds from the sale of property, plant and equipment		461,774	1,375,065
Less: Book value of property, plant and equipment disposed of		<u>(368,840)</u>	<u>(1,095,210)</u>
		<u>92,934</u>	<u>279,855</u>
Proceeds from sale of land and improvements		258,490	-
Less: Book value of land sold		<u>(55,962)</u>	<u>-</u>
		<u>202,528</u>	<u>-</u>
Total capital income		<u>295,462</u>	<u>279,855</u>
<b>6 Employee benefits</b>			
Total staff wages and salaries		9,761,045	11,348,869
Councillors' remuneration		500,049	635,793
Annual, sick and long service leave entitlements		2,401,188	2,157,966
Superannuation	23	1,372,804	1,483,089
Other employee related expenses		<u>1,155,749</u>	<u>1,563,823</u>
		<u>15,190,835</u>	<u>17,189,540</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
Total Council employees at the reporting date:		2010	2009
Elected members		7	7
Administration staff		85	83
Depot and outdoors staff		<u>159</u>	<u>175</u>
Total full time equivalent employees		<u>251</u>	<u>265</u>
<b>7 Materials and services</b>			
Administration		1,137,896	2,177,122
IT		248,678	242,389
Audit		132,320	188,474
Other		102,783	72,973
Insurance		148,173	353,682
Roads Maintenance		1,971,452	2,827,475
Community Facilities		1,299,083	1,999,205
Cultural		262,246	272,854
Plant costs		1,335,000	2,370,658
Recoverable works		1,671,600	2,717,104
Water		547,452	861,790
Sewer		120,533	211,997
Environment		277,450	435,127
Waste		349,409	541,726
Planning & Development		<u>230,056</u>	<u>333,965</u>
		<u>9,834,131</u>	<u>15,606,540</u>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

	Note	2010 \$	2009 \$
<b>8 Finance costs</b>			
Finance costs charged by the Queensland Treasury Corporation		78,341	110,861
Bank charges		32,934	61,444
Reversal of doubtful debt provision		-	(36,121)
		<u>111,275</u>	<u>136,184</u>
<b>9 Depreciation and amortisation</b>			
<b>Depreciation of non-current assets</b>			
Buildings		871,684	1,132,244
Plant and equipment		1,288,546	1,923,804
Road, drainage and bridge network		5,227,760	7,254,630
Water		499,038	688,081
Sewerage		509,810	483,018
Other structures		552,790	566,663
		<u>8,949,628</u>	<u>12,048,440</u>
<b>10 Capital Income/Expense</b>			
<b>Gain on net assets transferred from abolished Councils</b>			
<b>Current Assets</b>			
Cash and cash equivalents		-	17,522,529
Trade and other receivables		-	2,523,958
Inventories		-	968,097
Other financial assets		-	442,862
Total current assets		<u>-</u>	<u>21,457,446</u>
<b>Non-current Assets</b>			
Trade and other receivables		-	90,839
Property, plant and equipment		-	632,201,550
Capital works in progress		-	7,671,513
Intangible assets		-	121,941
Total non-current assets		<u>-</u>	<u>640,085,843</u>
<b>Current Liabilities</b>			
Trade and other payables		-	3,869,006
Borrowings		-	150,048
Provisions		-	422,767
Total current liabilities		<u>-</u>	<u>4,441,881</u>
<b>Non-current Liabilities</b>			
Trade and other payables		-	163,121
Borrowings		-	1,312,026
Provisions		-	708,081
Total non-current liabilities		<u>-</u>	<u>2,183,228</u>
Net Assets Transferred		<u>-</u>	<u>654,918,180</u>
<b>Revaluation decrement</b>			
Revaluation down of property, plant and equipment - Water	14(B)	-	2,900,357
- Sewer		-	5,585,349
Total Capital Expenses		<u>-</u>	<u>8,485,706</u>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

	Note	2010 \$	2009 \$
<b>11 Cash and cash equivalents</b>			
Cash at bank and on hand		4,881,971	4,450,736
Deposits at call		4,685,967	11,099,364
Balance per Statement of Cash Flow s		<u>9,567,938</u>	<u>15,550,100</u>

Cash and deposits at call are held in the National Australia Bank, Westpac Banking Corporation, Bendigo Community Bank, Queensland Teachers Credit Union and Queensland Treasury Corporation in normal term deposits, business cheque accounts and cash management accounts.

