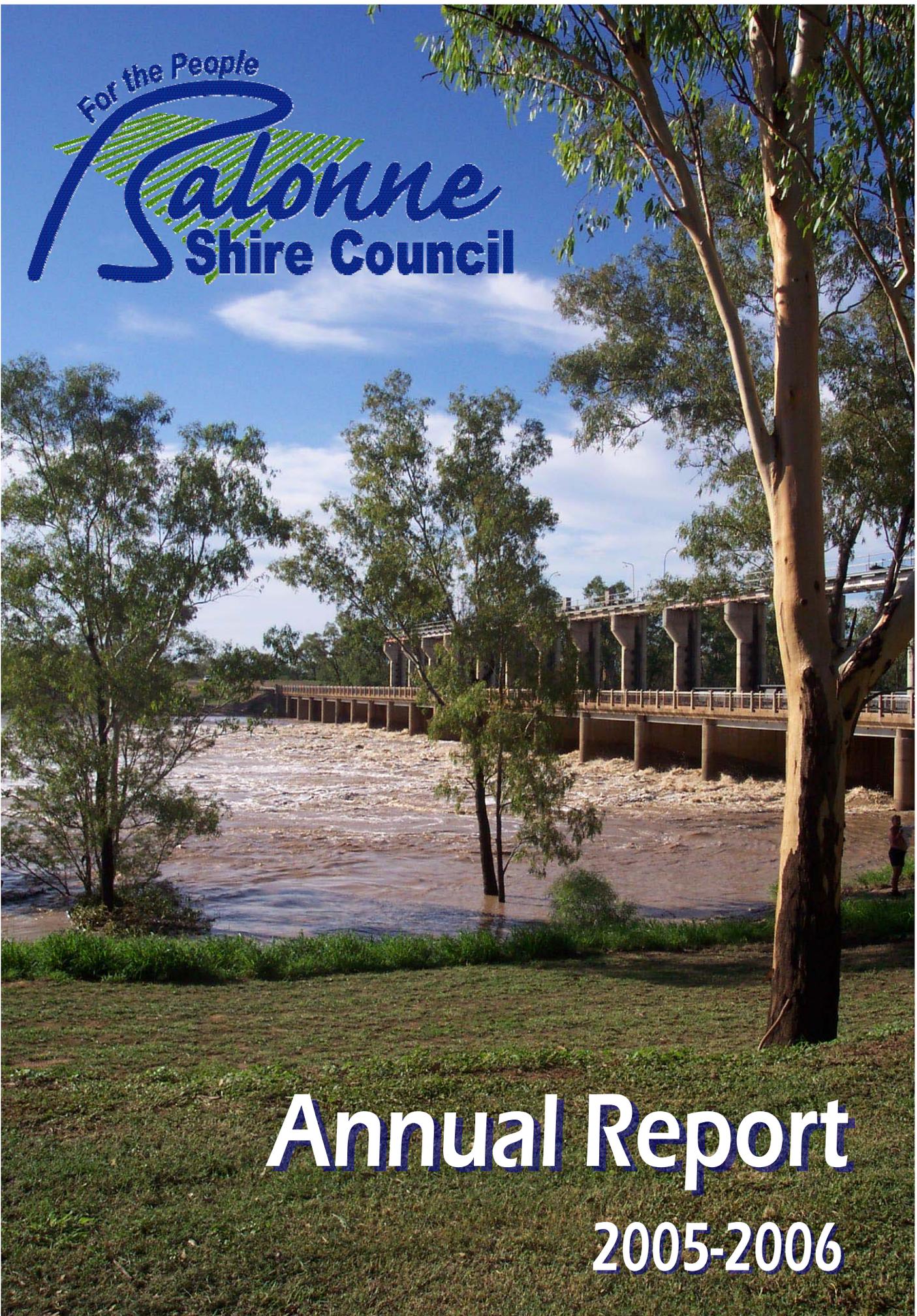




For the People  
**Salonne**  
**Shire Council**



**Annual Report**  
**2005-2006**

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## Annual Report 2005 – 2006



# From our Mayor Cr Robert Buchan

I am pleased to present my report for the period 1<sup>st</sup> July 2005 to 30<sup>th</sup> June 2006.

The role of Council is always evolving. No longer do we base our operations solely on rates, roads and rubbish, community expectations extend beyond this. Therefore, we must be involved in meaningful community engagement whereby the resources of the local residents can be mobilised to solve challenging community issues.

We must acknowledge the great contribution to this Shire of our Service Clubs, Sporting Clubs, School P & C Associations, CWA's and other organisations who rise to these challenges in order to benefit the citizens of this Shire. Acknowledgement must also be given to the Council staff and volunteers who work very hard at tourist promotion especially at the St George in the Tourist Information Centre as well as in other parts of the Shire. Positive feedback from many visitors proves that these people are doing a good job.

During the 2005/06 financial year Council was involved with and provided support to schools, community and sporting groups throughout the Shire. This sponsorship included cash donations, in kind assistance, reduction in or waiving facility hire fees and gifts of books and other memorabilia. Two major events that involved sponsorship or contributions from Council were the Isolated Children's and Parents' Association Annual Conference that was held in St George and the Rotary Balonne Shire Business Awards. As well, Council and the community were involved in Australia Day Celebrations and Local Government Week activities which involved a number of schools from within the Shire.

A major highlight for the Shire was the visit in May of the Governor of Queensland, Her Excellency Ms Quinten Bryce. The Governor visited the Towns of Bollon, Dirranbandi and St George where she attended several community functions. The enjoyment and love which Her Excellency showed when visiting with the children of this Shire will long remain on our memories.

It is appropriate to mention the tremendous amount of work undertaken by the Department of Corrective Services through that Department's Western Outreach Camps Program. Without the help from this program many community projects would not come to fruition in our towns and Council extends its thanks to the Queensland Government for the valuable contribution to our Shire.

The Model Code of Conduct for Councillors was introduced during the year and places a number of statutory obligations on Councillors relating to the way they carry out their roles. Council also engaged in the Size Shape and Sustainability initiative whereby local authorities evaluate their long term sustainability and look at the ways future needs and priorities can be addressed. Another forum where Council became involved this year was in native title negotiations. This forum will assist in mediating Native Title and Cultural Heritage Agreements for land claims within our Shire and adjoining Shires.

Financial management is a key component to the successful operation of Council activities. It is essential that we remain financially vigilant and carefully monitor our income and expenditure to ensure we remain financially viable.

During the year we welcomed the following new Senior Staff to the Balonne Shire Council, Mr Allan Young (Chief Executive Officer), Mr Scott Norman (Director of Corporate and Community Services), Mr Rick Keen (Works Officer) and Mr Baldeep Sehmi (Workplace Health & Safety Officer).

I would like to extend my thanks to those who have helped me carry out my duties as Mayor during the year. A very special thanks to all staff whom I recognise as this Council's most valuable asset in providing a diverse range of services to our community in an efficient friendly manner. Your efforts are genuinely appreciated.

Let us all pray for and end to this disastrous drought and hope we can all work together to make our Shire even greater.

RE Buchan  
MAYOR

## KEY CONTACTS

**Postal Address:** Balonne Shire Council  
PO Box 201, St. George 4487

**Administration Office:** 118 Victoria Street, St. George  
Phone (07) 4620 8888  
Fax (07) 4620 8889

**Health Office:** 118 Victoria Street, St. George  
Phone (07) 4620 8844  
Fax (07) 4620 8845

**Works Depot:** 193-199 Grey Street, St. George  
Phone (07) 4620 8855  
Fax (07) 4620 8856

**After Hours Emergencies:** Phone 0407 253 858

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

**Email Address:** [council@balonne.qld.gov.au](mailto:council@balonne.qld.gov.au)

# Shire Profile

## Statistics

Balonne Shire is located in Queensland on the New South Wales border some 500 kilometres from the east coast of Australia.

The Shire has a predominantly rural-based economy with cotton, wool, beef and grain production being the most common primary industries. Rural industry has created and is supported by the Towns of St. George, Dirranbandi, Bollon, Thallon, Mungindi and Hebel. Small localities such as Nindigully, Boolba and Alton are important meeting places for the rural communities.

The existence of these distinct communities spread across over 31,000 square kilometres of Queensland presents a special challenge to the Balonne Shire Council as it carries out the functions of local government. These functions, which have been determined on the basis of community needs and in some cases through the devolution of powers from the State Government include, in broad terms, the provision of transport infrastructure, community recreational, sporting and cultural facilities, the control of building and development, the administration of public and environmental health, the promotion of tourism and economic development and the provision of urban water supplies, sewerage and cleansing services.

Land Area	31,130 square kilometres
Length of Roads	2,388 kilometres
Resident Population	5,564 (2001 Census)
No. of Rateable Properties	2257
Valuation	\$354 Million
Water Connections	1,582
Sewerage Connections	1,302
Operating Revenue	\$14,704 Million
Operating Expenditure	\$13,366 Million
Council Bank	Westpac
Auditor	J H Gosper – Cheesman Applegarth and Partners

## Council Meetings

General Meeting	3 <sup>rd</sup> Friday of each Month
Council meets at the Council Chambers which are located in the Administration Office, St. George. One meeting each year is usually held in another town within the Shire.	
General Meetings commence at 9.00am.	



## Elected Council



**Cr. Robert Buchan**  
**MAYOR**  
 18 Cutler Court  
 St. George Q 4487  
 Ph 4625 5960 (h) Fax 4625 3620



**Cr. Richard Knights**  
**DEPUTY MAYOR**  
 "Acme Downs"  
 Bollon Q 4488  
 Ph 4625 7367 (h) Fax 4625 7336



**Cr. Robert Connolly**  
 4 Cutler Ct  
 St. George Q 4487  
 Ph 4625 4240 (h) Fax 4625 4209



**Cr. Robyn Fuhrmeister**  
 Surat Road  
 St. George Q 4487  
 Ph 46255168 (h) Fax 46253504



**Cr. Peter Powne**  
 PO Box 29  
 Bollon Q 4488  
 Ph 4625 6197 (h) Fax 4625 6197



**Cr. Michael Hetherington**  
 "Bimbibi"  
 Thallon Q 4497  
 Ph 4625 9101 (h) Fax 4625 9101



**Cr. Rodney Beeson**  
 PO Box 135  
 St. George Q 4487  
 Ph 4625 3431 (h) Fax 4625 3304



**Cr. Richard Marsh**  
 11 Henry St  
 St. George Q 4487  
 Ph 4625 3197 Fax 4525 3997



**Cr. Andrew Sevil**  
 "Whyenbah"  
 ST GEORGE, Q 4487  
 Ph 4620 7030 (h) Fax 4625 8227



**Cr. John Kennedy**  
 "Moombah"  
 Teelba Road  
 St. George Q 4487  
 Ph 4669 5115 (h) Fax 4669 5174

## Council's Mission

***“To implement community needs by providing quality leadership and delivering efficient and effective services in partnership with the community.”***

## Councillors Remuneration

In accordance with Section 534(g) of the Local Government Act, 1994 the Council must disclose the total remuneration paid or provided by it to each of its Councillors during the year and the total superannuation paid in respect of each Councillor. The remuneration paid to the Mayor and Councillors during the 2005/06 financial year is detailed in the following table:-

Councillor	General Meetings Eligible for Attendance	General Meetings Attended	Other Meetings Attended	Meeting Fees	Travel & Out of Pocket Expenses	Mayoral & Deputy Mayoral Allowance	Councillors Allowance	Communication Allowance
Cr RE Buchan	12	12	3	2,891.00	-	17,000.00	-	1,500.00
Cr MD Hetherington	12	12	19	6,660.00	3,026.80	-	4,000.00	1,500.00
Cr RG Fuhrmeister	12	12	94	12,492.00	678.56	-	4,000.00	1,500.00
Cr RW Marsh	12	12	22	5,544.00	200.00	-	4,000.00	1,500.00
Cr RG Connolly	12	10	9	4,536.00	300.00	-	4,000.00	1,500.00
Cr PA Powne	12	11	7	2,844.00	1,830.24	-	4,000.00	1,500.00
Cr JB Kennedy	12	8	7	2,592.00	1,272.02	-	4,000.00	1,500.00
Cr RC Beeson	12	12	6	3,456.00	-	-	4,000.00	1,500.00
Cr RT Knights	12	11	15	5,148.00	4,360.20	7,000.00	-	1,500.00
Cr AF Sevil	12	11	16	4,716.00	2,171.60	-	4,000.00	1,500.00
<b>TOTAL</b>				<b>50,879.00</b>	<b>13,839.42</b>	<b>24,000.00</b>	<b>32,000.00</b>	<b>15,000.00</b>

Superannuation – Nil.

Refer also to [Appendix 4](#) for details of the Councillors Remuneration Package for the 2005/06 financial year.



## From our Chief Executive Officer

The 2005/2006 financial year was a busy and challenging period for the Balonne Shire Council.

From an operational level, attention focussed on improvements to work practices with the introduction of new investment strategies, introduction of electronic funds transfer and changes to banking procedures. The presentation of items in the Council Meeting Agenda was also modified to a more user friendly document. Our method of levying rates was also reviewed and Council has now decided to introduce differential rating throughout the Shire from 1<sup>st</sup> July, 2006.

A number of new management and operational documents were adopted by Council during the year including:-

- Model Code of Conduct for Councillors
- General Complaints Process
- Stock Route Management Plan
- Pest Management Plan
- Youth Policy and Terms of Reference
- Counter Disaster Management Plan.

The prudent and efficient management of Council's finances indicates that we are in a sound and sustainable financial position. One key contributing factor to this satisfactory situation has been the careful management of outstanding debts in particular the successful recovery of monies for outstanding rates. At the end of June Council rate arrears were at an historically low balance and Councillors recorded their appreciation of the staff efforts on this achievement.

Staff have also been involved in the Size, Shape and Sustainability review process, Native Title discussions, preparation of the new Integrated Planning Scheme and regional planning discussions. This is additional to the day to day operational functions performed by the workforce.

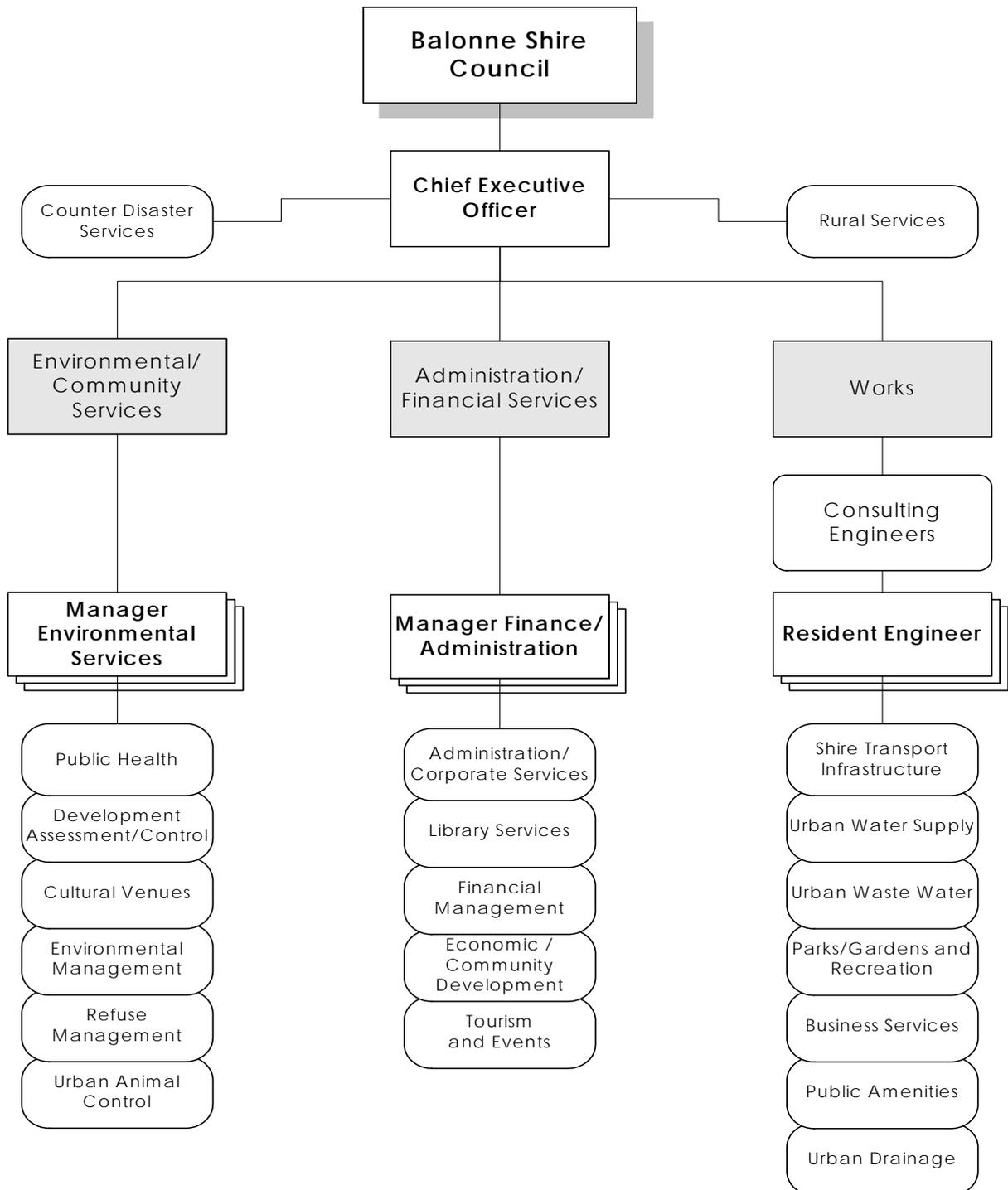
It was recently stated that by the year 2010 it is estimated that over 55% of our present workforce will be eligible for retirement. It is difficult at the moment to recruit staff to fill vacancies due to the resources boom so Council will have to demonstrate initiative and flexibility in retaining existing staff and employing new staff when vacancies arise in all areas of our organisation.

I would like to make particular mention of Council's most important resource, its staff. Council and the community are well serviced by this dedicated workforce. When we consider the wide and varying range of functions and activities undertaken by the Council over an extremely large area, we have to acknowledge the special and wide ranging skills of our employees. I therefore record my sincere thanks for a job well done.

Finally I would like to thank the Mayor and Councillors for their support and assistance during my first year as Chief Executive Officer of the Balonne Shire Council.

Allan Young  
CHIEF EXECUTIVE OFFICER

# Corporate Structure



## Our Goals

In order to achieve Council's Mission, Council adopted a corporate approach and divided Council functions into ten (10) Major Programmes. Each of these Programmes has been allocated a key goal and these goals are used as the basis for formulating the strategies and actions required to achieve the desired Programme outcomes as documented in the Corporate Plan.

### Finance (0100)

*Goal*

To achieve maximum community benefit from available financial resources.

### Planning & Development (0300)

*Goal*

To implement appropriate planning controls to ensure and encourage the balanced quality development of the Shire and promote the Shire as a desirable place to live, work and visit.

### Community & Cultural (0500)

*Goal*

To encourage and participate in the continuing development of community services and cultural activities and to foster strong community spirit.

### Business Services (0700)

*Goal*

To undertake private works within the scope of Council's expertise in an efficient and cost-effective manner.

### Urban Water (5000)

*Goal*

To provide efficient, effective and environmentally sensitive water supplies to the Towns of St. George, Dirranbandi, Bollon, Thallon, Hebel and Mungindi (Queensland).

### Administration / Corporate Services (0200)

*Goal*

To effectively and efficiently administer the affairs of Council and to provide quality service to it's Customers.

### Transport & Drainage Infrastructure Services (0400)

*Goal*

To provide efficient and effective transport and drainage infrastructure.

### Environmental & Health Services (0600)

*Goal*

To implement policies and operational programmes which will contribute to the environmental health and well-being of the community.

### Urban Waste Water (4000)

*Goal*

To provide efficient, effective and environmentally sound waste water disposal services in the Towns of St. George, Dirranbandi and Bollon.

### Cleansing (6000)

*Goal*

To provide efficient, effective and environmentally sensitive refuse collection and / or disposal services in all towns.

# Standing Committees

## STANDING COMMITTEES

Standing Committees have been formed to streamline Council business. These Committees meet as required on an irregular basis.

### FINANCE COMMITTEE

The Council as a Committee of the whole, by Authority of Resolution dated 7th April, 2004.

### WORKS COMMITTEE

The Council as a Committee of the whole, by Authority of Resolution dated 7th April, 2004.

## AGENDAS AND MINUTES

Agendas are prepared for all Council General Meetings and are available for public display no less than two days prior to those meetings. Minutes of all Council Meetings are available for public display within five working days after the Meeting.

## ADVISORY COMMITTEES AND STATUTORY BODIES

A number of Advisory Committees (that may also include staff and members of the general public), are established from time to time to investigate and deal with particular issues or programmes and meet as required.

Council representation on Statutory Bodies and Advisory Committees is established at the commencement of and as required throughout the term of the Council. Current Council representation is as follows:-

### REPRESENTATION ON ADVISORY COMMITTEES:-

Note: ( ) Denotes Committee Chair

#### *BALONNE SHIRE COUNCIL RURAL LANDS PROTECTION COMMITTEE*

Council - Cr. R.T. Knights, (Cr. R.G. Connolly) and Cr. J.B. Kennedy  
Staff - Chief Executive Officer, Stock Routes Supervisor

#### *ST. GEORGE SHOWGROUNDS PLANNING AND CO ORDINATING COMMITTEE*

Council - Cr. J.B. Kennedy, (Cr. R.G. Connolly) and Cr. R.W. Marsh  
Community - Balonne Branch Australian Stock Horse Society  
St. George Combined Agents  
St. George Netball Association  
St. George P. & A. Association  
St. George Polocrosse Association

#### *DIRRANBANDI SHOWGROUNDS PLANNING AND CO ORDINATING COMMITTEE*

Council - Cr. A.F. Sevil and (Cr. R.G. Connolly)  
Community - Dirranbandi P. & A. Association  
Dirranbandi Polocrosse Association  
Dirranbandi Pony Club  
Dirranbandi Rodeo Association

#### *BOLLON SHOWGROUNDS PLANNING AND CO ORDINATING COMMITTEE*

Council - Cr. P.A. Powne and (Cr. R.G. Connolly)  
Community - Bollon Polocrosse Association  
Bollon Rodeo Association

### ***BALONNE SHIRE COUNCIL WORKPLACE RELATIONS COMMITTEES***

**Workplace Health and Safety Consultative Sub-Committee:**

Council - (Cr. R.W. Marsh)

Staff - Chief Executive Officer, Director Technical Services, Works Overseer, Technical Officer (WHSO), plus six (6) elected employee representatives.

**Equal Employment Opportunity (EEO) Consultative Committee:**

Council - (Cr. R.W. Marsh)

Staff - Director Corporate & Community Services, Mrs D. Green,

**Federal Award SBU:**

Council - Cr. M.D. Hetherington, (Cr. R.W. Marsh), Cr. A.F. Sevil, Chief Executive Officer, Director Technical Services , Director Corporate & Community Services

Staff - Mr. W. McDonald, Mr F. Bradley, Mr P. Smith, Mr W. Bradley, Mrs S. O'Toole and Mrs D. Francisco.

**State Awards SBU:**

Council - Cr. M.D. Hetherington, (Cr. R.W. Marsh), Cr. A.F. Sevil, Chief Executive Officer, Director Technical Services, Overseer

Staff - Mr. R. Hill, Mr M. Ross, Mr R. Beckmann, Mr K. Fontaine, Mr W. Goodwin and 1 x Vacancy.

### ***BALONNE SHIRE COUNCIL QUALITY MANAGEMENT COMMITTEE***

Council - (Cr. R.G. Fuhrmeister)

Staff - Chief Executive Officer, Director Corporate & Community Services, Director Technical Services, Director Health Planning & Environment, Works Officer, Technical Officer, Purchasing Officer, Overseer, Workshop Supervisor.

### ***WATER AND WASTE WATER POLICY COMMITTEE***

Council - The Council as a Committee of the whole, by authority of resolution dated 7th April, 2004.

Staff - Chief Executive Officer, Director Corporate & Community Services, Director Technical Services, Works Engineer, Director Health Planning & Environment

### ***PLANT PURCHASING COMMITTEE***

Council - Cr. P.A. Powne, Cr. R.C. Beeson, (Cr. R.G. Connolly) and Cr. R.G. Fuhrmeister

Staff - Director Technical Services, Overseer, Workshop Supervisor

### ***SPORT AND RECREATION COMMITTEE***

Council - Cr. A.F. Sevil, Cr. M.D. Hetherington, Cr. R.G. Fuhrmeister and (Cr. R.T. Knights)

Staff - Director Technical Services, Overseer, Workshop Supervisor

## **REPRESENTATION ON STATUTORY BODIES:-**

### ***TOOWOOMBA & GOLDEN WEST TOURIST ASSOCIATION INC.***

Council - Cr. David McMahon from Goondiwindi Town Council 2006-2007 term (Currently representing Balonne and Waggamba Shires and Goondiwindi Town)

### ***BALONNE SHIRE COUNTER DISASTER COMMITTEE***

Council - (Cr. R.E. Buchan)

Staff - Chief Executive Officer (X.O.), Mr. S.K. Mizen (Balonne S.E.S. Controller)

Community - Representatives of the Queensland Police Service, Queensland Fire & Rescue Service, Department of Primary Industries, Qld Ambulance Service, Medical Superintendent, Australian Red Cross, SES.

