



*Burdekin Shire Council*  
*Annual Report 2002/03*

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# S h i r e P r o f i l e

## Local Government

Burdekin Shire.

## Area

5,053 sq kms.

## Location

Latitude 19° 35' south, longitude 147° 24' east, approximately 80 kms south of Townsville.

## Population

18,487 estimated resident population as at 30<sup>th</sup> June, 2001. (2001 Census)

## Status

Categorised as a Rural Agricultural Very Large (RAV) Local Authority under the Australian Classification of Local Government.

## Rateable Assessments

8,533 as at June, 2003

## The Burdekin Shire

The community of the Burdekin Shire is centred on the rich farming land of the Burdekin Delta. The principal towns are the twin towns of Ayr and Home Hill, with smaller centres of Brandon, Giru, Jerona, Alva, Wunjunga, Clare, Millaroo and Dalbeg.

The Burdekin is the largest sugar cane producing area in Australia and boasts the nation's largest water development project – the mighty Burdekin Dam, which is capable of supplying more than 1 million megalitres of water each average year to the Lower Burdekin area.

A combination of favourable climatic factors, fertile, well drained soils and a plentiful supply of irrigation water has also resulted in the establishment of the Burdekin's multi-million dollar small crops industry, with crops grown including capsicums, beans, melons, pumpkins, tomatoes, eggplants and mangoes.

Adding to the strength of the local economy is the district's grazing industry and growing aquaculture industry.

The Shire is further complemented by a variety of educational, health and sporting resources. The Shire has three high schools, numerous primary schools, pre-schools and day care centres, as well as a TAFE College and the Australian College of Tropical Agriculture. The State Government has also invested in a new \$12 million hospital for the area. Culturally, the Shire is home to the Burdekin Theatre, a well recognized cultural venue in Queensland, the Burdekin Memorial Hall, a modern well-equipped Library and active local arts and cultural associations. After hours, the Shire offers fabulous restaurants and night time entertainment for all ages.

The Burdekin Shire Council retains its progressive and innovative attitude to development. Current growth prospects are centred on value adding to the sugar industry, crop diversification and expansion of the area's aquaculture operations.

The Council is also working to improve the area's tourism prospects through a \$3 million joint State Government and Council project, which will see the town centres of Ayr and Home Hill dramatically revitalized through tree plantings, unique signage and street furniture and vibrant public art works. Current tourism strengths include beautiful natural sights, top Barramundi fishing, dramatic cane fires, friendly, rural hospitality and 300 days of glorious sunshine a year!

## Mayor's Review

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I am pleased to present my 10<sup>th</sup> annual report as Mayor of Burdekin Shire Council.

As I look back over the period of my Mayoralty, I am conscious of the many changes that have occurred, both through Council initiatives and by devolution from other tiers of government. The previous 12 months have seen a major focus on completing projects that have been initiated a number of years ago. These have included the finalisation of the BRIA Agreement and payments for outstanding works. It has also included some provision of major areas of land for future industrial development within the Shire.

The Council continues to provide resources to endeavour to ensure a strong diversified economy develops in the Burdekin.



### **CORPORATE GOVERNANCE & ADMINISTRATIVE SERVICES**

This area of operation throughout the past 12 months has continued to consolidate with the bedding down of software enhancing our ability to track and record resolutions and correspondence and allows us to better service the community. In more recent times, the Council overall has developed a Customer Response System. This system allows for the tracking of all requests from Shire residents and ensures that issues are dealt with quickly and efficiently. It also has allowed for the follow up in phone survey form to ascertain the level of satisfaction the community has in our services.

### **ENVIRONMENT & HEALTH**

Our area of Environment & Health has certainly come to the fore in recent years, particularly with the recognition of a National Award in partnerships in Weed Management and The Tidy Town of North Queensland Award being granted to the town of Ayr. This is in no small way due to the dedicated co-operative efforts which have been put in by various Council officers and members of the community. This coupled with the fact that we have employed best practice operations in Waste Management and in various other areas of responsibility have meant our combined efforts have finally shone through.

### **PLANNING & DEVELOPMENT**

The Shire continues to investigate the provision of further reticulated sewerage and water supplies to its smaller communities. At the same time, we are developing our future strategic plan which is anticipated will be in place by July, 2004. Council continues to provide building and plumbing approval services to its community and in more recent times has ventured into building certification, which has enabled us to compete in the open market and in many cases win work in Bowen, Townsville, Thuringowa and some other areas in the near vicinity. This continues to ensure that while we provide the economic benefit to our area of employment of people, we have effective returns on that employment.

### **WORKS**

Council has over the previous twelve (12) month period carried out some major road works developments and the projected road works developments into the forward twelve (12) months will probably see one of the largest programmes being delivered by Council. At the same time, major effort has been put into identifying and valuing Council's overall road, bridge, traffic and drainage structures to meet the requirements of Australian Accounting Standards. This has clearly identified the total value of these assets in the community.

We have also this year concluded a major drainage project in Home Hill. This project will drain a large part of Home Hill.

Council continues to work together in a co-operative frame work involving Councillors, senior staff and employees.

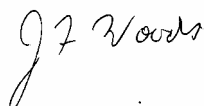
### **CONCLUSION**

Local Government has over the last fifteen (15) years grown in a number of areas. This is mainly due to the continuing devolution of responsibility from both the State and Federal areas, without in many cases any associated devolution of funds. This continues to put increasing pressure on Councillors and Council employees. It is pleasing though to know that even with this increased pressure Council continues to deliver a quality service. This is done by a committed team of people who work co-operatively together to ensure that the needs of the community are indeed met.

As Council finishes this year and enters into its next, it will be undertaking its most ambitious project yet, that is the project of CBD revitalisation.

If all of the theory converts to reality, this will indeed be the start of an extremely exciting redevelopment period for the Burdekin economy.

I continue to lead a very dedicated team of Councillors, staff and employees, and I look forward to working with this group of people well into the future.



John F. Woods  
**MAYOR**

# Chief Executive Officer's Review

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The 2003 Annual Report represents the final "report card" to our community in advance of Local Government Elections to be held on Saturday, 27th March, 2004.

Reflecting on the last year, as recorded throughout this report, it is my opinion the Council and community can be proud of the achievements of this mid-sized rural Council recognized in Local Government circles as being innovative, business-like and creative in the delivery of a wide and diverse range of services.

Over the last year, the Burdekin Shire Council was recognised nationally as the 2002 National Local Government Award Winner for "Natural Resource Management and Community Partnerships for Biodiversity Conservation". Also, during the 2002/2003 financial year, the town of Ayr was announced as the Northern Regional Winner of the Ergon Energy Keep Australia Beautiful Tidy Towns Competition.



Over more than twenty years, the Burdekin Shire Council has been involved in a wide range of corporate activities which either respond to community pressure or where Council leadership is provided in recognition of its social, cultural and environmental responsibilities to the community. We have a responsibility as a monopoly business to engage our stakeholders on what the future of this community will be like and the roles and responsibilities of each of the participants in the process. In this regard, Council has a very good track record.

Over the last year, some of the things/activities/programmes and achievements which demonstrate Council's corporate citizenship include –

- ✓ Embracing sustainable development – by building community partnerships, the Burdekin Shire Council programmes have been recognized nationally in meeting the Council's corporate goal to conserve and enhance the natural and man-made environment. During 2002/2003, Council introduced an environmental levy to assist in further developing its natural resource management and biodiversity programmes.
- ✓ Working collectively with the business community and local individuals to progress economic and physical vitality to the town centres of Ayr and Home Hill by creating more business and jobs and increasing patronage of the town centres under the CBD Revitalisation Programme.
- ✓ Measuring Council's performance/success in a manner much broader than financial and communicating its successes both internally and externally. During 2002/2003, two community attitude surveys were completed which assisted Council in the review of its corporate plan and corporate objectives.
- ✓ In terms of improvement to the social fabric of the community, Council continues to actively promote and make available, capital and operational funds for community, cultural, recreational, sporting and welfare programmes. In the context of major budget expenditure, two programmes which financially didn't require major outlay, but nevertheless received strong community support, included the Little Burdekin Delta Playscape in Anzac Park; the planting of 30,000 trees as part of a major vegetation project and a commitment to a skatepark following consultation with young people of our community.

The Burdekin has the space, the soil, the clean air, the sunlight hours and importantly, a community willing to work with Council to maximize the potential of a Local Government area which contributes substantially to taxation revenue for the State and Commonwealth Governments.

There is recognition at this time that our major sugar industry is witnessing a dramatic change in the fortunes of the raw sugar industry at large and of the sugar cane sector particularly. Many farmers, farm and mill workers, businesses and other individuals and families are facing economic and social hardship. Sugar prices will continue to be volatile.

The Burdekin Shire Council has an important part to play in working with rural industry, Chambers of Commerce, State and Federal Government Departments, special interest groups and individuals with a common goal and vision to ensure the viability of our most important industry.

In conclusion, I wish to place on record my personal appreciation to all members of Burdekin Shire Council's team – Mayor, Councillors and Staff for their commitment to a common objective of making the Burdekin Shire the best rural community in Australia in which to live.



G.J. Webb PSM, FLGMA (Life),  
CHIEF EXECUTIVE OFFICER.

# Council's Mission and Values

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## **Mission Statement**

"The role of the Burdekin Shire Council is to strive to make the Burdekin district the best rural community in Australia in which to live."

## **Values**

How we achieve our mission is as important as the mission itself. Fundamental to success for the Council are these basic values.

**Commitment to the Organisation** – a commitment by Councillors, management and employees to achieving the objectives of the Council.

**Openness, Honesty and Trust** – to provide an organisational culture that expects openness, honesty and trust and engenders these principles in its work with the community.

**Best Practice, Productivity, Innovation and Continual Learning**– a commitment to ongoing development of skills and knowledge of Councillors, management and employees to deliver outcomes underpinned by continuous improvement, best practice and innovation.

**Teamwork** – to recognise the importance of maintaining a stable work environment in which Councillors, management and employees work constructively together in a spirit of teamwork, trust and loyalty.

**Customer Focus** – to recognise and value the importance of our customers and to deliver excellence in services provided to both our external and internal customers.

**Community Awareness and Wellbeing** – to respond to the realistic and prioritised needs of the community and to embrace the principles of community wellbeing linked to ecological sustainable development and regard resource management as resource stewardship for the future, to help build an integrated, accessible community.

**Fairness, Equity and Ethical Behaviour** – to recognise that fairness, equity and ethical behaviour should underpin all decisions made by Council, management and employees in dealings with internal and external customers and is based on respect for others.

**Valuing People** – to recognise our ratepayers, citizens and employees as our greatest asset and to value their contribution and commitment to the Burdekin Shire.



# Corporate Governance

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## **Corporate Governance**

The Australian National Audit Office has defined Corporate Governance as follows :-

*“Corporate Governance is about formalising and making clear and consistent the decision making processes in the organisation. An effective system of corporate governance will help facilitate decision-making and appropriate delegation of accountability and responsibility within and outside the organisation. This should ensure that the varying needs of the stakeholders are appropriately balanced; that decisions are made in a rational, informed and transparent fashion; and that those decisions contribute to the overall efficiency and effectiveness of the organisation.”*

The Council is committed to high standards of corporate governance and accountability and seeks continuous improvement in this area.

## **Local Government Act 1993**

The Local Government Act 1993 is the legislation under which the Burdekin Shire Council is constituted and contains detailed reporting and operational requirements, which the Council has a duty to comply with.

The governance framework, applicable to Local Government, is generally more complex than in the private sector. Local Government tends to have broad objectives with wide reaching impacts on the community as distinct from private organisations where the overriding obligation is to maximise the return to shareholders. Local Government must recognise the wider public interest issues associated with the delivery of public services while still ensuring the efficient and effective delivery of services.

In common with the private sector, Local Government has to respond to a complex set of stakeholder and legal requirements, particularly regarding financial reporting. In addition, Local Government has to satisfy public accountability requirements.

The Local Government Act 1993 clearly distinguishes between the role of the elected members of the Council and the Chief Executive Officer. The separate roles of the elected members and the Chief Executive Officer are more fully described in the Local Government Act.

## **Committees and reporting structures**

The Council has the following basic meeting structure for managing its business:

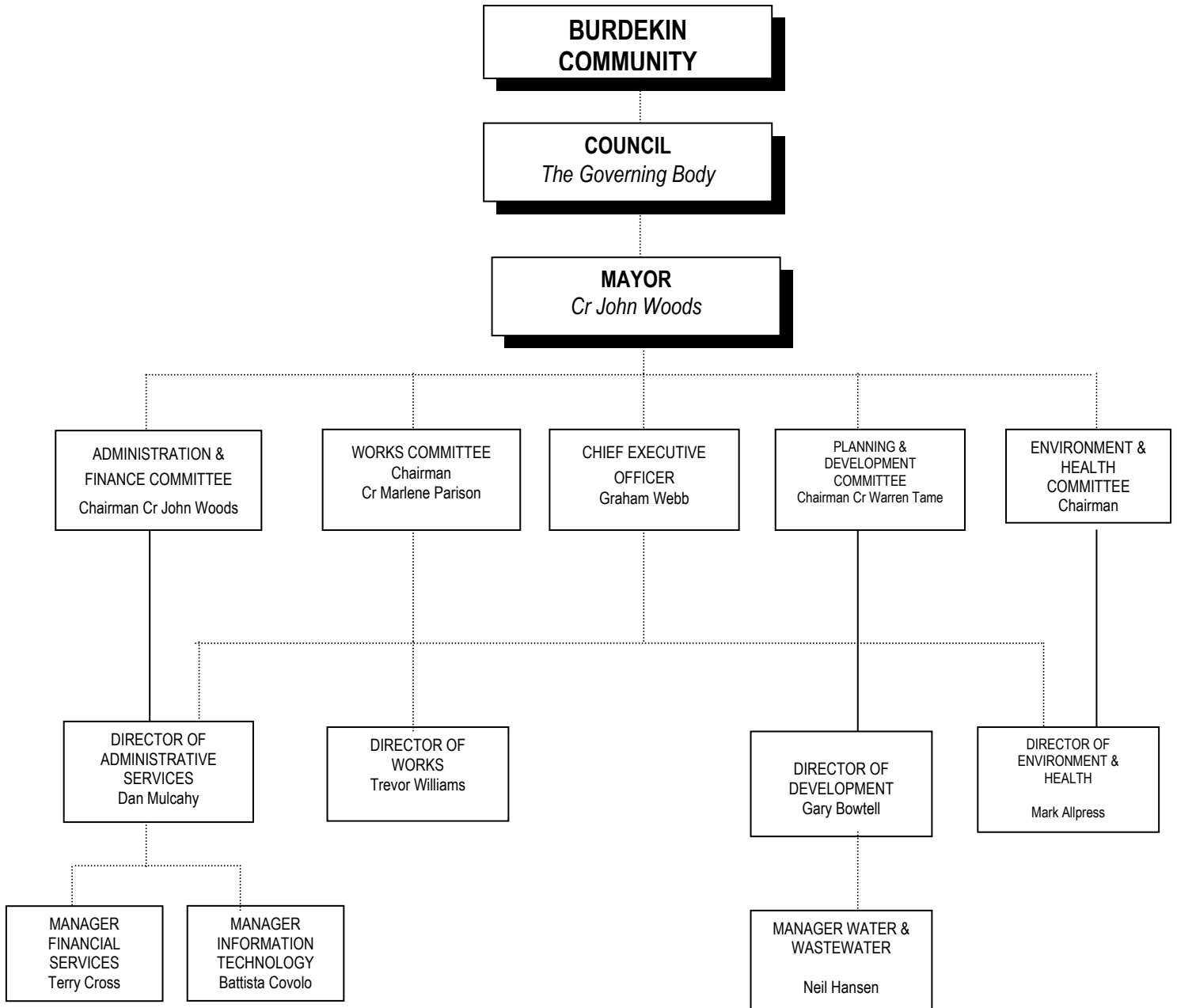
- Ordinary Council meetings – generally on the 2<sup>nd</sup> and 4<sup>th</sup> Thursday of each month.
- Four (4) main standing Committees that meet once to twice per month. The Committees are as follows:
  - Administration and Finance Committee
  - Combined Works Committee
  - Planning and Development Committee
  - Environment and Health Committee

Other advisory committees have also been established. Any changes to meeting times and dates are advertised in the local media. All Council and Committee meetings are open to the public.

The above meeting structure is shown diagrammatically in the organisational structure.

# Organisational Structure

*The Organisational Structure as at 30<sup>th</sup> June 2003*



# Elected Members

*Elected Members as at 30<sup>th</sup> June, 2003*



Back (L to R) Cr L Loizou, Cr W Tame, Cr H Petersen, Cr J Woods (Mayor), Cr L Davies, Cr G Andersen, Cr D Jackson  
 Front (L to R) Cr. M. Henaway, Cr. M. Parison, Cr T List (Deputy Mayor), Cr C Hyden, Mr G Webb (Chief Executive Officer).