**12 Trade and other receivables**

**Current**

Rateable revenue and utility charges	669,874	637,208
Other debtors	1,400,013	1,649,826
Less provision for impairment	(5,680)	(20,000)
GST recoverable	311,498	194,983
Loans and advances	2,030	12,030
Prepayments	184,931	101,217
	<u>2,562,666</u>	<u>2,575,264</u>

**Non-current**

Loans and advances	122,218	15,248
	<u>122,218</u>	<u>15,248</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 community and other bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low .

**13 Inventories**

Quarry and road materials	32,450	-
Plant and equipment stores	289,980	386,602
	<u>322,430</u>	<u>386,602</u>

**Land purchased for development and sale**

Land for resale		
Opening balance	1,046,217	-
Purchases	215,107	1,046,217
Disposals	(55,962)	-
Impairment	(65,576)	-
Closing balance	1,139,786	1,046,217
Total inventories	<u>1,462,216</u>	<u>1,432,819</u>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**14(A) Property, Plant & Equipment**

**30 June 2010**

Basis of measurement

**Asset values**

Opening gross value as at 1 July 2009

Additions

Disposals

Revaluation adjustment to asset revaluation reserve

Revaluation adjustment to income

Transfers between classes

**Closing gross value as at 30 June 2010**

Land	Buildings	Plant and equipment	Road, drainage and bridge network	Water	Sewerage	Other Structures	Work in progress	Total
Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Cost	\$
10,316,286	51,167,363	14,491,212	856,709,851	28,190,053	22,563,273	12,932,371	9,873,778	1,008,244,188
37,000	1,375,217	2,622,799	3,973,964	440,436	139,912	1,016,976	4,426,320	14,032,564
(15,000)	-	(1,001,748)	(51)	(196)	(37)	-	(110,000)	(1,127,032)
2,011,999	8,206,671	-	-	-	-	6,863,573	-	17,082,243
-	(1,956,632)	-	-	-	-	-	-	-
-	-	(370,124)	7,020,940	996,545	247,358	3,180,552	(9,118,639)	-
12,350,285	58,792,619	15,742,079	867,704,704	29,626,838	22,950,506	23,993,472	5,071,459	1,036,231,963

**Accumulated depreciation and impairment**

Opening balance as at 1 July 2009

Depreciation provided in period

Depreciation on disposals

Revaluation adjustment to asset revaluation reserve

Revaluation adjustment to income

Transfers between classes

**Accumulated depreciation as at 30 June 2010**

-	16,429,070	376,842	122,103,414	12,167,321	13,724,747	3,636,514	-	168,437,909
-	871,684	1,288,546	5,227,760	499,038	509,810	552,790	-	8,949,627
-	-	(714,637)	-	-	-	-	-	(714,637)
-	7,351,739	-	-	-	-	4,005,875	-	11,357,614
-	(562,217)	(271,121)	-	-	-	-	-	-
-	24,090,276	679,630	127,331,174	12,670,022	14,242,467	821,765	-	188,030,513

**Total written down value as at 30 June 2010**

12,350,285	34,702,343	15,062,449	740,373,530	16,956,816	8,708,039	14,976,528	5,071,459	848,201,450
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Range of estimated useful life in years

Land: Not depreciated.	40 - 100	2 - 20	5 - 100	20-80	20 - 60	20 - 40	-	
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North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