### ***ROMA DISASTER DISTRICT RECOVERY SUB COMMITTEE***

Council - Cr. R.E. Buchan

**MARANOA BALONNE CATCHMENT MANAGEMENT ASSOCIATION**

Council - Cr. A.F. Sevil, Proxy Delegate Cr. R.C. Beeson

**MARANOA BALONNE CATCHMENT MANAGEMENT ASSOCIATION LOCAL GOVERNMENT REFERENCE GROUP**

Council - Cr. R.E. Buchan, Proxy Delegate Cr. R.T. Knights

**BALONNE SHIRE COUNCIL REGIONAL ARTS DEVELOPMENT FUND COMMITTEE**

Council - (Cr. R.G. Fuhrmeister)

**MARANOA AND DISTRICT REGIONAL ORGANISATION OF COUNCILS**

Council - Cr. R.T. Knights  
Staff - Chief Executive Officer

**REPRESENTATION ON COMMUNITY COMMITTEES:-**

**LOCAL GOVERNMENT BORDER RIVERS PROJECT**

Council - Cr. J.B. Kennedy

**CONDAMINE – BALONNE and BALONNE-CULGOA WATER COMMITTEES**

Council - Cr. P.A. Powne, Cr. A.F. Sevil and Cr. J.B. Kennedy

**WARRAWEE RETIREMENT VILLAGE COMMITTEE**

Council - Cr. R.G. Connolly

**BALONNE SHIRE COUNCIL W.O.R.C. ASSESSMENT COMMITTEE**

Council - (Cr. M.D. Hetherington) and Cr. R.C. Beeson  
Staff - Director Health Planning & Environment

**LOWER BALONNE ADVISORY COMMITTEE**

Council - Cr. A.F. Sevil, Proxy Delegate Cr. M.D. Hetherington

**CARE BALONNE ASSOCIATION INC.**

Council - Cr. R. G. Fuhrmeister

**GREAT INLAND WAY PROMOTIONS GROUP INC.**

Council - Cr. R. G. Fuhrmeister

**REGIONAL MUSEUM RESOURCE CENTRE ADVISORY COMMITTEE**

Council - Cr. R.G. Fuhrmeister

**BEARDMORE DAM YOUTH CAMP COMMITTEE**

Council - Cr. R.G. Connolly

**BUILDING SAFER COMMUNITIES ACTION TEAM**

Council - Cr. R.G. Fuhrmeister  
Staff - Director Corporate & Community Services

### **MURRAY – DARLING ASSOCIATION INC.**

Council - Delegate to Annual General Meeting - Cr. R.E. Buchan  
Delegates to Regional Meetings – Cr. R.E. Buchan, Cr. R.G. Connolly, Cr. R.T. Knights, Cr. A.F. Sevil and Cr. R.G. Fuhrmeister

### **BALONNE SHIRE YOUTH COUNCIL COMMITTEE**

Council - Cr. R.G. Fuhrmeister, Cr A.F. Sevil and Cr J.B. Kennedy  
Staff - Economic Development and Events Officer

### **SKILL CENTRE COMMITTEE (BALONNE FURTHER EDUCATION AND TRAINING GROUP INC.)**

Council - Cr. M.D. Hetherington

### **BALONNE SHIRE ROTARY BUSINESS AWARDS ORGANISING COMMITTEE**

Council - Cr. R.G. Fuhrmeister, Cr. R.W. Marsh  
Staff - Economic Development and Events Officer

### **PARKS & GARDENS PLANNING COMMITTEE**

Council - (Cr. R.G. Connolly), Cr. A.F. Sevil and Cr. P.A. Powne  
Staff - Director Technical Services, Town Works Supervisor, Chief Executive Officer

## 0100 - Finance

**Goal:** *To achieve maximum community benefit from available financial resources.*

Council's financial statements have been prepared on an accrual basis as required by the Local Government Finance Standards. The audited financial statements for the Year ended 30 June, 2006 are included in this report as [Appendix 1](#).

### Trust Fund

The Council acts as trustee for certain funds and as at 30 June, 2006 a total amount of \$55,087.56 was held. These funds comprise mainly refundable security deposits or monies collected or held on behalf of another entity for repayment to or on behalf of that entity.

### National Competition Policy

The following activities of the Council are considered to be business activities under the Code of Competitive Conduct as referred to under Chapter 9 of the *Local Government Act 1993*:-

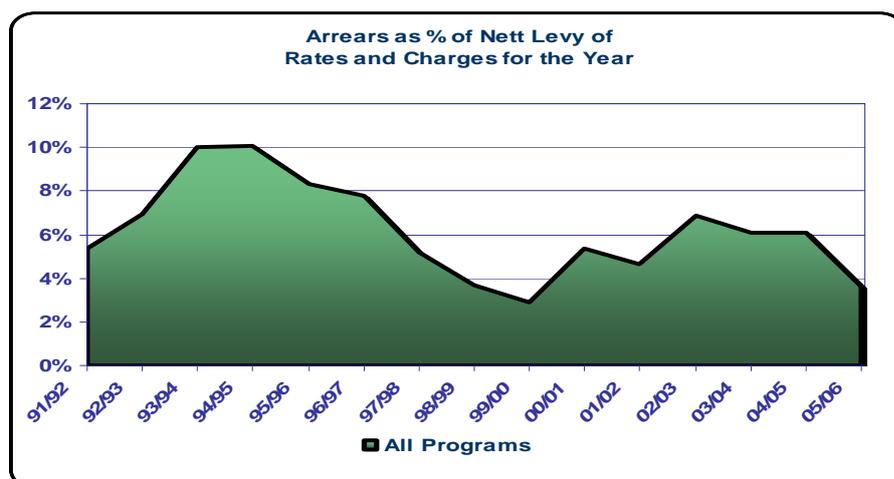
- Road/Street Construction Program
- Urban Water Supply Program
- Sewerage Program

During the 2000/01 year the Council considered a consultant's report on the application of the Code and the implementation of full cost pricing to the above programs. Council has resolved not to apply the Code of Competitive Conduct as it believes there is no benefit to the community in implementing this code.

**0100-1 Strategy:** *Maintain, through the Revenue and Borrowing Policies, an equitable and effective system of revenue raising and collection.*

Council's Revenue Policy details the philosophy adopted in determining rating and charging methodologies for the 2005/06 financial year.

Rates and utility charges remain the primary source of finance and it is pleasing to note that the majority of ratepayers and service users met their commitments within the year. Arrears of rates and charges for the year has decreased owing to the Senior Administrations Officer's management of this area, as expressed as a % of nett rates/charges levied in the year 3.03 % (5.07% as at 30 June, 2005). (Refer to [FIGURE 1](#) below)



The graph at FIGURE 2 provides an indication of the movement in nett rates and charges revenue compared with the movement in the Consumer Price Index (Weighted Average CPI) & Financial Assistance Grants (FAGs) since 1991/92.

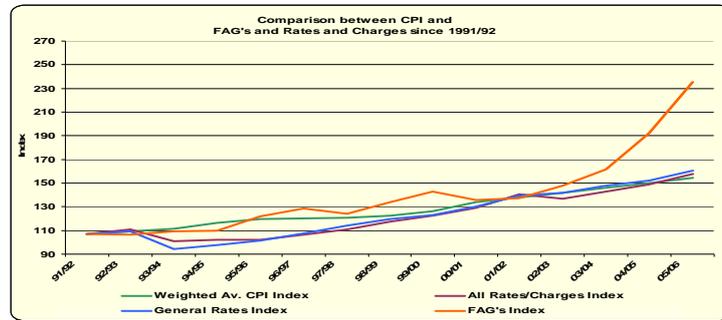


FIGURE 2

Pensioner rate remissions totalling \$24,338 (\$24,009 04/05) were granted to qualifying ratepayers during the 2005/06 year.

Details of Council's Pensioner Remission Policy are included in the Revenue Policy.

Council also provides administrative support to the State Government Pensioner Rate Subsidy Scheme which presently provides rebates of up to \$150 per annum to qualifying pensioners.

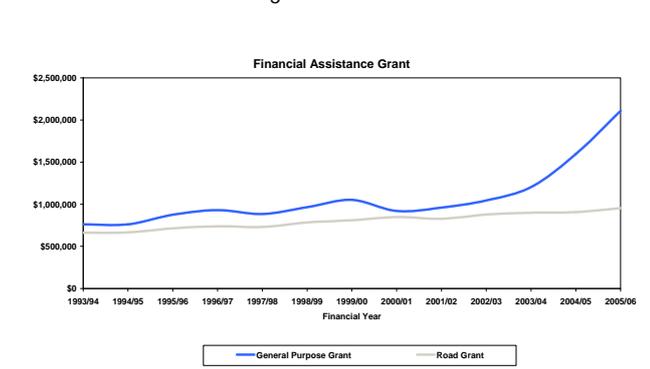
**0100-2 Strategy:** *Maintain an equitable and effective system of general charges for miscellaneous services.*

General charges are those levied on the users of miscellaneous Council facilities and services, including the registration of dogs, hire of halls & showgrounds, purchase of Council documents, cemetery services, etc. There is typically a significant level of cross-subsidisation built into general charges reflecting the Council's community service obligations. The Council has continued to exercise restraint in the setting of general charges with minor increases to a limited number of charges in the 2005/06 year. A register of these charges is kept by Council and is freely available for examination upon request or from the Council website.

**0100-3 Strategy:** *Identify and pursue all relevant funding sources available to help provide services to Balonne Shire communities.*

The Local Government Grants Commission is the body responsible for administering the distribution of local governments' share of the federally-funded general purpose and roads grants. Both components of the grants are untied in the hands Council, allowing Council to spend the grants in accordance with local priorities.

The following graph (FIGURE 3) details the movement in these grants since 1993/94: -



The 2005/06 financial year was the first year of operation of the Federal Government's AusLink Roads to Recovery Program #2 which is an extension of the Roads to Recovery Program which was started in 2001.

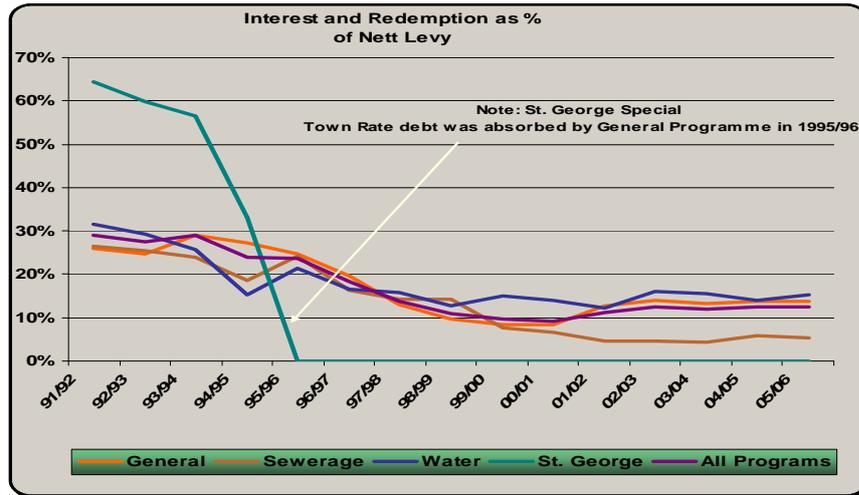
Council received an additional \$639,000 from Supplementary AusLink Roads to Recovery Program. The Supplementary funding must be spent by 30 June 2009 in accordance with funding conditions which are similar to those of the current AusLink Roads to Recovery program. As is the case under the AusLink Roads to Recovery program, Council, not the Australian Government, nominate the projects to be funded.

Total Subsidies and Grants (both operational and capital) received or receivable by Council for the year amounted to \$6.1 million (\$4.6 million in 2004/05) and are detailed in the Financial Statements (Appendix 1)

**0100-4 Strategy:** *Implement a Borrowing Policy which maintains a performance standard that annual Interest and Redemption expense does not exceed 30% of annual nett General Rates and Utility Charges revenue for each programme.*

No borrowings were raised during 2005/06, leaving Council with a total loan liability of \$3.4 million at 30 June 2006. The graph at **FIGURE 4** shows interest and redemption payments as a percentage of the nett rates and charges levied since 1991/92. It can be seen that the total interest and redemption payments for all funds is presently 12.4% (approx.) of nett rates and charges levied. The Council's Corporate Plan and Borrowing Policy require that this figure generally remains below a threshold of 30%.

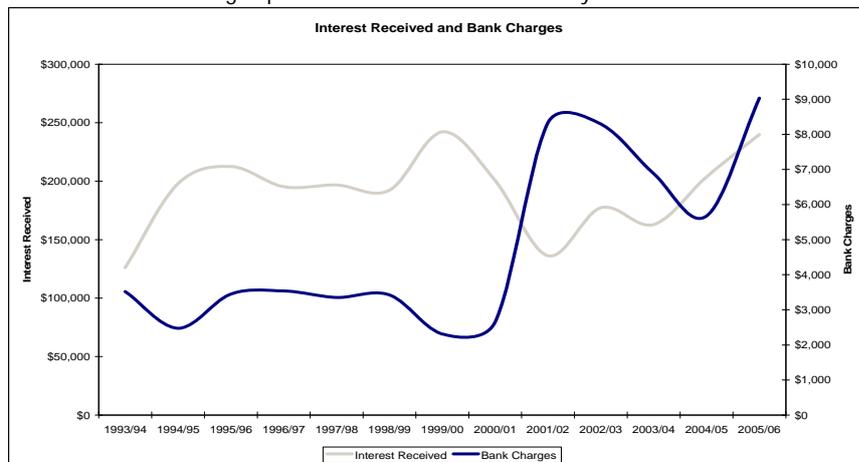
**FIGURE 4**



**0100-5 Strategy:** *Maximise return on surplus cash and minimise bank charges through effective investment/cash management.*

Council continues to maximise return on its investment of surplus cash through the use of the short term money market. Council opened a Cash Fund Account with Queensland Treasury Corporation in December of 2005. Interest revenue has increased in comparison to levels achieved in 2005/06, which has been attributed to increase in excess funds as a result increased subsidies. Bank charges have increased during the current financial year.

Interest received from investments and bank charges paid since the 1993/94 financial year are detailed in the following graph (**FIGURE 5**):-



**0100-6 Strategy: Manage the replacement and expansion of Council's assets.**

The graphs at FIGURES 6 and 7 indicate in broad terms Council's principal sources of revenue and how that revenue was applied in 2004/05. It can be seen that Council relies on external revenue to the extent of 57.2% and that rates and utility charges account for 42.9% of total revenue.

Revenue was applied in four broad categories as indicated below in FIGURE 6. It can be seen that 25.2% of operating revenue was applied to the funding of asset depreciation and 52.7% to operational expenditure. Finance costs represent the interest paid or payable in relation to Council's borrowings.

FIGURE 6

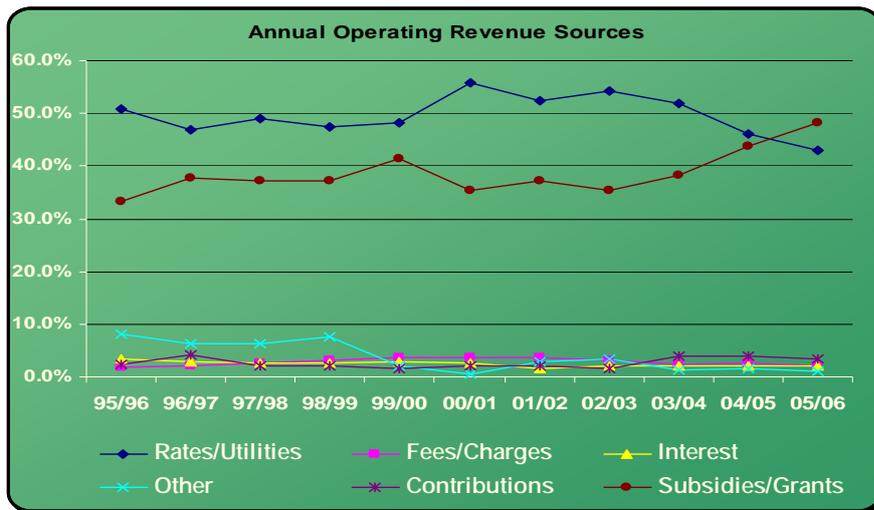
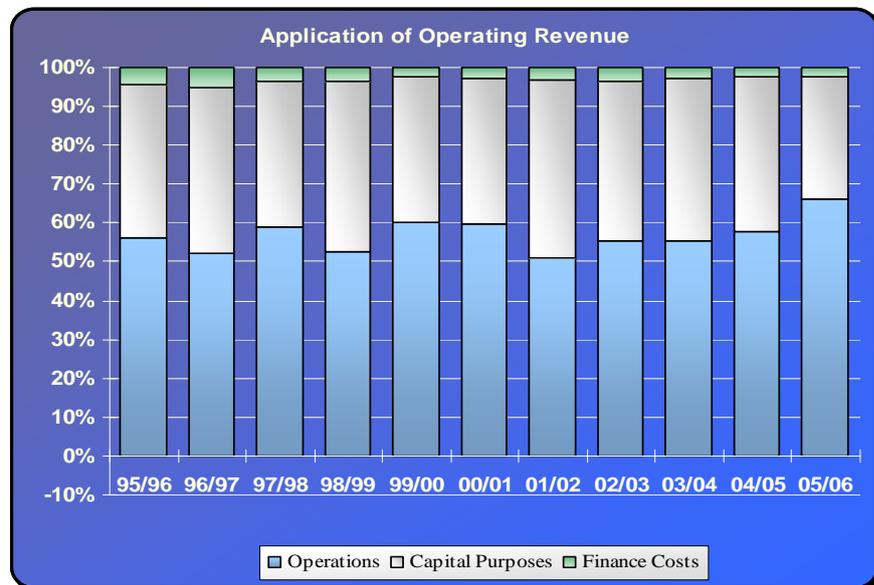


FIGURE 7



## 0200-Administration/Corporate Services

**Goal:** *To effectively and efficiently administer the affairs of Council and to provide quality service to its customers.*

Customer service is the primary focus of this programme and it is perhaps best understood by examining who Council's customers are. From a staff point of view, the Council's customers are its Shire ratepayers & residents, the Mayor and Councillors, the general public, Government Departments (both State and Federal) including elected representatives, community organisations and fellow employees. Whilst it is incumbent upon all staff to provide good customer service it is the primary role and reason for the existence of the Administration Section of the Council.

The specific achievements of the Administration Section are often complicated to define as performance in this area is difficult to measure in quantitative terms. Administration is involved in, and has an important role to play, in every aspect of the Council's operations.

**0200-1 Strategy:** *Maintain an efficient, committed and appropriately skilled workforce.*

The Local Government Amendment Regulation (EEO) was introduced during the 1994/95 year and requires all Councils to implement management plans for Equal Employment Opportunity. Council has prided itself on employing people on the basis of equity and merit and has developed a formal EEO management plan which ensures:-

- the optimum use of talents, skills, resources and qualifications of employees;
- that no job applicant or employee is subject to direct or indirect discrimination on the grounds of gender, sexual preference, marital status, parenthood, physical or mental impairment, race, national origin, religious or political conviction;
- that no job applicant or employee is disadvantaged by conditions or requirements which cannot be shown to be necessary for the performance of the relevant position.

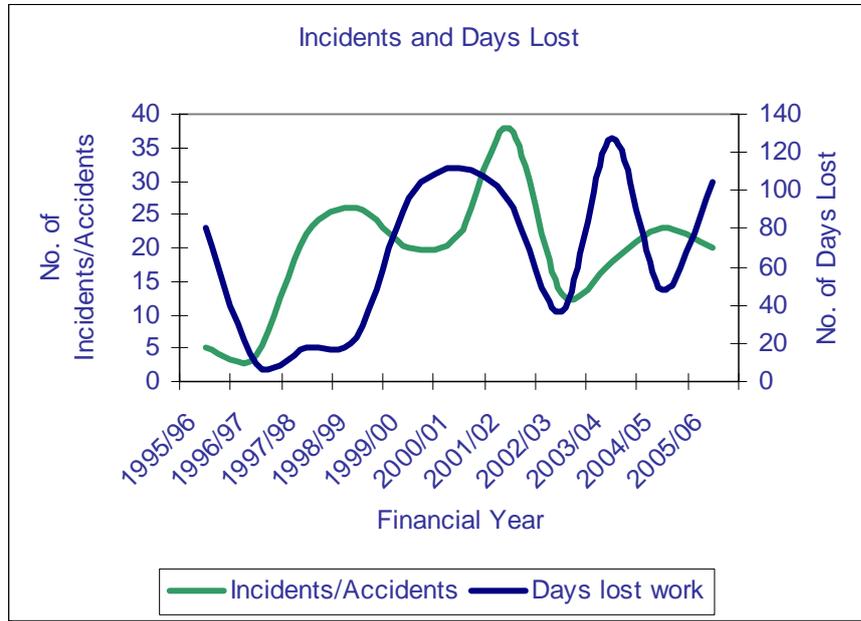
Council is aware that all staff are in a position of trust and that fair and ethical behaviour is essential to ensure that relationships with the public, suppliers and governments are maintained at a high standard. The requirements of staff in this regard are detailed in a Code of Conduct and staff are provided with a copy of the Code on commencing employment with the Council.

Enterprise Bargaining continues to be a major issue within the local government industry. A negotiation on a fifth State Award agreement was completed during 2004/05, while a negotiation on the fourth Federal Award Agreement was completed during 2005/06.

Workplace Health and Safety is an increasingly important consideration in all areas of Council activity. Council continues to provide the necessary resources to meet its obligations under the Workplace Health & Safety legislation but emphasis must continue to be given to health and safety considerations when staff carries out their day-to-day duties. On commencing employment with the Council, new staff undertakes safety induction training in an attempt to heighten awareness of their responsibilities in this regard. More specific training is provided to staff as needs are identified on an on-going basis.

A joint Council and Staff responsibility exists to monitor, document and where necessary, adjust work procedures to ensure maintenance of the health and safety of all concerned. Council's sub-contractors must also be fully aware of their responsibilities in regard to workplace safety issues and conditions to this effect have been incorporated into relevant tender documents and specifications.

Council's Workplace Health and Safety Officer reported that during the 2005/06 year some 20 reported incidents/accidents resulted in 104 days lost work. The following graph (FIGURE 8) indicates performance in this important area since the 1995/96 financial year:-



The following tables indicate staff turnover and the composition of staffing levels at the close of the year:-

Financial Year	Staffing as at close of year	Resignations etc.		Appointments
		Number	%	
1995/96	79	20	25.3	19
1996/97	84	9	10.7	6
1997/98	90	14	15.6	10
1998/99	89	25	28.1	23
1999/00	94	23	24.5	25
2000/01	84	11	13.1	6
2001/02	85	20	23.5	18
2002/03	87	16	18.4	18
2003/04	79	29	36.7	21
2004/05	82	19	23.2	24
2005/06	86	13	15.1	15

Employee Type	Male		Female		Total	
	Number	%	Number	%	Number	%
Full-Time	60	69.75	15	17.44	75	87.20
Casual / Part-Time	0	0.00	11	12.79	11	12.79
Total	60	68.35	26	31.65	86	100.00

During the year Council continued to actively employ apprentices / trainees under the State Government "Breaking the Unemployment Cycle" initiative. This is proving to be a worthwhile initiative and will be continued.

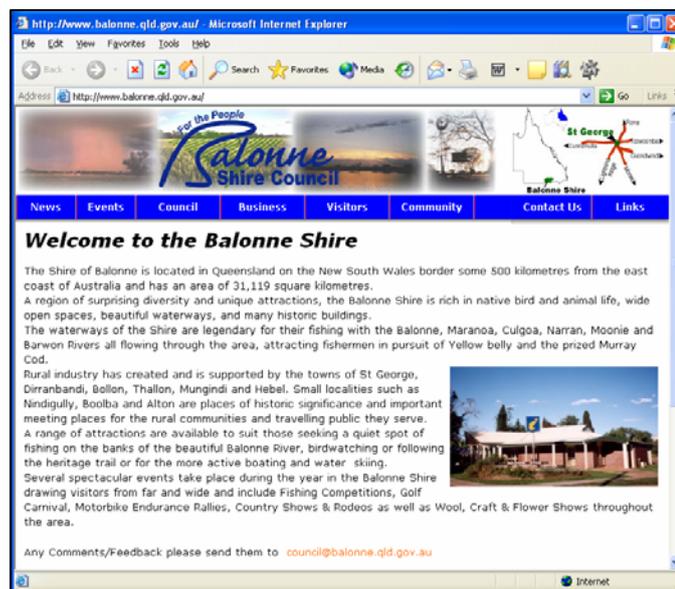
**0200-2 Strategy: Enhance Council's communication and decision making processes through appropriate public relations and community consultation processes.**

The primary aims of this particular strategy include the achievement of a public perception of openness & transparency, along with increased Council awareness & accountability and the provision of maximum public information.

Publication of newsletters summarising the annual budget commenced in 1996/97. Every ratepayer receives a copy of this newsletter with their first and second moiety rate notice.

**Our Website**

The Council continues to receive favourable comments from the public with regards to the format and quality of the site, which can be accessed at [www.balonne.qld.gov.au](http://www.balonne.qld.gov.au). Considerable time is being invested in keeping information on the site up-to-date and relevant to the interests of Shire residents and visitors. Any feedback on the site would be welcomed.



**Complaints Management**

The "Request For Action" (RFA) system has now completed its seventh year of operation. This system was originally developed with the aim of providing better customer service in regard to the many small requests and complaints which the Council receives from the public on a daily basis. These requests are logged on a computer system which allows regular follow-up reporting to ensure that the request is attended to as considered appropriate, or alternatively if it has not been addressed information is sought as to why this has been the case. The RFA system has been well received by the public and staff alike and continues to be integral in ensuring that Council is accountable to the general public in responding to their needs and concerns.

Public consultation is fundamental to the reforms taking place in Local Government and is seen as an important component of major decision making process. The vastness of the Shire in terms of distance makes the process of public consultation difficult and consequently Council often relies on the local print & radio media and on the circulation of letters to canvass the views of the public on certain issues.

A large number of Council documents are available for inspection or purchase by the public. A listing of those Registers and Documents available at the Council Office is included in this report as Appendix 2. Many of these documents can also be viewed on the Council Web Site.