**MAYOR**  
 Cr. John Woods  
 P.O. Box 97, Home Hill  
 (Telephone 4782 6337)

Cr. Llewelyn Davies  
 85 Wilmington Street,  
 Ayr  
 (Telephone 4783 2993)

Cr. Graham Andersen  
 99 Norham Road,  
 Ayr  
 (Telephone 4783 3124)

Cr. David Jackson  
 102 Fourteenth Avenue  
 Home Hill  
 (Telephone 4782 8312)

Cr. Marlene Henaway  
 18 Albert Crescent,  
 Ayr  
 (Telephone 4783 3090)

Cr. Chris Hyden  
 M.S. 54,  
 Dalbeg  
 (Telephone 4784 0156)

Cr. Treena List  
 (Deputy Mayor)  
 P.O. Box 550, Ayr  
 (Telephone 4783 2988)

Cr. Lou Loizou  
 Daniel Road,  
 Inkerman  
 (Telephone 4782 0141)

Cr. Warren Tame  
 89 Wickham Street,  
 Ayr  
 (Telephone 4783 3929)

Cr. Henry Petersen  
 40 Home Hill Road  
 Ayr  
 (Telephone 4783 2136)

Cr. Marlene Parison  
 P.O. Box 116,  
 Giru  
 (Telephone 4782 9260)

In addition to the above formal meeting structure, the Council at its discretion will appoint sub-committees of Councillors and staff to examine particular issues and/or consult with external stakeholders in relation to particular matters. Recommendations from these sub-committees are then brought to the Council for consideration.

Furthermore, there are also meetings between the Committee Chairmen, Chief Executive Officer, and Directors that occur from time to time. The Chief Executive Officer also schedules executive meetings comprising of Directors and Managers to discuss organisational issues. These meetings usually occur monthly.

### **Leadership and strategy**

Elected Members as representatives of residents and ratepayers provide community leadership and guidance and facilitate communication between the community and the Council. The Mayor must ensure the carrying out of the local government's decisions and may provide advice to the Chief Executive Officer on the implementation of Council decisions.

A number of documents collectively guide the organisation. These are:

- **Corporate Plan**  
This plan has a five-year timeframe covering all of the major activities of the Council. It is influenced by the general community, elected members and staff views in setting medium term objectives. The Corporate Plan is reviewed annually by the Council.
- **Annual Budget**  
This document expresses the objectives, plans and resources associated with the first year of the Corporate Plan. The Budget is adopted each year by Council.

### **Support for Elected Members**

The Chief Executive Officer, through an effective support process provided by the Local Government Association of Queensland, ensures Elected Members understand their roles and responsibilities and are able to add value and bring independent, informed and objective judgements to bear on the governance and decision making process of the Council. An induction programme is provided to all new Councillors on appointment.

The Council's remuneration policy provides for a yearly allowance to enable elected members to attend conferences, seminars and/or workshops in order to improve their knowledge in the various areas that make up Local Government.

### **Ethics and values**

To ensure that the Council meets its obligations under the Act and to support its commitment to ethical behaviour, a draft Code of Conduct for Councillors and employees has been prepared. It is expected that consultation on the draft Code of Conduct will take place during 2003/04 and that a formal Code of Conduct will then be adopted.

The Chief Executive Officer and employees are required to follow all policies and guidelines adopted by Council, as well as the requirements of the Local Government Act. An important area for corporate governance and in the relationship between the Council and its stakeholders is in the area of purchasing, which the Council has a detailed policy to guide all employees in relation to procurement activities.

The Chief Executive Officer maintains Material Personal Interest Registers for all Councillors and designated senior officers. In addition, there is a register of gifts maintained to record any gifts offered to Councillors and staff.

### **Monitoring and review**

The Council has a number of instruments in place to ensure that performance is continually monitored and reviewed and that corrective action is taken where required.

- **Financial Reporting**  
Accrual based financial reports are prepared and submitted to Council on a monthly basis to satisfy financial accountability requirements. The Annual Budget is revised at least twice per year.
- **Monthly Reporting**  
Reports from Chief Executive Officer, Directors and/or Managers are provided to Council and/or Committees on a monthly basis. These reports cover operational aspects and may also include financial reporting.
- **Operational Plan Reporting**  
Operational Plans are firstly adopted by the Council to reflect programmes, priorities and projects included in the Annual Budget. The operational plan is then reported on at quarterly intervals to the Council.
- **Annual Report**  
An Annual Report, which includes financial and activity statistics, as well as a full set of the audited financial statements, are produced for the Council and other interested parties.
- **Community Survey**  
Subject to budget constraints, the Council will arrange for a community survey to monitor the Council's performance as perceived by the community across a range of key services and to obtain feedback on priorities as perceived by the community.

### **Risk Management and Internal Control**

Council meetings are held regularly and elected members are given adequate notice of meetings, which comply with the prescribed statutory requirements. Where ever possible, agenda items and relevant material are provided prior to the meetings to enable informed discussion by the elected members. Minutes of meetings accurately reflect the decisions taken by the Council.

The Council has implemented other strategies and/or is developing other strategies to achieve effective risk management and internal control including the following:

- Limits of authority are delegated and appropriate processes are outlined in respect of purchasing.
- Position Descriptions are established for all staff positions.
- Policies are currently being documented in a policy manual, which is accessible on the Intranet for all staff. Older policies require periodic review to determine their currency.
- An internal audit committee has been established to review external audit reports and monitor appropriate internal control frameworks.
- The adequacy of Council's insurance coverage is checked on an annual basis in consultation with our insurance brokers.
- The Council is a member of the QLD Local Government Workcare Scheme, which is a self insurance scheme for workers compensation claims. To remain a member of the scheme, the

Council is committed to implement a Workplace Health & Safety Management Program titled SafePlan.

## **Legislative Administration and Compliance**

### **Legislative Responsibility**

The Council must comply with all of its statutory obligations, not only of the Local Government Act but also of the many other legislative requirements which impact on its activities. Examples of such legislation include elections, workplace health and safety, GST, fringe benefits tax, competitive neutrality, planning and building, freedom of information, employment and environmental legislation to name just a few.

Local Government has such a broad range of legislative requirements, more complex than the private sector or more narrowly focused organisations, so it is important Council can be assured compliance is taking place.

Industry bodies such as the Local Government Association of Queensland and the Department of Local Government play a significant role in communicating legislative requirements and changes.

### **Delegations and authorisations**

In accordance with the Local Government Act, the Council has delegated a broad range of powers, duties and functions to the Chief Executive Officer in order to expedite decision making and provide a high level of customer service. Where appropriate, the Chief Executive Officer has further delegated powers to staff and/or authorised particular officers to undertake certain activities.

## Activity Statistics

The following indicators have been selected as a guide or measure of the activities of the Council.

	2001/2002	2002/2003
Average Net Rates Per Residential Property ( <i>Excluding Fire Levy</i> )		
- Ayr	\$1,337	\$1,363
- Home Hill	\$1,182	\$1,203
- Brandon	\$1,304	\$1,325
- Giru	\$860	\$880
Level of Gross Rates Arrears ( <i>Excluding Fire Levy</i> ) *	\$1,058,325	\$1,062,681
Interest and Redemption Repayment Per Rateable Assessment	\$308	\$322
Loan Debt ( <i>Market Value Adjusted</i> ) Per Rateable Assessment	\$1,525	\$1,761
<hr/>		
Number of Building Approvals	380	331
Dollar Value of Building Approvals	\$9,576,894	\$9,308,569
Number of Building Approvals (Private Certifiers)	34	31
Dollar Value of Building Approvals	\$1,314,204	\$2,535,734
Number of Building Approvals (other Local Government Areas). **		69
Dollar value of Building Approvals.		\$2,344,871
<hr/>		
Number of Material Change of Use Impactment Assessment	8	10
Number of Material Change of Use Code Assessments	7	6
Number of Reconfiguration Applications	61	50

\* As at 30<sup>th</sup> June, the rates income and rates arrears (receivables) include the water consumption income for the second reading for the financial year. In past years this income was recognised in the following year when rate notices were levied and issued. The changed accounting treatment of accruing the water consumption income back to the current financial reporting year complies with the principle of matching incomes and expenses with the periods in which they are earned or incurred.

\*\* Work performed outside of Burdekin Shire by Council Officers from 5-11-02 to 30-6-03.

# Performance Indicators

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The following ratios and performance indicators have been calculated from the 2002/2003 Financial Statements.

## Financial

	2001/2002	2002/2003
<b>Revenue Ratio</b> The percentage of council's total operating income derived from rates and charges. Indicates Councils dependence on rates and charges revenue.	75.40%	78.0%
<b>Working Capital Ratio</b> Council's ability to meet current commitments	2.80	3.0
<b>Debt Servicing Ratio</b> The percentage of total operating income used to service debt	10.70%	11.6%
<b>Borrowing Ratio</b> The relationship between total borrowing and total operating income	53.10%	62.4%
<b>Rates Arrears Ratio *</b> The effectiveness of council's collections of rates and charges	5.8%	5.7%
<b>Capital Expenditure Ratio</b> Ratio of capital expenditure to depreciation	1.22	1.15%
<b>Unfunded Depreciation Ratio</b> Percentage of annual depreciation expense not funded from current revenue	13.9%	36.5%
<b>Change in Community Equity Ratio</b> Percentage change in council's net wealth	5.5%	26.9%

\* Refer previous page for explanation of Rates Arrears for 2002/2003.

The following ratios and performance indicators have been submitted for the 2002/2003 Comparative Performance Information prepared by the Department of Communication, Information, Local Government, Planning and Sport.

## Personnel

	2001/2002	2002/2003
Number of employees per 100 capita	1.14	1.12
Wages and Salaries as a percentage of total operating expenditure	50.87%	53.22%
Number of employees per \$1,000,000 total operating expenditure	12.09	12.14
Percentage of work time lost due to accident	0.13%	0.28%

## Waste Management Services

	2001/2002	2002/2003
Waste collection costs per property serviced	\$159.09	\$139.92
Total tonnage of refuse collected per property serviced	0.71	0.62
Total tonnage of refuse collected per bin serviced	0.60	0.52



### Road Maintenance Services

	2001/2002	2002/2003
<b>Road Maintenance expenditure per laned kilometre – sealed roads</b>		
Urban	\$1,620	\$1,014
Rural	\$460	\$401
Total	\$633	\$524
<b>Road maintenance expenditure per laned kilometre – unsealed roads</b>	\$962	\$1,063
<b>Percentage of sealed roads ‘resealed’</b>		
Urban	8.45%	13.03%
Rural	12.29%	8.96%
Total	11.56%	9.77%

### Water Services

	2001/02	2002/03
Properties served per 100km mains employed	2,159	2,096
Water OMA costs per properties served	\$265	\$293
Water OMA costs per 100km of mains	\$571,096	\$613,474
Water quality standard/guidelines Bacteriological compliance	100%	100%
Faecal coliform compliance	72.92%	74.29%
Total coliform compliance	N/A	N/A
Other pathogens compliance	N/A	N/A
Water quality standard/guidelines Physical Chemical compliance		
Turbidity compliance	N/A	100%
Colour compliance	N/A	100%
pH compliance	100%	100%
Main breaks per 100km of mains	6.7	5.0

### Sewerage Services

	2001/2002	2002/2003
Properties served per 100km of main	4,457	4,560
Sewerage OMA costs per properties served	\$257	\$286
Sewerage OMA costs per 100km of main	\$1,146,132	\$1,302,880
Compliance with sewerage effluent standards for BOD	90.91%	100%
Compliance with sewerage effluent standards for Suspended Solids	100.00%	100%
Compliance with sewerage effluent standards for Nutrients	100.00%	100%
Confirmed sewer chokes per 100km of main	5.6	1.3

### Parks and Gardens

	2001/2002	2002/2003
Cost of maintaining parks and gardens per hectare maintained	\$19,156	\$18,231

## Burdekin Shire recognises achievers at Australia Day Celebrations on Sunday, 26<sup>th</sup> January, 2003

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The Burdekin community celebrated Australia Day at a ceremony held at the Burdekin Memorial Hall and acknowledged the achievements, dedication and outstanding service of some of its prominent citizens and community groups.

**Maureen Perry – Citizen of the Year**  
**Chris Platt – Young Citizen of the Year**  
**Allan Moustoukas – Sportsperson of the Year**  
**Brendan Bunyan – Junior Sports Award**  
**Lewis Arroita – Sports Administrator Award**  
**Burdekin Colts Soccer Team – Junior Sports Team Award**  
**Uli Liessmann – Senior Cultural Award**  
**Kady Brandon – Junior Cultural Award**  
**East Ayr State School Jubilee – Community Event of the Year**



*Maureen Perry – Citizen of the Year and Chris Platt – Young Citizen of the Year*

### **Citizen of the Year**

The 2003 Australia Day Citizen of the Year, Maureen Perry, was nominated for her dedication and outstanding voluntary service to many community groups over a long period of time. The awardee, in her humble and tireless manner, has gone quietly about her daily community duties bringing happiness and support to so many citizens of the Burdekin.

She is a driving force behind the Burdekin Shire's Carols by Candlelight, a regular helper for Meals on Wheels, a volunteer for the Burdekin Tourism Association and a Friend of the Burdekin Theatre. She is a member of the Burdekin Water Festival Committee, an active member of Inner Wheel (Women's branch of Rotary), member and past member of the Catholic Women's League, member of the Trefoil Guild and a member of the Local RADF Committee.

She was instrumental in obtaining funding for workshops to create and make 16 banners for the Ayr and Home Hill Central Business Districts. She along with other volunteers spent tireless hours making these banners which are on display today.

The awardee and her husband have taken on the demanding roles of tour leaders for the Rotary Youth Exchange Program over the past 8 years. They have the ability to receive the praise from the students involved, which results in a harmonious experience. It is well known that this couple have few problems controlling such a diverse group of young people because of their caring, helpful and friendly attributes that they bring to the role.

The awardee willingly goes out of her way to visit elderly Burdekin and sick residents on a regular basis and provides them with a family size bowl of soup as well as transporting them to events and social activities held in Ayr and Home Hill. This small gesture is much appreciated by the recipients.

Many members of the community have been enriched by the kindness shown by Maureen. She has done so much for this community and quietly participates, never contemplating receiving any praise.

She is very worthy indeed of recognition.

### **Young Citizen of the Year**

The Young Citizen of the Year, Chris Platt, was nominated for his broad range of involvement in school, cultural, sporting and community activities. His achievements include:-

- The Ayr State High School Cultural Award for outstanding commitment to production in performing arts in 2001 and 2002.
- The Burdekin Printers' Award for Ayr State High School Senior Male Student who has been actively involved in citizenship activities in 2002.
- He has provided backstage, lighting and sound and technical assistance in a voluntary capacity to numerous community events for the past 2 years and also volunteered his time as barman for 2 Debutante Balls and the Water Festival Ball in 2002.
- He attained the Air Training Corps Solo Pin in powered flight in 2002 together with many certificate achievements in Air Training Corps activities in the past 2 years.
- He is a basketball referee official for the senior and junior basketball fixtures and has also sat on the score bench for the Wildcat ABA games and U23 Young Lions game.
- He received Senior Rugby Union's Best and Fairest player award in 2002.

He is a young man with a very promising future.



**Allan Moustoukas – Sportsperson of the Year**

The 2003 Australia Day Sports Awardee, Allan Moustoukas, was nominated for his outstanding achievement in the sport of Triathlon. In 2002, he was selected to represent Australia at the World Long-Course Triathlon Championships. He has competed in 5 Australian Ironman Championships which involve a 3.8km swim, 120km bike ride and a 42km run. He has competed in 9 half-ironman triathlons and organized many triathlons for senior and junior participants in the Burdekin over the past 5 years.

He also coaches junior and senior soccer in the Burdekin and has been a member of the Burdekin Soccer Club since 1976.

He can often be seen jogging and biking the streets of Ayr or swimming at our local pool. He has devoted many years training for his chosen sport.



**Brendan Bunyan – Junior Sports Award**

The awardee, Brendan Bunyan, was nominated for his participation and success in the sports of Rugby Union, Rugby League and Volleyball. He played for the Townsville Brolgas Rugby Union U16 Team in 2001 and U17 Team in 2002 and is also a member of the Townsville Brolga Academy. He played for the North Queensland Rugby Union Team and the Queensland Country Union Team in the U16 team in 2001 and U17 team in 2002. He also played for the Queensland U16 Reds Team in 2001 and was selected for the squad in 2002.

In addition, he played volleyball for North Queensland and represented Townsville and District in Rugby League. He received the Christian Leadership Award for Year 11 in 2002 and is a member of the Burdekin Rugby Union, Volleyball, Touch Football and Soccer Clubs.

He is a true sporting hero and deserves to be recognised for his achievements.