<b>Property, Plant &amp; Equipment</b>									
<b>30 June 2009</b>									
Basis of measurement									
<b>Asset values</b>									
Net value of Assets Transferred from Abolished Councils									
Additions									
Disposals									
Revaluation adjustment to asset revaluation surplus									
(a)									
Revaluation adjustment to income (a)									
Transfers between classes									
<b>Closing gross value as at 30 June 2009</b>									
Land	Buildings	Plant and equipment	Road, drainage and bridge	Water	Sewerage	Other Structures	Work in progress	Total	
Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Cost	\$	
9,347,483	31,629,845	11,850,688	535,912,012	19,525,996	14,879,327	9,056,196	7,671,513	639,873,060	
-	3,674,700	5,282,696	3,653,699	85,174	27,566	532,107	2,202,265	15,458,207	
-	-	(2,642,172)	-	-	-	-	-	(2,642,172)	
968,803	15,862,819	-	317,144,140	-	-	3,344,068	-	337,319,830	
-	-	-	-	-	-	-	-	-	
-	-	-	-	8,578,883	7,656,380	-	-	16,235,263	
10,316,286	51,167,364	14,491,212	856,709,851	28,190,053	22,563,273	12,932,371	9,873,778	1,006,244,188	
<b>Accumulated depreciation and impairment</b>									
Opening balance									
Depreciation provided in period									
Depreciation on disposals									
Revaluation adjustment to asset revaluation surplus									
(a)									
Revaluation adjustment to income (a)									
Transfers between classes									
<b>Accumulated depreciation as at 30 June 2009</b>									
-	16,429,070	376,842	122,103,414	12,167,321	13,724,747	3,636,514	-	168,437,909	
10,316,286	34,738,294	14,114,370	734,606,437	16,022,732	8,838,526	9,295,857	9,873,778	837,806,279	
<b>Total written down value as at 30 June 2009</b>									
Range of estimated useful life in years									
Land: Not	40 - 100	2 - 20	5 - 100	20 - 80	20 - 60	20 - 40	-	-	

(a) These amounts have changed from the prior year audited financial statements to reflect amendments to correctly disclose gross values for assets revalued. The changes in revaluation amounts did not result in movements to the written down values for each class and in total.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**14(B) Property, plant and equipment valuations**

**Land**

In 2009 land was included at its estimated market value by a management valuation based on the RP Data index for the North Burnett region as at 30th June 2009

In 2010 Land has been included at current market value as at 30 June 2010 as determined by Asset Val Pty Ltd, Registered Valuers.

Land under infrastructure and reserve land do not have values for the purpose of these financial statements.

**Buildings**

In 2009 Buildings and other structures were included at their estimated market value by a management valuation based on the non-residential construction index as at 30th June 2009.

In 2010 Buildings and other structures have been included at their depreciated replacement cost as valued by Asset Val Pty Ltd as at 30 June 2010.

**Plant and equipment**

Plant and equipment is measured at original cost less accumulated depreciation.

**Infrastructure**

Water and sewerage infrastructure is included at the depreciated replacement cost as at 30 June 2009 as determined by Opus Qantec McWilliam Pty Ltd and subsequent depreciation

Road, drainage and bridge network is included at the depreciated replacement cost as at 30 June 2009 as determined by Opus Qantec McWilliam Pty Ltd and subsequent depreciation.

In all cases the amounts shown continue to represent fair value as at balance date.

	2010	2009
	\$	\$
<b>Intangible Assets</b>		
<b>Water Licences</b>		
Transfers from abolished Councils	-	121,941
Opening gross carrying value	163,426	-
Additions	31,233	41,485
Closing gross carrying value	194,659	163,426

As there is no active market for these licences they are held at cost prices and their lives are considered to be unlimited without amortisation. The recoverable amount and useful lives are monitored and reviewed on at least an annual basis.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**15 Trade and other payables**

	2010	2009
	\$	\$
<b>Current</b>		
Creditors & accruals	2,728,111	2,759,168
Annual Leave	1,254,801	1,239,670
Sick Leave	48,825	107,019
Other employee entitlements	157,610	53,705
	<u>4,189,348</u>	<u>4,159,562</u>

Sick leave represents entitlement of certain employees of former Shire Councils. NBRC now has its own EBA which precludes vested sick leave, but this balance is the amount yet to be paid out in accordance with previous agreements.