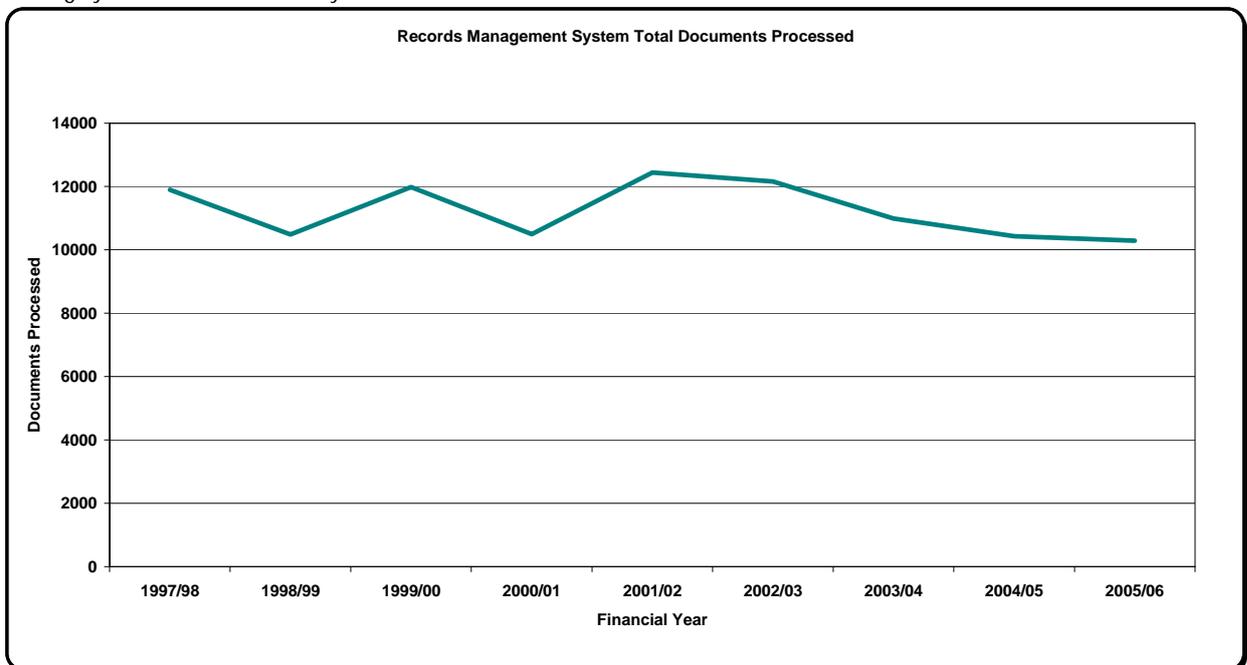
**0200-3 Strategy:** *Provide appropriate office and information technology resources to help Council achieved it's corporate and administrative objectives.*

This strategy aims to ensure that an appropriate level of resources is afforded to the Council staff so as to most efficiently assist elected representatives of the Council as they deal with the many issues upon which they are required to make decisions. Concise, timely, accurate, unbiased and properly formatted information is the key to success in this regard. Whilst there is always room for improvement, word processing, spreadsheet software and computerised accounting & database management systems are now accessible to most staff. Improved Council Policy in recent years has yielded a higher standard in this important area of operational support.

The replacement / enhancement of the Council's data management systems, including computer hardware and software is an ongoing and integral process.

The Council's daily correspondence (both inward and outward) continues to be stored electronically on a computerised filing system which has resulted in secure storage, quick retrieval and significant savings in staff time.

The following graph (FIGURE 9) indicates the number of documents (including incoming and outgoing correspondence) registered in the electronic filing system for each financial year since 1997/98:-



**0200-4 Strategy:** *Lobby other tiers of government on behalf of Balonne Shire communities with regard to the provision of services in the Shire.*

During 2005/06, the Balonne Shire Council continued to lobby both State and Federal Governments on behalf of the community in an effort to secure a better range of services within the Shire. While some lobbying is done directly by the Council, to a larger extent it is carried out by the Local Government Association of Queensland, who actively campaigns on behalf of member Councils.

## 0300 – Planning & Development

*Goal: To implement appropriate planning controls to ensure and encourage the balanced quality development of the Shire and promote the Shire as a desirable place to live, work and visit.*

**0300-1 Strategy:** *Implement, through the Shire Planning Scheme and the Integrated Planning Act, appropriate controls over development to foster land uses and attitudes that enhance the quality of the natural and built environment.*

Council is obliged to administer many laws associated with Planning and Development which is governed by State Legislation. Council must apply these laws and policies to ensure that the future of the Shire is sustainable, therefore difficult decisions which balance the need for economic growth and environmentally neutral and sustainable use must be made from time to time.

Whilst all applications made under Council's Planning Scheme are made to Council, applications for Development – Building Work may either be made to Council or to a Private Certifier.

It is interesting to note that the volume of building work that is being privately certified remains very low. Council continues to process most of the Building Applications within the Shire with only a few being processed by Private Certifiers (FIGURE 10):-

Council's new Planning Scheme made under the Integrated Planning Act has been approved by the State Government and will take effect as from 3<sup>rd</sup> July, 2006.

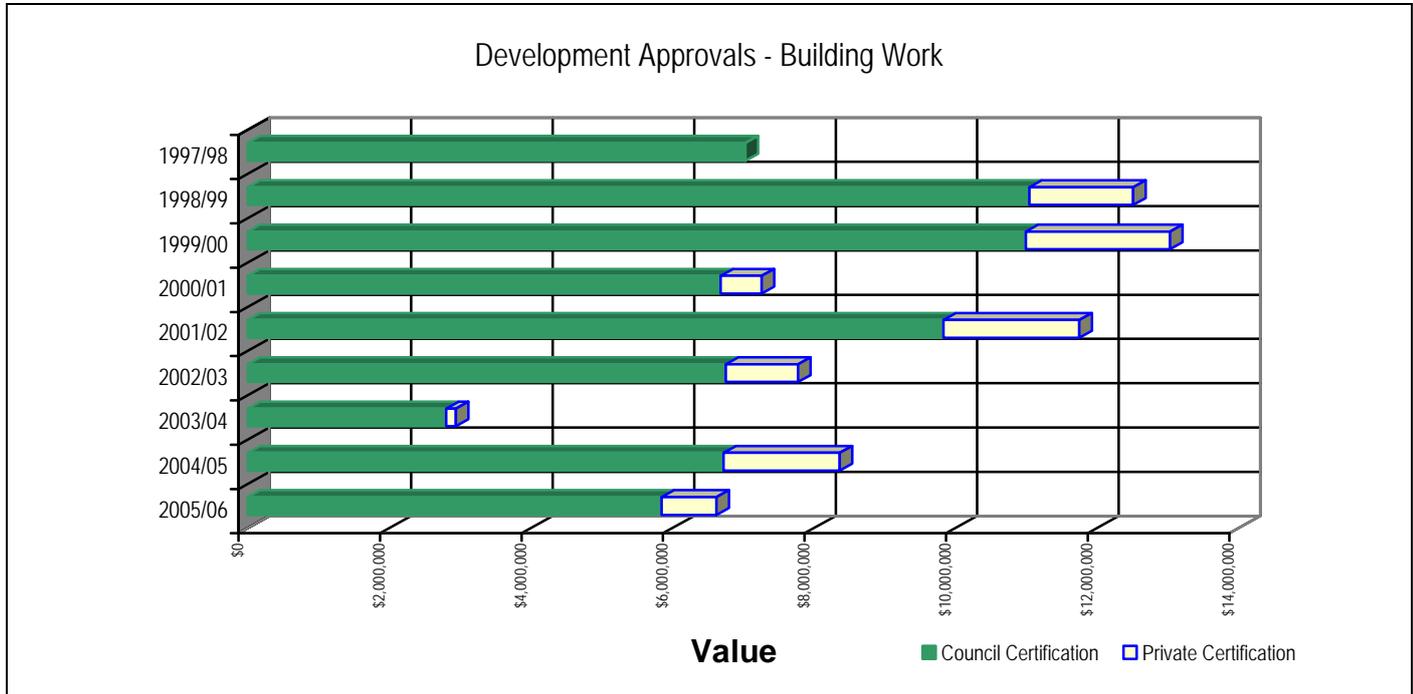
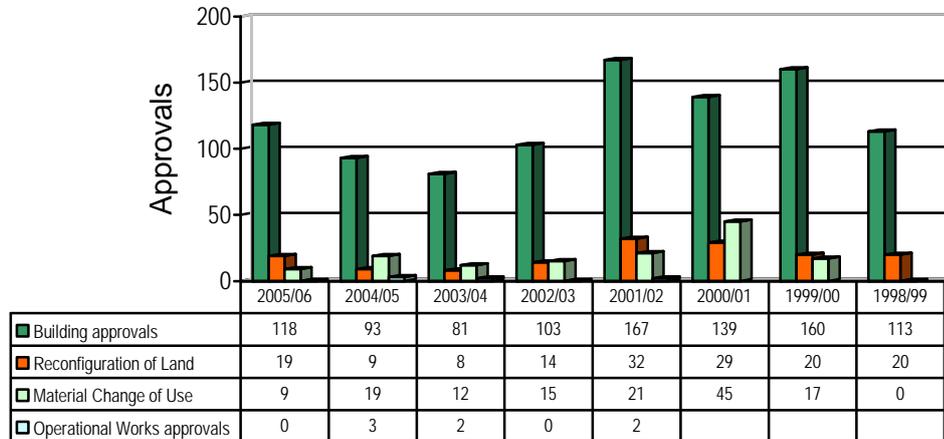


FIGURE 11

### Development Approval Activity



Administrative costs associated with development approvals were \$53,166 with fees of \$37,290 received.

#### **0300-2 Strategy:** *Foster the development of new and existing industries.*

The past year has seen a return to the drought conditions which have been ongoing in the Balonne Shire in recent years. The communities in the shire continue to be resilient and dynamic during unfavourable seasons. Diversity of agriculture in the district particularly the growing horticulture industry continues to insulate the district from adverse drought conditions. It is this sustainable growth that has seen little need for the Council to actively pursue this strategy. Economic development in the Shire has been at a reasonably high level for a number of years as reflected by the Development Approval figures which feature elsewhere in this report.

Council has continued to maintain membership and participation in the Maranoa and District Regional Organisation of Councils (MADROC) as a regional body to assist with Regional Economic Development and as a forum for other regional issues. During 2005-2006 MADROC initiated the organisation of Maranoa & District Regional Business Excellence Awards which were successfully held in October in Roma.

The Council has also continued to provide monetary support to the Balonne Financial Advisory Service to assist with the provision of their financial counselling to rural clients. This service has been invaluable during the ongoing drought throughout the Shire.

#### **0300-3 Strategy:** *Facilitate development of the tourism potential of the Shire.*

Tourism is seen as a major source of additional revenue for the Balonne Shire and is an industry which continues to grow at a phenomenal rate.

Visitation to the Balonne Shire has increased by 22% in comparison to 2004/05, based on the number of visitors to the Balonne Shire Visitor Information Centre. Visitors to the Centre during 2005/06 amounted to 18,287 approximately compared to 14,941 during 2004/05.

The Information Centre continues to be a place for locals to source local art and craft, to access the internet and other computing applications and to source information on the Balonne Shire and other areas in Australia.



It is anticipated that tourism in the Balonne Shire will continue to grow while ever the major access roads are increasing in standard and key development strategies are being implemented. Road links including the Moonie Highway and the Great Inland Way has continued to see upgrades which encourage additional visitors to the Shire as they venture to outback Queensland.

The Council undertakes a variety of promotional activities including being the driving force behind the production of the tourism brochure 'Window of the West'. 2006 version was launched in June and has a print run of 20,000 copies and was supported by a record number of Tourism operators.

The Balonne Shire benefits from membership of the Toowoomba and Golden West Regional Tourism Association (TGWRTA) and the representation they provide for us at various Camping and Motor-home Shows, Australia wide. During 2004/05 co-operation increased between the Shires represented by TGWRTA through the forum of the Western Downs Tourism Advisory Group, which has resulted in several new marketing strategies as a region. With the support of TGWRTA the Balonne Shire was featured on the national travel show Getaway in October 2005 which was overwhelming free publicity for the area.

The Balonne Shire is an active member in two highway promotion groups including the Great Inland Way Promotions Group and the Adventure Way Promotions Group. Both are considered opportunities to further jointly market and promote the shire.

***0300-4 Strategy: Facilitate local economic development strategies and their implementation through consultation with local industry sectors, regional forums and relevant government departments.***

During the year the Council renewed its membership of the Maranoa and District Regional Organisation of Councils (MADROC), which has the objective of collectively promoting economic development within the region. MADROC encompasses the Shires of Balonne, Warroo, Booringa, Bungil & Bendemere, Murrilla, Tara and Roma Town Council and continues to be a significant driver of regional economic growth.

Continued success of the Maranoa Health Enhancement Project which is a key project of MADROC has resulted in improved access to some medical services across the Balonne Shire.

***0300-5 Strategy: Promote the introduction of emerging technologies to ensure Balonne Shire is a progressive and effective place to conduct and develop business.***

It is clear that internet technology is and will continue to play an immensely vital role in many areas of our business. The ability of our Shire's business units to compete in the global economy will be directly impacted upon by our ability to communicate across the internet and other channels such as the mobile telephone networks. CDMA coverage has continued to improve and currently a large percentage of the shire has access to this network. Balonne Shire Council continues to support improved technology and mobile services to the district and we look forward to the installation of the 3G network in the Shire in the coming year.

***0300-6 Strategy: Facilitate the provision of caravan and camping accommodation in the Shire.***

As the Council no longer is a direct operator of a caravan park it promotes the usage of several private facilities that are available throughout the shire amongst other accommodation options for itinerant workers, semi-permanent residents and visitors.

Problems continue with campers who attempt to camp on streets or parks within town areas of the Shire. This practice has caused some concern for owners of Caravan Parks throughout the Shire and is now considered to be an ongoing problem which will need continual monitoring and vigilance.

Pressure by some members of the Campervan and Motorhome Club of Australia to provide free camping facilities in the towns where private caravan park / camping facilities are available, has so far been resisted. The Council's current position on this matter is that in such towns, camping on streets / parks / reserves inside the town boundaries is prohibited. The use of commercially-provided facilities is strongly encouraged in an effort to support the local economy.

## 0400 – Transport & Drainage Infrastructure Services

**Goal:** *To provide efficient and effective transport and drainage infrastructure.*

The Transport and Drainage Infrastructure Services Programme covers the basic services of roads, streets, bridges, and other services including stormwater drainage, works depots, aerodromes, plant, flood mitigation and other miscellaneous works. It is this programme under which most of the works staff are employed, and is the major area of Council's activity.

Overall expenditure for the programme is summarised below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Total Expenditure	\$8.533 million	\$8.84 million	\$7.63 million	\$7.48 million	\$7.28 million

**0400-1 Strategy:** *Develop and implement programs for the design, construction and maintenance of roads, streets, footpaths, bridges and related drainage systems.*

The major part of Council's road construction programme is funded by the following: The Queensland Government Roads and Drainage Grant, the Federal Government Road Grant and the Federal Government Roads to Recovery Grant. An additional Federal Government AUSLINK Supplementary Roads Grant was also received this year. The Queensland Government Department of Main Roads Transport Infrastructure Development Scheme also provides significant subsidy towards Council's Road Works Programme.

Grant figures are summarised below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Old Govt - Roads and Drainage Grant	\$156,184	\$150,597	\$139,352	\$135,952	\$134,606
Federal Govt - Road Grant	\$955,192	\$907,196	\$899,090	\$877,753	\$826,810
Federal Govt - Roads to Recovery Grant	\$496,352	\$387,653	\$888,579	\$464,083	\$696,120
Federal Govt – Auslink Supplementary Grant	\$639,291				
Transport Infrastructure Development Scheme	\$129,046	\$156,154			

The Roadworks construction programme is determined each year utilising the Five Year Capital Road / Street / Bridge Works Programme. This is a very comprehensive document which lists every road and street in the Shire, and all known works which are required. The document is constantly being updated by Council's Technical Services Department. A two-day road inspection tour is undertaken each year by Council. The five year programme is then confirmed and the final details of the years construction programme are set at the June budget meeting.

Over the past three years, the Queensland Government, in conjunction with the Queensland Local Government Association has been implementing The Roads Alliance throughout the state. Balonne Shire Council has joined a group of 14 Councils to form the South West / Western Downs Regional Roads Group (SW/WDRRG), which has developed strategies and secured some funding for the improvement of significant roads, throughout the region. The Road Alliance is now well established, and substantial amounts of road funding have been forthcoming through this area wide approach.

In March 2006, council was approached by the Minister for Transport and Queensland Rail with a proposal for closure of the much deteriorated and under utilised Thallon to Dirranbandi railway. Substantial funds were proposed for upgrading of the road network in return for community agreement for closure of the railway. A public meeting, held in Dirranbandi, supported negotiations in this regard, and this will be progressed over the coming year.



Gravelling - Mitchell Bollon Road.

Major Roadworks projects undertaken during the year included the bitumen sealing of a further 4km of the Noondoo-Thallon Rd, regravelling of sections of the Gunnindaddy Rd, regravelling sections of the Mitchell Bollon Rd, re loaming of sections of the Jakelwar Goodooga Rd, and replacement of broken/cancer culverts on the Bollon Dirranbandi Rd. The major street works projects included footpath works in St George and Bollon. Flood damage repair works from the January 2004 event have continued, with the work being completed during the year. A full listing of all jobs with current years expenditures are given in the tables below.

Expenditures on various Council projects / activities under this programme for the year are detailed below:-

**Maintenance**

	2005/06	2004/05	2003/04	2002/03	2001/02
Streets	\$595,258	\$393,836	\$467,526	\$469,835	\$457,809
Rural Roads	\$1,015,062	\$1,084,498	\$985,754	\$1,035,538	\$1,087,191
Bridge Maintenance	\$19,133	\$7,508	-	\$5,174	\$37,988
Depreciation	\$2,178,466	\$2,341,022	\$2,755,924	\$2,872,120	\$2,966,921

**Flood Damage Restoration**

	2005/06	2004/05	2003/04	2002/03	2001/02
Roads/Streets (Shire)	\$825,691	\$1,014,751	\$165,516	\$65,633	\$207,003

**Capital Works**

RURAL ROADS	2005/2006 Expenditure
2004/05 SHIRE ROADS CAPITAL WORKS	
Mulga downs Rd – 2km regravelling sections 35 to 45km	\$58,324
Noondoo-Thallon Rd – construction and bitumen sealing Birra Birra to Pine Park Rd 28 to 32km	\$398,102
Bollon Dirranbandi Rd – loam resheeting through Mona 71.3 to 74.3km	\$89,504
Bollon Dirranbandi Rd – replace cancer culverts floodplain area	\$30,171
Rural Addressing – whole of St George, Thallon and Bollon districts	\$1,693
Kooroon/Teelba Rd – concrete inverts	\$0
2005/06 SHIRE ROADS CAPITAL WORKS	
Completion of rural Addressing – whole of shire	\$15,122
Chelmer Rd - regravelling 1.5 to 7.5km	\$99,718
Noondoo-Mungindi Rd – regravelling 41.3 to 48.6 km (Dingadee to Bullawarrie)	\$90,084
Gunnindaddy Rd – regravelling sections 2 to 11 km ( to Coolibah)	\$148,390
Thungaby Rd – bitumen resealing	\$80,268
Cubbie Rd – regravelling (with Cubbie contribution)	\$55,053
Honeymah Lane – re loaming 8.4 to 9.7 km and 29.7 to 33.6 km	\$95,377
Unity Rd – re loaming 0.9 to 3.5 and 5.8 to 7.5 km	\$77,177
Noondoo Thallon Rd – regravelling sections	\$25,291
Bollon Dirranbandi Rd – Replace culverts Ch 87.2, 88.7, 82.6, 81.5, 77.6 and 73.9 km	\$110,669
Jakelwar Goodooga Rd – regravelling 17.0 to 18.7 km (Bookine)	\$55,613
Mitchell Bollon Rd – regravelling 5.0 to 9.7 km	\$142,801
Bollon Dirranbandi Rd – Bitumen resealing	\$72,716
Jakelwar Goodooga Rd – re loaming 5km (Ardmore)	\$117,051
Bollon Dirranbandi Rd – repair concrete floodways 84.1, 85.85, 87.5, 90.1, and 89.25 km	\$0
Pine Park Rd – gravelling 1.0 to 1.8km	\$26,870
Springwell Rd – bitumen sealing and drainage improvements	\$99,389
Secret Plains Rd – forming of sections 4.9 to 5.7 km	\$13,805

TOWN STREETS	2005/2006 Expenditure
2004/05 TOWN STREETS CAPITAL WORKS	
St George footpaths- replace broken sections all areas	\$0
Grey St (Carnarvon Hwy) – street tree planting	\$16,705
Barlee St, St George – Widening and kerb and channel Aldridge to Arthur	\$13,544

St George footpaths – Grey St (Marie to Arthur)	\$38,163
St Georges Tce – widening and kerb and channel (Roe to Barlee)	\$11,720
<b>2005/06 TOWN STREETS CAPITAL WORKS</b>	
Roe St – bitumen resealing	\$14,495
Thallon street trees and drip irrigation	\$0
St George footpaths – replace broken sections	\$2,955
Victoria St – footpath section both sides pavers and 1.2m wide concrete (Henry to Scott)	\$0
Bollon footpaths – replace broken sections	\$26,764
St George streets – bitumen reseals various areas	\$9,395
Hutt St – bitumen resealing	\$4,908
Kilroy St – bitumen resealing	\$5,123
Marie St – bitumen resealing	\$8,415
Murchison St – bitumen resealing	\$5,449
Alfred St – widen and seal edges	\$0
St Georges Terrace – widen and kerb and channel (Barlee to Hutt)	\$1,154
Bollon – new watering system to street trees in Main, George, Mary, Wallam and Belmore Streets	\$0

<b>STORMWATER DRAINAGE – UNDER GROUND</b>	<b>2005/2006 Expenditure</b>
<b>2005/06 STORMWATER DRAINAGE CAPITAL WORKS</b>	
Dirranbandi – Railway St from Richardson St to Hebel Rd	\$0
St George Stormwater – Henry St CBD 5 new inlet pits	\$0

### Flood Damage

<b>SHIRE ROADS FLOOD DAMAGE</b>	<b>2005/06 Expenditure</b>
Chelmer Rd	\$9,540
Dunkerry Rd	\$4,953
Noondoo-Mungindi Rd	\$89,314
Flinton Rd	\$2,431
Gunnindaddy Rd	\$229,520
Kooroon Rd	\$2,755
Ramalis Rd	\$10,348
Teelba Rd	\$2,492
Whyenbah Rd	\$6,360
Ballandool Rd	\$177
Hebel Goodooga Rd	\$1,224
Hoolavale Rd	\$2,348
Koomalah Rd	\$6,365
Minum Rd	\$5,825
Narine Rd	\$4,521
Narline Rd	\$116
Openbah Rd	\$27,907
Woolerbilla Rd	\$4,553
Cardiff Rd	\$9,175
Middle Rd	\$63,223
Fernlee Rd	\$53,746
Jhelum Plains Rd	\$16,451
Mulga Downs Rd	\$29,978
Narkoola Rd	\$4,416
Powrunna Rd	\$22,939
Rutherglen Rd	\$18,194
Woolerina Rd	\$69,693
Cemetery Rd Bollon	\$3,114
Bollon Dirranbandi Rd	\$38,722
Noondoo Thallon Rd	\$1,030
Mitchell Bollon Rd	\$84,375

**0400-2 Strategy:** *Efficiently manage the operation of associated activities such as works depots, workshops and plant fleets to facilitate the efficient and effective provision and maintenance of Shire infrastructure.*

Council's Works Depots in St. George, Dirranbandi, Bollon and Thallon are now all at a high standard. Improvement works undertaken during the year include the erection of the old welders shed, security screens to windows and extra stockpile bays in St George, and relocation of the prefab ablution block, and provision of sullage to van sites in Dirranbandi.

Major plant purchases during the year included two (2) sedans/wagons, six (6) utilities, and one (1) tractor and slasher. Two trucks were ordered. Nett purchase prices have increased substantially over recent years, so council is retaining its plant fleet longer to obtain more utilisation and better value.

Costings are detailed below:

PLANT	2005/06	2004/05	2003/04	2002/03	2001/02
Plant Hire Revenue	\$2.4 million	\$2.17 million	\$2.15 million	\$2.20 million	\$2.24 million
Plant Maintenance/ Operation Expenditure	\$1.547 million	\$1.29 million	\$1.28 million	\$1.37 million	\$1.25 million
Plant Purchases	\$270,872	\$676,997	\$778,524	\$408,914	\$1.19 million
Plant Trade-in / Sales	\$121,824	\$283,364	\$296,742	\$276,151	\$515,454
Depreciation	\$531,598	\$579,415	\$630,087	\$439,335	\$427,149

DEPOTS	2005/06	2004/05	2003/04	2002/03	2001/02
Works Depot Maintenance	\$80,169	\$76,862	\$88,188	\$104,851	\$95,926
Works Depot Capital	\$27,988	\$15,012	\$14,803	\$3,361	\$1.32 million
Depreciation	\$70,102	\$69,295	\$59,974	\$60,253	\$115,746

**0400-3 Strategy:** *Facilitate the development of flood mitigation plans and the provision and maintenance of necessary flood mitigation works.*

Council constructs and maintains works to protect the Shire's towns from the effects of flooding. The major assets are the levee banks surrounding the towns of Mungindi, Dirranbandi and Thallon. No capital works were undertaken during the year. State and Federal Governments Grants were received for funding under the Flood Mitigation Scheme, for improvement to the Mungindi Levee Bank in the areas of the Carnarvon Hwy crossing, and the area around the hospital. These projects will make the job of the SES and volunteers much easier at times of flooding in Mungindi. The works have commenced.

Costings are detailed below:

FLOOD MITIGATION	2005/06	2004/05	2003/04	2002/03	2001/02
Expenditure – Capital	\$51,523	-	-	-	-
Expenditure – Operational Projects	-	-	-	\$288	\$20,042
Revenue (State Grants)	-	-	-	-	-
Depreciation	-	-	\$3,057	\$11,189	-

**0400-4 Strategy: Maintain aerodromes and authorised landing areas to the required statutory standards**

Regular inspections by Consultants, Aerodrome Operation Support, indicate that Council's aerodromes in St. George, Dirranbandi and Bollon continue to meet the required standards.

Funding under the Federal governments Securing Our Regional Skies Program was received for the installation of security lights, and the extension of the terminal building to provide baggage handling facilities at the St George Aerodrome. St George was declared as a Security Controlled Aerodrome following recent terrorism activities throughout the world.

During the year, Council has installed the security lights, and completed the sealing of the access road to the hangars area.



Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Maintenance Expenditure	\$148,416	\$71,517	\$85,031	\$70,506	\$60,472
Depreciation	\$282,546	\$280,206	\$159,281	\$115,190	\$115,746
Operational Projects	-	\$4,401	-	\$9,860	-
Capital Expenditure	\$6,261	\$31,539	\$25,758	\$61,374	-
State Subsidy	\$2,440	-	-	\$22,500	-
Lease Charges	\$18,255	\$8,921	\$15,587	\$10,801	-

**0400-5 Strategy: In partnership with the electricity supplier to the area, provide an adequate system of street lighting**

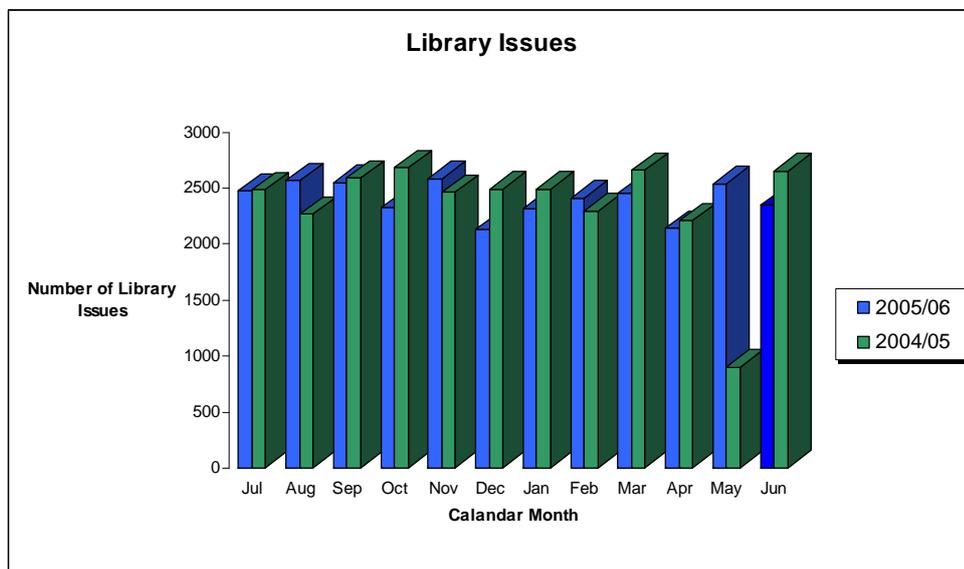
Council funds the installation and maintenance of street lighting in all Shire towns. Ergon Energy is the supplier in St. George, Dirranbandi, Bollon, Thallon and Hebel. Country Energy (NSW) is the supplier in Mungindi. Minor upgrading of lighting and installation of additional lights in selected locations has been undertaken during the year.

## 0500 – Community & Cultural

*Goal: To encourage and participate in the continuing development of community services and cultural activities and to foster strong community spirit.*

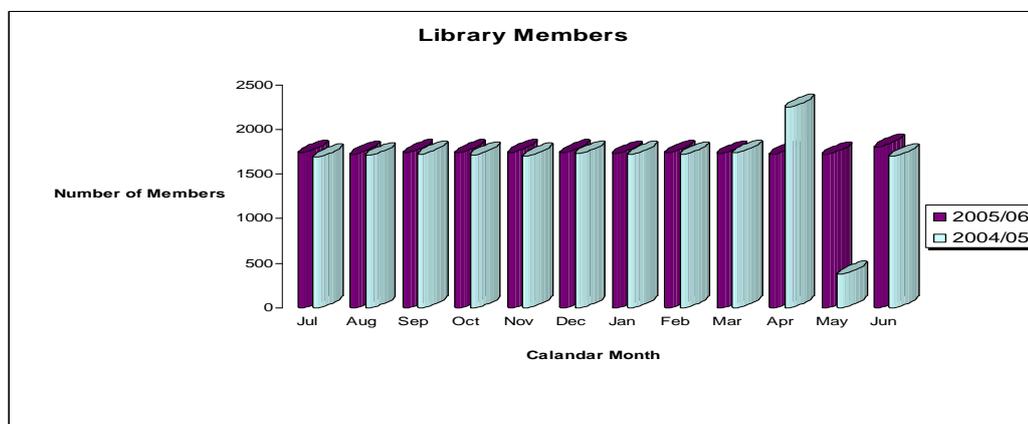
**0500-1 Strategy:** *Provide a comprehensive library service for the recreation, reference and information needs of the community.*

Total library borrowings for the year were 28,832 (28,189 during 2004/05). The following graph (FIGURE 10) indicates the borrowings per month for the current and previous financial year:-

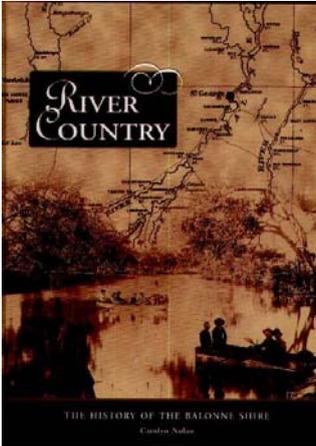


Member numbers continued to increase over the course of 2005/06. New programs & initiatives including storytelling and activity sessions are to be implemented during the 2006/07 year in an effort to boost member numbers.

Membership trends during the 2004/05 and 2005/06 financial years are indicated in the following graph (FIGURE 11):-



**0500-2 Strategy:** *In partnership with the community, facilitate the preservation of the history of the Shire.*



The publication "River Country – The History of the Balonne Shire" was completed by Ms Carolyn Nolan and launched at the Shire Centenary Celebrations in St George during 2002/03.

The current year has seen further sales of both this publication and the earlier "St. George's Bridge" book. The books continue to be available for purchase at a number of outlets throughout the Shire.

**0500-4 Strategy:** *Provide appropriate staff housing*

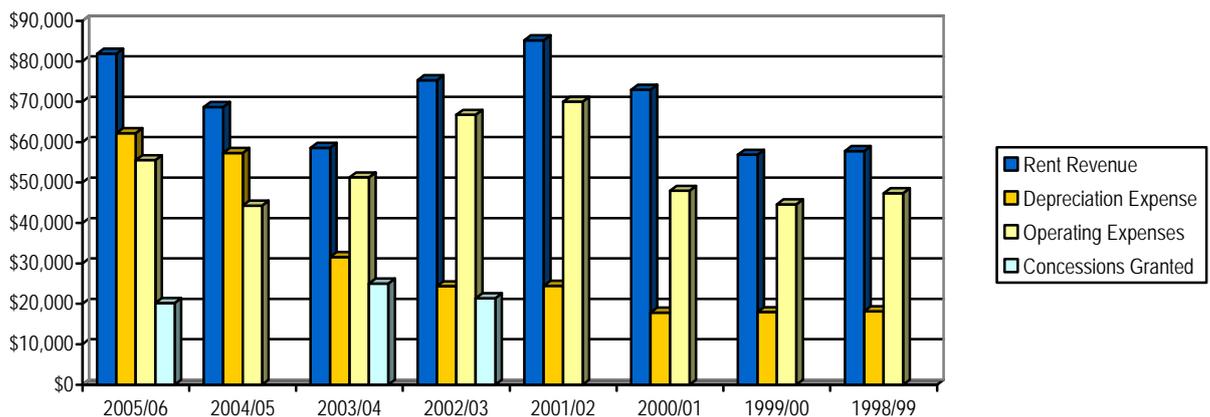
The Council owns twelve (12) houses throughout the Shire. Whilst these premises are intended primarily for staff accommodation, a number have been leased to the public.

Several house remained vacant for several months during the year for various reasons.

A new ensuite was provided at Council's house in Barlee Street and a new bathroom installed in one of Council's flats in Alfred Street, St George.

FIGURE 14

Council Housing Revenue/Expenses



**0500-5 Strategy:** *Facilitate the provision of television communication services in response to community need.*

Council owns and operates television and radio retransmission services in the towns of Dirranbandi and Bollon.

This year, in conjunction with the Thallon Progress Association, funding was raised for the installation of retransmission services of 4 television channels and three radio stations to the town of Thallon. The television service was previously provided by Queensland Rail but due to reduction in services the equipment was allowed to deteriorate and not replaced.

Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Maintenance Expenditure	\$18,505	\$4,425	\$5,245	\$2,679	\$3,087
Capital Expenditure	\$72,000	\$5,156		\$5,600	\$15,854
Progress Assoc contribution	\$42,238	-		\$5,600	\$24,139
Depreciation	\$8,274	\$9,053	\$5,013	\$5,013	\$4,869



**Thallon TV receiver.**



**Thallon TV receiver & transmitter building.**

**0500-6 Strategy:** *In conjunction with the community, facilitate the provision of recreation and sporting facilities to meet community needs.*

This strategy guides the ongoing development and maintenance of Council's recreation and sporting facilities, including showgrounds in St. George, Dirranbandi, Bollon, Thallon and Hebel, as well as the Rowden Park sporting facility in St George and contributions to similar privately-owned and operated facilities. All facilities are managed in conjunction with sporting and community groups, who put many hours of voluntary works and fundraising into the facilities.

Council supported St George Netball Club, with funding for the construction of four new concrete and synthetic surface netball courts. These were completed for the 2006 netball season, and the club is to be commended for their success and hard work.

Council has signed an agreement with the Bollon State School which allows use of the Bollon School oval by community sporting clubs. Council assisted the school with contributions for new watering systems and fencing.

Funding has also been received for the construction of a new swimming pool in Dirranbandi. The Queensland Government Department of Sport and Recreation and Education Queensland combined with the Federal Government's Regional Partnerships Program and council's contributions for this project. Design is now well advanced, and tenders will soon be called.

A new automatic pool cleaner was purchased for the St George Pool.

Costings for the programme are detailed below:

<b>SPORTING FACILITIES</b>	2005/06	2004/05	2003/04	2002/03	2001/02
Maintenance / Operations Expenditure	\$42,373	\$39,501	\$40,337	\$42,615	\$32,742
Hire Charges	\$3,068	\$3,459	\$881	\$929	\$846
Special Maintenance Expenditure	\$8,300	\$15,295	\$101,719	\$5,048	\$3,906
Capital Expenditure / Contributions	\$100,160	\$475,710.94	\$6,875	-	\$148,476
State Subsidy		-	-	\$25,000	\$49,884
Contributions Received	\$128,341	-	-	\$25,933	-
Depreciation	\$27,561	\$26,659	\$21,999	\$20,721	\$17,803

At the Bollon showgrounds, Council has teamed with the Bollon Charity Rodeo Assoc. to fund the construction of new yards. The actual construction will be undertaken by the club's members. In St George, new rainwater tanks have been installed, and a new irrigator purchased. In Dirranbandi, toilets and showers have been upgraded with new windows and doors.

Costings are detailed below:

SHOWGROUNDS	2005/06	2004/05	2003/04	2002/03	2001/02
Maintenance/Operations	\$84,265	\$76,684	\$69,768	\$76,279	\$76,561
Hire Charges	\$10,754	\$9,377	\$8,301	\$6,239	\$9,562
Capital Expenditure	\$12,430	-	\$85,886	\$4,024	\$34,594
Contributions Received	\$1,627	-	\$50,449	\$4671	-

***0500-7 Strategy: Provide appropriate support and sponsorship for community employment / correctional programmes that benefit the Shire.***

The WORC programme continued to operate within the Shire with camps at Dirranbandi and St George. Unfortunately due to the lack of prisoners within the Scheme the programme slowed down with often few or no prisoners in camp at the start of the year however vast improvements were noted in the latter half of the year.

***0500-8 Strategy: Provide effective counter disaster and emergency planning and response services in conjunction with the community and emergency service organizations.***

Whilst there is a small nucleus of dedicated volunteers, more members are required for the organisation throughout the Shire. The assistance of the district office at Roma and local instructors must be acknowledged in their efforts to continue the provision of a wide range of training.

Volunteers have again been able to participate in a wide range of training activities and were fortunate in only needing to be activated on a small number of occasions.

Six members from St George were seconded to a task force to assist with the effects of Cyclone Larry.

A new Disaster Management Plan was prepared for the Shire during the period and new traffic control signs were purchased for the Bollon and Thallon Groups.

Expenditure on State Emergency operations for the year totalled **\$6,925.08**

Operation Projects State Emergency operations for the year totalled **\$4,823.70**

***0500-9 Strategy: Provide and maintain public parks and gardens to meet community needs. Development and maintenance of parks and gardens has continued during the year.***

Development of the Blondie Codrington Riverbank Parkland has continued in St George with the traditional assistance of the WORC. Sprinkler systems have been extended to several areas. The major project of the year was the relocation of the cenotaph to a prominent location in the parkland at the end of Roe Street. The project was completed in co-operation with the St George RSL, and a grant from the Federal Veterans Affairs Department.

Security lighting was extended to cover the full length of the St George river bank during the year. A subsidy was received for the project from the Queensland Government Security Improvement Program.

In other areas, the WORC is continuing development of the Dirranbandi river park. Improvement to the River Crossing Park in Mungindi has continued with the assistance of the Mungindi Progress Association. The Mungindi Progress Association has also been successful in obtaining a grant for new playground equipment for the River Crossing Park.



Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Hire Charges	\$8	\$75	\$1,261	\$1,738	\$616
Capital Expenditure	\$103,246	\$31,275	\$96,417	\$3,080	\$55,840
Contributions	\$4,896	-	\$2,000	6,547	-

**0500-11 Strategy:** Provide and administer venues for a variety of recreational, cultural and other community-based activities.

Council owns and operates Cultural Centres / Halls in St George, Dirranbandi, Hebel, Bollon, and Thallon. Qualifying community groups are able to hire these facilities for various functions at concessional rates. The revenue on these facilities is shown in Figures 15 & 16 below:-

Halls/Civic/Cultural Centres Bookings

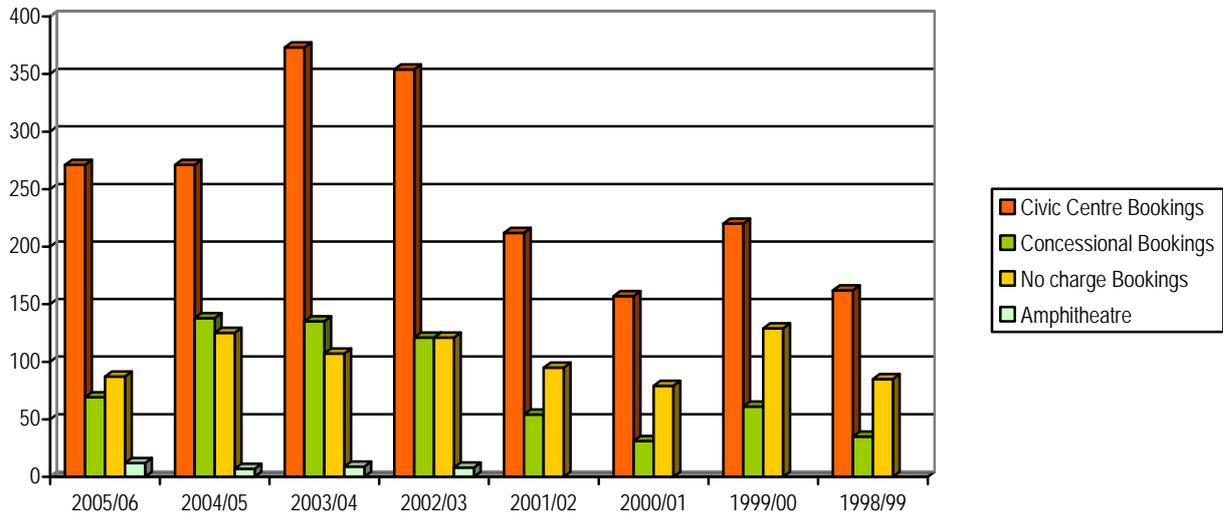
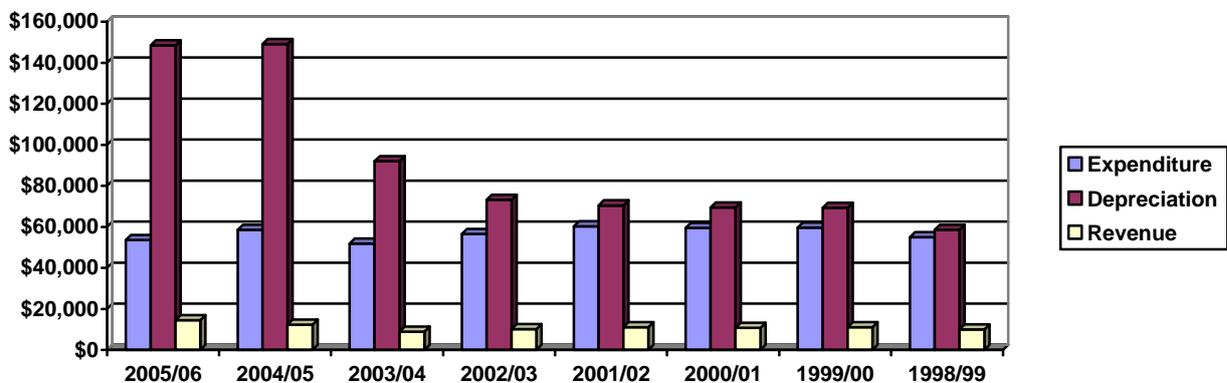


FIGURE 16



**0500-12 Strategy:** *Promote community well-being by working cooperatively with the community and other levels of government to plan for and provide access to services and facilities.*

During the year the Council contributed support in the form of staff time, resources and cash towards a number of joint Council / Community / Government projects.

An example is the \$3,776.66 contribution to St George and District Fishing and Restocking Club of restocking fingerlings for waterways in the Balonne Shire.

**0500-13 Strategy:** *Support appropriate events, festivals and promotions throughout the Shire.*

The Council recognises the importance of events, festivals and promotions in encouraging the development of community spirit, visitation to the Shire and enjoyment.

In addition to the more significant events are listed in detail below, the Council assisted with many small community events both directly and indirectly by providing suitable facilities right across the Shire and through sponsorship, mentoring and in-kind support.

Each year the Council assists with the organization of Australia Day activities that are rotated through the towns in the Shire. Australia Day 2006 activities were held in St. George at the Apex Park on the Blondie Codrington Riverbank Parkland. With the assistance of the Lions Club of St. George, Scouts, Girl Guides, Cadets and the Combined Churches Choir many local residents enjoyed breakfast on the river and the awards presentations that followed.

The Shire was fortunate to host many events during 2006 which contribute to our rural lifestyle and provide economic activity in our communities. Events range from traditional Shows, Rodeos, Fetes & Fishing Competitions to one off events that community groups attract to the Shire including in 2006 the Nindigully B & S.

The Council also co-sponsored in 2006 the Rotary Balonne Shire Council Business Awards Presentation Dinner. This event was a celebration of our local small businesses and their contribution to our rural lifestyle. The response from the business community during this event was overwhelming.

**0500-14 Strategy:** *Provide financial assistance grants to community organisations, supporting them in undertaking community service activities.*

Direct cash funding was provided by Council to assist the following community based organisations during the year:-

Organisation	Grant
Qld Community Housing	500.00
Balonne Financial Advisory Ser	3,000.00
St George ICPA 2005 Conference.	5,000.00
Special Children's Christmas	220.00
ST George State High School -Year 11 Young Leaders	500.00
ST George Year 12 Dux Award	100.00
ST George State High School- Magazine Donation	50.00
Mungindi Community Preschool	200.00
Dirranbandi Ladies Hospital Auxiliary	100.00
	<b>9,670.00</b>

In addition, numerous minor grants were provided to assist in the staging of various community activities. Free or concessional use of Council facilities by charitable / not-for-profit organisations was also granted on many occasions by the Council. Concessional use of the halls to the value of \$3,832 and to the showgrounds \$545.

## 0600 – Environmental Services

**Goal:** *To implement policies and operational programmes which will contribute to the environmental health and well-being of the community*

Globally there has been, over recent years, a major increase in emphasis on matters relating to the environment in which we live. New international, national and state laws have been enacted which prescribe in more detail the way in which people may use the natural environment. This programme is about the services that are provided at a local level to maintain a standard of living that is sustainable in the long term and is acceptable to the local community.

**0600-1 Strategy:** *Effectively control urban animals in the Shire and promote responsible animal ownership.*

A direct result of Council's decision to enforce its Local Law and Policy on animal control has ensured that a total of one thousand, one hundred and twenty-two (1122) dogs were registered during the 2005/06 year.

Expenditure on urban animal control amounted to **\$54,394.00** including depreciation expense, with dog registration, infringement notices and impounding fees of **\$21,523.00** received during the year.

Council has issued infringement notices for offences under its Animal Control Local Laws. Eighteen (18) Infringement Notices were issued with ten (10) of them being referred to SPER for collection.

It is unfortunate that so many dogs impounded during the period were not claimed and were subsequently destroyed.

Refer to the following graphs in relation to the Animal Control Area:-

**FIGURE 17**

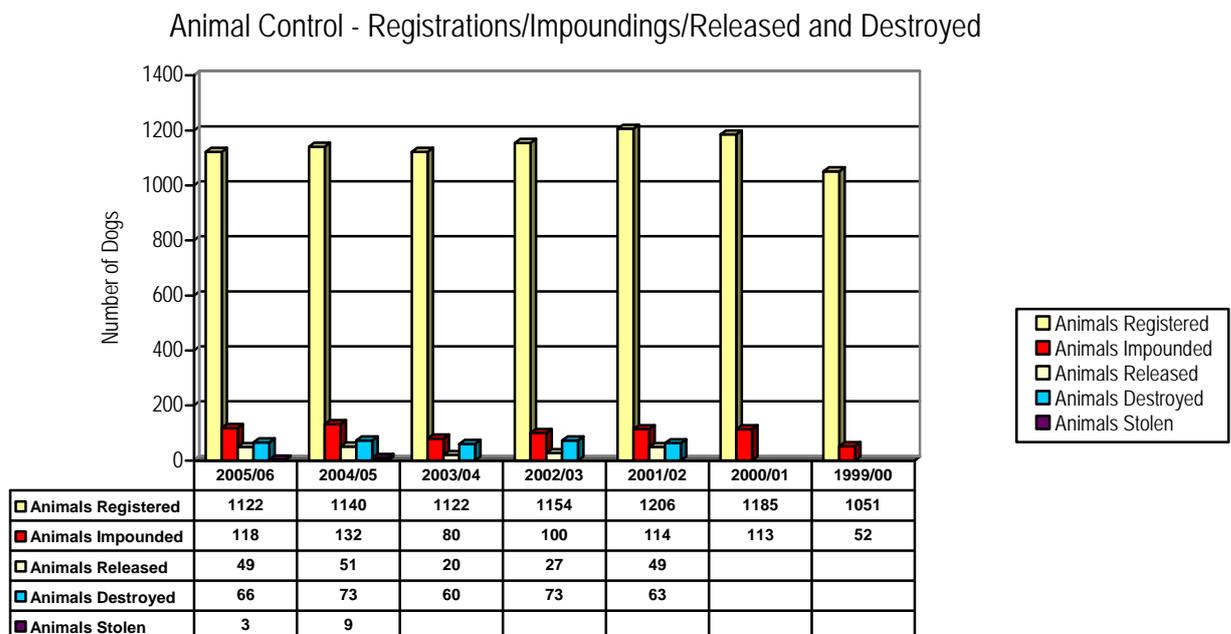
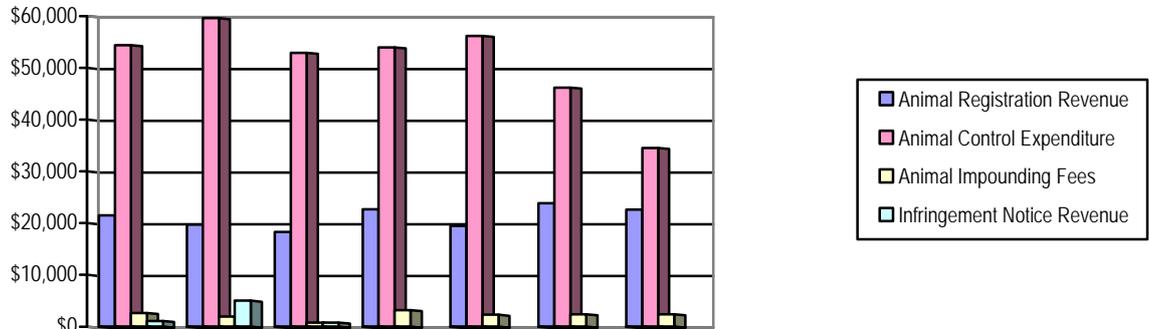


FIGURE 18

Animal Control - Registration/Expenditure/Impounding Fees



	2005/06	2004/05	2003/04	2002/03	2001/02	2000/01	1999/00
Animal Registration Revenue	21523	\$19,690.40	\$18,265	\$22,698	\$19,471	\$23,852	\$22,617
Animal Control Expenditure	54394	\$59,626.48	\$52,936	\$53,971	\$56,177	\$46,211	\$34,536
Animal Impounding Fees	2625	\$1,971.80	\$760	\$3,205	\$2,296	\$2,400	\$2,390
Infringement Notice Revenue	1110	\$5,020.50	\$774				

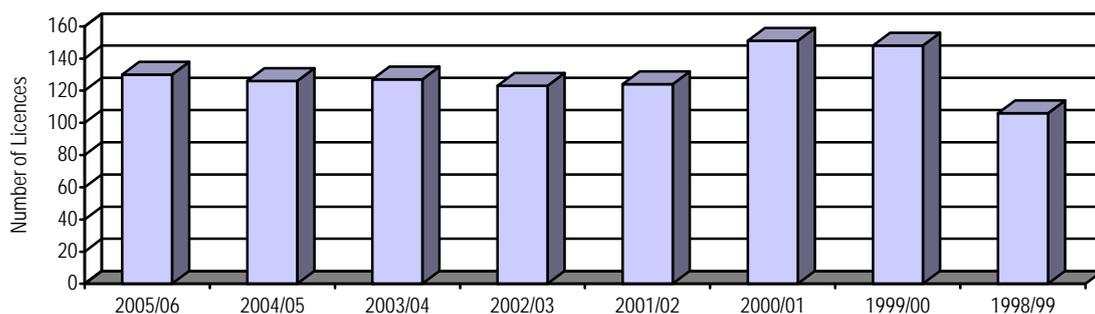
**0600-4 Strategy:** *Implement adequate health inspection and education programmes to achieve the standard prescribed by health legislation.*

A total of one hundred and thirty (130) licences were issued by Council under the Health Act and other State legislation during the year. Premises licensed by Council include fuel storages, food premises such as hotels, cafes, and businesses requiring a licence under the Environmental Protection Act.