***Lewis Arroita – Sports Administrator Award***

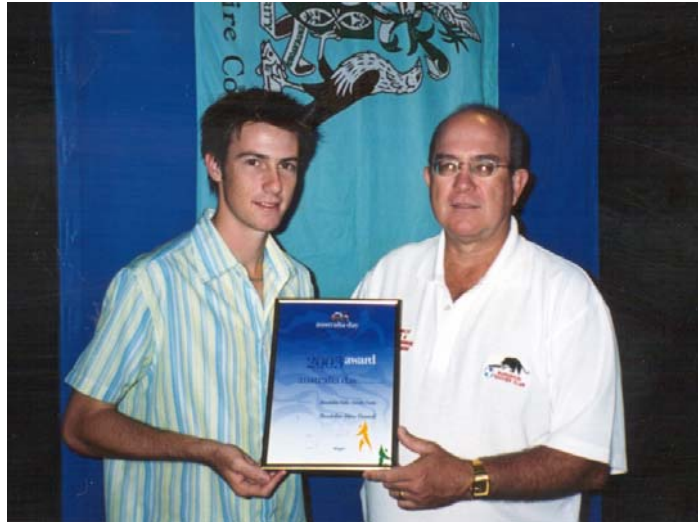
The 2003 Australia Day Sports Administrator Awardee, Lewis Arroita, was nominated for his outstanding contribution, commitment and dedication to the sport of Karate.

The awardee became involved with Karate in his early thirties when he himself became a pupil of the sport. After successfully completing his own grading to black belt, he continued in the sport to obtain the level of SECOND DAN.

In 1973, he began instructing with the Japan Karate Association. For the past 29 years, he has dedicated much of his time to his students, which has included twice weekly training sessions, as well as organising his students to attend Karate Championships throughout the State. At these times, he assumed the role of Manager of the Group as well as Coach.

The awardee is highly respected by all who have been involved with the Club. Even though membership has declined locally, the awardee has continued to devote his time and expertise teaching as few as two pupils per session.

He is someone who has devoted over 29 years to the sport of Karate and for this, he deserves recognition.



***Burdekin Colts Soccer Team – Junior Sports Team Award  
Brenden Wheadon and Gary Pappalardo***

This award was introduced in 2001 to recognise Junior Sports Teams that have made a noteworthy record of achievement in sport.

This team competed in the North Queensland Soccer Federation Competition against 7 other teams, 6 were from Townsville and 1 from Ingham. Of the 21 round games of soccer, the Burdekin Team won 17 and lost 4. The team finished 17 points ahead of its nearest rival to win the Premiership. This Premiership was secured 3 rounds prior to the end of the season. The team won the Preliminary Final giving direct qualification for the Grand Final which they went on to win. The premiership win allowed this team to compete in the “Crad Evans” Competition held between North Queensland Soccer Federation and Far North Queensland Premiership teams. Unfortunately, Burdekin lost 3-2.

This team is made up of members ranging in age from 14-17 years. 3 players went on to represent Queensland in 3 grades being U14, U15 and U16 years.



*Ulli Liessmann – Senior Cultural Award  
Kady Brandon – Junior Cultural Award*

### **Senior Cultural Award**

The 2003 Australia Day Cultural Awardee, Ulli Liessmann, was nominated for his dedication, commitment and outstanding contribution to the cultural life of the Burdekin.

The awardee is a highly acclaimed local artist who co-ordinated the highly successful Home Hill Arts and Crafts extravaganza during the Home Hill Harvest Festival celebrations in 2002. The main focus of the extravaganza was to evaluate the potential for artistic and cultural development in the Region. It is hopeful that this initiative will play a role in the Home Hill Central Business District Revitalisation Project.

The awardee also staged a successful art exhibition of 14 artworks at the Perc Tucker Gallery in January last year. This exhibition received an outstanding review in the Townsville Bulletin. His entry in the Burdekin Water Festival Art Exhibition also gained first prize in its open section competition.

He is a member of both Burdekin and Townsville Art Societies and a member of Umbrella Studio of Contemporary Arts. He is also a member of Home Hill Chamber of Commerce and a member of Burdekin Area Business Association (BABA). In addition, he has trained local youth in the sport of kick-boxing for the past 20 years.

He has made an outstanding contribution to the cultural life in the Burdekin and has been a worthy ambassador for the district.

### **Junior Cultural Award**

The 2003 Junior Cultural Awardee, Kady Brandon, was nominated for her outstanding achievement in Cultural Activities.

The awardee has been an outstanding dancer from a young age. She always gained the highest marks for her dancing exams and competed in the Burdekin Junior Eisteddfod for many years and gained many awards for her efforts. She has also travelled extensively throughout Australia competing in Dance Competitions and Eisteddfods gaining many awards and accolades along the way.

In 2002, Kady competed in the Genee International Ballet Competition held in Sydney. It was the first time that this competition has been held outside of London in the past 70 years which gave the awardee the chance to compete.

The 15 year-old danced alongside more than 100 dancers from countries including Britain, China, South Africa and the United States. The awardee was one of 8 girls and 8 boys chosen as finalists to dance in the Sydney Opera House as part of the Genee International Ballet Competition dubbed as the Olympics of Classical Ballet. Entry requirements for this elite competition are very strict, and to achieve finals level in this prestigious event is considered to be exceptional.

She is a true role model for many of the Youth in our community and has been a very worthy ambassador for the Burdekin district.



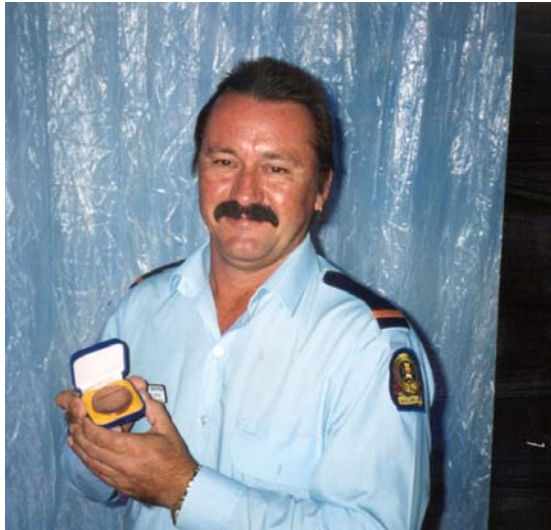
**East Ayr State School Jubilee – Community Event of the Year  
Roxanne Halliday**

The 2003 Community Event of the Year recognises the efforts of a hard working Committee in organising the East Ayr State School Jubilee celebrations.

As part of the celebrations, the Committee organised a fete, an open day and memorabilia display, dinner dance and launch of a Golden Jubilee publication. The publication is a 164 page hard-covered book that celebrates 50 years of education at the largest Primary School in the Burdekin.

The celebrations involved contacting many past students, past staff members, and organising media releases and television advertisements. Congratulatory messages were received from the Prime Minister, the Premier of Queensland and the Mayor of Burdekin Shire.





*Australia Day Achievement Medallion – Jeffrey Skipper*

In 2003, an Australia Day Achievement Medallion was presented to Jeffrey Skipper in recognition of his outstanding long-term commitment and dedication to the State Emergency Service and community of Giru.

Jeffrey joined the State Emergency Service in February, 1996 as a volunteer member. In May, 1998, Jeffrey was appointed Group Leader of the Giru Group of the Burdekin SES Unit.

Jeffrey has displayed exceptional management skills in the setting up of the Giru Group and has actively promoted the services of the SES within this small community. Jeffrey also holds the position of Honorary Ambulance Officer for the Queensland Ambulance Service, Giru Station.

He has successfully undertaken a diverse range of training studies including General Instructor, Land Search Instructor and Flood Boat Instructor to enhance his Group's training program.

His commitment to the SES Group is continually reflected during crises in the flood prone area of Giru. He is regularly seen in his SES vehicle providing support to the community, in particular the elderly members, providing sandbags and pulling vehicles out of flood waters. The last flood in Giru saw Jeffrey wading through flood waters up to his chest to check on one particular flood affected elderly lady.

By his dedication to the State Emergency Service, promotion of counter disaster activities and support to his community, Jeffrey has demonstrated service worthy of recognition for this award.

## Administrative Services

1.

*Actual Total Operating Costs \$3,922,817*

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### **Achievements for the Year**

- Civic Receptions arranged during the year included the People to People Student Ambassador Programme; Australia Day Celebrations; Morning Melodies; Senior Citizens Afternoon Tea; Queensland by Invitation; National Youth Week Celebrations.
- Obtained Federal and State employment grants of \$112,092 in respect of trainees under the Breaking the Unemployment Cycle initiative and continuing apprenticeships.
- SES operations were funded in the amount of \$120,092 net of subsidies and contributions. A significant proportion of these funds were directed to enhancing the operational capability of the new Headquarters in McCathie Street, Ayr. Effected sale of former SES premises in Hoey Street, Ayr.
- Minor work continued on the development and implementation of new Local Laws and Subordinate Local Laws. The Rental Accommodation Local Law was amended and the Libraries Subordinate Local Law was adopted. Work commenced on the Control of Pests Subordinate Local Law.
- Maintenance and repair of various Council owned public buildings around the Shire including the Brandon Heritage Precinct. New construction included the construction of the new Community Information Centre (CIC) in Queen Street, Ayr; and the upgrading of the power outlets in Queen Street between Parker and Mackenzie Streets for use by community organisations.
- Commenced Training Needs Analysis Project to determine the organisational training requirements of the Council's blue collar workforce. It is expected that the project will be completed early in the 2003-04 financial year.
- Preparation of funding submissions including: Security Lighting Program - Cromarty Creek Boat Ramp. National Youth Week - Burdekin Band Fest. Environment Aust - Waste Oil Projects Programme. BRRI - Burdekin Shire Nature Based Tourism & Product Development Plan. LG Development Programme - Construction of Skatepark. Envirofund - 2 applications as sponsoring organisation. 2003 Heart Foundation LG Awards - Little Burdekin Delta Playscape.
- Commenced investigations into the rationalisation of Council properties including land and buildings with a view to determining non-strategic assets.
- The Rural Addressing project progressed satisfactorily with assistance from community and service clubs. Apart from minor areas, the only major area in the Shire still to be completed is the Giru area.
- Completed design of the Council's new Web Site in conjunction with funding obtained for a Community Web Portal by the Burdekin Tourism Association. Content will be added during 2003-04.

- Completed installation of the hardware and software for the provision of the VOIP Service to the Jones Street Depot. IP telephony is a term that describes a new method of providing telephony services over a single network that delivers both voice and data traffic.
- Upgraded servers in main Computer Room to Windows 2000. Windows 2000 is a major step forward for enterprise computing using Microsoft software designed to achieve improved performance and scalability.



**Emergency Response Centre set up for  
“Cyclone Chat’em” Mock Exercise**



**New Bike Law –  
Bike Law Stencils  
Banning bikes on  
footpaths.**

**New Community  
Information Centre in  
Queen Street, Ayr**





**Information Technology Staff, Dirk Dabelstein and Battista Covolo installing new SQL Server**

# Finance

## 2.

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*Actual Total Operating Costs - \$981,726*

### **Achievements for the Year**

- Rating analysis and drafting and adoption of Council budget, policies and estimates within statutory requirements and timelines to adopt the 2002/03 Budget and two-year forward estimates on 16 July 2002, one month earlier than previous years.
- Full cost pricing project for a selection of Council business activities including Water, Sewerage, Plant, Recoverable Works, etc.
- Annual financial statements for 2001/02 prepared within required statutory deadlines for audit opinion.
- Two comprehensive budget reviews as at October and March undertaken and presented to Council.
- Completion of all State Government requirements including annual & 5 year Works Programs and 10 year cash forecast to enable drawdown of Council's \$3.36M loan program.
- Compiled relevant data for Local Government Department of Finance Review and Comparative Performance Indicators for submission to Department for collation and publication.
- Ongoing recognition, valuation and recording of Council's Assets acquired and constructed during the year as well as revaluations for significant assets in the total asset base of \$257M.
- Separate recording of vandalism repairs identifies annual costs of at least \$25,000 for repair of vandalised Council assets.
- Implementation of electronic funds transfer (EFT) payment of Council creditors completed by September.
- Prompt and accurate fortnightly processing of 13,404 creditors accounts throughout the year to in excess of 1500 customers.
- Monthly reporting on comparative expenditures for local and out of town purchases.
- Prompt and ongoing provision of financial services to the Burdekin Cultural Complex Board Inc. staff and board members to support operations at the Burdekin Memorial Hall and Burdekin Theatre.
- Installation and implementation of new financial system (MYOB) for Burdekin Cultural Complex Board Inc

- Fortnightly salary and wages payments and related staffing matters dealt with accurately and promptly for workforce varying in size from 205 to 211 members including trainees.
- Staff and workforce vacancies totalling 17 processed through the year.
- Researched, advised and provided administrative support in obtaining 3 traineeships across Council's staff and workforce.
- Human Resource and payroll administrative support and advice provided to Enterprise Bargaining Team.
- Rates arrears result of 5.7% (\$1,062,681) compared with total net levies (\$18.50M) through prompt and effective collection and follow up procedures.
- Annual collections of Council rates and State Government fire levies of 11,413 transactions for \$12.16M at Council Chambers compared with 6,196 transactions for \$7.15M at collection agencies including Bpay for debit cards.
- Property transfers totalling 854 processed by Rates staff during the year to maintain Council's rates and property record.
- Progressive stocktaking procedures achieved more frequent stocktake checks with completion of the full year stocktake.



**Rates  
Administration  
Officer, Helen  
Lennox  
providing  
assistance to  
Amanda Smock.**

# Environmental Services

3.

Actual Total Operating Cost \$ 4,492,209

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## **Achievements for the Year**

- **Health & Environment**

Public Health and Environmental standards were maintained during the year by regular inspections of licensed premises to address Council responsibilities under the Health, Environment Protection and Food Acts.

- **Environmental Management**

The year saw the introduction of Council's Environmental Levy which allocated \$128,000 for local environmental projects. The levy has been well received by local community groups and a number of submissions have been made to access funds from this scheme to undertake on ground remediation works. The introduction of the scheme saw the development of an implementation strategy and criteria to control how, when and where the money can be used.

- **Urban Animal Management**

- The year saw the implementation of cat registration and introduction of a Responsible Pet Ownership philosophy.
- The Shire's Animal Management program was recognized in the Inaugural RSPCA Animal Friendly Town Competition with the Burdekin Shire Council receiving a 'Highly Commended' award.
- Nuisances associated with both dogs and cats continue to rise with dog nuisances rising from 401 to 442 and cat complaints increasing from 109 to 168.

- **Parks and Gardens**

- The main focus of the program has been on improving service levels to the existing facilities while taking on additional maintenance responsibilities for new roundabouts.
- The Delta Playground in Anzac Park was completed and opened. It is pleasing to see high usage of this facility by young families and the pleasure it is bringing to young children.
- A major vegetation project was undertaken with funding from the EPA at Sheepstation Creek. This project resulted in over 30,000 trees being planted by works crews supervised by Council's Parks and Gardens staff.

- **Public Conveniences**

The standard of the Shires public conveniences continue to receive favourable comments.

- **Cemeteries**

The Shire has two cemeteries, one located at Ayr and the other in Home Hill. Both cemeteries are maintained at a high standard with the lawn section increasing in popularity. The year saw 135 interments in the Shires cemeteries.

- **Caravan Parks**

Both the Home Hill and Burdekin Cascades Caravan Parks continued to operate at a high standard with Council receiving a 3 and a 3½ star rating respectively for these establishments, with the Triple AAA rating organisation.

- **Street Cleaning**

Regular street sweeping services were continued over the year with minimal negative feedback from both locals and tourists. This task is a challenge during the cane crushing season, however a priority is given to the main service routes during this period.



- **Waste Management**

- The domestic waste/recycling collection continues to operate at a high standard with minimal complaints in respect to services.
- Shire residents produced 14,197m<sup>3</sup> of domestic waste and 790.4 tonnes of recyclable materials.
- The DrumMuster program continues to operate successfully and saw 8,200 drums being diverted from Council's waste stream.

- **Land Management**

- The activities of the land management program continue to have a high profile with Council receiving a National Recognition Award for Local Government initiatives in this area.
- Operation of the weed harvester continued, with work being carried out in Sheepstation Creek, Pink Lily and Horseshoe Lagoons.
- New partnerships have been actively pursued, seeking ongoing funding for aquatic weed management. Council has had some success with funding for work in Munro Lagoon which will see the weed harvester commence work on this system.
- The herbicide subsidy programme continues with 192 landholders participating with signed pest management agreements to access this program. Regular audits of these landholders are continuing.



**Weed Harvester Operators Ken Bohne-Kobo & Terry Olsen  
with Environment & Health Staff, Merv Pyott & Rachel Fahey  
at Gorizia's Lagoon.**

Environment & Health Director, Mark Allpress with a weed deck, funded under the environmental levy.



Council Land Protection Officer, Merv Pyott steps up the war on feral pigs.



**New Playground Equipment at Anzac Park enjoyed by Leah Zandonadi, Theresa Hawkins & Elle Chapman.**

# Community and Cultural

4.