**16 Borrowings**

	2010	2009
	\$	\$
<b>Current</b>		
Loans – Queensland Treasury Corporation	148,428	137,147
	<u>148,428</u>	<u>137,147</u>
<b>Non-current</b>		
Loans – Queensland Treasury Corporation	992,586	1,138,969
	<u>992,586</u>	<u>1,138,969</u>
<b>Loans – Queensland Treasury Corporation</b>		
Balance at beginning of financial period	1,276,116	-
Transferred from abolished councils	-	1,462,064
Loans raised	(186)	-
Principal repayments	(134,916)	(185,948)
Balance at end of financial period	<u>1,141,014</u>	<u>1,276,116</u>

The QTC loan market value at the reporting date was \$1,181,306 (30 June 2009: \$1,296,317). This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made 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 31 December 2009 to 31 December 2014 (Available from QTC Maturity Analysis). There have been no defaults or breaches of the loan agreement during the period.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**17 Provisions**

	2010	2009
	\$	\$
<b>Current</b>		
Long service leave	1,091,947	1,021,354
	<u>1,091,947</u>	<u>1,021,354</u>
<b>Non-current</b>		
Long service leave	461,437	426,159
	<u>461,437</u>	<u>426,159</u>
<b>Long Service Leave</b>		
Transferred from abolished councils	-	1,130,848
Balance at beginning of financial year	1,447,513	-
Long service leave entitlement arising	275,011	377,990
Long service entitlement extinguished	(50,584)	(16,190)
Long service entitlement paid	(118,557)	(45,135)
Balance at end of financial year	<u>1,553,383</u>	<u>1,447,513</u>

**18 Other liabilities**

	2010	2009
	\$	\$
Developer contributions	238,563	-
	<u>238,563</u>	<u>-</u>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**19 Reclassification of Equity 2008/2009**

	2009
	\$
Equity – Capital (see a)	640,548,525
Asset Revaluation surplus	204,104,366
Retained surplus (see b)	6,007,054
<b>Net Assets</b>	<b>850,659,945</b>
a) Capital	
Non Current Assets	837,984,953
Working Capital	8,233,066
Non -current Liabilities	-1,565,128
Asset Revaluation surplus	-204,104,366
	640,548,525
b) Retained Surplus	
Current Assets	19,558,183
Working Capital	-8,233,066
Current Liabilities	-5,318,063
Other Reserves	-
	6,007,054

Working Capital was determined by taking the expense for the year, deducting non cash expense and dividing by four.

In 2010, the Council has changed its accounting policy on measuring capital being the net carrying value of the capital assets and estimated initial value of working capital recognised at its inception less the amount of capital debt and asset revaluation surplus at the balance date. Previously, capital is estimated using the net asset transferred from the abolished councils. As a result, the Council reclassified \$14.3 million to retained surplus. Under the requirements of AASB108 Accounting Policies, Changes in Accounting Estimates & Errors, this change must be reflected in the prior year financial statements. Details of the reclassification are as follows:

	<u>Previous Balance as at 30 June 2009</u> \$	<u>Restatement</u> \$	<u>Adjusted Balance as at 30 June 2009</u> \$
Statement of Financial Position			
Capital	654,869,905	(14,321,380)	640,548,525
Retained Surplus	(8,314,328)	14,321,380	6,007,054
Statement of Changes in Equity			
Balance at 30 June 2009	850,659,945	-	850,659,945

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**20 Asset revaluation surplus**

Movements in the asset revaluation surplus were as follows:

Net adjustment to non-current assets at end of period to reflect a change in current fair value:

	2010	2009
	\$	\$
Land	2,011,999	968,803
Buildings	854,932	565,992
Road, drainage and bridge network	-	202,295,354
Other Structures	2,857,699	274,217
Movement in year	5,724,630	204,104,366

Asset revaluation surplus analysis

The closing balance of the asset revaluation surplus comprises the following asset categories:

	2010	2009
	\$	\$
Land	2,980,802	968,803
Buildings	1,420,924	565,992
Road, drainage and bridge network	202,295,354	202,295,354
Other Structures	3,131,916	274,217
Balance at year end	209,828,996	204,104,366

**21 Retained surplus/(deficiency)**

Movements in the retained surplus were as follows:

	2010	2009
	\$	\$
Retained surplus/(deficit) at beginning of period	6,007,055	-
Net operating surplus/(deficit)	(1,395,736)	646,555,579
Transfers (to)/ from capital	(4,283,397)	(640,548,525)
Retained surplus at end of financial year	327,922	6,007,054



North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**22 Commitments and Contingent liabilities**

	2010	2009
	\$	\$
<b>Capital commitments</b>		
Capital commitments to purchase item of property, plant and equipment at end of financial year but not recognised in the financial statements are as follows:		
Within one year	514,123	758,590
One to five years	-	-
	<b>514,123</b>	<b>758,590</b>

Details and estimates of maximum amounts of contingent liabilities are as follows:

**Local Government Mutual**

The 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 it is 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.