All licensed premises were inspected on at least two occasions during the year.

FIGURE 19

Local Licences Issued



**0600-5 Strategy:** *Promote public immunisation*

Due to changes in public immunisation procedures, no work was undertaken under this strategy during the year.

**0600-6 Strategy: Promote recycling alternatives**



Council has promoted the recovery of steel from its dumps throughout the year with large volumes of steel and car bodies being collected and returned to Brisbane for recycling. Council has also participated in Planet Arks Close the Loop project and is recycling computer and photocopier cartridges.

The public oil recycling scheme at Council's dumps in St George and Dirranbandi is proving popular with increased volumes of oil being collected.



Collection of Steel & Car Bodies from the St George Garbage Dump

**0600-7 Strategy: Develop, implement and maintain a corporate environment management system that effectively addresses responsibilities under relevant environmental legislation.**

The Environmental Protection Act imposes a duty upon the citizens of Queensland to lessen the impact of human activities on the environment. This Council, like all other Queensland Local Governments has been charged with the responsibility of administering many of the provision of this new act at the local level.

The challenge is to continue to apply this legislation and the many Environmental Protection Policies in a way which will achieve realistic environmental goals whilst minimising economic impact on the many small businesses which are affected.

Licensing under the Environmental Protect Act has continued with forty licences being issued during the year. It is pleasing to note the increased environmental awareness amongst the community and the improved working practices of licensed businesses.

Council itself is the operator/owner of a number of environmentally relevant activities and has developed and implemented an Integrated Environmental Management Plan for its own operators. No breaches of the licences issued for these Council activities such as the operation of water/sewerage treatment plants and operation of works depots were reported. Council's Environmental Health Staff carry out inspections on these premises on a regular basis.

An Officer from the Department of Environment carried out an audit of Council's ERA's during the period.

0700 – Business Services

**Goal:** *To undertake private works within the scope of Council's expertise in an efficient and cost effective manner.*

**0700-1 Strategy:** *Bid for and carry out the construction and maintenance of state controlled roads where such works are beneficial to the Shire and Council.*

The Council carries out work on the State Highways for the Queensland Department of Main Roads on a negotiated contract basis. This includes all maintenance and construction works. The negotiated contract protocol states that contracts be nil profit. This process has been operating successfully, and to the mutual benefit of both Council and Main Roads for the past nine years.

Main Roads strategies are changing towards rehabilitation works rather than new capital works. Smaller projects such as short widening jobs are being undertaken as Minor Works, which is substantially reducing the documentation processes and overheads costs.

The major projects during the year were undertaken on the Castlereagh Highway south of Dirranbandi. These included the widening of 6 kilometres of the highway, and the replacement of 9 culverts.



**Castlereagh Highway widening**



**Castlereagh Highway widening**



**Carnarvon Highway resealing**

Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
RMPC and Bulk Maintenance	\$857,800	\$777,473	\$741,915	\$1.04 million	\$786,074
RPC Construction Works & Minor Works	\$1.312 million	\$1.11 million	\$987,099	\$1.19 million	\$1.43 million

**0700-2 Strategy:** *Carry out private works as appropriate and in conformity with Council's Private Works Policy.*

Council undertakes private works as requested from time to time during the year. Council's Private Works Policy, in general terms requires that Council not compete in any significant way with local private enterprise when accepting these usually minor requests for works. Hence, a considerable number of requests are referred to locally-based contractors. The major demand for private works is grading of roads to remote properties, and small bitumen sealing projects.

Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Private Works Amount	\$124,195	\$75,840	\$84,242	\$78,115	\$79,599

## 4000 – Urban Waste Water

**Goal:** *To provide efficient, effective and environmentally sound waste water disposal services in the towns of St. George, Dirranbandi and Bollon.*

**4000-1 Strategy:** *Maintain economically viable and environmentally sound urban waste water disposal systems.*

This programme funds the provision of sewerage services in the towns of St. George, Dirranbandi and Bollon.

All sewerage systems operated effectively during the year with only normal maintenance required.

Planning for the new Sewerage Treatment Plant in St George is well advanced. The proposed site is vacant land at the rear of the aerodrome. A Planning Report is now being prepared for effluent re-use in accordance with the Department of Natural Resources and Mines and Environmental Protection Authority requirements. The proposal is to sell the effluent to neighbouring properties, who will use it in their irrigation enterprises. DNR approval for subsidy has been received. The Development Application for the project has been submitted. The Environmental Protection Agency has now requested further details, which are being developed.

Other projects during the year included the installation new pumps in two of the sewage pump stations.

**4000-2 Strategy:** *Maintain, through the revenue and Borrowing Policies, an equitable and effective system of revenue raising and collection.*

Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Operating Costs	\$179,829	\$197,778	\$188,206	\$186,113	\$220,763
Sewerage Charge Revenue	\$671,537	\$615,046	\$684,315	\$637,997	\$522,210
Finance Costs	\$22,185	\$24,107	\$18,881	\$20,327	\$10,263
Capital Costs	\$13,625	\$28,366	\$465,282	\$9,482	
Special Maintenance		\$495	\$42,721	\$11,079	\$20,380
Depreciation	\$199,589	\$199,024	\$161,224	\$129,824	\$142,607
Sewerage Charge (\$/unit) before 15% discount	\$6.91	\$6.37	\$6.21	\$6.21	\$5.58

## 5000 – Urban Water

**Goal:** *To provide efficient, effective and environmentally sensitive water supplies to the towns of St. George, Dirranbandi, Bollon, Thallon, Hebel and Mungindi (Queensland).*

**5000-1 Strategy:** *Maintain economically viable and environmentally sound urban water supply systems.*

The provision of a domestic water supply for the Towns of St. George, Dirranbandi, Thallon, Mungindi, Hebel and Bollon is funded under this programme.

St. George has a dual supply of untreated bore and river water whilst, Dirranbandi and Bollon are serviced by a single treated river / creek water supply with the Dirranbandi supply being supplemented by an artesian bore. The towns of Thallon and Hebel are supplied by a single untreated artesian bore water supply. The town of Mungindi (Old) is supplied with treated water by Moree Plains Shire Council from the Mungindi (NSW) town supply.

The major project during the year was the construction of the new artesian bore in St. George. The bore is 1,177 metres deep and supplies a good quality free flowing supply to the town. Prior to the new bore being drilled, new bore pumps had to be installed in the old bore.

A new bore water main was installed in Roe Street, and new river water mains were installed in Alfred Street and Victoria Street.



**Alfred Street Water Main**



**New Bore**



**Bore Rig Mud System**



**New Bore Bore Drilling Rig**

**5000-2 Strategy:** *Maintain, through the Revenue and Borrowing Policies, an equitable and effective system of revenue raising and collection.*

Costings are detailed below:

	2005/06	2004/05	2003/04	2002/03	2001/02
Operating Costs	\$727,409	\$617,516	\$594,697	\$642,779	\$641,277
Water Charge Revenue	\$879,060	\$825,164	\$859,136	\$830,947	\$955,936
Interfund Transfer from General Fund	\$66,000	\$250,000	\$250,000	\$250,000	-
Finance Costs	\$26,941	\$33,835	\$39,509	\$46,220	\$55,586
Capital Costs	\$658,053	\$256,589	\$281,313	\$30,100	-
Special Maintenance	\$14,774	\$8,263	\$1,517	\$12,702	-
Depreciation	\$390,551	\$379,645	\$272,677	\$225,704	\$276,508
Water Charge (\$/unit) before 15% discount	\$5.43	\$4.94	\$4.49	\$4.49	\$5.98

## 6000 – Cleansing

**Goal:** *To provide efficient, effective and environmentally sensitive refuse collection and/or disposal services in all towns.*

**6000-1 Strategy:** *Maintain an effective refuse collection and disposal service in the Towns of St. George, Dirranbandi, Bollon, Mungindi and Thallon.*

JJ Richards & Sons continued in the 2005/06 financial year as Council's Garbage Contractors. Their service includes the supply and maintenance of 200 litre wheelie bins and a transfer station at St George for the collection of recyclable material.



Recycling at the St George Garbage Dump

The arrangement with JJ Richards continues to be effective however a decline in the quality of the recycling material placed in bins is the cause of some concern.



FIGURE 20

Garbage/Recyclable Material Collected

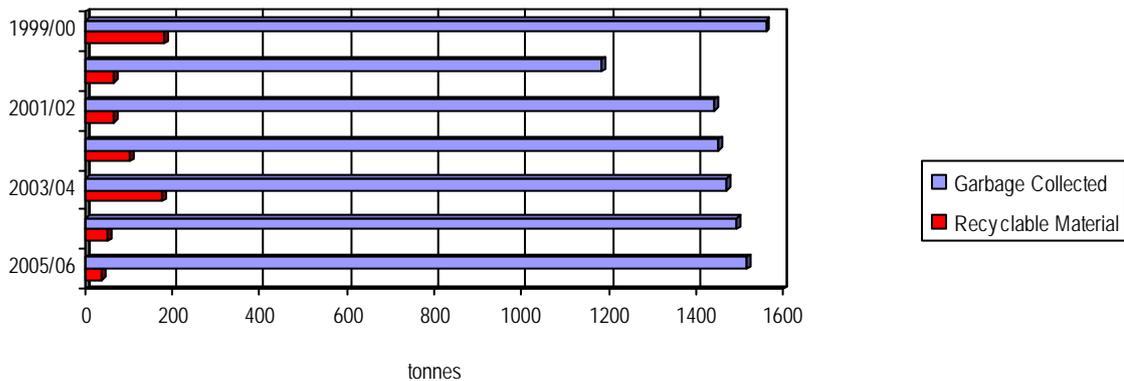
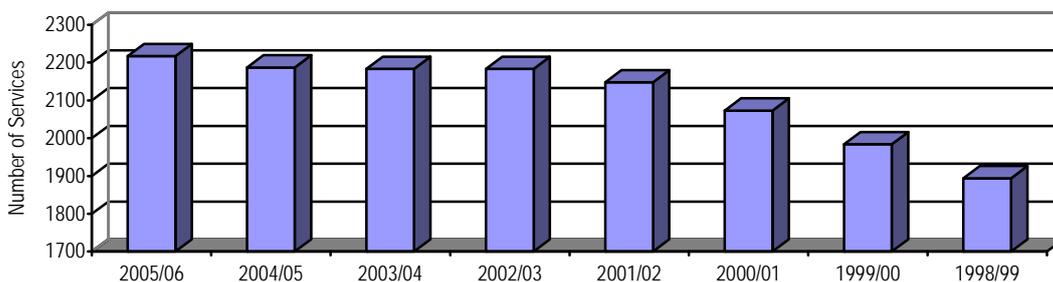


FIGURE 21

Number of Garbage Services



**6000-2 Strategy:** *Maintain an effective refuse disposal service in the Town of Hebel.*

The refuse tip at Hebel was maintained in a satisfactory condition throughout the year and caused no nuisance. Credit must be given to the residents of Hebel for correctly disposing of their refuse.



Hebel Town Dump

**6000-3 Strategy:** *Maintain all Council refuse tips in an environmentally sensitive and cost effective manner.*

All of the garbage and recycling material collected by Council's Contractor was disposed of at the St George Garbage Dump. Dumps throughout the Shire were regularly maintained by Council employees and were inspected at least monthly by Council's Environmental Health Officer.

Problems continue to be caused particularly at the St George Dump by unknown persons who constantly light fires or burn tyres that have been disposed of at the dump. These fires often resulted in the need for QFRS to attend and put the fires out.

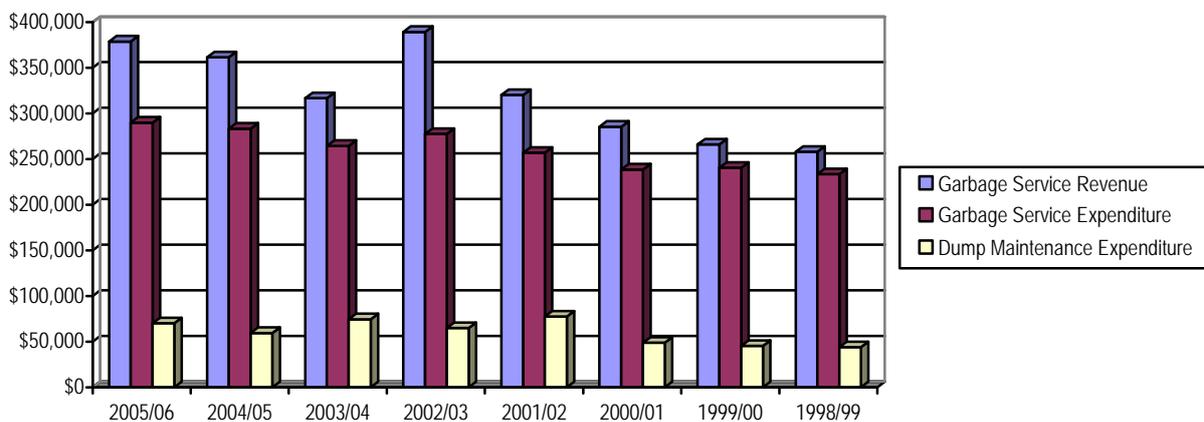
Council resolved to prohibit the disposal of tyres from its dumps as from 1st October, 2005.

**6000-4 Strategy:** *Maintain, through the Revenue and Borrowing Policies, an equitable and effective system of revenue raising and collection.*

Please refer to the following graphical information in relation to the Cleansing function:-

FIGURE 22

Garbage Revenue/Expenditure and Dump Maintenance Expenditure





Annual Financial Statements  
For the year ended June 2006

BALONNE SHIRE COUNCIL  
ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006

# Annual Financial Statements

For the year ended June 2006

## Balonne Shire Council

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# Annual Financial Statements

## For the year ended June 2006

### Balonne Shire Council

### Income Statement

For the year ended 30 June 2006

	Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>1. Income</b>			
<b>1.1 Revenue</b>			
<b>1.1.1 Recurrent revenue</b>			
Net rate and utility charges	4	4,902	5,212
Fees and charges	4	170	162
Rental income	4	98	111
Interest received	4	228	263
Sales - Contract and recoverable works	4	2,115	2,875
Other recurrent income		58	113
Grants, subsidies, contributions and donations	5	1,698	2,253
<b>Total recurrent revenue</b>		<b>9,268</b>	<b>10,988</b>
<b>1.1.2 Capital revenue</b>			
Grants, subsidies, contributions and donations	5	2,969	3,803
<b>Total capital revenue</b>		<b>2,969</b>	<b>3,803</b>
<b>Total revenue</b>		<b>12,237</b>	<b>14,791</b>
<b>1.2 Capital income</b>		<b>(46)</b>	<b>(87)</b>
<b>Total income</b>		<b>12,191</b>	<b>14,704</b>
<b>2. Expenses</b>			
<b>2.1 Recurrent expenses</b>			
Employee benefits	7	(4,102)	(4,948)
Materials and services	8	(3,706)	(3,819)
Finance costs	9	(272)	(276)
Depreciation and amortisation	10	(4,544)	(4,323)
<b>Total recurrent expenses</b>		<b>(12,623)</b>	<b>(13,366)</b>
<b>2.2 Capital expenses</b>			
Impairment losses		-	-
Revaluation decrements		-	-
<b>Total expenses</b>		<b>(12,623)</b>	<b>(13,366)</b>
<b>Net result attributable to council</b>		<b>(433)</b>	<b>1,338</b>

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

# Annual Financial Statements

## For the year ended June 2006

### Balonne Shire Council

### Balance Sheet

As at 30 June 2006

	Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>Current Assets</b>			
Cash and cash equivalents	11	3,319	5,630
Trade and other receivables	12	1,405	799
Inventories	13	248	278
Other financial assets	14	133	84
Non-current assets classified as held for sale	15	308	290
<b>Total current assets</b>	<b>3</b>	<b>5,412</b>	<b>7,081</b>
<b>Non-current Assets</b>			
Receivables	12	11	5
Property, plant and equipment	16	119,747	118,999
Capital works in progress	17	604	798
Intangible assets	18	24	34
<b>Total non-current assets</b>	<b>3</b>	<b>120,386</b>	<b>119,835</b>
<b>TOTAL ASSETS</b>		<b>125,799</b>	<b>126,916</b>
<b>Current Liabilities</b>			
Trade and other payables	19	535	584
Interest bearing liabilities	20	403	380
Provisions		-	-
Other		118	67
<b>Total current liabilities</b>		<b>1,056</b>	<b>1,031</b>
<b>Non-current Liabilities</b>			
Trade and other payables	19	697	881
Interest bearing liabilities	20	3,436	3,057
Provisions		-	-
<b>Total non-current liabilities</b>		<b>4,133</b>	<b>3,938</b>
<b>TOTAL LIABILITIES</b>		<b>5,189</b>	<b>4,969</b>
<b>NET COMMUNITY ASSETS</b>		<b>120,610</b>	<b>121,948</b>
<b>Community Equity</b>			
Asset revaluation reserve	22	101,432	101,432
Retained surplus/(deficiency)		15,425	16,413
Other reserves	24	3,753	4,103
<b>TOTAL COMMUNITY EQUITY</b>		<b>120,610</b>	<b>121,948</b>

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

# Annual Financial Statements

## For the year ended June 2006

### Balonne Shire Council Statement of Changes in Equity

For the year ended 30 June 2006

	Notes	Asset revaluation reserve		Retained surplus		Other reserves		Total	
		Note 22				Note 24			
		2005 Actual (\$'000)	2006 Actual (\$'000)	2005 Actual (\$'000)	2006 Actual (\$'000)	2005 Actual (\$'000)	2006 Actual (\$'000)	2005 Actual (\$'000)	2006 Actual (\$'000)
Opening balance	22 24	52,188	101,432	16,593	15,425	3,018	3,753	71,799	120,610
Revaluations of property, plant and equipment		49,243	-	-	-	-	-	49,243	-
Available for sale investments:									
Valuation gains/(losses)		-	-	-	-	-	-	-	-
Transferred to income statement on sale		-	-	-	-	-	-	-	-
Impairment losses		-	-	-	-	-	-	-	-
Net income recognised directly in equity	22 24	49,243	-	-	-	-	-	49,243	-
Surplus for the period		-	-	(433)	1,338	-	-	(433)	1,338
<b>Total recognised income and expense</b>		<b>101,432</b>	<b>101,432</b>	<b>16,160</b>	<b>16,763</b>	<b>3,018</b>	<b>3,753</b>	<b>120,610</b>	<b>121,948</b>
<b>Transfers to and from reserves</b>									
Transfers to general reserves		-	-	(1,321)	(1,496)	1,321	1,496	-	-
Transfers from general reserves		-	-	586	1,146	(586)	(1,146)	-	-
<b>Total transfers to and from reserves</b>	22 24	<b>-</b>	<b>-</b>	<b>(736)</b>	<b>(350)</b>	<b>736</b>	<b>350</b>	<b>-</b>	<b>-</b>
<b>Closing balance</b>		<b>101,432</b>	<b>101,432</b>	<b>15,425</b>	<b>16,413</b>	<b>3,753</b>	<b>4,103</b>	<b>120,610</b>	<b>121,948</b>

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

# Annual Financial Statements

## For the year ended June 2006

### Balonne Shire Council Statement of Cash Flows

For the year ended 30 June 2006

	Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>Cash flows from operating activities:</b>			
Receipts from customers		12,214	15,223
Payments to suppliers and employees		(8,222)	(8,954)
		<b>3,991</b>	<b>6,269</b>
Interest received		220	247
Rental income		89	92
Borrowing costs		(265)	(239)
<b>Net cash inflow (outflow) from operating activities</b>	30	<b>4,035</b>	<b>6,369</b>
<b>Cash flows from investing activities:</b>			
Payments for property, plant and equipment		(3,457)	(3,781)
Payments for intangible assets		(7)	(23)
Net movement on loans and advances		7	9
Proceeds from sale of property, plant and equipment	6	388	139
<b>Net cash inflow (outflow) from investing activities</b>		<b>(3,069)</b>	<b>(3,655)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	21	-	-
Repayment of borrowings	21	(341)	(403)
<b>Net cash inflow (outflow) from financing activities</b>		<b>(341)</b>	<b>(403)</b>
<b>Net increase (decrease) in cash held</b>		<b>625</b>	<b>2,311</b>
Cash at beginning of reporting period		2,693	3,319
<b>Cash at end of reporting period</b>	11	<b>3,319</b>	<b>5,630</b>

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

# Annual Financial Statements

## For the year ended June 2006

### **Note 1: Basis of preparation**

#### **1.01 General**

The financial statements have been prepared in accordance with Australian Equivalents to International Financial Reporting Standards (AEIFRS) for the first time. The disclosures required by AASB 1 First time Adoption of Australian Equivalents to International Financial Reporting Standards concerning the transition from previous Generally Accepted Accounting Principles (GAAP) to AEIFRS and other policy changes are provided in Note 33.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (IFRS). 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 IFRS, to the extent these inconsistencies are applied this Report does not comply with IFRS. The main impact is in the offsetting of revaluation and impairment gains and losses within a class of assets.

This financial report has been prepared as a general purpose financial report and complies with the requirements of the Local Government Act 1993, the Local Government Finance Standard 2005, and the Australian Accounting Standards including AAS27.

Except where otherwise stated the financial report has been prepared in accordance with the historical cost basis.

#### **1.02 Currency**

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

#### **1.03 Constitution**

The Balonne Shire Council is constituted under the Queensland Local Government Act 1993 and is domiciled in Australia.

#### **1.04 Date of authorisation**

The financial report was authorised for issue on the date it was submitted to the Auditors for final signature. This is the date the management certificate is signed.

The Local Government has the power to amend the Financial Report after it is authorised for issue until the adoption of the report by the Local Government as part of the Annual Report.

# Annual Financial Statements

## For the year ended June 2006

### Note 2: Summary of significant accounting policies

#### 2.01 Rates, Grants and Other Revenue

Rates, Grants and Other Revenue are recognised as revenue on receipt of funds or earlier unconditional entitlement to the funds.

##### (i) Rates

Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue in the period in which rates are levied.

##### (ii) Grants and Subsidies

Where the Council has an obligation to use a grant or subsidy in a particular manner the amount is recognised as revenue on receipt. An equivalent amount is placed in the constrained works reserve until the obligation is satisfied.

##### (iii) Non-Cash Contributions

Non-cash contributions in excess of the recognition thresholds set out in note 2.09 in value, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue only.

##### (iv) Other Revenue Including Contributions

Other Revenue is recognised as a receivable when it is invoiced and the amount is known, otherwise the amount is recognised upon receipt.

#### 2.02 Cash and Cash Equivalents

For the purposes of the Balance Sheet and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes bank overdrafts and liquid investments with short periods to maturity that are readily convertible to cash at the Council's option without penalty and that are subject to a low risk of changes in value. The Council considers all its term deposits, being for periods of less than one year to be cash equivalents.

#### 2.03 Receivables

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery, settlement on trade debtors being generally required within 30 days from the invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off at 30 June.

Loans and advances to community organisations are recognised at cost. Terms are usually a maximum of five years with no interest charged. Loans are determined on a case by case basis.

#### 2.04 Other Financial Assets

Other Financial Assets are recognised at cost.

#### 2.05 Inventories

Stores and raw materials 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.

# Annual Financial Statements

## For the year ended June 2006

### 2.06 Land Held for Resale

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

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

Land acquired for use by the Council which is no longer required is reclassified within property, plant and equipment to land held for development and resale. It continues to be measured at fair value until it is actively being marketed and expected to be sold within one year. When this occurs it is transferred to Non-current assets held for resale and revalued at fair value less costs to sell.

### 2.07 Investments

Financial institution deposits at call and term deposits are treated as cash equivalents

Interest revenues are recognised on an accrual basis.

### 2.08 Investment Property

Investment property, which is property held for the primary purpose of earning rentals and/or capital appreciation, is initially recognised at cost including transaction costs. Where investment property is acquired at no or nominal cost it is recognised at fair value. Investment property is subsequently carried at fair value at the balance sheet date. Gains or losses arising from changes in the fair value of investment property are included in the income statement for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

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

Council Housing is not classed as investment property as their sole purpose is to provide housing for staff.

### 2.09 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 office furniture and equipment and information technology with a total value of less than \$1,000, and infrastructure assets, other plant and equipment assets and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised. All land is capitalised, regardless of value.

#### (i) 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.

Non-monetary assets, including 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.

#### (ii) Capital and operating expenditure

Wage and materials expenditure incurred for the acquisition or construction of assets is 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.

The Council has determined that individual items of plant and equipment with a cost in excess of \$500,000 are of high value to the local government. There are no items which meet these criteria. All other items of plant and equipment are measured on the cost basis.

#### (iii) Valuation

# Annual Financial Statements

## For the year ended June 2006

Land, buildings, infrastructure and heritage and cultural 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*. All other non-current assets, principally plant and equipment and intangibles, are measured at cost.

Non-current physical assets measured at fair value are revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This revaluation may involve the application of a suitable index to the cost elements of each asset, or may involve an independent assessment of the value. Only those assets, the total values of which are material, compared to the value of the class of assets to which they belong, are comprehensively revalued.

Details of valuers and methods of valuations are disclosed in Note 16(a).

Plant and equipment, other than major plant and equipment, are measured at depreciated cost. The carrying amounts for plant and equipment measured at depreciated cost should not differ materially from their fair value.

(iv) 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.

Useful lives of assets shall be reviewed each year. Particular classes of assets do not have readily identifiable or predictable useful lives. Examples are roads and other infrastructure. Although these assets will, for all practical purposes, have indefinite lives, provided the elements are renewed as required, the Accounting Standards require that they be ascribed a finite life. This life takes into account the possibility of technical or commercial obsolescence.

Where there is evidence to support a particular useful life for an infrastructure asset that life shall be used. Where there is no such evidence a life of 100 years shall be used and each year it shall be assumed that there is 100 years of useful life remaining. This policy recognises that these assets are intended to be retained in use permanently but it is necessary to provide for the possibility of technological obsolescence from unknown future changes.

Items which have been identified as having an indefinite useful life are:

- Formed roads (which are maintained by annual regrading),
- Gravel roads (where the surface is maintained by the annual addition of gravel and regrading).
- Earthworks for infrastructure
- Sub-base for roads
- Dams and other water catchments

The estimated useful lives of property, plant and equipment are reviewed annually. For each class of depreciable asset the following depreciation rates were used.