*Actual Total Operating Costs \$1,832,583*

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## **Achievements for the Year**

- Council has continued with its generous donations to welfare, cultural, sporting and community based organisations. A total of \$644,247 was provided to various organisations in the Shire in the form of cash or provision of services.
- Maintenance and upkeep was undertaken on the Burdekin Theatre, Memorial Hall, Library and the Support Centre.
- Subsidies for sporting and cultural excellence were offered in accordance with Council's policy. Nine (9) young people benefited from this subsidy totalling \$2,400.
- Regional Arts Development Fund (RADF) Grants totalling \$22,598 were provided to fifteen (15) organisation, comprising \$9,039 Council funds and \$13,559 State Government funding.
- General maintenance and repairs were also carried out to the Ayr, Home Hill, Clare and Millaroo Swimming Pools.
- \$70,644 was spent on Area Promotion which included donations to various bodies, Christmas decorations, promotional advertising and contributions to the Burdekin Development Council and Burdekin Tourism Association.
- Assistance was provided in the operation of the Rural Transaction Centre in Giru following its official opening on Thursday, 8 November 2001.
- Commissioning of Market Facts (QLD) Pty Ltd to undertake a general community survey of Council activities.
- Investigations commenced into the purchase of a new Library Management System for the Burdekin Libraries which will include more user-friendly search screens and make life easier for Library users including staff. It is expected that the new system will also improve operational efficiency and assist in future online access.
- Total number of visits to the Burdekin Library, Ayr was 66,524. In the Shire, 9,907 Library Members borrowed a total of 166,824 items. A total of 3,238 books, 26 talking books and 258 videos were the main purchases for Library shelves.
- 17 displays were set up by Government and community organisations and individuals, ranging from art and craft to upcoming events and awareness weeks and school displays.
- The BHP Billiton Roadshow provided free internet training to local residents for two (2) weeks in the Ayr and Home Hill libraries. It was a great success with 264 people attending 16 training sessions.

- 5 children attended 18 separate holiday activities conducted in the Ayr and Home Hill libraries. 42 School classes paid visits to the Library while the Children's Librarian made 76 visits to schools, pre-schools and kindergartens during the year. Approximately 439 children from 19 classes visited the library for Book Week celebrations.
- The Burdekin Library participated in Books North Children's Literature Festival by organising visits from author, Sofie Laguna and illustrator, Anne Spudvilas to local schools.

**Ryan Milan,  
William Pugnale &  
Andre Rapisarda  
opening the  
treasure chest  
filled with  
chocolate.during  
Australian  
Children's Book  
Week.**



**The BHP Billiton Roadshow provided free internet training to local residents. Annette Oar & Maria Scuderi learning about e-mail & communicating on the internet.**

# Works & Services

5.

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*Actual Total Roadworks (including Drainage, Boat Ramps, Aerodrome and Plant)  
Operating Costs \$1,752,829.*

## **Achievements for the Year**

- Achievement of quality assurance to the ISO 9001 (2000) Standard for the Works Division. The principal aim of quality assurance is to improve productivity, and reduce waste and rework. It also is required for external works, including for State Government Department.
- Council has continued its Maintenance Contract with the Department of Main Roads. This contract services a total 186km covering sections of the Bruce Highway, Kirknie, Dalbeg and Ravenswood Roads. Maintenance income of \$513,428 was claimed during the 2002/03 financial year.
- All profits derived from contract works have been returned to Council for distribution and fund such areas as Shire roadworks, purchase of plant and equipment, and training.
- Council allocated in excess of \$4.39 million for new roads, drainage and reseals in the 2002/03 financial year.
- **Major projects completed include:-**
- Roads to Recovery  
The Federal Government has allocated just over \$1.65 million in a five year package under the Roads to Recovery Program. Council completed the following two projects in the third year of the project:-  
Rita Island Road (reconstruct Plantation Creek floodway)  
Barratta Road (bitumen construction).
- Major Traffic Management  
(funded by Council, Federal Blackspot and/or State Government TIDS)  
Construction of a cul-de-sac in Fifteenth Street (11<sup>th</sup> Avenue to 14A Avenue).
- Drainage  
Construction of the 12<sup>th</sup> Avenue Drainage Scheme in Home Hill.  
Construction of a Drainage Scheme in Little Drysdale/Henry Street, Ayr.  
Construction of a Bridge over Plantation Creek on the Rita Island Road.
- Flood and Drainage Schemes  
Completion of the Town of Home Hill Flood Study.
- Footpath Reconstruction  
Footpath construction on Elizabeth Street.
- Bitumen Reconstruction, Widening and Kerbing and Channelling were a major part of the works performed. Sections of Graham Street, Richard Street, Colevale Road, Woods Road, Linton Road, Shirbourne Road, Boundary Road and Coppo Road were able to be upgraded to improve community transport in these areas.
- Carried out maintenance on Shire Boat Ramps.

- Carried out maintenance of Shire Airstrips.
- Carried out reseals to shire roads to value of almost \$858,000.



**Construction of 12<sup>th</sup> Avenue Drainage Scheme in Home Hill.**



**Bitumen Construction of Barratta Road**



**Bitumen construction of part of Coppo Road.**



**Construction of Drainage Scheme in Henry Street, Ayr**





**Commencement of works on construction of new bridge over Plantation Creek on the Rita Island Road.**

**Completed works on new Bridge over Plantation Creek on the Rita Island Road.**





**Drainage Works in Kidby Gully, Home Hill**



**Changing the signage from 60KM/H to 50 KM/H are Council Employees Paul Robson, Elise Jamieson, Brian Walker & Ken Bohne-Kobo.**



**Ongoing Construction on the Expedition Pass Creek Bridge near Dalbeg.**

# Technical Services, Planning & Development

6.

*Actual Total Operating Costs \$1,752,829*

## **Achievements for the Year 2002/2003**

### **Technical Services**

- Provided engineering services to the Burdekin Shire Rivers Improvement Trust for works in the Burdekin and Haughton Rivers, including:
  - A. Investigation, survey, design and estimation of cost.
  - B. Construction of bank protection.
  - C. Stream clearing.
  - D. Preparation of Submissions to and negotiation with Government Agencies to secure approval for works.
- Facilitated a consultancy for the Haughton River (Giru) Flood Study for the River Trust, including community consultation, with Final Report and Giru flood modelling programme to be completed early in 2003/04.
- Facilitated the Haughton River Integrated Catchment Management Study for the River Trust, including community consultation and the establishment of the Haughton River Catchment Co-ordinating Committee.
- Facilitated a Consultancy for the Burdekin Shire Storm Surge Study for Council, including community consultation, with Final Report and Storm Surge modelling programme to be completed early in 2003/04.
- Facilitated a combined aerial survey/photography for multiple projects for the Council and the River Trust, resulting in production of aerial photographs of the full length of both the Burdekin and Haughton Rivers within the Shire, and detailed contour information for full length of Shire between the Bruce Highway and the Coast.
- Attended training seminars and represented Council on local and regional planning/development/disaster risk management issues.
- Monitored flood flows in Burdekin River (Flood Reporting Centre activation not required).

### **Planning and Development**

- Continued with provision of development services, incorporating changed legislation and regulation, through an integrated processing approach including:

<b>Development Type</b>		<b>Number of Applications processed</b>
A.	Building - Burdekin Shire area - Other local government areas	331 (\$9,308,569) 69 (\$2,344,871) from 5.11.02-30.6.03
B.	Plumbing and Drainage (including sewage collection and disposal in unsewered areas)	126
C.	Material Change of Use impact assessment	10
D.	Material Change of Use Code Assessment	6
E.	Reconfiguration (Subdivision) under Superseded Planning Scheme	50
F.	Reconfiguration (Subdivision) under Transitional Planning Scheme	8
G.	Environmentally relevant activities processed through IDAS	1

- Facilitated a consultancy for the development of a Planning Scheme to comply with the Integrated Planning Act 2000, with objective of completion, including all-of-government review and community consultation, by 30<sup>th</sup> June, 2004.
- Undertook Regulatory action including issuing of Show Cause Notices and Enforcement Notices for Breach of the Town Planning Scheme, Water Act, and/or the Building Act, and provided input for Planning and Environment Court Appeals.
- Continued management of Council assets including:
  - Continued development of an Asset Management System for Council owned buildings.
  - Continued maintenance of Council buildings and completed inspection of Council buildings for asbestos.
  - Progressed computerisation of house drain plans (approx. 1300 completed in 2002/03).
- Provided input into the CBD revitalisation project.
- Commenced Private Building Certifier Services in other local government areas, including a large proportion of certification within the Bowen Shire.



**Council's Cadet Technical Officers, Paul Robson and Travis Smith monitoring one (1) of the thirty-six (36) weather stations in the Burdekin**



**Planning Staff, Ian Stewart  
& Shane Great discussing  
a Development  
Application.**



**Administration Officer, Julie O'Shea serving at the Building/Plumbing Counter.**

# Water & Wastewater

7.

*Actual Total Operating Costs \$3,691,063*

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## **Achievements for the Year**

- Refined operations of new receival facility for septic tank sludge at the Ayr Sewage Treatment Plant. Provides a facility for ratepayers living outside of the defined sewerage collection area to dispose of septic tank sludge and excess effluent and comply with environmental requirements.
- Continued process of implementation of the new mechanical screen at the Ayr Sewage Treatment Plant to improve operational performance of the plant and enable sewage to be treated during periods that the primary clarifier is by-passed for maintenance.
- Continued with the installation of telemetry SCADA equipment to the water and wastewater operating area to improve management of and data acquisition from these systems.
- Maintained the Water Supply and Sewerage System Total Management Plan, meeting regulatory review requirements. The plan provides for the management of these systems with a strong emphasis on maintenance of the asset to avoid unplanned future failures, ensure depreciation is accounted for, and to ensure future refurbishment or replacement funding is available when components of the system reach ultimate service life.
- Operated and maintained four Council swimming pools and completed major refurbishment for the amenities buildings at the Home Hill, Clare and Millaroo pools.

Operation of the pools was satisfactory with some contract defect works at the Ayr pool again causing inconvenience to patrons.

- Operated and maintained Council's Water Supply Systems for Ayr/Brandon, Home Hill, Giru and Mount Kelly with a high level of compliance for bacteriological and chemical standards with the Australian guidelines for water quality.

The systems provided a safe and reliable supply with only a limited number of unplanned interruptions.

- Operated and maintained the Sewerage System for Ayr/Brandon and Home Hill within the requirements of the environmental approvals.
- Prepared tender specifications and documents, received and assessed tenders, and facilitated consultancy for feasibility study for reticulated sewerage schemes for Groper Creek, Alva, Sutcliffe Estate & Giru.
- Completed pre-feasibility study for reticulated water supply scheme for Groper Creek – community consultations to commence early in 2003/04.
- Continued program of property inspection and facilitated installation and maintenance of private land holder trade waste infrastructure.
- Maintenance and inspection of sewers continued using Council's high pressure cleaner and CCTU camera.

- Assisted with a research trial to study the effects of using fish and aquatic weeds to remove nutrient from sewage effluent prior to discharge to the environment. The study indicated that there can be positive outcomes for nutrient removal through this technology.



**Improved Receiveal facility for septic tank sludge at the Ayr Sewage Treatment Plant.**





**Ponds used during the research trial to study the effects of using fish and aquatic weeds**



**Trade Waste Officer, Travis Richards conducting bacteriological tests on a sample from the Water Reticulation System.**

# C o m m u n i t y F i n a n c i a l R e p o r t

The framing of the Council's 2002/03 Budget was an extremely difficult exercise considering the present state of the local economy, which is, to a large degree, affected by the economic circumstances of the sugar industry. The Council framed the 2002/03 Budget on the basis of a 2% increase in rates revenue across all categories, which was well short of the 7% increase forecast the previous year.

At year end, selected financial statistics were as shown in the table below:

	2001/2002	2002/2003
Rates and Charges Revenue (net)	\$18,391,100	\$18,502,640
Total Operating Revenue	\$24,404,772	\$23,718,707
Operating Expenses	\$24,240,280	\$24,919,584
Result from Ordinary Activities	\$2,944,160	\$756,437
Accumulated Surplus (deficiency) after Appropriations and Transfers	(\$100,185)	\$0
Total Debt (Book Value)	\$12,947,917	\$14,802,784

Reserves	\$6,644,690	\$9,144,795
Total Assets	\$167,086,536	\$208,663,618
Total Liabilities	\$16,103,724	\$18,047,672
Total Equity	\$150,982,812	\$190,615,946

The Council's total interest and redemption payments as a percentage of Budgeted total rates and user charges for 2002/03 is 14.79%. As at 30<sup>th</sup> June 2003 our closing total debt (book value) with the Queensland Treasury Corporation was \$14,398,113. Our total debt (book value) in respect of the BRIA has increased from \$125,487 to \$404,671.

The Council's overall debt is still considered to be satisfactory. Total debt as a percentage of total property, plant and equipment assets is 7.8% compared to 8.5% for 2001/02. Total interest and redemption payments as a percentage of total revenue is 11.6% compared to 10.7% in 2001/02.

Further bar charts and pie graphs showing relevant financial statistics follow.

The Statement of Financial Performance (page 1 of attached Financial Statements) indicates a surplus of \$756,437 from ordinary activities. A revaluation of capital non-current assets meant that the value of Council's assets increased by \$38,876,697 and therefore, Community Equity increased by the combined sum totalling \$39,633,134. The increase in asset value was mainly due to a revaluation of the road and bridge network.

The Statement of Financial Position (page 2 of attached Financial Statements) shows a substantial increase in net community assets and total community equity of \$39,633,134 from \$150,982,812 in 2001/02 to \$190,615,946 in 2002/03. This increase is the same as provided in the Statement of Financial Performance mentioned above and accordingly, the result is derived mainly from an increase in the valuation of the Council's road and bridge network.

The Statement of Cash Flows (page 3 of attached Financial Statements) simply tracks the cash flowing into and out of the Council as a result of its activities. The statement indicates an increase in cash at the end of 2002/03 from \$9,171,369 to \$13,198,311. Over the 12 month period there has been an increase in cash held of \$4,026,942. This could mean that there are carry over works to be completed next financial year and/or loan monies have been received and works not yet completed.

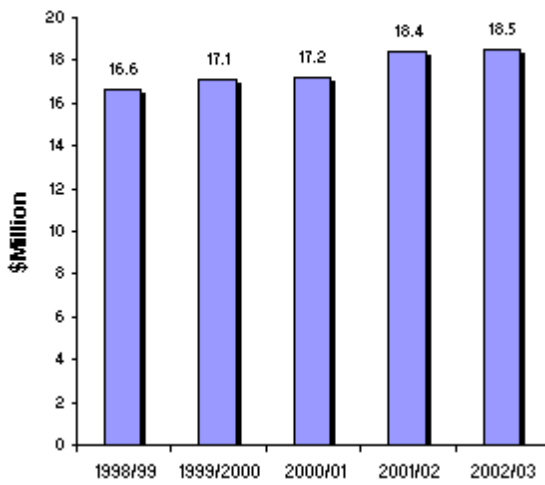
Of continued concern to the Council is the future direction of the financial assistance grants. The Queensland Local Government Grants Commission completed their review of the methodology used to allocate the Commonwealth Financial Assistance Grant. The new methodology indicates a final draft indicative general purpose grant (GPG) after Commission adjustments of \$531,437 in 2002/03 compared to the budgeted \$581,000 in 2002/03. Of greater concern to the Council is the final indicative raw GPG of only \$289,683 with no adjustments. The financial assistance grants to Council have progressively decreased by 50.1% since 1987/88 to 2002/03.

Major new capital items expended in 2002/03 included; road works - \$3,089,418; reseals - \$857,613; road maintenance - \$1,863,889; drainage projects - \$1,399,882; building programme - \$42,246; water supply - \$94,434; sewerage supply - \$300,514; other structures \$263,931 and plant and equipment \$645,680 (net of trades and sales).

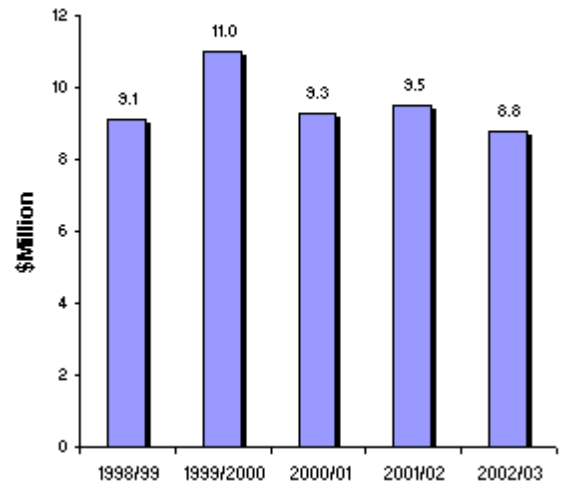
The Council has continued with its dedicated effort to seek out and obtain funding available from various Government and other sources. Funding approvals assist in getting extra value out of the ratepayers dollar and assist in achieving certain community objectives and milestones.

During 2002-03 the Council funded depreciation charges of \$4.4M out of the annual depreciation charge of \$6.9M leaving a balance of \$2.5M unfunded. Unfunding depreciation may have financial consequences for future generations if one is to assume that funds are to be accumulated over the life of the asset and that asset is to be replaced at the end of its life. In the longer term the Council cannot continue to unfund its depreciation unless supported by an analysis of future asset replacement needs coupled with identifiable strategies in relation to the alternative funding sources to be utilised for asset replacement.