As at 30 June 2010 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

**Local Government Workcare**

The 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 available 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 \$280,663 (2009: \$278,701).

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**23 Superannuation**

The 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 superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has two elements referred to as the Defined Benefits Fund (DBF) 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 1993.

The DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the 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 fund is over or under funded would only affect future benefits and contributions to the DBF, and is not an asset or liability of the Council. Accordingly there is no recognition 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 2009 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2009. The actuary indicated that "the DBF is in a very modest financial position with regard to the net asset coverage of vested liabilities. Investment returns will be volatile under the required investment strategy, particularly over short periods. The DBF therefore needs sufficient reserves to be able to withstand a reasonable range of such influences. Because the DBF is now running down and cash flows are negative, the VBI (vested benefit index) should not be allowed whenever possible to retreat below 100%. Once below 100%, benefits drawn reduce the available assets for remaining members and hence the net asset coverage of vested benefits declines further.

In order to withstand a one in ten 'low return' outcome, the DBF would need reserves of the order of 8% to 10% having regard to the investment strategy adopted. Given the current position of the DBF, such reserve can essentially only eventuate from either excess investment returns over salary increases or additional employer contributions.

The amount of superannuation contributions paid by Council to the scheme in this period for the benefit of employees was:

2010	2009
\$	\$
1,372,804	1,483,089

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**24 Trust funds**

Trust funds held for outside parties

	2010	2009
	\$	\$
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	306,624	306,407
Security	241,351	196,387
	<u>547,975</u>	<u>502,794</u>

The 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.

**25 Reconciliation of net operating surplus for the year to net cash inflow (outflow) from operating activities**

	2010	2009
	\$	\$
Net operating surplus/(deficit)	(1,395,735)	(8,362,601)
Non-cash operating items		
Depreciation	8,949,627	12,048,440
Revaluation adjustments		8,485,706
	8,949,627	20,534,146
Investing and development activities:		
Net (profit)/loss on disposal of non-current assets	(295,462)	(279,855)
Capital grants and contributions	(3,987,935)	(5,778,311)
	<u>(4,283,397)</u>	<u>(6,058,166)</u>
Changes in operating assets and liabilities		
(Increase)/decrease in receivables	12,598	12,241
(Increase)/decrease in inventory	(29,397)	(170)
(Increase)/decrease in payables	29,786	-
(Increase)/decrease in other provisions	105,582	478,360
	<u>118,569</u>	<u>490,431</u>
Net cash inflow from operating activities	<u>3,389,064</u>	<u>6,603,811</u>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**26 Financial instruments**

North Burnett Regional Council's activities expose it to a variety of financial risks including interest rate risk, credit risk, and liquidity risk.

Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council. The Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia. The Council does not invest in derivatives or other high risk investments.

When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the Statutory Bodies Financial Arrangements Act 1982.

North Burnett Regional Council measures risk exposure using a variety of methods as follows:

<b>Risk exposure</b>	<b>Measurement method</b>
Interest rate risk	Sensitivity analysis
Liquidity risk	Maturity analysis
Credit risk	Ageing analysis

Credit risk exposure

Credit risk exposure refers to the situation where the Council may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations.

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 these debts.

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.

The Council is exposed to credit risk through its investments with the Queensland Treasury Corporation (QTC) and deposits held with banks or other financial institutions. The QTC Cash Fund is an asset management portfolio that invests with a wide variety of high credit rating counterparties. Deposits are capital guaranteed. Other investments are held with highly rated/regulated banks/financial institutions and whilst not capital guaranteed, the likelihood of a credit failure is remote.