<u>Asset</u>	<u>Range of estimated useful life in years</u>
Land	Not depreciated
Buildings	15 - 100
Transport Infrastructure	10 - 100
Water Supply Infrastructure	15 - 60
Sewerage Supply Infrastructure	15 - 100
Plant and Equipment	5 - 40
Furniture and Fittings	5 - 60

# Annual Financial Statements

## For the year ended June 2006

Other Non-Current Assets

5 - 100

(v) Unfunded Depreciation

Balonne Shire Council has elected not to fund depreciation expenses for assets that will not be replaced or external funding sources other than loans will be obtained to fund their replacement. Depreciation is funded to the extent necessary to meet future replacement capital works.

### 2.10 Intangible Assets

Only intangible assets which have a cost exceeding \$10,000 are recognised as intangible assets (except for Software which has a recognition threshold of \$1,000).

Expenditure on internally generated intangible assets is recognised from the date of the approval by the Council of a capital expenditure authorisation for the acquisition or development of the asset. This approval is taken to indicate that the project meets the criteria for recognition in AASB138.57

Expenditure on internally generated assets, up to the decision to generate the asset in a particular form, is research expenditure and is not capitalised.

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

### 2.11 Capital Work in Progress

The cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

### 2.12 Impairment

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the department 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 asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, 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 increase.

### 2.13 Leases

Leases of plant and equipment under which the Council assumes substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

(i) Finance leases

Finance leases are capitalised in that a lease asset and a liability equal to the fair value of the leased property (or the present value of the minimum lease payments, if lower) are recorded at the inception of the lease. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

# Annual Financial Statements

## For the year ended June 2006

Balonne Shire Council as at the 30th June 2006 did not have any Finance Leases.

(ii) Operating leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

### 2.14 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.

### 2.15 Liabilities - Employee Benefits

Employee benefits are accrued for such items 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 entitlements are assessed at each reporting date. Where it is expected that the leave will be taken in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

(i) 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 is treated as a payable and not as a provision.

(ii) Annual Leave

A liability for annual leave is recognised. The current portion is based on current wage and salary levels and includes related employee on-costs. The non current portion is based on projected future wage and salary levels and related employee on-costs discounted to present values. This liability is treated as a payable and not as a provision.

(iii) Sick Leave

Sick leave taken in the future will be met by future entitlements and hence no recognition of sick leave has been made in these financial statements.

(iv) Superannuation

The superannuation expense for the reporting period is the amount of the contribution the local government makes to the superannuation plan which provides benefits to its employees.

Details of those arrangements are set out in Note 28.

(v) 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 interest rates attaching as at the reporting date, to Commonwealth Government guaranteed securities are used to discount the estimated future cash outflows to their present value. The value of the liability was calculated using current pay rates and projected future increases in those rates and includes related employee on-costs.

### 2.16 Borrowings

Loans payable are measured at amortised cost. Interest is recognised as it accrues.

Borrowing costs are treated as an expense and not capitalised

### 2.17 Asset Revaluation Reserve

The asset revaluation reserve comprises adjustments relating to changes in value of property, plant and equipment that do not result from

# Annual Financial Statements

## For the year ended June 2006

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 this reserve.

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 reserve in respect of that class. Any excess is treated as an expense.

When an asset is disposed of the amount in the reserve in respect of that asset is retained in the reserve.

### 2.18 Reserves

The following reserves are cash backed reserves and represent funds that are accumulated within the Council to meet anticipated future needs. In each case the amount relates to a perceived future requirement which is not currently a liability.

(i) Future Capital Works Reserve

This reserve represents amounts set aside for the future capital projects.

(ii) Asset Replacement Reserve

Funding that Council receives from Road Infrastructure, Urban Water, Urban Waste Water and Cleansing Programs are to be spent on those programs any surplus funds are to be put to the relevant reserve.

(iii) Constrained Public Contributions Reserve

This reserve represents amounts contributed by the public towards specific community projects.

(iv) Constrained Works Reserve

This reserve represents contributions received for capital works where the required works have not yet been carried out

(v) Reserve held for Future Recurrent Expenditure

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

### 2.19 Retained Surplus

This represents the amount of Council's net funds not set aside in reserves to meet specific future needs. The main part of this amount is not available for Council to spend as it has already been invested in assets used to provide services.

### 2.20 National Competition Policy

The Council has reviewed its activities and has identified four activities that are business activities. Details of these activities can be found in Note 43

### 2.21 Rounding and Comparatives

*It is recommended that local government financial reports are rounded to the nearest thousand dollars in which case a note as follows would be appropriate:*

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero.

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

### 2.22 Financial Risk Management

The Council minimises its exposure to financial risk in the following ways:

# Annual Financial Statements

## For the year ended June 2006

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia and are for a period of less than one year.

The Council does not invest in derivatives or other risky 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.

Details of financial instruments and the associated risks are shown at note 31.

### **2.23 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.

### **2.24 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.

# Annual Financial Statements

## For the year ended June 2006

### Note 3a: Analysis by function - components

The activities relating to the Council's components reported on in Note 3. (b) are as follows :

#### MAJOR PROGRAMMES

##### 0100 - Finance

Goal: To achieve maximum community benefit from available financial resources.

##### 0200 - Administration/Corporate Services

Goal: To effectively and efficiently administer the affairs of Council and to provide quality service to its customers.

##### 0300 - Planning and Development

Goal: To implement appropriate planning controls to ensure and encourage the balanced quality development of the Shire and promote the Shire as a desirable place to live, work and visit.

##### 0400 - Transport and Drainage Infrastructure Services

Goal: To provide efficient and effective transport and drainage infrastructure.

##### 0500 - Community and Cultural

Goal: To encourage and participate in the continuing development of community services and cultural activities and to foster strong community spirit.

##### 0600 - Environmental and Health Services

Goal: To implement policies and operational programmes which will contribute to the environmental health and well-being of the community.

##### 0700 - Commercial Services

Goal: To undertake commercial works within the scope of Council's expertise in an efficient and cost effective manner.

##### 4000 - Urban Waste Water

Goal: To provide efficient, effective and environmentally sound waste water disposal services in the Towns of St. George, Dirranbandi and Bollon.

##### 5000 - Urban Water

Goal: To provide efficient, effective and environmentally sound water supplies to the Towns of St. George, Dirranbandi, Bollon, Thallon, Hebel and Mungindi (Queensland).

##### 6000 - Cleansing

Goal: To provide efficient, effective and environmentally sound refuse collection and/or disposal services in all towns.

# Annual Financial Statements

## For the year ended June 2006

### Note 3b: Analysis of Results by Function

	Grants revenue		Other revenue		Total revenue		Total expenses		Net result for period		Assets	
	2005 Actual (\$'000)	2006 Actual (\$'000)										
(a) Revenue, expenses and assets have been attributed to the following functions:												
Finance	1,596	2,107	3,366	3,569	4,962	5,676	250	66	4,712	5,610	4,849	6,508
Administration/Corporate Services	21	16	44	40	65	56	768	833	(704)	(777)	1,584	1,882
Planning and Development	6	19	66	73	73	93	258	317	(185)	(224)	315	302
Transport and Drainage Infrastructure Services	2,767	3,257	-	(22)	2,767	3,235	5,591	5,189	(2,824)	(1,954)	94,414	93,569
Community and Cultural	30	242	98	291	128	533	1,367	1,390	(1,239)	(857)	11,092	10,999
Environmental and Health Services	30	24	69	84	98	108	829	910	(730)	(802)	685	701
Commercial Services	-	-	2,121	2,881	2,121	2,881	1,991	2,801	129	80	(2)	-
Urban Waste Water	-	-	615	672	615	672	421	402	194	269	4,545	4,359
Urban Water	191	198	840	904	1,031	1,102	835	1,128	196	(26)	8,307	8,586
Cleansing	-	-	331	349	331	349	313	331	19	18	10	9
<b>Total Council</b>	<b>4,640</b>	<b>5,863</b>	<b>7,550</b>	<b>8,841</b>	<b>12,191</b>	<b>14,704</b>	<b>12,623</b>	<b>13,366</b>	<b>(433)</b>	<b>1,338</b>	<b>125,799</b>	<b>126,916</b>
Controlled entity net of eliminations	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total consolidated</b>	<b>4,640</b>	<b>5,863</b>	<b>7,550</b>	<b>8,841</b>	<b>12,191</b>	<b>14,704</b>	<b>12,623</b>	<b>13,366</b>	<b>(433)</b>	<b>1,338</b>	<b>125,799</b>	<b>126,916</b>

# Annual Financial Statements

## For the year ended June 2006

### Note 4: Revenue analysis

	<u>Notes</u>	<u>2005 Actual</u>	<u>2006 Actual</u>
		(\$'000)	(\$'000)
<b>(a) Rates and charges</b>			
General rates		3,704	3,897
Separate rates		7	7
Water		889	952
Water consumption, rental and sundries		38	51
Sewerage		704	769
Waste management		375	400
Total rates and utility charge revenue		<b>5,717</b>	<b>6,076</b>
Less: Discounts		(791)	(840)
Less: Pensioner remissions		(24)	(24)
Net rates and utility charges		<b>4,902</b>	<b>5,212</b>
<b>(b) Fees and charges</b>			
Fees and Charges		170	162
		<b>170</b>	<b>162</b>
<b>(c) Rental income</b>			
Aerodrome Lease Fees		9	18
Caravan Park		17	-
Council Housing		69	82
Water Tower Rental		3	11
		<b>98</b>	<b>111</b>
<b>(d) Interest received</b>			
Interest received from investments		204	240
Interest from overdue rates and utility charges		24	23
		<b>228</b>	<b>263</b>
<b>(e) Sales - Contract and recoverable works</b>			
Sales - Contracts and recoverable works		2,115	2,875
		<b>2,115</b>	<b>2,875</b>

The amount recognised as revenue for contract revenue during the period 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.

# Annual Financial Statements

## For the year ended June 2006

### Note 5: Grants, Subsidies, Contributions and Donations

Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>(i) Recurrent - government grants, subsidies, and other contributions are analysed as follows</b>		
General purpose grants	1,596	2,107
State Government subsidies and grants	94	141
Contributions	8	5
<b>Total recurrent revenue</b>	<b>1,698</b>	<b>2,253</b>
<b>(ii) Capital - government grants and subsidies, and other contributions are analysed as follows</b>		
State Government subsidies and grants	2,950	3,620
Contributions	18	184
<b>Total capital revenue</b>	<b>2,969</b>	<b>3,803</b>

### Note 6: Capital income

#### Gain (loss) on the disposal of non-current assets

<b>(a) Proceeds from the sale of property, plant and equipment</b>		
Proceeds from the sale of property, plant and equipment	388	122
Less: Book value of property, plant and equipment disposed	(435)	(203)
	<b>(46)</b>	<b>(81)</b>
<b>(b) Proceeds from the sale of land and improvements</b>		
Proceeds from the sale of land and improvements	-	17
Less: Book value of land sold	-	(23)
	-	(6)
<b>Total gain (loss) on the disposal of non-current assets</b>	<b>(46)</b>	<b>(87)</b>

# Annual Financial Statements

## For the year ended June 2006

### Note 7: Employee costs

	Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
Total staff wages and salaries		3,460	3,734
Councillors' remuneration		149	141
Annual, sick and long service leave entitlements		372	515
Superannuation	28	312	350
		<b>4,294</b>	<b>4,740</b>
Other employee related expenses		418	733
		<b>4,712</b>	<b>5,472</b>
Less: Capitalised employee expenses		(610)	(524)
		<b>4,102</b>	<b>4,948</b>

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

#### Total Council employees at period end

Elected members	10	10
Office staff	31	30
Depot and outdoors staff	51	56
<b>Total Council employees at period end</b>	<b>92</b>	<b>96</b>

### Note 8: Materials and services

Audit services	36	21
Donations paid	129	32
Rentals - Operating leases	4	4
Expenditure on Town Plan	4	1
Other material and services	3,534	3,761
	<b>3,706</b>	<b>3,819</b>

### Note 9: Finance costs

Finance costs charged by Queensland Treasury Corporation	265	243
Bank charges	6	9
Bad and doubtful debts	1	23
	<b>272</b>	<b>276</b>

# Annual Financial Statements

## For the year ended June 2006

### Note 10: Depreciation and amortisation

For the year ended 30 June 2006

	Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>(a) Depreciation of non-current assets</b>			
Buildings		373	384
Plant and equipment		745	690
Furniture and Fittings		32	31
Transport Infrastructure		2,662	2,459
Water		380	391
Urban Waste Water		199	200
Other infrastructure assets		142	156
<b>Total depreciation of non-current assets</b>		<b>4,533</b>	<b>4,310</b>
<b>(b) Amortisation of intangible assets</b>			
Software		11	13
<b>Total depreciation and amortisation</b>		<b>4,544</b>	<b>4,323</b>

#### Unfunded depreciation

#### Accumulated unfunded depreciation

The accumulated unfunded depreciation represents the accumulated shortfall in funding being provided from operating revenue to replace the assets at some future time.

It is anticipated that external borrowings will be required as the assets are replaced resulting in higher future operating costs. Recognition of unfunded depreciation represents a decline in the capital value of the Shire.

Balonne Shire Council has elected not to fund depreciation expenses in circumstances where the respective assets will not be replaced or external funding sources other than loans will be obtained to fund their replacement. Depreciation is funded to the extent necessary to meet future replacement capital works.

In the period unfunded depreciation was	2,055	1,416
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### Note 11: Cash and cash equivalents

Cash at bank and on hand		419	430
Deposits at call		2,900	5,200
<b>Balance per Statement of Cash Flows</b>	31	<b>3,319</b>	<b>5,630</b>
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies		-	(823)
Unspent loan monies		-	-
<b>Total unspent restricted cash for capital projects</b>		<b>-</b>	<b>(823)</b>

Cash is held in the Westpac Banking Corporation in business cheque accounts. The bank currently has a credit rating of AAA. Surplus Cash requirements are deposited into Council's Queensland Treasury Corporation which has a AAA rating.

# Annual Financial Statements

## For the year ended June 2006

### Note 12: Trade and other receivables

	<u>Notes</u>	<u>2005 Actual</u>	<u>2006 Actual</u>
		(\$'000)	(\$'000)
<b>(a) Current</b>			
Rateable revenue and utility charges		312	198
Other debtors		1,103	632
Less: Provision for doubtful debts		(11)	(31)
		<b>1,405</b>	<b>799</b>
<b>(b) Non-current</b>			
Loans and advances to community organisations		11	5
		<b>11</b>	<b>5</b>

Interest is charged on overdue rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable. Loans relate to advances made to various sporting bodies. These loans arise from time to time and no interest is charged. The credit risk on these loans is considered low.

### Note 13: Inventories

#### Current

##### Inventories for consumption:

Miscellaneous salable items	11	14
<b>Total inventories for consumption</b>	<b>11</b>	<b>14</b>

Valued at the lower of cost and selling price less cost to sell.

##### Inventories for distribution:

Plant and equipment stores	237	264
<b>Total inventories for distribution</b>	<b>237</b>	<b>264</b>

Valued at the lower of cost and replacement value

<b>Total inventories</b>	<b>248</b>	<b>278</b>
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### Note 14: Other financial asset

#### Current

Prepayments	31	133	84
		<b>133</b>	<b>84</b>

### Note 15: Non-current assets classified as held for sale

Land held for resale	308	290
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This land is held for future use of Council.

The land is valued at the lower of cost and selling price less cost to sell.

# Annual Financial Statements

## For the year ended June 2006

### Note 16a: Property, Plant and Equipment Valuations

Property, plant and equipment valuations were determined by reference to the following:

#### Land

Land has been included at current market value as at 31st March 2004 as determined by Mr Alfio Ponticello (B.Bus (R.P. Val & Admin)) of Australia Pacific Valuers Pty Ltd.

Land under infrastructure and reserve land does not have a value for the purpose of the Balonne Shire Council's financial statements.

#### Buildings

Buildings have been included at their written down current replacement cost as valued by Mr Alfio Ponticello (B.Bus (R.P. Val & Admin)) of Australia Pacific Valuers Pty Ltd, as at 31st March 2004.

#### Plant and Equipment

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

#### Infrastructure

##### Water and Sewerage Infrastructure -

Included at the written down replacement cost as at 31st March 2004 as determined by Mr John Deac (B.Eng) of Australia Pacific Valuers Pty Ltd .

##### Road and Drainage Infrastructure -

Included at the written down replacement cost as at 30th June 2005 as determined by Mr Max Henderson, Council's Director of Technical Services .

# Annual Financial Statements

For the year ended June 2006

## Note 16b: Council Property, Plant and Equipment

	LAND AND IMPROVEMENT	BUILDINGS	PLANT AND EQUIPMENT	FURNITURE AND FITTINGS	TRANSPORT INFRASTRUCTURE	WATER SUPPLY NETWORK	URBAN WASTE WATER NETWORK	OTHER NON- CURRENT ASSETS	Total
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>Asset Values</b>									
Opening gross value at cost	15	250	71	26	1,269	280	27	145	2,082
Opening gross value at valuation	2,442	16,945	9,258	538	95,121	19,214	11,476	4,018	159,013
Additions at cost	322	446	420	2	1,934	624	10	7	3,765
Disposals	-	-	(393)	-	-	-	-	-	(393)
Revaluation adjustment to the ARR	-	-	-	-	-	-	-	-	-
Revaluation adjustment to income	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Assets transferred to investment property	-	-	-	-	-	-	-	-	-
Internal transfers	-	-	-	-	-	-	-	-	-
<b>Closing gross value</b>	<b>2,779</b>	<b>17,642</b>	<b>9,356</b>	<b>566</b>	<b>98,324</b>	<b>20,118</b>	<b>11,514</b>	<b>4,170</b>	<b>164,467</b>
<b>Accumulated Depreciation</b>									
Opening balance	0	7,184	4,161	335	9,564	11,388	7,237	1,479	41,348
Depreciation provided in period	-	384	690	31	2,459	391	200	156	4,310
Depreciation on disposals	-	-	(190)	-	-	-	-	-	(190)
Revaluation adjustment to the ARR	-	-	-	-	-	-	-	-	-
Impairment adjustment to the ARR	-	-	-	-	-	-	-	-	-
Impairment adjustment to income	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Assets transferred to investment property	-	-	-	-	-	-	-	-	-
Internal transfers	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation at period end</b>	<b>-</b>	<b>7,568</b>	<b>4,661</b>	<b>365</b>	<b>12,022</b>	<b>11,779</b>	<b>7,437</b>	<b>1,636</b>	<b>45,468</b>
<b>Written down value at cost</b>	<b>337</b>	<b>682</b>	<b>446</b>	<b>21</b>	<b>3,071</b>	<b>891</b>	<b>36</b>	<b>137</b>	<b>5,623</b>
<b>Written down value at fair value at period end</b>	<b>2,442</b>	<b>9,392</b>	<b>4,249</b>	<b>179</b>	<b>83,230</b>	<b>7,447</b>	<b>4,041</b>	<b>2,397</b>	<b>113,377</b>
<b>Total written down value at period end</b>	<b>2,779</b>	<b>10,074</b>	<b>4,694</b>	<b>201</b>	<b>86,301</b>	<b>8,339</b>	<b>4,077</b>	<b>2,534</b>	<b>118,999</b>
<b>Total written down value at 30 June 2005</b>	<b>2,457</b>	<b>10,012</b>	<b>5,168</b>	<b>229</b>	<b>86,826</b>	<b>8,106</b>	<b>4,266</b>	<b>2,683</b>	<b>119,747</b>
Residual value	-	327	2,072	28	7,915	64	26	31	10,463

# Annual Financial Statements

## For the year ended June 2006

### Note 17: Capital works in progress

	<u>Notes</u>	<u>2005 Actual</u>	<u>2006 Actual</u>
		(\$'000)	(\$'000)
Capital works in progress		604	798
		<b>604</b>	<b>798</b>

### Note 18: Intangible Assets

<b>Software</b>			
Opening gross carrying value		83	90
Closing gross carrying value		<b>90</b>	<b>112</b>
<b>Accumulated amortisation</b>			
Opening balance		55	66
Amortisation in the period		11	13
Closing balance		<b>66</b>	<b>78</b>
<b>Net carrying value at the period end</b>		<b>24</b>	<b>34</b>
The software has a finite life not exceeding 10 years.			
Straight line amortisation has been used with no residual value.			
<b>Total intangible assets</b>		<b>24</b>	<b>34</b>

### Note 19: Trade and other payables

<b>Current</b>			
Creditors and accruals		217	212
Annual leave		280	311
Long service leave		30	50
Other entitlements		8	11
	31	<b>535</b>	<b>584</b>
<b>Non-current</b>			
Annual leave		162	249
Long service leave		535	632
		<b>697</b>	<b>881</b>

Employee benefit entitlements are calculated at current pay levels as adjusted for inflation and likely future changes in salary level.

These estimates are then 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. 50% of the non-current liability is funded.

# Annual Financial Statements

## For the year ended June 2006

### Note 20: Borrowings

	Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>Current</b>			
Loans QTC	21	403	380
		<b>403</b>	<b>380</b>
<b>Non-current</b>			
Loans	21	3,436	3,057
		<b>3,436</b>	<b>3,057</b>

### Note 21: Loans

#### (i) Queensland Treasury Corporation

Opening balance		4,180	3,839
Loans raised		-	-
Principal repayments	20	(341)	(403)
<b>Book value at period end</b>		<b>3,839</b>	<b>3,437</b>
Classified as:			
Current		403	380
Non-current		3,436	3,057
	31	<b>3,839</b>	<b>3,437</b>

The loan market value at the reporting date was \$3,480,891.17. This represents the value of the debt if the 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.

# Annual Financial Statements

## For the year ended June 2006

### Note 22: Asset revaluation reserve

	<u>Notes</u>	<u>2005 Actual</u>	<u>2006 Actual</u>
		(\$'000)	(\$'000)
<b>(i) Asset revaluation reserve</b>			
Movements in the asset revaluation reserve were as follows:			
Balance at beginning of the period		52,188	101,432
Net adjustment to non-current assets at end of period to reflect a change in current fair value:			
Buildings		41	-
Transport Infrastructure		49,202	-
		<b>49,243</b>	<b>-</b>
<b>Balance at end of the year</b>		<b>101,432</b>	<b>101,432</b>
<b>(ii) Asset revaluation reserve analysis</b>			
The closing balance of the asset revaluation reserve is comprised of the following asset categories:			
Land and improvements		952	952
Buildings		5,322	5,322
Plant and equipment		1,498	1,498
Furniture and Fittings		307	307
Other Structures		1,507	1,507
Transport Infrastructure		72,501	72,501
Water		11,369	11,369
Urban Waste Water		7,975	7,975
		<b>101,432</b>	<b>101,432</b>

### Note 23: Retained surplus

Movements in the retained surplus were as follows:

Retained surplus/(deficit) at the beginning of the financial year	16,593	15,425
Result from ordinary activities	(433)	1,338
Transfers (to) from capital reserves for future capital project funding, or from reserves funds that have been expended:		
Future capital works reserve (net)	(83)	140
Asset replacement reserve (net)	(725)	272
Constrained works reserve (net)	-	(818)
Transfers (to) from recurrent reserves for future project funding, or from reserves funds that have been expended:		
Recurrent expenditure reserve	73	57
<b>Retained surplus at the end of the financial year</b>	<b>15,425</b>	<b>16,413</b>

# Annual Financial Statements

## For the year ended June 2006

### Note 24: Other reserves

Notes	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>(a) Summary of reserves held for future capital expenditure:</b>		
(i) Future capital works reserve	789	649
(ii) Asset replacement reserve	2,903	2,631
(iii) Constrained works reserve	-	818
	<b>3,692</b>	<b>4,098</b>
<b>(b) Summary of reserves held for future recurrent expenditure:</b>		
(i) Recurrent expenditure reserve	62	5
	<b>62</b>	<b>5</b>
<b>Total reserves</b>	<b>3,753</b>	<b>4,103</b>
<b>(c) Movements in capital reserves are analysed as follows:</b>		
<b>(i) Future capital works reserve</b>		
Balance at the beginning of period	705	789
Transfer from retained earnings for future expenditure	512	232
Transfer to retained earnings funds expended in the period	(429)	(372)
<b>Balance at the end of period</b>	<b>789</b>	<b>649</b>
<b>(ii) Asset replacement reserve</b>		
Balance at the beginning of period	2,178	2,903
Transfer from retained earnings for future expenditure	725	441
Transfer to retained earnings funds expended in the period	-	(713)
<b>Balance at the end of period</b>	<b>2,903</b>	<b>2,631</b>
<b>(iii) Constrained works reserve</b>		
Balance at the beginning of period	-	-
Transfer from retained earnings for future expenditure	-	818
Transfer to the retained earnings funds expended in the period	-	-
<b>Balance at the end of period</b>	<b>-</b>	<b>818</b>
<b>(d) Movements in recurrent reserves are analysed as follows:</b>		
<b>(i) Recurrent expenditure reserve</b>		
Balance at the beginning of period	134	62
Transfer from retained earnings for future expenditure	41	5
Transfer to retained earnings	(114)	(62)
<b>Balance at the end of period</b>	<b>62</b>	<b>5</b>

# Annual Financial Statements

## For the year ended June 2006

### Note 25: Commitments for expenditure

	<u>Notes</u>	<u>2005 Actual</u>	<u>2006 Actual</u>
		(\$'000)	(\$'000)
<b>Operating leases</b>			
Minimum lease payments in relation to non-cancellable operating leases are as follows:			
Within one year		4	4
One to five years		24	25
		28	30
<b>Contractual commitments</b>			
Contractual commitments at balance date but not recognised in the financial statements are as follows:			
Major Vehicles on Order		76	238
Cleaning contractors		284	295
		360	533

### Note 26: Contingent liabilities

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

The Balonne Shire Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or being unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect of any year that a deficit arises.

### Note 27: Events after balance date

There were no material adjusting events after the balance date.

### Note 28: Superannuation

The Balonne Shire Council contributes to the Local Government Superannuation Scheme (the scheme). The scheme has two elements referred to as the defined benefits scheme and the accumulation scheme.

Both these schemes are defined contribution schemes as defined in the Australian Accounting Standard AASB119 Employee Benefits. Council has no liability to, or interest in, the scheme beside the payment of statutory contributions.