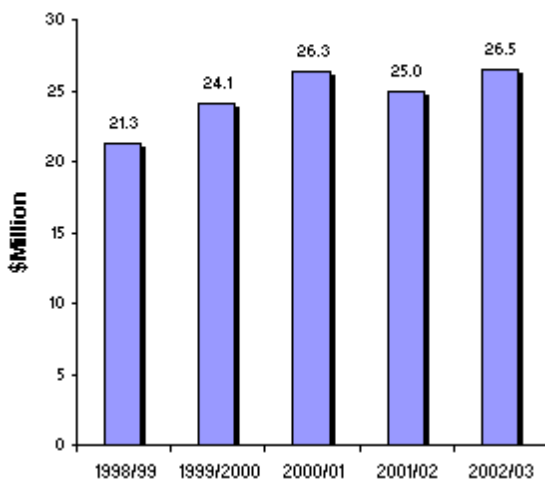
**Rates and Charges Levy Income**



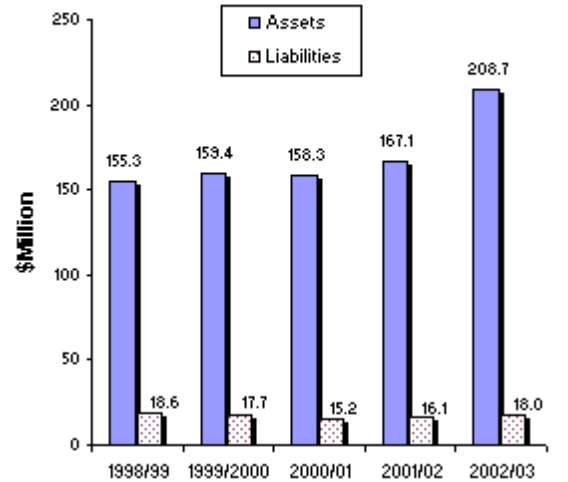
**Other Revenue**



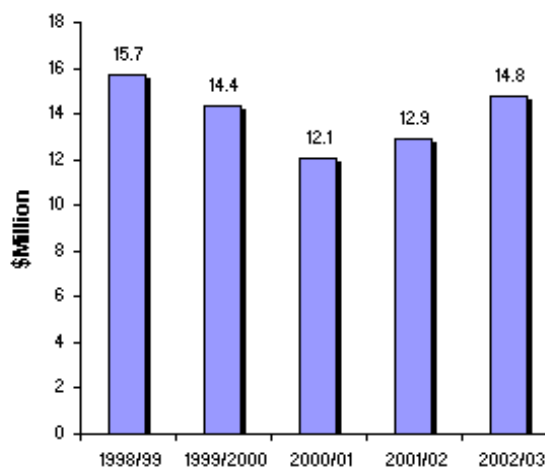
**Expenditure**



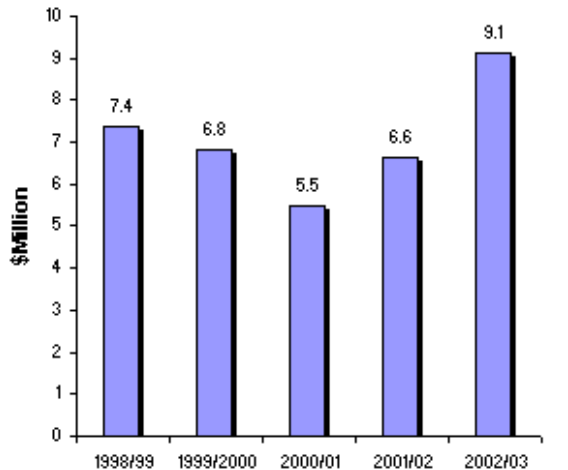
**Assets and Liabilities**



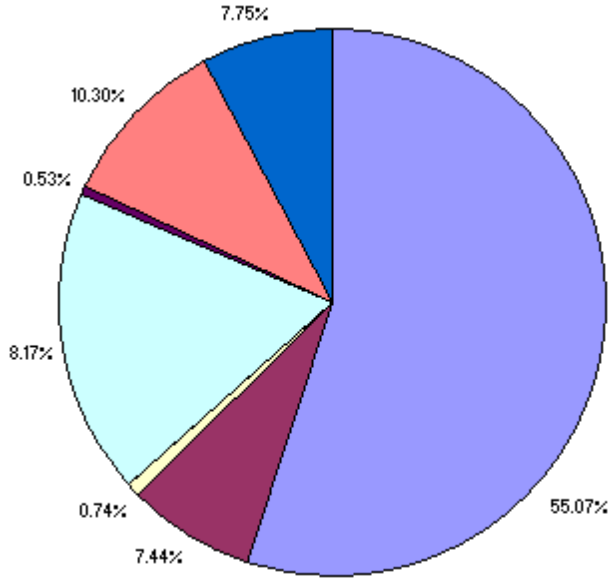
**Loan Debt**



**Reserves**



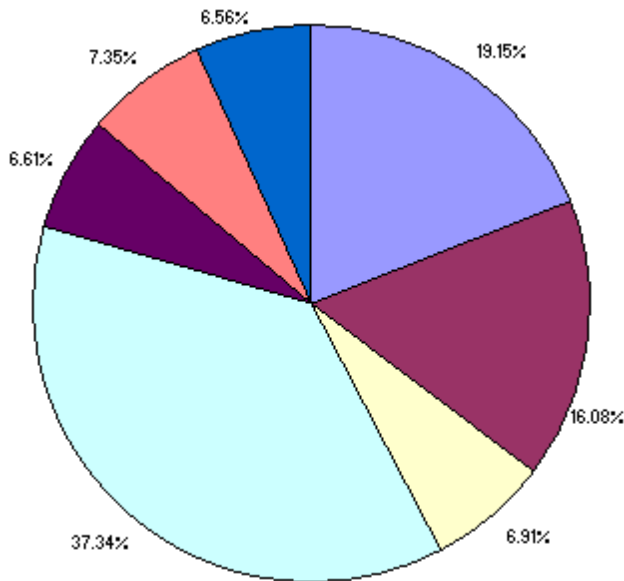
REVENUE 2002/03 BY PROGRAM



PROGRAM REVENUE	\$ '000	%
Corporate & Finance Services	15,025	55.07%
Environmental Services	2,031	7.44%
Community & Cultural Works & Services	202	0.74%
Technical Services	144	0.53%
Sewerage	2,810	10.30%
Water	2,115	7.75%
<b>TOTAL</b>	<b>27,285</b>	<b>100.00%</b>

\*Refer Note 2 in Financial Statements

EXPENSES 2002/03 BY PROGRAM



PROGRAM EXPENSES (less FCP adjustments)	\$ '000	%
Corporate & Finance Services	5,080	19.15%
Environmental Services	4,265	16.08%
Community & Cultural Works & Services	1,833	6.91%
Technical Services	1,753	6.61%
Sewerage	1,951	7.35%
Water	1,740	6.56%
<b>TOTAL</b>	<b>26,528</b>	<b>100.00%</b>

\*Refer Note 2 in Financial Statements

# What Did We Achieve 2002/2003

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The Council's Budget was again focused towards road works and drainage with in excess of \$7.21M incurred on new roads, roads maintenance, drainage and reseals. This compares with a total actual expenditure of \$24.6M. In addition, a continued emphasis on environmental initiatives provided the foundation to improve the environmental sustainability of the district.

Under the Roads to Recovery Programme, the Council completed two (2) projects, being Rita Island Road (reconstruct Plantation Creek Floodway) and Barratta Road (bitumen construction). Bitumen reconstruction, widening and kerbing and channelling were a major part of works performed. Sections of Graham Street, Richard Street, Colevale Road, Woods Road, Linton Road, Shirbourne Road, Boundary Road and Coppo Road were upgraded to improve community transport in these areas.

Drainage works included the construction of the Twelfth Avenue Drainage Scheme in Home Hill and drainage scheme in Little Drysdale/Henry Streets in Ayr. The Town of Home Hill Flood Study was also completed.

The Council has continued its maintenance contract with the Department of Main Roads. Maintenance income of \$513,428 was claimed during 2002/03. Reseals to Shire Roads were carried out to a value of almost \$858,000.

Of major significance was the achievement of Quality Assurance to the ISO 9001 (2000) Standard for the Works Division. The principal aim of Quality Assurance is to improve productivity and reduce waste and rework. It is also required for external works including those works for State Government.

This year saw the introduction of the Council's Environmental Levy. The levy has been well received by community groups and a number of submissions have been made to access funds from this scheme to undertake on-ground remediation works.

2002/03 also saw the implementation of cat registration and introduction of a Responsible Pet Ownership philosophy. The Council's Animal Management Programme was recognised in the inaugural RSPCA Animal Friendly Town Competition by receiving a "Highly Commended" Award.

Parks and Gardens continue to be well maintained, including maintenance responsibilities for new roundabouts. The Delta Playground in Anzac Park was completed and opened. A major vegetation project was undertaken at Sheepstation Creek with funding from the Environmental Protection Authority. This project resulted in over 30,000 trees being planted by work crews supervised by the Council's Parks and Gardens staff.

Shire residents produced 14,197 cubic metres of domestic waste and 790.4 tonnes of recyclable materials. The DrumMuster Programme continues to operate successfully and saw 8,200 drums being diverted from Council's waste stream.

The activities of the Land Management Programme continue to have a high profile with Council receiving a National Recognition Award for Local Government initiatives in this area. Operation of the weed harvester continued with work being carried out in Sheepstation Creek, Pink Lily and Horseshoe Lagoons. The herbicide subsidy programme continued with 192 landholders participating with signed pest management agreements to access this programme.

In the Technical Services Area, the Council continued to provide engineering services to the Burdekin Shire Rivers Improvement Trust for works in the Burdekin and Haughton Rivers. Additional services included consultancy facilitation for the Haughton River (Giru) Flood Study and the Haughton River Integrated Catchment Management Study. A combined aerial survey/photography for the Council and the River Trust was facilitated and the Burdekin Shire Storm Surge Study was further progressed.

Council provided planning and development services to its customers. 400 building applications (including 69 applications from other Local Government areas) and 126 plumbing and drainage applications were processed. During 2002/03 the Council commenced Private Building Certifier Services in other Local Government areas, including a large proportion of certification within Bowen Shire.

Co-ordination continued for the development of a Planning Scheme to comply with the Integrated Planning Act 2000, with the objective of completion including all-of-government review and community consultation by 30<sup>th</sup> June, 2004. In the Planning Area, 16 Material Change of Use Applications and 58 Reconfiguration Applications were processed.

The Council's Water Supply Systems for Ayr/Brandon, Home Hill, Giru and Mount Kelly were operated and maintained with a high level of compliance for bacteriological and chemical standards with the Australian guidelines for water quality. The Ayr/Brandon and Home Hill Sewerage Systems are operated and maintained within the requirements of the environmental approvals.

Major refurbishments for the amenities buildings at the Home Hill, Clare and Millaroo Pools were completed. The Council also assisted with a research trial to study the effects of using fish and aquatic weeds to remove nutrient from sewage effluent prior to discharge to the environment.

Federal and State Employment Grants of \$112,092 were obtained in respect of trainees under the Breaking the Unemployment Cycle Initiative and continuing Apprenticeships. Maintenance and repair of various Council owned buildings was undertaken, including the Brandon Heritage Precinct. The new Community Information Centre (CIC) was constructed in Queen Street, Ayr and the power outlets in Queen Street were upgraded for use by community organisations.

The Rural Addressing Project continued with assistance from community and service clubs, with the Giru area the only major area in the shire still to be completed. The design of the Council's new web site was completed in conjunction with funding obtained for a community web portal by the Burdekin Tourism Association. Content will be continually added to the web site during 2003/04.

The Council continued with its generous donations to welfare, cultural, sporting and community based organisations with a total of \$644,247 provided in the form of cash or provision of services. In addition, \$70,644 was spent on area promotion.

The Burdekin Library continued to be well patronised with 66,524 people visiting the Ayr Library. In the shire, 9,907 library members borrowed a total of 166,824 items. A total of 3,238 books, 26 talking books and 258 videos were the main purchases for library shelves.

The Library co-ordinated the BHP Billiton Roadshow which provided free internet training to local residents for 2 weeks. 264 people attended 16 training sessions. The Burdekin Library also participated in Books North Children's Literature Festival by organising visits from Author, Sofie Laguna and Illustrator, Anne Spudvilas to local schools.

# Statutory

# Information

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# Revenue Policy for the Year 2002/2003

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## A. Differential General Rates

Council is committed to a differential rating system which provides a flexible framework to enable Council to apply different rates in the dollar to different categories, if considered appropriate. It is considered this system would achieve a fairer and more equitable distribution of the rating burden than would occur if one general rate was levied in respect of all rateable land.

For the 2002/03 financial year Council supports seven (7) differential categories which enable Council to address the economic circumstances of the community as a whole and/or the circumstances of particular sectors or groups of individuals as may arise in the future.

Council's Revenue Policy, as well as taking into account local economic circumstances of the community, takes into account :

- **Social and Environmental Factors** – Council's revenue and differential rating policies identifies Council's responsibilities to certain groups of ratepayers through exemption from rating, land used for charitable, religious or educational purposes, and the allowance of pensioner rate remissions.
- **Access to Services** – With an increasing road network, particularly in rural areas of the Shire and demands on Council to upgrade the standard of roads for harvesting, transporting of rural product and processing associated with the sugar, grazing and horticulture industries, Council considers those areas benefiting from access to improved road and infrastructure standards should contribute appropriately to Council's revenue base to maintain the high level of road services expected.

In the case of sugar milling operations, Council has taken into account that the increased costs of infrastructure associated with maintaining and upgrading roads including tramway corridors, cane sidings and other infrastructure associated with these operations, contribute to Council's costs in maintaining and upgrading the standards of roads within the Burdekin Shire.

In the case of commercial water supply business, Council has taken into account that the existence of (predominately) above-ground water delivery and drainage infrastructure within or adjacent to road reserves impacts directly on Council roads and associated drainage, and contributes particularly to Council's costs in maintaining and upgrading the standard of roads and drainage.

At the same time, Council acknowledges and again has taken into account that improved services including recreation and sporting, swimming pools, community, cultural, library, and welfare services, public halls, environmental health services and amenities, parks and playgrounds, cemeteries, Council's public buildings, Council's industrial land, Council's economic development initiatives, improvements and development work in the Council's principal towns are Local Government services which should be met by the whole community.

- **Equity** – Equity is the corner stone of the Burdekin Shire Council's revenue raising policies. In arriving at its rating policies, Council is satisfied that the rating burden for the current financial year is distributed in a fair manner.

The annual valuation made by the Department of Natural Resources and Mines of all lands in the Burdekin Shire area shall have force and effect for the period of twelve months commencing on 30th June 2002.

Prior to the implementation of a differential rating system, The Burdekin Shire's rating and revenue policy was generally based on traditional financial divisional boundaries with one general rate for each of the four divisions –

HOWEVER

(a)

- (i) The Council formed the opinion following the release of the Department of Natural Resources and Mines valuations of land report which became effective on 1st July 1996 , that the valuations at that time would lead to rating inequities and a distortion of relativities in the amount of rates paid in various areas of the Shire, if only one general rate was adopted. With the introduction of new valuations to have force and effect from 30th June 2001, Council still maintains the view that the Department of Natural Resources and Mines' current valuations of the Shire which became effective from 30th June 2001 will continue to lead to rating inequities and unfairness in that a distortion of relativities in the amount of rates paid in various areas of the Shire will occur if only one (1) general rate is adopted. This outcome is reinforced in the particular case of the unimproved valuations recently issued for lands used for purposes of and incidental to the Burdekin-Haughton Water Supply Scheme, because those valuations are significantly lower than the valuations for similarly located and otherwise comparable rural land, thus leading to an unfair result in terms of equitable sharing of the overall revenue burden unless these lands are subject to differential rating treatment;
- (ii) Such an outcome is unacceptable to Council;
- (iii) For these reasons, the Council is of the opinion that a system of differential general rating will achieve a fairer and more equitable distribution of the rating burden, and exhibit the following features :
- (1) It is flexible so that the Council can adapt its rating system to the circumstances of its community;
  - (2) It is equitable in relation both to the ratepayers' ability to pay or to the benefit he or she receives from the expenditure of rates;
  - (3) It is simple and easily understood;
  - (4) It is economical to administer relative to the revenue derived; and
  - (5) It ensures that ratepayers in similar situations are treated in a like manner;

The Council determines that a method of differential general rating be applied to all rateable land in the Shire on the basis set out hereunder.

- (b) In making and levying differential general rates for the 2002/03 financial year, Council has done so to raise an amount of revenue it sees as being appropriate to maintain and improve assets and provides services to the Shire as a whole. In deciding how that revenue is raised, Council took into account the following factors –
- The rateable value of land, including valuation relativities between land, and the rates which would be payable if only one general rate was adopted; and
  - The level of services provided to that land and the cost of providing the services compared to the rate burden that would apply under a single general rate; and
  - The use of the land in so far as it relates to the extent of utilisation of Council services; and
  - Location and access to services.
- (c) For the purpose of making and levying differential general rates on all rateable land in the Shire, the Council hereby determines that there shall be seven (7) categories of land.