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 agricultural there is also a concentration in the agricultural sector.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment. No collateral is held as security relating to the financial assets held by the Council.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

Council's maximum exposure to credit risk is as follows:

	Note	2010	2009
Financial Assets		\$	\$
Cash & Cash Equivalents	11	9,567,938	15,550,100
Receivables – Rates	12	669,874	637,208
Receivables - Other	12	1,830,079	1,852,087
		<b>12,067,891</b>	<b>18,039,395</b>

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

The following represents an analysis of the age of the Council's financial assets that are either fully performing, past due or impaired:

Receivables	Fully performing		Past Due		Impaired	Total
		Less than 30 days	30-60 days	61+ Days		
	\$	\$	\$	\$	\$	\$
2010	1,604,260	192,591	337,881	365,221	5,680	2,505,633
2009	1,947,285	332,324	38,604	171,082	20,000	2,509,295

#### Liquidity risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The following table sets out the liquidity risk of financial liabilities held by the Council in a format as it might be provided to management. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date:

	0 to 1 year	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$
<b>2010</b>				
Trade and other Payables	4,189,348	0	0	4,189,348
Loans - QTC	148,428	608,240	384,346	1,141,014
	<b>4,337,776</b>	<b>608,240</b>	<b>384,346</b>	<b>5,330,362</b>
<b>2009</b>				
Trade and Other payables	4,159,562	0	0	4,159,562
Loans - QTC	137,147	648,844	490,125	1,276,116
	<b>4,296,709</b>	<b>648,844</b>	<b>490,125</b>	<b>5,435,678</b>

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

The outflows in the above table are not expected to occur significantly earlier and are not expected to be for significantly different amounts than indicated in the table.

Unrestricted access was available at balance date to the lines of credit listed below:

	2010	2009
	\$	\$
Credit Card Facility	50,000	50,000

Interest Rate Sensitivity Analysis

The following sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss should there be a 1% increase in market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

	Net carrying amount		Profit		Equity	
	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$
Net Financial Assets	9,562,278	15,544,440	95,623	155,444	95,623	155,444
Net	9,562,278	15,544,440	95,623	155,444	95,623	155,444

No Interest Rate Sensitivity Analysis has been recorded for Financial Liabilities as all Financial Liabilities are fixed in pricing.

Fair value

The fair values of financial assets and financial liabilities approximates the carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

In 2010 and 2009, there are no financial instruments categorised as financial assets or liabilities at fair value in its Statement of Financial Position. All financial instruments held by the Council are measured at amortised cost.

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

Interest Rate Risk

The Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation and investments held with financial institutions.

The risk in borrowing is effectively managed by borrowing mainly /(only) from the Queensland Treasury Corporation and having access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

The Council does not undertake any hedging of interest rate risk.

	Notes	Floating interest rate	Fixed interest rate	Non-Interest	Total
		2010	2010	2010	2010
		\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & cash equivalents	11	9,562,278	-	5,660	9,567,938
Receivables	12	-	669,874	2,015,010	2,684,884
		<b>9,562,278</b>	<b>669,874</b>	<b>2,020,670</b>	<b>12,252,822</b>
Weighted average interest rate		3.25%	11.00%	0.00%	
<b>Financial Liabilities</b>					
Trade & Other Payables	15	-	-	4,189,347	4,189,347
Borrowings	16	-	1,141,014	-	1,141,014
		-	<b>1,141,014</b>	<b>4,189,347</b>	<b>5,330,361</b>
Weighted average interest rate		0.00%	6.02%	0.00%	
<b>Net financial assets</b>		<b>9,562,278</b>	<b>-471,140</b>	<b>-2,168,677</b>	<b>6,822,461</b>
		2009	2009	2009	2009
		\$	\$	\$	\$
<b>Financial Assets</b>					
Cash & cash equivalents	11	15,544,440	-	5,660	15,550,100
Receivables	12	-	637,208	1,953,304	2,590,512
		15,544,440	637,208	1,958,964	18,140,612
Weighted average interest rate		3.45%	11.00%	0.00%	
<b>Financial Liabilities</b>					
Trade & Other Payables	15	-	-	4,159,562	4,159,562
Borrowings	16	-	1,276,116	-	1,276,116
		-	1,276,116	4,159,562	5,435,678
Weighted average interest rate		0.00%	6.32%	0.00%	
<b>Net financial assets</b>		<b>15,544,440</b>	<b>-638,908</b>	<b>-2,200,598</b>	<b>12,704,934</b>



North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**27 National Competition Policy**

**Activities to which the code of competitive conduct is applied**

A "business activity" of a local government is divided into two categories:

(a) Roads business activity:

- (i) the construction or maintenance of state controlled roads for which the local government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
- (ii) submission of a competitive tender for construction or road maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

(b) Other business activity, referred to as type three activities, means the following:

- (i) trading in goods and services to clients in competition with the private sector, or
- (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to its self. Excluded activities are (a) library services, and (b) an activity or part thereof prescribed by legislation.