Any amount by which either scheme is over- or under- funded would only affect future benefits 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 2005 (the most recent available) which were not subject to any audit qualification, indicates that the assets of the plan are sufficient to meet the accrued benefits.

The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at 30 June 2005. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet member's benefits as they accrue.

The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation fund for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

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

<b>Contributions</b>	<b>312</b>	<b>350</b>
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# Annual Financial Statements

## For the year ended June 2006

### Note 29: Trust funds

<u>Notes</u>	<u>2005 Actual</u>	<u>2006 Actual</u>
	(\$'000)	(\$'000)
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities	-	-
Security deposits	48	55
	<b>48</b>	<b>55</b>

The Balonne Shire 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.

### Note 30: Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities

Result from ordinary activities	(433)	1,338
Non-cash operating items:		
Depreciation and amortisation	4,544	4,323
	<b>4,544</b>	<b>4,323</b>
Investing and development activities:		
Net (profit) loss on disposal of non-current assets	46	87
Non-cash Contributions	(2)	(178)
	<b>44</b>	<b>(91)</b>
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	(50)	700
(Increase) decrease in other operating assets	(3)	(83)
Increase (decrease) in payables	37	(53)
Increase (decrease) in other liabilities	(104)	235
	<b>(120)</b>	<b>799</b>
Net cash inflow from operating activities	<b>4,035</b>	<b>6,369</b>

# Annual Financial Statements

## For the year ended June 2006

### Note 31: Financial instruments

#### (a) Credit risk exposures

The credit risk on financial assets of the Council which have been recognised on the Balance Sheet is generally the carrying amount, net of provision for doubtful debts. The Council has no major concentration of credit risk to any single debtor or group of debtors.

#### (b) Interest rate risk

The Council's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market rates and the weighted average interest rate by maturity periods is set out in the table below. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Council intends to hold fixed assets and liabilities to maturity.

#### (c) Net fair value of financial assets and liabilities

The net fair value of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities of the Council, approximates their carrying amounts.

The net fair value of other monetary financial assets and liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

The net fair value of non-traded equity investments is an assessment by the Council based on the underlying assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

#### (d) Unused loan facilities

The Council does not have an unused loan facility.

# Annual Financial Statements

## For the year ended June 2006

### Note 31: Financial instruments

	<u>Notes</u>	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
		2005 Actual (\$'000)	2006 Actual (\$'000)	2005 Actual (\$'000)	2006 Actual (\$'000)	2005 Actual (\$'000)	2006 Actual (\$'000)	2005 Actual (\$'000)	2006 Actual (\$'000)
<b>Financial assets</b>									
Cash and cash equivalents	11	417	5,629	2,900	-	1	1	3,319	5,630
Receivables	12	-	-	302	168	1,114	635	1,416	803
Prepayments	14	-	-	-	-	133	84	133	84
		<b>417</b>	<b>5,629</b>	<b>3,202</b>	<b>168</b>	<b>1,248</b>	<b>721</b>	<b>4,868</b>	<b>6,518</b>
Weighted average interest rate		3.5%	6.2%	5.6%	11.0%	-%	-%		
<b>Financial liabilities</b>									
Payables	19	-	-	-	-	535	584	535	584
Loans - Queensland Treasury Corporation	21	-	-	3,839	3,437	-	-	3,839	3,437
Other bank loans		-	-	-	-	-	-	-	-
Finance leases		-	-	-	-	-	-	-	-
		-	-	<b>3,839</b>	<b>3,437</b>	<b>535</b>	<b>584</b>	<b>4,374</b>	<b>4,021</b>
Weighted average interest rate		-%	-%	6.5%	6.4%	-%	-%		
		<b>417</b>	<b>5,629</b>	<b>(637)</b>	<b>(3,269)</b>	<b>713</b>	<b>137</b>	<b>493</b>	<b>2,497</b>
<b>Net financial assets</b>									

# Annual Financial Statements

## For the year ended June 2006

### Note 32: National Competition Policy

(a) **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 which Council has with Department of Main Roads for its "Road Maintenance Performance Contract" and for other works it has a "Construction Tender Invitation".
- (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. Balonne Shire Council has a combination of tender process and day labour.

(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 itself. Excluded activities are (a) library services, (b) an activity or part thereof prescribed by legislation.

Local governments 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 an activity's cost(s) which would not be incurred if the activity's primary objective were 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.

The Council has resolved not to apply the CCC to any activities.

## Note 33: Transition to International Financial Reporting Standards

Changes have been made to the Australian Accounting Standards to align Australian practice more closely with accounting in the international community. These changes required the Council to adopt a number of different accounting policies and to present its financial reports differently for the year ending 30 June 2006 and subsequent years.

The areas which have changed significantly are set out below.

### Property, plant and equipment

The main area of impact is in recognition and measurement of property, plant and equipment. The Council has adopted permitted methods which measure Land, Buildings and Infrastructure Assets on the revaluation basis. Plant and equipment is measured at its depreciated actual or deemed cost.

### Intangible assets

The criteria for intangible assets have changed. This means that the Town Plan, which had been shown as part of Property Plant and Equipment is not recognised, but computer software which had previously been treated as an expense will be recognised as an intangible asset.

### Impairment testing

Most assets are subject to impairment testing. This means the council has to assess whether the benefits to be obtained from the asset (value in use) or its realisable value exceed the value at which it would be shown in the books. If they both fall short, the asset will be written down to the higher of those two values. For the council these requirements are less severe than for many organisations as the council carries many of its assets at depreciated replacement cost where this is equivalent to fair value, and this is one of the measures for value in use for a Not-for-Profit organisation.

### Provisions for disposal and restoration of long lived assets

The council has an obligation to meet future costs for the disposal of some of its long lived assets, or for the restoration of land on which they stand. This obligation is now recognised as a liability and added to the cost of the asset. In effect this change is reflected in the revaluation reserve in respect of those assets.

### Investment property

Investment property is recognised at fair value rather than at depreciated cost.

# Annual Financial Statements

## For the year ended June 2006

### Note 33: Transition to International Financial Reporting Standards

For the year ended 30 June 2006

	<u>Notes</u>	<u>2004 Actual</u>	<u>2005 Actual</u>
The following reconciliations show how the results and financial position as stated on the new basis differ from the amounts on the old basis.			
<b>(a) Result from ordinary activities (on old basis)</b>		(763)	(959)
(Plant is accounted for at cost rather than at a mixture of cost and fair value.)			
Decrease in depreciation charge		-	530
(Plant is accounted for at cost rather than at a mixture of cost and fair value.)			
Removal of depreciation on Town Plan		1	1
(Not recognised as an intangible asset.)			
Derecognised Town Plan - Work in Progress		(3)	(4)
<b>Result from ordinary activities (on new basis)</b>		(765)	(433)
<b>(b) Net assets (on old basis)</b>		71,835	120,119
Plant and equipment adjusted to cost basis		-	530
Town plan derecognised		(5)	(4)
Derecognised Town Plan Work in Progress		(31)	(35)
<b>Net assets (on new basis)</b>		71,799	120,610
<b>(c) Equity</b>			
ASSET REVALUATION RESERVE			
On old basis		52,188	101,432
On new basis		52,188	101,432
RETAINED SURPLUS			
On old basis		16,629	14,933
Derecognised Town Plan Work in Progress		(31)	(35)
Plant and equipment adjusted to cost basis		0	530
Town plan derecognised		(5)	(4)
On new basis		16,593	15,425
OTHER RESERVES			
On old basis		3,018	3,753
On new basis		3,018	3,753
<b>Total Equity (on new basis)</b>		71,799	120,610

**Balonne Shire Council  
Management Certificate**

**For the year ended 30 June 2006**

This general purpose financial report has been prepared pursuant to section 532 of the Local Government Act 1993(the Act), 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 local government considers the relevant recording and reporting procedures have been complied with in the preparation of the financial statements; and
  
- (ii) the financial statements for the year ended 30 June 2006 and supporting notes present the Council's income, equity, balance sheet and cash flows as required by the Local Government Act 1993.

.....  
Robert Errol Buchan  
Mayor

Date:

.....  
Allan James Young  
Chief Executive Officer

Date:

## INDEPENDENT AUDIT REPORT

**To the Mayor of Balonne Shire Council**

### **Matters Relating to the Electronic Presentation of the Audited Financial Report**

The audit report relates to the financial report of Balonne Shire Council for the financial year ended 30 June 2006 included on Balonne Shire Council's web site. The Council is responsible for the integrity of the Balonne Shire Council's web site. We have not been engaged to report on the integrity of the Balonne Shire Council's web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Balonne Shire Council, to confirm the information included in the audited financial report presented on this web site.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

### **Scope**

#### *The Financial Report*

The financial report of Balonne Shire Council consists of the Income Statement, Balance Sheet, Statement of Cash Flows, Statement of changes in equity, notes to and forming part of the financial report and certificates given by the Mayor and CEO for the year ended 30 June 2006.

#### *Council's Responsibility*

The Council is responsible for the preparation and true and fair presentation of the financial report, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### *Audit Approach*

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards*, which incorporate the Australian Auditing Standards, to enable me to provide an independent opinion whether in all material respects the financial report is presented fairly, in accordance with the prescribed requirements.

Audit procedures included -

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial report;
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Council;
- obtaining written confirmation regarding the material representations made in conjunction with the audit; and
- reviewing the overall presentation of information in the financial report.

## Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors.

The Auditor-General is the auditor of all 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.

## Audit Opinion

In accordance with s.532 of the *Local Government Act 1993* I have audited the Council's financial report, and -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
  - (iii) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (iv) 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 transactions of the Balonne Shire Council for the financial year 1 July 2005 to 30 June 2006 and of the financial position as at the end of that year.

J H GOSPER B Comm CPA  
as Delegate of the Auditor-General of Queensland

Toowoomba.

### 30 June 2006 Vital Signs

Number of rateable Properties	2,257	Permanent Employees	75
Valuation of rateable properties	\$354 Million	Casual/Part Time Employees	11
Minimum General Rate for 2005/2006	\$420	Dogs Registered	1,122
Total Pensioner Rate Remission	\$52,858	Development Approvals	
Library Membership	1,803	<i>Building Approvals</i>	118
Library Borrowings	2,346	<i>Material Change of Use</i>	9
Population (2001 Census)	5,564	<i>Operational Works</i>	-
Cash Donations to Community Groups	\$9,670	<i>Reconfiguration of Lot</i>	19
Capital Expenditure (including Work in Progress)	\$3.813 Million	Length of Council Roads (does not include Roads owned by Main Roads)	2,388 Kilometres
Request for Action (A formal request for Council to perform a task)	171	Number of Halls/Cultural Centres	5
Total Depreciation (The charge made to allocate the cost of an asset over its expected useful life.)	\$4.323 Million	Hall/Cultural Centre Expenditure Maintained by Council (including depreciation)	\$201,932
Unfunded Depreciation	\$1.416 Million	Sport/Recreation Facilities Expenditure (including depreciation)	\$69,934
Queensland Treasury Corp Loans (monies owed to QTC)	\$3.437 Million	Swimming Pool Expenditure (including depreciation)	\$143,559
Total Area of Parks and Gardens Maintained by Council	65 Hectares	Tennis Court Expenditure (including depreciation)	\$6,218
Parks and Gardens Expenditure (including depreciation)	\$263,896	Number of Showgrounds Maintained by Council	5
Garbage Recycled	49.5 Tonnes	Showground Expenditure (including depreciation)	\$206,655

### Brief Overview of Financial Statements

(what do these reports actually state):

#### Statement of Financial Performance:

This statement indicates how Council is obtaining and spending its monies. (Includes non-cash items)

**Operating Revenue** (Income – includes Rates, Fees and Charges, Grants and Subsidies) - **\$14,704,000**

**Operating Expenses** (Provision of Services, Maintaining Council Assets and Borrowing Costs) - **\$13,366,000**

**Net Position** (Revenue less Expenses) – **\$1,338,000**

#### Statement of Cash Flows:

States where Council's cash comes from and where it goes to.

**Cash Receipts** - \$15,710,000

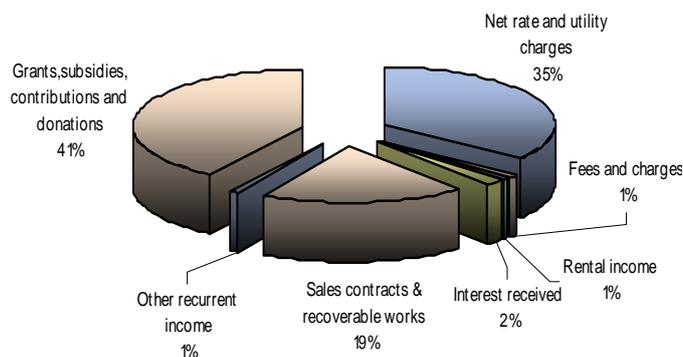
**Cash Payments** - \$12,997,000

**Net increase in Cash** - \$2,311,000

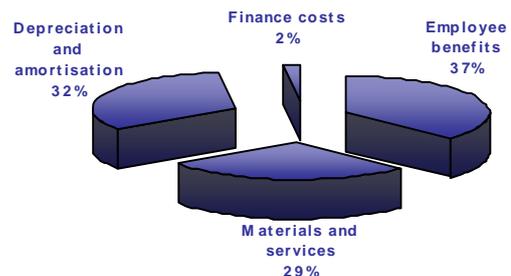
**Cash on Hand 30 June 2004** - \$5,630,000

Cash on Hand includes \$5,200,000 invested with Queensland Treasury Corporation

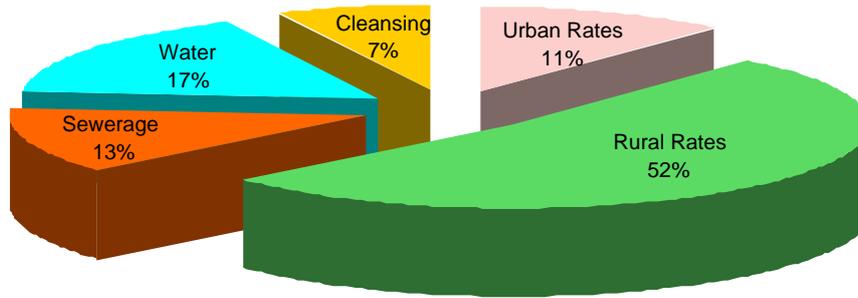
Revenue Break-up (Money coming in to Council)



How Funds were Used in Providing Council Services



### Rates/Charges Break-up (What the ratepayers actually pay)



#### Analysis by Function:

States the revenue and expenditure of each Council's Function. Council's largest Function is Transport Infrastructure which includes roads, streets, aerodromes, and storm water drainage and flood mitigation.

#### Revenue and Expenditure by Function (\$'000)

	Admin	Business Services	Cleansing	Comm & Cultural	Environ & Health	Finance	Planning & Dev	Transport Infras	Waste Water	Urban Water
Revenue	56	2,881	349	533	108	5,676	92	3,235	672	1,102
Expenditure	833	2,801	331	1,390	910	66	317	5,189	402	1,128

#### Statement of Financial Position:

An updated version of the old Balance Sheet. This statement details Councils Assets (what it owns), Liabilities (what it owes) and Equity (which is the balance of Assets over Liabilities)

Total Assets - \$126,916,182

(60% is comprised of Transport Infrastructure.)

Total Liabilities - \$4,968,537

Total Community Equity - \$121,947,645

#### Capital Expenditure (\$'000) - Assets that Council Acquired 2005/2006

Land	Buildings	Plant & Equipment	Furniture
322	446	420	2
Transport	Urban Water	Urban Waste Water	Other Assets
1,934	624	10	7

#### Borrowing Position as at 30<sup>th</sup> June 2006

Program	Opening Loan Balance as at 1 July 2005	Closing Loan Balance as at 30 June 2006
Roads	26,409	-
Bridges	1,369,775	1,223,197
Stormwater Drainage	132,116	115,492
Works Depots	1,324,824	1,273,154
Swimming Pools	92,407	84,379
Halls/Civic/Cultural Centres	108,057	92,166
Urban Waste Water	323,991	291,435
Urban Water	461,571	356,733
<b>Total</b>	<b>\$3,839,149</b>	<b>\$3,436,555</b>

#### Trend Analysis - Financial Ratios which give an indication of how the Council is Performing over a 3-Year Period:

	05/06	04/05	03/04		05/06	04/05	03/04
<b>Net Rate and Utility Charges Revenue/Total Revenue</b> (The percentage of monies from rate payers out of total Council Revenue - Basically how much does Council rely on Rate Payers for Revenue)	35.45%	40.21%	44.32%	<b>Net Debt /Total Revenue</b> (The percentage of Council's Total Debt including long term borrowings divided by Council's Total Revenue)	33.79%	42.56%	52.58%
<b>Debt Servicing and Redemption Cost / Total Revenue</b> (The percentage of Total Revenue that is required to meet Council's annual loan repayments including both interest and redemption )	4.39%	4.97%	5.27%	<b>Current Assets/Current Liabilities</b> (The ratio of Current Assets which includes Cash in Council's Bank Accounts and in Investments plus Monies owed to Council to the portion of Monies that Council is required to pay within a twelve month period.)	6.24:1	4.47:1	4.57:1
<b>Interest/Redemption / Rates and Charges</b> (Total Proportion of Rates and Charges Required to Pay Interest and Redemption Charges through the Year)	12.38%	12.36%	11.89%				

## APPENDIX 2

Balonne Shire Council

### LISTING OF DOCUMENTS AND REGISTERS

#### ACCESS TO COUNCIL DOCUMENTS

Documents Available for Inspection/Sale  
Prices set for the 2005/2006 Financial Year

Document	Price
Council Agenda	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Council Meeting Minutes	\$5.00 per Meeting
Standing Committee Agendas	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Standing Committee Minutes	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Administrative Policy Manual	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Annual Budget Statement	\$10.00 per copy
Council Local Laws and Local Law Policies	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Annual Report	\$5.00 per copy
Shire Planning Scheme Document	\$10.00 per copy
Development Application Register	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Rating/Property/Building Search	\$100.00 per property \$150.00 per property urgent (within 2 days)
Town Planning Certificate	\$100.00 per property
Shire Street/Road Register	\$0.25 per single A4 page \$0.45 per double-sided A4 page
Cemetery Register	** \$1.10 per single sheet or part thereof (Computer Printout)
Sewerage House Drainage Plans	\$2.50 each
Shire Organisations - Address Book (8x3 Address Label Format)	** \$0.06 per record (Minimum charge ** \$1.10) No charge for charitable organisations
Shire Promotional Video	** \$10.00 each includes postage in Australia

#### Documents Available via Subscription Service

Minutes of all Council Meetings	\$60.00 per year
Building Approval Lists	\$70.00 per year

\*\* Goods and Services Tax payable

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2005-2006**

**1. PURPOSE OF THE REMUNERATION PACKAGE.**

This remuneration package has the following objectives:

- (a) to fix the basis for payment to the Mayor, Deputy Mayor and Councillors for services rendered in carrying out their statutory duties;
- (b) to establish a reasonable reimbursement to Councillors for expenses reasonably incurred in carrying out their statutory duties.

**2. PRINCIPLES ON WHICH REMUNERATION PACKAGE IS TO BE BASED**

- (a) to reimburse Councillors for attendances at Meetings of the Council, it's Committees and other Organisations in an official capacity;
- (b) to reimburse Councillors for their attendance at authorised Conferences, Meetings, Inspections and Deputations;
- (c) to reimburse Councillors for attending to Ratepayers and Citizen inquiries;
- (d) the proposed remuneration to Council Members is expected to reimburse Members' time taken in attending Meetings and in carrying out research and examination of Documents to prepare fully for those Meetings. This may include such activities as site inspections and discussions with Council Officers for further information.

Council currently meets for one General Meeting each month and this includes a Finance Committee Meeting of the whole of the Council. Special Meetings are called from time to time when business requires (e.g. the preparation of Council's Budget)

A listing of fees/allowances paid to each Councillor is published in the Council's Annual Report.

**2.1 Meeting Attendance Fees**

Daily Meeting Fees will be paid for attendance of a meeting or meetings as follows:-

- (a) Council General Meetings, Council Standing Committee Meetings, Council Special Meetings; Council Authorised Conferences; Council Authorised Deputations, Council Authorised Delegations and Inspections, Council Advisory Committee Meetings and Council Authorised Community Committee Meetings.
- (b) Meeting Fees will not be paid where an Elected Member is already paid a meeting fee/allowance by the Statutory Bodies or Community Committee upon which the Elected Member directly represents Council.
- (c) Meeting fees payable are:-

	Councillor			Mayor		
	Where the meetings, inclusive of travel time, are:-					
	greater than 4 hours duration	less than 4 hours but greater than 2 hours duration	less than 2 hours duration	greater than 4 hours duration	less than 4 hours but greater than 2 hours duration	less than 2 hours duration
	(100%)	(60%)	(40%)	(110%)	(66%)	(44%)
Meeting Fees (per day)	\$180	\$108	\$72	\$198	\$119	\$79

**2.2 Mayoral Allowance**

- (a) The annual allowance payable to the Mayor shall be \$17,000.

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2005-2006**

**APPENDIX 3**

- (b) This allowance will be in addition to the Meeting Fees.
- (c) To facilitate administrative matters, the Council shall maintain and pay all telecommunication charges with respect to a facsimile machine installed at the Mayor's residence.

**2.3 Deputy Mayoral Allowance**

- (a) The annual allowance payable to the Deputy Mayor shall be \$7,000.
- (b) This allowance will be in addition to Meeting Fees.
- (c) This allowance provides for Acting Mayoral duties, as required in the absence of the Mayor.

**2.4 Councillor Allowance**

- (a) The annual allowance payable to a Councillor, other than the Mayor and Deputy Mayor, shall be \$4,000.
- (b) This allowance will be in addition to Meeting Fees.

**2.5 Communication Allowance**

- (a) Elected Members shall receive an annual Communication Allowance of \$1,500 to help defray additional telephone, facsimile and postage costs associated with their duties.
- (b) This allowance will be in addition to Meeting Fees.

**3. MOTOR VEHICLE EXPENSES**

- (a) Elected Members will be entitled to a mileage allowance on actual mileage travelled in attending to the abovementioned meetings where the Elected Member is required to use his/her private vehicle. Mileage allowance will be paid for necessary use of a private vehicle for Council business only. Council will, where possible, provide a Council vehicle or vehicles for travelling necessary for official duties and where such vehicles are made available, mileage allowance will not be paid.
- (b) The mileage rate applicable will be that of the "Engine Capacity - 2601cc and over" rate referred to in Clause 12.5 of the Queensland Local Government Officers' Award. (Currently 62.0 cents per km)

**4. REIMBURSEMENT OF EXPENSES**

- (c) The Council will be responsible for the payment of accommodation costs (including breakfast) and travelling expenses, for both Delegates' and Observers' attendance at all Conferences, Meetings and the like at which the Council has resolved it will be officially represented.
- (d) Elected Members shall be paid an Out of Pocket Expense allowance at the rate of \$50.00 per day for Official duties outside the Shire area. Such duties may include attendance of conferences, seminars, meetings and the like. This allowance shall cover the cost of meals, other than breakfast (refer Clause 4 a) and shall be paid regardless of whether or not meals are included in the registration cost of such conferences, seminars, meetings and the like.
- (e) Council will either make payment direct to Creditors, or reimburse Elected Members for eligible expenses incurred on Official duties, on production of receipts or other acceptable evidence of expenditure, in circumstances where that Elected Member is obliged to spend his/her own funds.
- (f) Whenever practicable the Council will provide Council vehicles for both Delegates' and Observers' attendance at all Conferences, Meetings and the like at which the Council has resolved it will be officially represented. Where possible, the request for use of a Council vehicle shall be made at least two (2) days in advance and in writing on the form provided.
- (g) When applicable, the payment of all air fares and air charter expenses for both Delegates' and Observers' attendance at all Conferences, Meetings and the like at which the Council has resolved it will be officially

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2005-2006**

**APPENDIX 3**

represented, is the responsibility of the Council.

- (h) Such expenses shall also be reimbursed in situations where, by virtue of that Elected Member's appointment or election to an Organisation where that Elected Member does not directly represent the Council and where no Allowance, Travelling or Other Expense, is paid by that Organisation.
- (i) Such expenses shall not be reimbursed in situations where any Elected Member is paid an Allowance, Travelling or Other Expense, by that Organisation on which that Elected Member represents the Council, or in situations where by virtue of that Elected Member's appointment or election to that Organisation, that Elected Member does not directly represent the Council.
- (j) Telephone, Facsimile and Postage expenses incurred by Elected Members in carrying out their duties are deemed to be covered by the annual Communication Allowance.
- (k) Councillors who live outside the town in which a General, Special or Other Committee meeting of the Council is held shall be entitled, in relation to attendance of such meetings, to be reimbursed for accommodation and meals as follows:-
  - 1) Where the meeting is to commence before 10:00am, accommodation/meals on the evening before the meeting; and/or
  - 2) Where the meeting does not close or adjourn until after 6:00pm, accommodation/meals on the evening of the meeting.
  - 3) Where a General, Special or Other Committee meeting of the Council is held in a town other than St. George, lunch for Councillors shall be arranged and paid for by the Council.

## **5. METHOD OF PAYMENT**

- (a) All claims for payments to Councillors, other than the Mayoral, Deputy Mayoral, Councillor and Communication Allowances, must be accompanied by the prescribed Councillors Time Sheet.
- (b) Payment will be made as follows:-
  - 1) General/Special Meetings of the whole Council held in Chambers - **by direct credit to a bank account of the Councillor's nomination within 7 days of time sheets being received.** *(A time sheet will be provided at each such meeting and Councillors must certify receipt of cash on the form provided)*
  - 2) General/Special Meetings of the whole Council held at other than Chambers - **by direct credit to a bank account of the Councillor's nomination within 7 days of time sheets being received.** *(A time sheet will be provided at each such meeting)*
  - 3) Committee Meetings, Deputations, Inspections attended by other than the whole Council -**by direct credit to a bank account of the Councillor's nomination within 7 days of time sheets being received.**
  - 4) Conferences - **by cash in advance (if arranged).** *(A time sheet will be provided for each Councillor to complete at the time of receipt of Cash and Councillors must certify receipt of cash on the form provided)*
  - 5) Accommodation (incl. meals) - **paid by Council direct to motel etc. upon receipt of an account** *(A Council Purchase Order will be provided to motel etc.. in advance) (Councillors will be billed for other than telephone calls for Council business which are made from motel etc.. - records must be kept if claiming for calls)*
  - 6) Other relevant expenses incurred (eg fuel) - by direct credit to a bank account of the Councillor's nomination within 7 days of time sheet, including proof of purchase (eg. paid Tax Invoice/Receipt), being received.
- (c) Payment of the Mayoral, Deputy Mayoral, Councillor and Communication Allowances shall be made quarterly **by direct credit to a bank account of the Councillor's nomination.**

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2005-2006**

**APPENDIX 3**

**6. DATE AND PERIOD OF EFFECT**

- (a) The remuneration package as listed above will have effect from 1<sup>st</sup> July, 2005, and will remain constant until 30<sup>th</sup> June, 2006.