- (d) The categories and criteria for each category are:-

**Category A – Residential** : Urban land within the townships of Ayr, Home Hill, Brandon, Sutcliffe Estate, Cornford Crescent/Rutherford Street; rural residential estates at Mt. Kelly, and off Patricia Road (Fiamingo's estate), Hillcrest Place and Lisa Drive (Domanti's estate); beach resorts at Alva and Wunjunga, Plantation Creek, Jerona, Ocean Creek, Groper Creek; Clare, Millaroo, Dalbeg and Giru.

**Category B – Commercial and Industrial:** Land used for commercial and industrial purposes described by the land use codes referred to for Category B in the Table below - these lands are predominantly located in the principal towns of Ayr and Home Hill.

**Category C – Grazing and Livestock:** Land outside the urban areas on the north and south banks of the Burdekin River used for purposes described by the land use codes referred to for Category C in the Table below.

**Category D – Rural – Sugar Cane:** Land developed and used for the district's principal agricultural crop of sugar cane within the Pioneer, Kalamia, Inkerman and Invicta Mill areas.

**Category E – Rural – Other:** Land used for the production of the district's produce, other than sugar cane and grazing.

**Category F – Sugar Milling:** Land used for the Pioneer, Kalamia, Inkerman and Invicta sugar mills and predominantly used for the processing of sugar cane.

**Category G –Commercial Water Business** Land used for purposes of and incidental to commercial water delivery and drainage.

- (e) The Council has identified the category in which each parcel of rateable land in the area is included, applying the criteria specified in clause (d) hereof, as set out in the Table on page 4.

In the Table, "Land Use Codes" means those Land Use Codes used by the Department of Natural Resources and Mines to classify land within the Burdekin Shire boundaries during the period of the valuation which becomes effective for rating purposes from 1st July, 2002.

- (f) In accordance with Section 983 of the Local Government Act 1993, the Council shall advise owners of rateable land of the following –

- (i) The categories of rateable land in the Shire and the criteria by which the land is categorised;
- (ii) The category in which the land to which the rate notice applies is shown on the rate notice;
- (iii) The category in which the land is included was identified by the Burdekin Shire Council;
- (iv) If they consider that as at the date of issue of the rate notice their land should, having regard to the criteria adopted by Council, have been included in another category, they may object against that categorisation of their land by posting to or lodging with the Chief Executive Officer, Burdekin Shire Council, a notice of objection in the prescribed form within thirty (30) days of the date of issue of the rate notice (copies of the form are available at the Shire Offices);

**TABLE**

<b>COLUMN 1</b>	<b>COLUMN 2</b>
<b>Category</b>	<b>Criteria</b>
A - RESIDENTIAL	<p><b>Land having any of the following Land Use Codes excluding valuation numbers 2799, 5460, 5464, 5533, 5957 :-</b></p> <p>01 - Vacant Urban Land; 02 - Single Unit Dwelling; 03 - Multiple Dwelling (Flats); 04 - Large Homesite – Vacant; 05 - Large Homesite – Dwelling; 06 - Outbuilding; 07 - Guest House/Private Hotel; 08 – Building Units; 09 - Group Title; 21 – Residential Institutions (Non-Medical Care); 72 - Residential Subdivisions; 97 - Welfare Homes/Institutions.</p>
B - COMMERCIAL & INDUSTRIAL	<p><b>Land having any of the following Land Use Codes including valuation numbers 2799, 5460, 5464, 5533, 5957 :-</b></p> <p>10 - Combined Multi-Dwelling &amp; Shops; 11 – Shop - Single; 12 - Shops - Shopping Group (more than 6 shops); 13 - Shopping Group (2 to 6 shops); 14 - Shops - Main Retail; 15 - Shops - Secondary Retail; 16 - Drive-in Shopping Centres; 17 - Restaurant; 18 - Special Tourist Attraction; 19 – Walkway; 20 - Marina; 22 – Car Park; 23 - Retail Warehouse; 24 - Sales Area Outdoor; 25 Offices; 26 - Funeral Parlours; 27 - Hospitals, Conv. Homes (Medical Care) (Private); 28 – Warehouses &amp; Bulk Stores; 29 – Transport Terminal; 30 - Service Station; 31 - Oil Depots; 32 – Wharves; 33 - Builders' Yard/Contractors' Yard; 34 Cold Stores - Iceworks; 35 General Industry; 36 - Light Industry; 37 – Noxious/Offensive Industry; 38 - Advertising - Hoarding; 39 – Harbour Industries; 40 – Extractive; 41 - Child Care; 42 - Hotel/Tavern; 43 - Motel; 44 – Nurseries; 45 - Theatres and Cinemas; 46 - Drive-in Theatre; 47 - Licensed Clubs; 48 - Sports Clubs/Facilities; 49 - Caravan Parks; 50 - Other Clubs Non-Business; 51 - Religious; 52 - Cemeteries; 53 - (Secondary land Use Code for Commonwealth ownership); 54 - Secondary Land Use Code for State ownership); 55 - Library; 56 - Showgrounds/Racecourses/Airfields; 57 – Parks and Gardens; 58 - Educational; 59 - (Secondary Land Use Code for Local Authorities); 90 - Stratum; 91 - Transformers; 92 - Defence Force Establishments; 96 - Public Hospital; 99 - Community Protection Centre.</p>
C - GRAZING & LIVESTOCK	<p><b>Land having any of the following Land Use Codes :-</b></p> <p>60 - Sheep Grazing - Dry; 61 - Sheep Breeding; 62 - Not allocated; 63 - Not allocated; 64 - Cattle Grazing – Breeding; 65 - Cattle Breeding and Fattening; 66 Cattle Fattening; 67 Goats; 68 - Dairy Cattle – Quota Milk; 69 Dairy Cattle – None Quota Milk; 85 Pigs; 86 - Horses; 87 - Poultry; 89 – Animals Special.</p>
D - RURAL - SUGAR CANE	<p><b>Land having any of the following Land Use Codes:-</b></p> <p>75 - Sugar Cane.</p>
E - RURAL – OTHER	<p><b>Land having any of the following Land Use Codes excluding valuation numbers contained in Category G:-</b></p> <p>70 - Cream; 71 – Oil Seeds; 73 - Grains; 74 – Turf Farms; 76 - Tobacco; 77 - Cotton; 78 - Rice; 79 - Orchards; 80 - Tropical Fruits; 81 – Pineapple; 82 - Vineyards; 83 - Small Crops and Fodder Irrigated; 84 - Small Crops Fodder Non- irrigated; 88 - Forestry and Logs; 93 - Peanuts; 94 - Vacant Rural Land; 95 - Reservoir, Dam, Bores.</p>
F - SUGAR MILLING	<p><b>Land having any of the following Valuation Numbers:-</b></p> <p>1704 - 10000, 6926, 7400 and 7830</p>
G – COMMERCIAL WATER BUSINESS	<p><b>Land having any of the following Valuation Numbers:-</b></p> <p>2193-20000, 2352-20000, 2358, 2563-50000, 2693-10000, 7533-50000, 7669-72000, 7680 and 7937.</p>

- (v) The sole ground on which they may object is that having regard to the criteria determined by the Council for categorising rateable land, the land should have been included, as at the date of issue of the rate notice, in another of the categories specified;
  - (vi) The posting to or lodging of an objection with the Chief Executive Officer shall not in the meantime interfere or affect the levy and recovery of the rates specified in the rate notice;
  - (vii) Where, by reason of the decision of the Chief Executive Officer on the objection the land is taken to have been included in another category as at the date of issue of the rate notice, an adjustment of the amount of rates levied, or, as the case may be, the amount of rates paid shall be made in accordance with Section 1029 of the Local Government Act 1993; and
  - (viii) Postal address of the Chief Executive Officer, Burdekin Shire Council is Box 974, AYR Q4807.
- (g) For the year ending 30th June, 2003, differential general rates are hereby made and levied on all rateable land in the Shire included in the specified category as set out hereunder :-

Category A – **2.087 cents** in the dollar on the unimproved capital value of all rateable land in the category.

Category B – **2.109 cents** in the dollar on the unimproved capital value of all rateable land in the category.

Category C – **1.949 cents** in the dollar on the unimproved capital value of all rateable land in the category.

Category D - **1.949 cents** in the dollar on the unimproved capital value of all rateable land in the category.

Category E – **1.949 cents** in the dollar on the unimproved capital value of all rateable land in the category.

Category F - **14.442 cents** in the dollar on the unimproved capital value of all rateable land in the category.

Category G – **46.289 cents** in the dollar on the unimproved capital value of all rateable land in the category.

## **B. Minimum General Rates**

Section 967(1) of the Local Government Act 1993 provides that “*a Local Government may identify rateable land for the purpose of making and levying a minimum general rate in any way it considers appropriate*”

Council also has power, where differential general rates are made and levied, to apply a different level of minimum general rate for each category of land.

The Council considers that the following minimum general rates are reasonable to recover Council’s administrative costs and appropriate revenue for services provided by the Council to all properties irrespective of their rateable value, and which lend themselves to recovery of rates by a minimum general rate.

For the 2002/03 financial year, the following minimum general rates shall apply:

Category A - **\$344**

Categories B, C, D & E - **\$578**

Category F - **\$11,472**

Category G - **\$15,000**

The above provisions shall not apply to any land under the ownership of the North Burdekin Water Board and the South Burdekin Water Board and used for channel and ancillary Water Board purposes.

### **C. Rates Instalment Policy**

Council will allow landowners who are unable to pay their rates by the due date to enter into an arrangement to pay by instalments with the Chief Executive Officer by way of delegated powers being authorised to enter into agreed arrangements, with no recovery action being taken while the arrangement is being maintained.

The rates instalment policy may apply for landowners in the Burdekin Shire who can produce evidence of financial hardship. For ratepayers experiencing difficulties with payment of rates, the Council will consider allowing delayed payment of rates and any arrears interest over a period of up to two (2) years, upon written application to the Chief Executive Officer for a structured instalment plan.

No discount shall be allowed for payment of rates by instalments.

It will be expected that eligible pensioners meet payments of any outstanding rates and current rates within the discount period or prior to the 30<sup>th</sup> June 2003 in accordance with the provisions of an approved structured instalment plan to qualify for Council's pensioner remission concessions and State Government subsidy. Eligible pensioners who make application on or before 30<sup>th</sup> June in the preceding financial year in respect of property owned by the pensioner and who because of their financial circumstances are unable to pay rates and charges within the discount period, will be allowed a rates remission in accordance with Clause N hereof if such pensioner has entered into an structured instalment plan for payment of rates and charges and has paid all rates and charges other than the amount of Council's pensioner remission and State subsidy by 30<sup>th</sup> June following the issue of the annual rates notice. If there is evidence acceptable to Council that any eligible pensioner is unable to meet rate obligations within the discount period and are unable to enter into an instalment plan for payment of outstanding rates, satisfactory to the Chief Executive Officer, Council may, in exceptional circumstances after considering a report from the Chief Executive Officer, agree to the outstanding rates remaining a charge on the land to be recovered following the death of an eligible pensioner/pensioners or as a result of sale/transfer of the land. Discount on rates on land owned by eligible pensioners will only apply if all rates and charges, and any arrears, are paid within the discount period.

### **D. Application for Relief on Grounds of Hardship**

Ratepayers may also apply for rate relief with an application on the basis of hardship supported by relevant documentation. The Council's policy governing the consideration of any application for relief on the grounds of hardship is currently as follows :-

- (a) An applicant will be eligible for consideration of rates remission on the grounds of financial hardship upon complying with the following criteria :-
  - (i) The applicant does not have reasonable assets external to the land upon which the application for relief on the grounds of hardship applies to; and
  - (ii) Payment of rates by the applicant would cause financial hardship within the next twelve (12) months;
- (b) Applicants will be required to disclose private financial documentation including, where applicable, the previous two (2) years tax returns, profit and loss statement and balance sheet as prepared by a registered accountant or tax agent.

## E. Sewerage Scheme

A sewerage charge will be levied on each rateable property, both vacant and occupied, that Council has or is able to provide with sewerage services and identified hereunder.

The sewerage charge is set to recover all of the costs associated with the provision of sewerage and waste water services provided by Council in the financial year. These costs include loan interest, depreciation and the cost of on-going maintenance and operation of the system, including treatment plant operations.

A charge is set, subject to the provisions hereunder, and referred to as classes of buildings in accordance with the "Building Code of Australia 1996" as amended, for each pedestal in residential dwellings and residential lots under the Body Corporate and Community Management Act 1997, or other community titles act that are connected to Council's sewerage system. Where sewerage services are provided to the common property of sewerage scheme land within the meaning of the Body Corporate and Community Management Act 1997, the Body Corporate shall be levied a charge on each pedestal.

(a) The Sewerage Area shall consist of: -

All land situated in the Shire of Burdekin that the Council is prepared to sewer. A parcel of land shall be deemed to be within a sewerage area if the Council is prepared to sewer any part of the land.

Such charges shall be levied to defray the cost of constructing sewerage including the payment of interest on and redemption of, the instalments into a sinking fund, in respect of any loan money borrowed for or in respect of such function and the cost of operating, maintaining, and managing sewerage.

The charges shall also apply in respect of any land or any structure, building or place on land that is not rateable under Section 957 of the Local Government Act 1993.

In this subsection reference is made to classes of Buildings. Buildings and portions of buildings shall be classified in accordance with the "Building Code of Australia 1996", as amended as follows -

Class 1 One or more buildings which in association constitute -

(a) Class 1a - a single dwelling being -

- (i) a detached house; or
- (ii) one or more attached dwellings, each being a building, separated by a fire resisting wall, including a row house, terrace house, town house or villa unit; or

(b) Class 1b - a boarding house, guest house, hostel or the like with a total floor area not exceeding 300 m<sup>2</sup> and in which not more than 12 persons would ordinarily be resident, which is not located above or below another dwelling or another Class of building other than a private garage.

Class 2 - A building containing two or more sole-occupancy units each being a separate dwelling.

Class 3 - A residential building, other than a building of Class 1 or 2, which is a common place of long term or transient living for a number of unrelated persons, including: -

- (a) A boarding house, guest house, hostel, lodging house or backpackers' accommodation; or
- (b) A residential part of a hotel and motel; or
- (c) A residential part of a school; or
- (d) Accommodation for the aged, disabled or children; or
- (e) A residential part of a health-care building which accommodates members of staff.

Class 4 - A dwelling in a building that is Class 5, 6, 7, 8, or 9 if it is the only dwelling in the building.

Class 5 - An office building used for professional or commercial purposes, excluding buildings of Class 6, 7, 8, or 9.

Class 6 - A shop or other building for the sale of goods by retail or the supply of services direct to the public, including: -

- (a) An eating room, cafe, restaurant, mill or softdrink bars; or
- (b) A dining room, bar, shop or kiosk part of a hotel or motel; or
- (c) A hairdresser's and barber's shop, public laundry, or undertaker's establishment; or
- (d) Market or sale room, show room, or service station.

Class 7 - A building which is -

- (a) A public carpark; or
- (b) for the storage, or display of goods or produce for sale by wholesale.

Class 8 - A laboratory, or a building in which a handicraft or process for the production, assembling, altering, repairing, packing, finishing, or cleaning of goods or produce is carried on for trade, sale, or gain.

Class 9 - A building of a public nature -

- (a) Class 9a - a health-care building, including those parts of the building set aside as a laboratory; or
- (b) Class 9b - an assembly building, including a trade workshop, laboratory or the like in a primary or secondary school, but excluding any other parts of the building that are of another class.

Class 10 - a non-habitable building or structure -

- (a) Class 10a - a non-habitable building being a private garage, carport, shed, or the like; or
- (b) Class 10b - a structure being a fence, mast, antenna, retaining or free-standing wall, swimming pool or the like.

- (b) The charges in the Sewerage Area for the **2002/03** financial year shall be :-

A charge of **\$406-00** shall be made where sewerage is provided for a full year to Class 1a or Class 4 buildings and portion of buildings and to a single dwelling unit of a Class 2 building. This charge shall apply subject to Clause (c) hereunder. In respect of each and every parcel of vacant land separately valued for rating purposes, a charge of **\$406-00** for a full year shall be made.

A charge of **\$406-00** shall be made where sewerage is provided for a full year to a Lot contained in a Body Corporate and Community Management Act 1997 or another community title Act. This charge shall apply subject to Clause (c) hereunder. This charge shall be payable from the date of registration of the community titles scheme and shall be payable by the owner.

A **pro rata charge** based on **\$406** per annum shall apply in respect of any parcel of land to which sewerage supply is or is not connected and which becomes separately valued during the financial year or to which the Chief Executive Officer deems shall be separately valued during the financial year. Such charge is to take effect from the date of possession or date of effect of valuation, whichever is the earlier.

A **pro rata charge** based on **\$406** per annum shall apply in respect of any parcel of land to which sewerage supply is connected.



Notwithstanding the above, where a concessional valuation applies under Section 25 of the Valuation of Land Act, a pro rata charge shall not apply, provided that in respect of the subject subdivision in total, a single charge will apply for the full year.