Local government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Council, and represents the cost(s) which would not be incurred if the primary objective of an activity was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council.

- Roads
- Water and sewerage
- Waste management
- Plant operations

**Financial performance of activities subject to competition reforms:**

	Roads	Water & Sewerage	Waste Management	Plant Operations
	2010	2010	2010	2010
	\$	\$	\$	\$
Revenue for services provided to the Council	4,506,031	-	-	5,931,546
Revenue for services provided to external clients	4,468,375	3,692,274	1,220,518	-
Community service obligations	297,567	-	880,963	-
	9,271,973	3,692,274	2,101,481	5,931,546
Less: Expenditure	9,271,973	3,021,468	2,101,481	4,394,057
Surplus/(deficiency)	(0)	670,806	-	1,537,489

North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

Description of CSO's provided to business activities:

Activities	CSO Description	Actual \$
Roads	For providing roads for public use	297,567
Water & Sewerage	For providing free services to public areas	-
Waste Management	For providing services to public areas, operation and maintenance of public facilities and control of animals and pests	880,963
Plant	For providing council plant for public areas	-

	Roads	Water & Sewerage	Waste Management	Plant Operations
	2009	2009	2009	2009
	\$	\$	\$	\$
Revenue for services provided to the Council	8,065,612	3,295,742	1,110,975	7,326,574
Revenue for services provided to external clients	-	-	-	-
Community service obligations	3,632,738	499,672	1,515,179	-
	11,698,350	3,795,414	2,626,154	7,326,574
Less: Expenditure	11,698,350	3,795,414	2,626,154	5,750,338
Surplus/(deficiency)	-	-	-	1,576,236

Activities	CSO Description	Actual \$
Roads	For providing roads for public use	3,632,738
Water & Sewerage	For providing free services to public areas	499,672
Waste Management	For providing services to public areas, operation	1,515,179
Plant	For providing council plant for public areas	-

## 28 Events after the Reporting Period

There are no events after the reporting period.

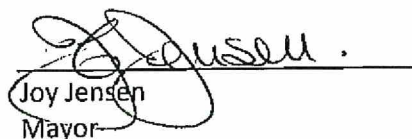
North Burnett Regional Council  
Notes to the Financial Statements  
For the year ended 30 June 2010

**Management Certificate**  
For the year ended 30 June 2010

These general purpose financial statements have been prepared pursuant to Section 532 of the Local Government Act 1993, the Local Government Finance Standard 2005 (the Standard) and other prescribed requirements.

In accordance with Section 48 of the Standard we certify that:

- (i) the relevant recording and reporting procedures have been complied with in the preparation of the financial statements; and
- (ii) the financial statements, as set out on pages 1 to 37, have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the financial performance and cash flows of North Burnett Regional Council for the financial year 1 July 2009 to 30 June 2010 and of the financial position as at the end of that year.

  
Joy Jensen  
Mayor

  
Mark Pitt  
Chief Executive Officer

Date: 9 / 11 / 2010 .

Date: 9 / 11 / 2010

## INDEPENDENT AUDITOR'S REPORT

To the Mayor of North Burnett Regional Council

### Report on the Financial Report

I have audited the accompanying financial report of North Burnett Regional Council, which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes 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 and fair presentation of the financial report in accordance with the *Local Government Act 1993* and *Local Government Finance Standard 2005* including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### 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. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free of 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 risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial report 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 controls, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies 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 only be removed 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.

## Auditor's 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 respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of the North Burnett Regional Council for the financial year 1 July 2009 to 30 June 2010 and of the financial position as at the end of that year.



C R Jenkins

As Delegate of the Auditor General

Brisbane, 9 November 2010