**7. BASIS FOR ADOPTING THE REMUNERATION PACKAGE**

It is considered that the more extensive duties of the Mayor and Deputy Mayor justify higher remuneration than the remuneration appropriate for Elected Members.

From time to time Elected Members are required to represent the Council at Meetings of the various Local Government Associations and other Regional Associations and Committees, of which Council is an affiliate.

The fees proposed are considered to provide a reasonable level of remuneration for elected Members having regard to their statutory duties, expected accessibility to Ratepayers and Citizens of the Shire and other community expectations of Elected Members and are based on the premise that an Elected Member should not be out-of-pocket for attending to their duties of Office.

## 1.0 BACKGROUND

Section 7 of the Local Government Finance Standard, 1994 requires Local Governments to adopt a policy about borrowings. Such a policy must, as a minimum, include:-

- new borrowings planned for the current financial year and the next two (2) financial years; and
- the purpose of the new borrowings; and
- the time over which it is planned to repay existing and proposed borrowings.

## 2.0 POLICY

### *2.1 Purposes for which borrowing is allowable.*

Council shall, where necessary, undertake borrowing for the following purposes only:-

- Road works/ Street works construction/reconstruction
- Bridgeworks construction/reconstruction
- Water Supply Infrastructure construction/reconstruction
- Sewerage Infrastructure construction/reconstruction
- Aerodrome construction/reconstruction
- Building construction/reconstruction
- Drainage works construction/reconstruction
- Community Services Infrastructure construction/reconstruction

Borrowing for the above purposes is subject to the following restrictions in addition to those imposed elsewhere in this policy:-

#### **2.1.1 Roadworks construction / reconstruction**

*Construction / Reconstruction to bitumen or equivalent standard  
Construction / Reconstruction of major road drainage works*

#### **2.1.2 Bridgeworks construction / reconstruction**

*Construction / Reconstruction of major bridges*

#### **2.1.3 Water Supply Infrastructure construction / reconstruction**

*Any construction / reconstruction which cannot be funded from revenue*

#### **2.1.4 Sewerage Infrastructure construction / reconstruction**

*Any construction / reconstruction which cannot be funded from revenue*

#### **2.1.5 Aerodrome construction / reconstruction**

*Aerodrome pavement reconstruction etc.*

#### **2.1.6 Building construction / reconstruction**

*Major public building construction / reconstruction*

#### **2.1.7 Drainage works construction / reconstruction**

*Major storm water drainage works / flood mitigation works*

#### **2.1.8 Community Services Infrastructure**

*Major Recreation / Sport / Economic Development / Cultural infrastructure construction / reconstruction which cannot be funded from revenue.*

### ***2.2 Financial constraints on borrowing.***

#### **2.2.1 General Programmes**

Borrowing shall not be undertaken if the effect of such borrowing will result in annual Interest and Redemption payments exceeding 30% of Council's general rate revenue unless specifically authorised otherwise by resolution of Council.

#### **2.2.2 Urban Water Programme**

Borrowing shall not be undertaken if the effect of such borrowing will result in annual Interest and Redemption payments exceeding 30% of Council's urban water utility charge revenue unless specifically authorised otherwise by resolution of Council.

#### **2.2.3 Sewerage Programme**

Borrowing shall not be undertaken if the effect of such borrowing will result in annual Interest and Redemption payments exceeding 30% of Council's sewerage utility charge revenue unless specifically authorised otherwise by resolution of Council.



#### **2.2.4 Special Rate Programmes**

No further loan funds shall be raised under the St. George Special Rate Programme.

No loan funds shall be raised under the Dirranbandi Special Rate Programme.

#### ***2.3 Method of borrowing.***

Council will borrow from the Queensland Treasury Corporation.

#### ***2.4 Terms of borrowing.***

The repayment period of a loan shall not exceed the useful life of the asset being created. *For example:- A loan for the construction of a bitumen road with an expected life of 15 years shall not have a repayment period in excess of 15 years.*

#### ***2.5 Borrowing programme***

Council's borrowing programme for the current financial year and the proposed borrowing programme (tentative) for the next two (2) financial years are as provided in Appendix "A".

#### ***2.6 Existing Borrowings***

Council's existing borrowings shall be redeemed over the period originally negotiated, excepting that Council may negotiate new repayment schedules which shorten the term of the loan.

Where the provisions of this borrowing policy allow, loans which fall due for conversion shall be fully redeemed at the time specified for conversion.

Loans which fall due for conversion, and are to be renegotiated, shall be renegotiated as if they are new loans under this borrowing policy.

Balonne Shire Council  
**Borrowing Policy 2005-2006**

APPENDIX 4



Resolution Date: 15<sup>th</sup> July, 2005

Meeting Type: General

**APPENDIX "A"**

**PROPOSED BORROWING PROGRAMME**

Financial Year	Programme	Term (years)	Purpose
2005-06	4410	20	\$900,000 - St. George Sewage Treatment Plant Augmentation
2006-07	425	20	\$300,000 - Stormwater Drainage - Murchison and Barlee Streets
2006-07	5410	20	\$200,000 - Water Reticulation Extensions/Replacement
2007-08	425	20	\$288,000 - Underground Stormwater Drainage - St George - INDICATIVE ONLY
2007-08	5510	20	\$250,000 - Water Reticulation upgrades/replacements - INDICATIVE ONLY
2007-08	205	20	\$1,500,000 - Administration Office / Cultural Centre - INDICATIVE ONLY
2008-09	410	20	\$293,000 - Road Capital Expenditure - INDICATIVE ONLY
2008-09	5510	20	\$100,000 - Water Reticulation upgrades / replacements - INDICATIVE ONLY

Balonne Shire Council  
**Borrowing Policy 2005-2006**

APPENDIX 4



Resolution Date: 15<sup>th</sup> July, 2005

Meeting Type: General

Financial Year	Programme	Term (years)	Purpose
2009-10	425	20	<i>\$300,000 – Stormwater Drainage Capital Expenditure – INDICATIVE ONLY</i>
2009-10	4410	20	<i>\$300,000 – Sewage Reticulation upgrades / replacements – INDICATIVE ONLY</i>
2009-10	5510	20	<i>\$250,000 – Water Reticulation upgrades / replacements – INDICATIVE ONLY</i>



# Balonne Shire Council

## Revenue Policy

### 2005-2006

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## **1.0 Background**

The *Local Government Act, 1993* imposes a requirement on Council to publish a Revenue Policy which clearly establishes the principles used by Council in exercising its revenue raising powers.

This Revenue Policy must be reviewed and adopted each year prior to the Council setting its budget and provides detail of the principles in the following areas:-

- The making of rates and charges
- The levying of rates
- The recovery of rates and charges
- The exercise of the concession powers

Section 963(1) of the Act empowers a Local Government, for a financial year, to make and levy:-

- (a) general rate or differential general rates; and
- (b) minimum general rate levies; and
- (c) separate rates and charges; and
- (d) special rates and charges; and
- (e) utility charges.

Section 963(2) further allows a local government to make general charges.

## **2.0 POLICY - General Rate or Differential General Rates**

Section 965 of the Act requires a local government to make a general rate or differential general rates each financial year.

Council accepts the unimproved value of land as the prime indication of ability to pay and accordingly adopts a single general rate for both rural and urban rateable lands throughout its area, regardless of land use.

A single general rate is made and levied on the basis of the unimproved value of rateable land as supplied by the valuing authority.

Council does not consider that the levying of differential general rates is currently required.

## **3.0 POLICY - Minimum General Rate**

Section 967 of the Act empowers Council to identify land for minimum general rating purposes in any way it considers appropriate.

The Council adopts a single minimum general rate for all rateable lands throughout its area, rural or urban, regardless of land use.

The minimum general rate is specified annually in dollar terms at Council's budget meeting.

## 4.0 POLICY - Separate Rates and Charges

Separate rates and charges are defined under Part 3 of Chapter 1 of the Act as being rates and charges made and levied equally on all lands in the local government area.

Section 972 of the Act empowers a local government to make and levy a separate rate or charge for a service, facility or activity.

The Council does not propose to levy separate rates and charges.

## 5.0 POLICY - Special Rates and Charges

Special rates and charges are defined in Part 3 of Chapter 1 of the Act as rates and charges made on some but not all land in the local government area.

Section 971(1) of the Act empowers Council to make and levy a special rate or charge on rateable land for a service, facility or activity which it considers will specially benefit the land or which the land will have special access to.

Section 971(2) provides that the special rate or charge may be made on the basis the Council considers appropriate.

The Council will, after consultation with the Thallon Town Rural Fire Brigade, set a special charge for the purposes of raising revenue to fund the operation of the Thallon Town Rural Fire Brigade.

### 5.1 POLICY - Thallon Town Rural Fire Brigade Special Charge

To fund the operation of the Thallon Town Rural Fire Brigade, the Council has resolved to levy a special charge on those rateable properties contained in the benefited area as defined on the following map:-



## 6.0 POLICY - Utility Charges

Sections 973(1) and (2) empowers Council to make and levy a utility charge on any land (including non-rateable land) or structure for the supply of water, gas or sewerage services.

A utility charge for cleansing may also be made if the land or structure is occupied.

## **6.1 POLICY - Water Utility Charges**

Council considers that the principles of equity should apply in the pricing of its water and that it has an obligation to all communities to charge a constant rate for similar consumers throughout its urban water supplies. The principle of "user pays" is partly implemented for those services which are metered.

This policy results in a shortfall in revenue, which the Council funds as a community service obligation, through the transfer of the funding shortfall from its General Fund to the Water Program.

### **6.1.1 POLICY - Base Water Charge**

Each premises connected to the urban water supply is categorised by the Council on the basis of land use taking into consideration the principles of equity and capacity to pay.

### **6.1.2 POLICY - Base Water Allocation**

Each premises which has a metered water supply is assessed on the basis of their land use and is granted a base water allocation expressed in kilolitres per year per charging unit. Again, the principles of social equity, land use and capacity to pay are considered in setting this water allocation.

### **6.1.3 POLICY - Excess Water Charge**

An excess water charge will be determined annually by the Council and is set at a level which will discourage excessive water usage. The excess water charge is expressed in terms of price per kilolitre of water used in excess of the base allocation.

A separate excess water charge will apply for each of the following types of water supply:-

- Untreated bore water
- Untreated river/creek water
- Treated water
- Blended treated/untreated bore water

### **6.1.4 POLICY - Un-connected Property Water Charge**

For the purposes of clause 6.1.4, the term "property" means a parcel of land with separate title.

An "Unconnected property" water charge shall apply to a property where such property is not connected to the water supply but is located within the urban water supply area.

The following classes of property shall be exempt from the "Unconnected property" water charge:-

- a. Charitable, Not-for-Profit, Religious and Educational facilities including Aged and Child Care facilities, Student Hostels; and
- b. For a period of three (3) full financial years commencing after the date of registration of the survey plan, those lots of land in a development where the water supply reticulation was provided by the original developer and where such lots remain unsold by the original developer.
- c. Where a building from a neighbouring property encroaches on the unconnected property.
- d. Where the property has no legal access.
- e. Where the property is of such a small size and / or irregular shape that, in the opinion of the Council, it could not be sold and used for any purpose consistent with the area.

#### **6.1.5 POLICY - Un-metered Water Supply Charge**

Charging for un-metered water supplies shall comprise an annual base water charge only as defined in clause 6.1.1.

#### **6.1.6 POLICY – Un-metered Rural Residential Water Supply**

Charging for the low pressure supply of river water by Council to defined developments within the rural residential locality surrounding the town of St. George will comprise an annual base water charge as defined in clause 6.1.1 plus excess water charges as defined in 6.1.3.

#### **6.1.7 POLICY – Concessional Water Supply Charge – Thallon**

Consequent to the change of supply from treated river water to bore water effective from 1<sup>st</sup> July, 2005, for the 2005-2006 financial year, all connections serviced by the metered water supply will be charged the equivalent of the annual unconnected property water charge as defined in clause 6.1.4 instead of the annual base water charge as defined in clause 6.1.1 and instead of the excess water charges as defined in 6.1.3.

## **6.2 POLICY - Sewerage Utility Charge**

The Council considers that the principle of equity should apply in the pricing of its sewerage / cleansing services and accordingly charges at a constant rate throughout its area.

### **6.2.1 POLICY - Sewerage Charge**

This charge applies only to the towns of St. George, Dirranbandi and Bollon.

Each premise connected to or serviced by a town sewerage scheme is categorised on the basis of land use, in some cases the number of toilet pedestals, length of urinals etc., taking into consideration the principles of social equity and capacity to pay.

### **6.2.2 POLICY - Un-connected Property Sewerage Charge**

For the purposes of clause 6.2.2, the term "property" means a parcel of land with separate title.

An "Unconnected property" sewerage charge shall apply to a property where such property is not connected to the sewerage system but is located within the sewered area.

The following classes of property shall be exempt from the "Unconnected property" sewerage charge:-

- a. Charitable, Not-for-Profit, Religious and Educational facilities including Aged and Child Care facilities, Student Hostels; and
- b. For a period of three (3) full financial years commencing after the date of registration of the survey plan, those lots of land in a development where the sewerage reticulation was provided by the original developer and where such lots remain unsold by the original developer.
- c. Where a building from a neighbouring property encroaches on the unconnected property.
- d. Where the property has no legal access.
- e. Where the property is of such a small size and/or irregular shape that, in the opinion of the Council, it could not be sold and used for any purpose consistent with the area.

## **6.3 POLICY - Cleansing Charge**

All towns, with the exception of Hebel, are provided with a door-to-door cleansing service. All towns are provided with a refuse tip.

The minimum number of cleansing services provided to a particular premise is determined on the basis of an annual assessment by the Council. A door-to-door cleansing service is defined as the collection and disposal of one (1) or more standard rubbish bins per week.

The owner of a premise has the right to request additional cleansing services which will be supplied at an appropriate charge depending on whether the request is for a regular or once-off service.

Council does not apply a direct user pays charge for public use of its refuse tips. A minimum cleansing charge shall apply to all occupied properties within the gazetted boundaries of all towns (including Hebel) to recover part of the costs associated with operating refuse tips.

## 7.0 POLICY – Regulatory Fees and Commercial Charges

### 7.1 Regulatory Fees

Section 1071A the *Local Government Act, 1993* empowers the Council to fix, by local law or resolution, a fee for any of the following:-

- (a) an application for, or the issue of an approval, consent, licence, permission, registration or other authority under a local government Act;
- (b) recording a change of ownership of land;
- (c) giving information kept under a local government Act;
- (d) seizing property or animals under a local government Act;
- (e) infrastructure charges – A local government may fix a charge for the capital cost of an infrastructure item (s. 5.1.5 *Integrated Planning Act 1997*).

Such regulatory fee must not be more than the cost of providing the service or taking the action for which the fee is charged.

Information about the fee must be recorded in the Council's Register of Regulatory Fees.

### 7.1 POLICY – Commercial Charges

Section 36 (General Powers) of the *Local Government Act, 1993* provides the Council, as a legal entity, to charge for services and facilities it supplies other than a service or facility for which a regulatory fee may be fixed.

Such commercial charges are for transactions where the Council is prepared to provide a service and the other party to the transaction can choose whether or not to avail itself of the service.

The making of commercial charges may be delegated (recorded in the Delegations Register).

Commercial Charges are subject to the Goods and Services Tax.

Such charges may be reviewed by the Council at any time and will be recorded with the Register Regulatory Fees as a listing of Commercial Charges.

The nature, level and standard of the entitlement, facility or service is considered by the Council in the setting of commercial charges. Central to deliberations on these matters is the Council's community service obligation and the principle of social equity. The principle of "user-pays" is considered only where the provision of a service, entitlement or facility may be in direct competition with private enterprise.

## **8.0 POLICY - Levying of Rates and Utility Charges**

Section 1008 of the Act prescribes the manner in which Council can issue notice of a levy of rates and utility charges.

### **8.1 POLICY - Rates and Utility Charges (other than Excess Water Charges)**

Council levies its rates and utility charges in two (2) moieties each financial year. The amounts levied in respect of rates and utility charges for each moiety, represent one half of the amounts to be levied for the full financial year.

Base water charges for new connections will be levied on a pro-rata basis from the date of connection.

Sewerage charges for new connections will be levied on a pro-rata basis from the date of connection to the sewerage system.

Cleansing charges for new services / additional bins will be levied on a pro-rata basis from the date of delivery of the bin/s.

### **8.2 POLICY - Excess Water Charges**

Water meters will be read twice annually on or about 31st December and 30th June. The 31st December reading will be used to predict annual water usage for each consumer. Consumers will at this stage be warned if their consumption pattern is likely to result in excess water charges at the conclusion of the financial year.

Excess water charges will be levied annually after the final meter readings for the year which will take place on or about the 30th June and included with the first moiety rate notice.

However, excess water charges may also be levied on a pro-rata basis for consumption of water for part of a year.

## **9.0 POLICY - Discount for Prompt Payment**

The Council allows discount for prompt payment of rates / charges as a means to ensuring a timely flow of cash to fund its operations.

Section 1014 of the Act requires the Council to set, by resolution at its Budget Meeting, the date by which, or the time within which, each rate must be paid. The date by which, or the time within which, the rate must be paid must be at least 30 days after the issue of the rate notice and must be the same date or time for each person liable to pay a rate.

Date of Resolution: 24<sup>th</sup> June, 2005

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Section 1019(6) of the Act states that the local government may allow more than one (1) amount of discount or percentage discount for a rate only if the local government—

(a) decides more than one (1) discount date or discount period for the rate; and

(b) allows a different amount of discount or percentage discount for each discount date or discount period decided.

It is the policy of the Council that two (2) discount periods will apply for each rate moiety.

Discounts, at the rates and for the periods set by the Council annually at its annual budget meeting, are granted for prompt payment of:-

- o General Rates; and
- o Urban Water Charges incl. Excess Water Charges; and
- o Rural Residential Water Charges incl. Excess Water Charges; and
- o Sewerage Charges; and
- o Cleansing Charges; and
- o Thallon Town Rural Fire Brigade Special Charge.

## **10.0 POLICY - Interest on Overdue Rates**

Section 1018 of the Act provides that an overdue rate may bear interest at the percentage and from the day decided by Council.

The rate of interest is set by Council annually at a level which will encourage the prompt payment of rates and charges.

The Council defines an overdue rate as those rates remaining unpaid at the end of the preceding financial year.

Interest will be charged by Council on the following overdue rates / charges:

- o General Rates; and
- o Urban Water Charges incl. Excess Water Charges; and
- o Rural Residential Water Charges incl. Excess Water Charges; and
- o Sewerage Charges; and
- o Cleansing Charges; and
- o Thallon Town Rural Fire Brigade Special Charge; and
- o Charges on Land/Legal Fees.

## **11.0 POLICY - Remission for Occupancy/Ownership by Pensioners**

Section 1031(1)(a) of the Act empowers Council, if it so desires, to remit the whole or part of unpaid rates applicable to any land within its area.

Section 1034 of the Act empowers Council to allow, if it so desires, a remission of rates on land wholly or partially occupied but not owned by pensioners.

Date of Resolution: 24<sup>th</sup> June, 2005

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Regulation 4 of the Local Government Regulation 1994 defines "pensioner" to be a pensioner under a law of the Commonwealth.

The Council will grant an annual remission of rates for land owned or occupied either fully or partially by a pensioner provided that the land is the principal place of residence for the pensioner.

The Council will also provide administrative support to the State Government Pensioner Rate Subsidy Scheme.

## **12.0 POLICY - Payment of Rates by Instalments**

Section 1015 of the Act provides that a local government may, by resolution made at its budget meeting, authorise the payment of rates by instalments on the terms it determines.

The terms may provide for the payment of a premium and for the application of interest charges on overdue rates and for the immediate payment of future instalments if such terms are not met.

Council has not made a resolution to accept arrangements to pay under Section 1015 of the Act.

Section 1031 of the Act allows Council to accept a composition or other arrangement for unpaid rates on a case by case basis.

Council will accept applications for payment of rates by instalments from property owners who can demonstrate a genuine financial hardship. Council have determined that each such application is to be assessed on its merits.

All instalment plans must have the effect of liquidating the debt by no later than the end of the current financial year unless Council, by resolution, determines otherwise.

Interest will continue to be charged on overdue rates which are subject to an instalment payment plan.

No premium will be charged for the payment of rates by instalments under such arrangements.

The applicant must comply strictly with the terms of the instalment plan agreed to. Default will result in Council requiring immediate full payment of future instalments.

## **13.0 POLICY - Financial Assistance Grants**

The Council receives an annual untied Financial Assistance Grant from the Federal Government via the Queensland Local Government Grants Commission. This grant comprises an Identified Road Component and a General Purpose Component.

The total identified road component of the annual Financial Assistance Grant shall be appropriated for Capital Works on Councils Road and Street network.

The total general purpose component shall be used as general revenue.

## **14.0 POLICY - Developer Contributions**

The unexpended balance of developer contributions shall be appropriated to a constrained works reserve at the close of each financial year.

Balonne Shire Council  
**Revenue Policy 2005-2006**

APPENDIX 5



Date of Resolution: 24<sup>th</sup> June, 2005

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Such constrained works reserve shall indicate the nature of the works to be undertaken using the developer contribution.

A developer contribution shall be expended only on works for which the contribution was made.

# Other Statutory Information

## Freedom of Information

The objective of the Freedom of Information Act (1992) (FOI) is to extend, as far as possible, the right of the community to have access to information held by Council. All FOI applications must be in writing and sent to: Chief Executive Officer, Balonne Shire Council, PO Box 201, St George, Qld 4487.

During 2005/06 Council received no FOI applications.

## Councillor Code of Conduct

Councillor code of conduct complaints 2005-2006:

The total number of breaches of the councils code of conduct for councillors in 2005/2006 were:	Nil-
The number of complaints about alleged code of conduct breaches by code of conduct breaches by councillors, other than frivolous or vexatious complaints, that were referred to the conduct review panel during the year by the local government or the chief executive officer under chapter 4, part 3A in 2005/2006, were:	Nil
The number of recommendations made to the local government by the conduct review panel during the year that were adopted, or not adopted, by the local government in 2005/2006 were:	Nil
The number of complaints resolved under the local government's general complaints process during the year and the number of those complaints that related to an alleged breach by a councillor by a councillor of the local government's code of conduct for councillors in 2005/2006 were:	Nil

## Grants to Community Organisations

Organisation	Grant
Qld Community Housing	500.00
Balonne Financial Advisory Ser	3,000.00
St George ICPA 2005 Conference.	5,000.00
Special Children's Christmas	220.00
ST George State High School -Year 11 Young Leaders	500.00
ST George Year 12 Dux Award	100.00
ST George State High School- Magazine Donation	50.00
Mungindi Community Preschool	200.00
Dirranbandi Ladies Hospital Auxiliary	100.00
	<b>9,670.00</b>

Free or Concessional use of Council facilities by charitable / not-for-profit organisations was also granted on many occasions by the Council. Concessional use of the halls to the value of \$3,832 and to the showgrounds \$545.

## Entertainment and Hospitality Services

Council's Expenditure on Entertainment and Hospitality Services in 2005-2006 totalled \$23,917. Amounts quoted are total costs of the occasion or function and not exclusively food, drink or accommodation.

<b>Function</b>	<b>Amount</b>
Christmas Party – Staff Function	2,270
Australia Day	260
Malcolm Turnbull Visit	106
Governor's Visit May 2006	8,646
Acting Pm Visit - July 05	73
Old Rail Public Meeting	118
Local Govt Week-Activity Costs	2,446
Council Meeting Expenses	7,820
Councillors Road Run	2,178
<b>Total</b>	<b>23,917</b>

## Advertising

Council complied with the adopted policy on advertising. Advertising was only used for where the purposes of Council or the benefit of the Community was advanced. Advertising expenditure in 2005-2006, totalled \$11,251.

<b>Description</b>	<b>Amount</b>
Advertising for Employees	3,372
Acquisition or Disposal of Property Plant or Equipment	1,511
Matters Required by Legislation and Other Community Notices	5,016
Tourism Advertising	1,352
<b>Total</b>	<b>11,251</b>

## Overseas Travel

No Councillor or Staff travelled overseas during 2005-2006 on Council Business.

## Reserves and Controlled roads

The Balonne Shire Council has control of—

(a) the following land on land that is a reserve under the Land Act 1994;

Purpose	Area (Hectares)
Camping & Water Reserve	10,259.72
Cemetery Reserve	9.54
Crossing Reserve	121.40
Gravel Reserve	8.09
Pasturage Reserve	660.05
Pound Reserve	102.21
Public Purposes Reserve	291.80
Recreation Reserve	0.23
Reserve For Local Government ((Refuse Disposal) Purposes	22.30
Reserve For Local Government (Noxious Waste Disposal)	2.33
Reserve For Local Government (Sewerage) Purposes	0.12
Reserve For Museum	0.20
Reserve For Park	6.43
Reserve For Recreation	1.13
Pasturage Reserve	239.00
Pound Reserve	8.11
Reserve For Recreation	32.02
Reserve For Scenic Purposes	12.10
Reserve For Scientific Purposes	0.02
Reserve For Water	13.00
Sanitary Depot Reserve	2.02
Sanitary Reserve	18.31
Town Reserve	593.81
Town Reserve (Extension) Reserve For Township	1,601.00
Water Reserve	35.62
Water Supply Reserve	0.12
<b>Grand Total</b>	<b>14,040.66</b>

(b) and 2,377 kilometres (plus 639.58 kilometres Department of Main Roads Control Roads) of roads that are not owned by the Council.

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