- (c) Two or more water closet pans installed at Class 1a or Class 4 buildings or portions of buildings and to a single dwelling unit of a Class 2 building shall be permitted without the imposition of charges other than those in Clause (b).
- (d) A charge of **\$406-00** shall be made for each water closet pan and/or each 1800mm of urinal (as defined by the Standard Sewerage By-laws) connected, proposed to be connected or required to be connected (in accordance with the minimum number/s of water closet pans and/or urinals specified in the Building Code of Australia 1996) at Classes 1b, 3, 5, 6, 7, 8 & 9 buildings, or portions of buildings, where sewerage is available for a full year or on a pro rata basis according to the proportion of the year for which sewerage is available. In this sub- clause, the charge of **\$406-00** shall also apply in respect of three wall urinals or part thereof.
- (e) Notwithstanding the above, a charge of **\$406-00** shall be made for the first three and a charge of **\$203-00** for subsequent water closet pans and/or each 1,800 mm of urinal (as defined by the Standard Sewerage By-laws) connected, proposed to be connected or required to be connected (in accordance with the minimum number/s of water closet pans and/or urinals specified in the Building Code of Australia 1996) at premises listed in the **First Schedule** below, or as the Council may determine by resolution.

## The First Schedule

*Motels, Hotels, Taverns, Accommodation Units, Caravan Parks, Service Stations, Non-Government Offices, Shops, Restaurants, Skating Rink, Drive-In Theatre (Stardust), Factory, Foundry, Private Day Care Centres.*

- (f) A charge of **\$406-00** shall be made in respect of each separately valued parcel of land on which any building and portions of buildings are erected, and not being chargeable as hereinbefore set out.
- (g) Within the Sewerage Area, for premises that pump septic tank effluent to the sewer system, an annual charge equivalent to 60% of the standard sewerage charge of \$406 which equates to **\$243-60** shall apply. Provided that approval of the Council is received to dispose of the effluent as aforesaid. Provided also that the Council shall apply an infrastructure contribution charge to be set as a General Charge by resolution of the Council.
- (h) In the sanitary area of **Spelta's Subdivision**, the following charges shall apply for effluent removal from covered places for the 2002/03 financial year.
  - (i) A charge of **\$406-00** per annum shall be made on all premises with septic tank installations of Class 1a or Class 4 buildings and portion of buildings and to a single dwelling unit of a Class 2 building. This charge shall apply subject to Clause (ii) hereunder.
  - (ii) Two or more water closet pans installed at Class 1a or Class 4 buildings or portions of buildings and to a single dwelling unit of a Class 2 building shall be permitted without the imposition of charges other than those in Clause (i).

- (iii) A charge of **\$406-00** shall be made for the first three and a charge of **\$203-00** for subsequent water closet pans and/or each 1,800 mm of urinal (as defined by the Standard Sewerage By-laws) connected, proposed to be connected or required to be connected (in accordance with the minimum number/s of water closet pans and/or urinals specified in the Building Code of Australia 1996) at premises listed in the **First Schedule** above, or as the Council may determine by resolution.
- (iv) A charge of **\$406-00** shall be made for each water closet pan and/or each 1800mm of urinal (as defined by the Standard Sewerage By-laws) connected, proposed to be connected or required to be connected (in accordance with the minimum number/s of water closet pans and/or urinals specified in the Building Code of Australia 1996) at Classes 1b, 3, 5, 6, 7, 8 & 9 buildings, or portions of buildings, subject to (ii) and (iii) hereinbefore mentioned, where septic is available for a full year or on a pro rata basis according to the proportion of the year for which septic is available. In this sub-clause, the charge of **\$406-00** shall also apply in respect of three wall urinals or part thereof.
- (v) Payment of the charge of **\$406-00** per annum will entitle all premises to sixteen (16) effluent removal services per annum. Subsequent effluent removal services after the first sixteen (16) services will be the responsibility of the landowner or occupier to arrange and pay for.

Notwithstanding the above, if sewerage is provided to any such premises, the entitlement of effluent removal services will be calculated on a pro rata basis.

- (i) Sewerage charges to be levied on sporting and other organisations (including the Burdekin Community Church and Home Hill Race Club) located outside the sewerage areas where these organisations provide their own pumping facilities and sewer line for the conveyance of sewage from their premises into the Council's Sewerage System be based on one-third (to the next) of the sum of the number of water closet pans plus each 1800mm of urinal installed for use at the premises at the rate of **\$406-00** per water closet pan.

#### **F. Ayr Industrial Estate Sewerage Special Charge**

The Ayr Industrial Estate Sewerage Special Charge shall apply to all lots in Stages 1 & 2 of the Ayr Industrial Estate provided that the Special Charge shall apply for the year in which the landowner has indicated that connection to the sewer shall be made for each separately valued parcel of land. The benefited area is defined in Appendix A attached.

The Special Charge is separate to the sewerage charge provided in E, which shall also be payable in respect of each separately valued parcel of land.

For connection to the sewer in the **1999/2000 financial year**, the following special charges shall apply:

- (i) A charge of **\$1,435-10** per annum for a period of five (5) years for the purpose of defraying part of the cost of constructing the sewerage infrastructure to serve Stages 1, 2 & 3 of the Ayr Industrial Estate including the payment of interest thereon based on the Queensland Treasury Corporation indicative borrowing rate at 22<sup>nd</sup> June, 1999, where the registered proprietor/s have indicated in writing that they favoured their share of financing the sewerage infrastructure construction in this manner.
- (ii) A charge of **\$836-28** per annum for a period of ten (10) years for the purpose of defraying part of the cost of constructing the sewerage infrastructure to serve Stages 1, 2 & 3 of the Ayr Industrial Estate including the payment of interest thereon based on the Queensland Treasury Corporation indicative borrowing rate at 22<sup>nd</sup> June, 1999, where the registered proprietor/s have indicated in writing that they favoured their share of financing the sewerage infrastructure construction in this manner.

For connection to the sewer in the **2000/2001 or 2001/02 financial year**, the following special charges shall apply:

- (i) A charge of **\$1,578-38** per annum for a period of five (5) years commencing in 2000/2001 for the purpose of defraying part of the cost of constructing the sewerage infrastructure to serve Stages 1, 2 & 3 of the Ayr Industrial Estate including the payment of interest thereon based on the Queensland Treasury Corporation indicative borrowing rate at 22<sup>nd</sup> June, 1999, where the registered proprietor/s have indicated in writing that they favoured their share of financing the sewerage infrastructure construction in this manner.

#### **G. Domestic Waste Collection Service**

For the purpose of providing a 240 litre domestic waste service collection, the whole of the Shire is declared a "waste area", which means an area within the Shire in which the Council, utilising the services of its contractor, Townsville Trade Waste Pty. Ltd., undertakes for the storage, collection and conveyance of domestic waste and the disposal thereof.

Within parts of the declared "waste area", occupied land predominantly used for urban, commercial, and industrial purposes, identified within land use codes, the Council shall also, utilising the services of Townsville Trade Waste Pty. Ltd., provide a 240 litre recyclable waste service to be collected on a fortnightly basis.

**In the "waste area", the following domestic waste collection charges shall apply for the 2002/03 financial year:**

- (i) A charge of **\$160-00** per domestic waste collection service including recyclable waste service per annum shall be made in respect of occupied land where the weekly service of removing garbage and a fortnightly recyclable waste removal service are rendered or available. This includes Class 1, Class 2 or Class 4 buildings or portions of buildings.
- (ii) A charge of **\$111-00** per domestic waste collection service per annum shall be made in respect of occupied land where the weekly service is rendered or available. A recyclable service is not included in this charge. This charge shall only apply where a service is available and rendered and the domestic dwelling on the occupied land is located no further than 400 metres from the collection point. This service may be offered by Council in respect of properties where the domestic dwelling on the occupied land is located further than 400 metres from the collection point but this shall be absolutely at Council's discretion. In the event of the service being rendered, the said charge shall be applicable.
- (iii) The Council may allow a refund on the domestic waste collection service charge levied or paid in respect of any occupied land provided that the service has been previously discontinued for a period of not less than three (3) months in respect of such land. An application for refund is to be made in writing to the Chief Executive Officer.
- (iv) In buildings or portions of buildings classified as Classes 5, 6, 7, 8 or 9, in accordance with the "Building Code of Australia 1996", and where multiple domestic garbage services are provided i.e. more than two services, Council may, on application and with the agreement of the Director of Environment and Health, pursuant to delegated powers from the Chief Executive Officer, allow less than a similar number of recyclable garbage services with a proportionate reduction in charges, depending on the number of domestic garbage services and recyclable services provided.

## H. Water Supply Scheme

In February, 1994 the Council of Australian Governments (COAG) agreed to a strategic framework for the efficient and sustainable reform of the Australian water industry. One aspect of this framework is the greater use of consumption based pricing (often referred to as two part tariffs) for water supplied to customers in urban areas.

In determining charges to apply in respect of the provision of water, the Council is cognisant of the fact that Queensland Local Governments have been given the responsibility to carry out an evaluation of the cost effectiveness of charging for water services under a consumption based two-part pricing policy. Council has been encouraged to embrace the objectives of the reform and review their operations and, if shown to be cost effective, introduce a two-part pricing policy. The outcomes of this form of water supply demand management are aimed at community benefit from:

- Establishment of a charging system more closely aligned to equitable full cost pricing principles (user pays);
- Reduced water consumption resulting in:
  - reduced operational costs,
  - deferment of future augmentation works for water treatment plants and delivery systems, and
  - an improved environmental balance of ground water reserves for future generations.

In introducing reform, Council has resolved to eliminate any concessions for any section of the community in respect of consumption based charging.

Council has adopted as the second stage of implementation of a two-part water pricing regime, an annual base allowance of zero kilolitres per meter for a minimum access charge of \$240.

- (a) The Council has resolved to introduce a consistent water charging regime for the provision of water and makes water charges for the **2002/03 financial year** on the bases set out below to be levied on all land within the Water Area as described below.

### **The Water Area shall consist of :**

All land situated in the Shire of Burdekin to which the Council is prepared to supply water including the Ayr/Brandon, Home Hill, Mt. Kelly and Giru Water Supply Schemes and the Airdmillan, Klondyke, Colevale, Groper Creek, Alva and Sutcliffe Water Supply Extensions. A parcel of land shall be deemed to be within a water area if the Council is prepared to supply water to any part of the land.

Such charges shall be levied to defray the cost of constructing the water supply including the payment of interest on and redemption of, the instalments into a sinking fund, in respect of any loan money borrowed for or in respect of such function and the cost of operating, maintaining, and managing the water supply.

The charges shall also apply in respect of any land or other structure, building or place on land that is not rateable under Section 957 of the Local Government Act 1993.

- (b) The basis of the water charges in the Water Area for the 2002/03 financial year shall be: -
- (i) a minimum access charge; and
  - (ii) a consumption charge for each kilolitre consumed as registered by a meter installed by Council.
- (c) Except as hereinunder provided, a minimum access charge of **\$240-00** shall be payable in respect of a water connection to any land and building (or part thereof) or other structure whether occupied or not and a minimum access charge of **\$240-00** shall be payable in respect of every parcel of vacant land separately valued for rating purposes to which the water supply is or is not connected.

- (d) For premises containing Lots under the Body Corporate and Community Management Act 1997 or another community title Act, where each Lot and Common Property is capable of separate measurement of water, a minimum access charge of **\$240-00** shall be payable in respect of each and every individual metered water connection point.
- (e) For premises containing Lots under the Body Corporate and Community Management Act 1997 or another community title Act, where each Lot and Common Property is not capable of separate measurement of water, a minimum access charge of **\$240-00** shall be payable in respect of each Lot as if each Lot was provided with an individual metered water connection point.
- (f) The minimum access charge shall be payable from the date of registration of the community titles scheme and shall be payable by the owner.
- (g) Notwithstanding Clause (c) above, in respect of any land connected to the **Groper Creek Water Supply Scheme**, the minimum access charge of **\$240-00** shall not be payable until such time as any land or building (or part thereof) commences to draw water from the water supply scheme.
- (h) A **pro rata charge** based on **\$240-00** per annum for all land situated in the Water Area shall apply in respect of any parcel of land to which water supply is, or is not connected and which becomes separately valued during the financial year or to which the Chief Executive Officer deems shall be separately valued during the financial year. Such charge is to take effect from the date of possession or date of effect of valuation, whichever is the earlier.

Notwithstanding the above, where a concessional valuation applies under Section 25 of the Valuation of Land Act, a pro rata charge shall not apply, provided that in respect of the subject subdivision in total, a single charge will apply for the full year.

- (i) A building, any part of which is separately occupied or capable of being separately occupied, shall be levied with a minimum access charge in respect of each and every individual metered water connection point, provided the building is in single title ownership.
- (j) Where more than one building is erected on a parcel of land, one of which may be used for residential purposes and any others for business purposes, one minimum access charge shall be levied on such parcel of land in respect of each and every individual metered water connection point provided.
- (k) It is not the intention of Council to levy a minimum access charge in respect of fire hose reels.

Consumption Charges for Water Consumed in the 2001/02 Financial Year:

- (l) The maximum quantity of water or entitlement which shall be supplied annually through a meter installed in respect of any land or building (or part thereof) or structure without liability being incurred for consumption water charges shall be five hundred thousand (500,000) litres.

For any rates assessment with more than one (1) meter, consumption water charges shall be calculated individually on the basis of water consumption of each meter. No summing of consumption and water entitlements for that rates assessment will occur.

- (m) The charge for water consumed in the **2001/02 financial year** for all water supplied to any land or structure, building or place for which a consumption water charge is to be levied shall be based on the following -

For water usage up to and including 500,000 litres greater than the original entitlement	- <b>15 cents</b> per 1,000 litres.
For water usage above 500,000 litres greater than the original entitlement	- <b>80 cents</b> per 1,000 litres.

- (n) The charge for consumption water shall be payable in addition to the minimum access charge.
- (o) For premises containing Lots under the Body Corporate and Community Management Act 1997 or another community title Act, where each Lot and Common Property is capable of separate measurement of water, consumption water charges shall be calculated from the individual water meters serving each lot and common property.

For premises containing Lots under the Body Corporate and Community Management Act 1997 or another community title Act, where each Lot and Common Property is not capable of separate measurement of water, consumption water charges shall be calculated from the property primary water meter and charged to the lots proportional to the lot entitlement schedule for the Community Title unless an agreement between the Body Corporate and Council has been entered into pursuant to section 154(4) of the Body Corporate and Community Management Act 1997.

- (p) In respect of fire hose reel services, all existing services are to have meters fitted retrospectively where practicable. All such services will be then capable of being measured in respect of their water consumption and it is the intention of Council to levy a consumption charge for each kilolitre consumed. Dedicated fire mains are to be installed with no meter and not intended to be metered for consumption. Where a fire hose reel is connected off a dedicated fire main, a combination meter is to be installed and the consumption measurement is to be taken from the low flow (fire hose reel) meter only. Notwithstanding the above, if a minimum access charge is applied to the fire hose reel service, a consumption charge will apply for consumption above the set entitlement.
- (q) The Council intends to retain two water meter readings per year based on the current format of December and June as an initial frequency and increased readings be considered as consumption trends and predictions are identified accurately and with confidence. Following the December, 2001 meter reading the Council will calculate whether consumption is above the set annual entitlement. If consumption is above the set entitlement, a consumption charge shall be levied on the landowner based on the consumption water charges for 2001/02. Following the June, 2002 meter reading the Council will calculate whether consumption is above the set annual entitlement. If consumption is above the set entitlement, a consumption charge shall be levied on the landowner based on the consumption water charges for 2001/02. The calculation of the consumption charge will take into account total consumption and the levy of previous charges, if any.
- (r) If any meter in use ceases to register or is reported by an officer of the Council to be out of order or registering inaccurately, the Chief Executive Officer may estimate the charge for the water supplied during the period such meter was not in working order by considering the daily average consumption of a comparative period selected by the engineer or the whole of the previous financial year, whichever is the lowest, and multiplying this average by the number of days the meter is out of order or registering inaccurately. Notwithstanding the above, the Chief Executive Officer may cause a check meter to be installed and estimate the charge upon the registration thereof.
- (s) In the case where the Chief Executive Officer is satisfied, on reasonable grounds, that there was a previously undetected leak within the property boundaries, the Chief Executive Officer, in accordance with delegated powers from the Council, will determine the basis for charging consumption water charges. His determination, entirely in his discretion, shall be made either upon the basis of annual consumption over the previous three year period or where there is not a history of consumption water charges prior to detection of the leak, and where the Chief Executive Officer is satisfied as to the bona fides of the claim, on the basis that the Chief Executive Officer shall reduce the consumption water charges up to an amount of 50% of the amount otherwise payable.

Consumption Charges for Water Consumed in the 2002/03 Financial Year:

- (t) A consumption charge shall apply for each kilolitre consumed as registered by a meter installed by the Council in respect of water consumed in the 2002/03 financial year..

For any rates assessment with more than one (1) meter, consumption charges shall be calculated individually on the basis of water consumption of each meter. No summing of consumption for that rates assessment will occur.

- (u) The charge for water consumed in the **2002/03 financial year** for all water supplied to any land or structure, building or place for which a consumption charge is to be levied shall be based on the following -

For water usage up to and including 1,000,000 litres - **10 cents** per 1,000 litres.

For water usage above 1,000,000 litres - **50 cents** per 1,000 litres.

- (v) The charge for consumption shall be payable in addition to the minimum access charge.
- (w) For premises containing Lots under the Body Corporate and Community Management Act 1997 or another community title Act, where each Lot and Common Property is capable of separate measurement of water, consumption charges shall be calculated from the individual water meters serving each lot and common property.

For premises containing Lots under the Body Corporate and Community Management Act 1997 or another community title Act, where each Lot and Common Property is not capable of separate measurement of water, consumption charges shall be calculated from the property primary water meter and charged to the lots proportional to the lot entitlement schedule for the Community Title unless an agreement between the Body Corporate and Council has been entered into pursuant to section 154(4) of the Body Corporate and Community Management Act 1997.

- (x) In respect of fire hose reel services, all existing services are to have meters fitted retrospectively where practicable. All such services will be then capable of being measured in respect of their water consumption and it is the intention of Council to levy a consumption charge for each kilolitre consumed. Dedicated fire mains are to be installed with no meter and not intended to be metered for consumption. Where a fire hose reel is connected off a dedicated fire main, a combination meter is to be installed and the consumption measurement is to be taken from the low flow (fire hose reel) meter only. Notwithstanding the above, if a minimum access charge is applied to the fire hose reel service, a consumption charge shall apply.
- (y) The Council intends to retain two water meter readings per year based on the current format of December and June as an initial frequency and increased readings be considered as consumption trends and predictions are identified accurately and with confidence. Following the December, 2002 meter reading a consumption charge (if applicable) shall be levied on the landowner based on the charges for 2002/03. Following the June, 2003 meter reading, a consumption charge shall be levied on the landowner based on the consumption charges for 2002/03. The calculation of the latter consumption charge will take into account total consumption and the levy of previous charges, if any.
- (z) If any meter in use ceases to register or is reported by an officer of the Council to be out of order or registering inaccurately, the Chief Executive Officer may estimate the charge for the water supplied during the period such meter was not in working order by considering the daily average consumption of a comparative period selected by the engineer or the whole of the previous financial year, whichever is the lowest, and multiplying this average by the number of days the meter is out of order or registering inaccurately. Notwithstanding the above, the Chief Executive Officer may cause a check meter to be installed and estimate the charge upon the registration thereof.

- (z)(a) In the case where the Chief Executive Officer is satisfied, on reasonable grounds, that there was a previously undetected leak within the property boundaries, the Chief Executive Officer, in accordance with delegated powers from the Council, will determine the basis for charging consumption charges. His determination, entirely in his discretion, shall be made either upon the basis of annual consumption over the previous three year period or where there is not a history of consumption water charges prior to detection of the leak, and where the Chief Executive Officer is satisfied as to the bona fides of the claim, on the basis that the Chief Executive Officer shall reduce the consumption charges up to an amount of 50% of the amount otherwise payable

#### **I. Wunjunga SBS Translator Special Charge**

The Wunjunga SBS Translator Supply special charge for the **2002/03** financial year to meet the ongoing cost of repairs and maintenance and electricity supply to the SBS television translator shall be **\$26-20**. The benefited area is defined in Appendix B attached.

#### **J. Environment Separate Charge**

The Environment Separate Charge for the **2002/03** financial year to meet the ongoing and proposed funding commitments towards environment improvement and natural resource conservation initiatives shall be **\$15-00** and shall apply equally to all assessments.

#### **K. Time within which Rates must be Paid**

Rates and charges for the 2002/03 financial year must be paid within the discount period as defined in Section L.

#### **L. Discount on Rates and Charges and Incentives for Early Payments**

To encourage the prompt payment of rates and charges, a discount will be allowed on rates and charges levied if the rates and charges, including any arrears, are paid within 42 clear days from the date of issue of the rate notice (referred to as the Discount Period). As a further inducement to encourage ratepayers to pay their annual rates bill early, Council will offer holiday prizes donated by resort owners, managers and sales/marketing personnel at Queensland resorts.

Discount of **10%** is to be allowed on rates and charges (excluding fire service charges, Ayr Industrial Estate Sewerage Special Charges & Environment Separate Charge) for the financial year **2002/03** if such rates and charges (including arrears of rates and charges and fire service charges) are paid in full within the discount period.

Section 1023 of the Local Government Act 1993 provides opportunities for the Council to offer inducements to ratepayers (over and above discount) for ratepayers who pay their annual rates account with any arrears during the discount period. In accordance with conditions attached to a brochure included with the annual rates account, four (4) weekly draws supervised by an Officer of the Ayr Police and an Officer from the Ayr Court House, will be conducted during the discount period.

#### **M. Interest on Rates and Charges**

It is Council's policy to ensure that the interests of ratepayers are protected by discouraging avoidance of responsibilities for payment of rates and charges when due. To this end, Council will impose interest on rates and charges which remain unpaid at 30th June next following the levy of the rates and charges.

The rate of interest to be charged on rates and charges unpaid at the end of the financial year in which the same become due and payable shall be, in accordance with the Council's policy at a rate of 2% above the Commercial/Investment Loan Rate (Secured) at the Council's bank, the Queensland Country Credit Union at the time of adoption of the Council's Annual Budget - this being 9.5%. Accordingly the rate of interest shall be 11.5% per annum compound interest calculated on daily balances.



## N. Remission of Rates and Charges

It is the Council's policy to provide assistance by way of a remission of rates to eligible pensioners who comply with the policies of Council as identified hereunder.

### Council Remission

- (A) For the year ended 30th June, 2003, a bona fide pensioner, who is in receipt of a full pension/allowance, or a part pension/allowance of amount equal to or less than thirteen dollars and fifty cents (**\$13-50**) below the amount of a full pension, who produces a Pensioner Concession Card from Centrelink or a Pensioner Concession Card or a Repatriation Health Card – For All Conditions issued by the Department of Veteran Affairs, will be allowed a rates remission on property which is the principal place of residence of the pensioner and is owned by the pensioner. This policy shall also extend to bona fide pensioners who either have another bona fide pensioner(s) residing with them under the same roof or have any other person or persons earning an income residing under the same roof and to War Widows who are the holders of a Gold Card. Such rates remission to be calculated as follows -
- (i) **Half the sum** of the relevant General Rates, Water Charges, and Sewerage Charges (excluding domestic waste collection charges and environment separate charge) in respect of a bona fide full pensioner(s), adjusted in accordance with the following sliding scale by a percentage of the maximum allowable remission based on the sum of the dollar differences between the amount of pension(s) received by the applicant pensioner(s) and the amount of the applicable full pension(s);

### Pensioner Remission Policy Sliding Scale

Dollar Difference Interval Between Pension(s) Received and Applicable Full Pension(s)	Percentage of Maximum Allowable Remission
From	
1 cent to \$1-50	93%
\$1-51 to \$2-50	86%
\$2-51 to \$3-50	79%
\$3-51 to \$4-50	72%
\$4-51 to \$5-50	64%
\$5-51 to \$6-50	57%
\$6-51 to \$7-50	50%
\$7-51 to \$8-50	43%
\$8-51 to \$9-50	36%
\$9-51 to \$10-50	29%
\$10-51 to \$11-50	21%
\$11-51 to \$12-50	14%
\$12-51 to \$13-50	7%

plus

- (ii) Discount of 10% will be allowed on the gross amount of rates and charges and before the deduction of Council remission and any State Government subsidy if rates and charges, together with any arrears, if any, are paid by expiry of the discount period. Notwithstanding the provisions of this clause, eligible pensioners will be entitled to the State Government subsidy up to an amount of \$180-00 as per the State Government subsidy policy referred to hereunder, even if Council rates are not paid within the discount period.

Notwithstanding the above,

- (a) the Council may in its discretion consider any case on its merits where special circumstances apply; and allow such remission as it sees fit up to the maximum remission.
- (b) a remission shall be allowed to a bona fide pensioner in accordance with clauses (i) and (ii) above, who is in receipt of a pension/allowance, who produces a Pensioner Concession Card from Centrelink or a Pensioner Concession Card or a Repatriation Health Card – For All Conditions issued by the Department of Veteran Affairs, and who occupies a dwelling in respect to which a **life tenancy** has been granted by way of Will only and providing there is no provision in the Will which relieves the life tenant of the obligation to pay the rates and charges levied in respect of the property and providing such property is the principal place of residence of the pensioner.
- (c) a remission shall be allowed to a bona fide pensioner in accordance with clauses (i) and (ii) above, who is in receipt of a pension/allowance, who produces a Pensioner Concession Card from Centrelink or a Pensioner Concession Card or a Repatriation Health Card – For All Conditions issued by the Department of Veteran Affairs, and who is in part ownership with other bona fide pensioners who do not necessarily reside at the premises providing that each pensioner not living at the premises shall not be entitled to a remission of rates on more than one property.
- (d) a remission shall be allowed to a bona fide pensioner in accordance with Clauses (i) and (ii) above and who is a resident of an Institution caring for the aged, including hospitals and Blue Nursing Units, or is in family care, providing the principal place of residence remains vacant.

Notwithstanding the above, the maximum allowable rates remission in respect of Clause (a) shall be set at **\$342**. For the 2002/03 financial year, the maximum entitlement of \$342 shall be allowed after Council discount has been deducted from gross rates and charges levied in respect of the assessment

Applications for remission of rates and charges by qualifying applicants who own relevant properties on the 1<sup>st</sup> July, 2002 are to be received on or before 30<sup>th</sup> June in the financial year preceding the levy. The amount of pension payable at time of the application will determine the level of remission of rates and charges.

To receive a remission as hereinbefore described, rates and charges must be paid in full together with arrears, if any, by expiry of the discount period, or, if in accordance with a structured instalment plan pursuant to Clause C hereof, by the 30<sup>th</sup> day of June in the financial year in respect of which such rates and charges have been levied.

A remission granted pursuant to this section is only applicable for the period of time that the applicant pensioner is the owner of the property and all requirements set out above remain fulfilled. If the principal place of residence is disposed of during the year, a supplementary rates notice will be issued to the owner of the property representing the proportionate share of the remission from date of sale to 30<sup>th</sup> June next.

If a bona fide pensioner acquires a property during the 2002/2003 financial year from a pensioner who has received or is entitled to receive a remission of rates and charges under this Clause, and if the acquirer meets all the requirements of this Clause, both financial and as to occupation of the property, the acquiring pensioner shall be entitled to receive a remission of rates and charges in respect of the period from the date of acquisition of the property to the 30<sup>th</sup> June 2003, provided that the applicant lodges an Application for Remission of Rates and Charges within 30 days from the issue to the acquiring owner of the Supplementary Rates Notice referred to in the preceding paragraph.

State Government Subsidy :

- (B) For the year ending 30th June, 2003, an approved pensioner as defined in guidelines for the State Government's Pensioner Rate Subsidy Scheme, shall be entitled to a State Government subsidy equivalent to 20 per cent of the cost of gross rates and charges levied, excluding any amount in excess of **\$900** per annum levied. For the 2002/03 financial year, the maximum entitlement of up to \$180 shall be allowed after Council discount has been deducted from gross rates and charges levied in respect of the assessment. Notwithstanding the provisions of this clause, eligible pensioners will be entitled to the State Government subsidy up to an amount of \$180-00 as per the State Government subsidy policy referred to hereunder, even if Council rates are not paid within the discount period.

Donations' Policies :

- (C) For each financial year in the sewered areas of Ayr, Brandon and Home Hill, donations equivalent to remission of half the sum of the relevant sewerage charges (excluding domestic waste collection charges and after discount if applicable) in respect of second and subsequent pedestals and/or urinals at premises or land used for private schools, churches, welfare and youth organisations, sporting purposes and public halls, excluding premises licensed under the Liquor Act will be made to the relevant community organisations immediately upon payment in full, together with arrears if any, of all levied rates and charges and that the Council may, in its discretion, consider any case on its merits where special circumstances apply and make such donations as Council considers appropriate.

**O. General Charges**

The Council shall by resolution fix charges for services and facilities supplied by it, including but not limited to those services and facilities referred to in Section 974 of the Local Government Act 1993. Such charges will generally be contained in the Schedule of Fees and Charges as adopted by Council from time to time.

**P. Unfunded Depreciation**

This Budget includes an unfunded depreciation of \$3,273,598 over the next three year period. Unfunded depreciation results from not having enough current revenue to meet Council's depreciation costs on its business and infrastructure assets. By unfunding depreciation, Council is making a conscious decision to write down the capital (net worth) of the Council and indicates that assets such as roads:-

- may not be replaced at least in their current form in the future; or
- may be replaced only by extra loan funding or by additional external income.

The determination of unfunded depreciation and the affected assets will be refined during 2002/03 as asset valuations, revaluations and depreciation schedules are reviewed.

The Burdekin Shire Council is intending to fund depreciation charges in the next three years to the extent of 76%, 82% and 87% respectively.

The unfunded depreciation across the three (3) years is identified as follows:

Year	2003	2004	2005
Roads	\$1,075,746	\$ 873,374	\$ 553,639
Water	305,738	211,300	253,800
Total	\$1,381,484	\$1,084,674	\$ 807,439

## **Q. National Competition Policy Issues**

### **Q (1) Business Activities**

Following on from Council's Corporate Plan Strategy ( Refer Strategy 1.7) to continue to explore the benefits of competition reforms through implementation of business management practices based on adding value to the Council's financial decision making process and where it is deemed to be in the community interest, the Council desires to establish and operate certain activities on a business-like basis where this is likely to benefit the community. Accordingly, Council resolves to apply the code of competitive conduct to the following business activities in 2002/3:

Water and Sewerage  
Refuse Management  
Caravan Parks  
Plant Management  
Workshop  
Other Roads  
Roads (tendered MRD)  
Recoverable Works

### **Q (2) Full Cost Pricing Budget**

Full Cost Pricing Budgets compared to Council's adopted Budget for each Business Activity are shown in Appendix E.

### **Q (3) Community Service Obligations Policy**

Council's Corporate Plan refers to improving the transparency of Council's financial performance and operations including identification of Community Service Obligations such as Pensioner Remissions and in other community or cultural areas as appropriate (refer Strategy 5.5).

Notwithstanding Council's decision to apply business practices to the nominated business activities, Council desires to continue to fulfil its Community Service Obligations that are not commercially viable. Council resolves that the relevant Business Activities must provide these Community Service Obligations, at the specified performance criteria, funded by Council at the cost specified below.

The following Community Service Obligations have been identified:

Giru Water Supply;  
Standing donations – Sewerage;  
Pensioner Concessions – Water, Sewerage;  
Refuse Disposal Vouchers;  
Free Mulch from Refuse tips.

#### **Q (3) (i) Giru Water Supply**

##### Policy framework

Council requires all water consumers to be provided with potable water supply at the same price as is applicable to residents in Ayr/Brandon and Home Hill Water Supply Area. Giru is a small, stand-alone community, which was transferred from another Council in a boundary review. The water supply facility in Giru is not an investment which would be made on purely commercial criteria, and would be an avoidable cost in the private sector, therefore it has been determined to be a community service obligation.

### Costing

The entire cost of the Giru water scheme has been costed as a Community Service Obligation. Asset values for this scheme have also been excluded from the asset base for pricing purposes.

### Performance criteria and monitoring

Provision of potable water supply in accordance with World Health Standards to all properties currently connected. The Water Business Activity is required to report to Council annually on the achievement of this requirement and the relevant cost.

### **Q (3) (ii) Standing donations – Sewerage**

#### Policy framework

Council considers that certain groups within the community operate for the general benefit of the community and may face difficulty in meeting rate commitments. Council requires specified sewerage consumers to be provided with a donation. Details of this group and the method of calculating the donations are fully explained in this Revenue Policy [refer Section N (C) ]. These donations require the business activity to incur costs, which are not commercially viable and have been determined to be a community service obligation.

### Costing

The entire cost of the Standing Sewerage Donations has been costed as a Community Service Obligation.

### Performance criteria and monitoring

Payment of the standing donations to the specified ratepayers. The Sewerage Business Activity is required to report to Council annually on the achievement of this requirement and the relevant cost.

### **Q (3) (iii) Pensioner Concessions- Water, Sewerage and Refuse**

#### Policy framework

Council accepts that pensioners have contributed rates over a period of time and should be afforded a concession where their ability to pay is restricted by a fixed income. Council requires specified pensioner consumers to be provided with a percentage reduction in their rates and charges, and this is applicable to water and sewerage charges, subject to such reduction being capped at \$342-00. These concessions require the business activities to forgo revenue, which is not commercially viable, and have been determined to be a community service obligation.

### Costing

The entire cost of the pensioner concessions has been costed as a Community Service Obligation.

### Performance criteria and monitoring

Remission of the pensioner concessions to the specified ratepayers. The Water and Sewerage Business Activity are required to report to Council annually on the achievement of this requirement and the relevant cost.

### **Q (3) (iv) Refuse Disposal Vouchers**

#### Policy framework

Council desires to encourage a clean Shire, and has determined that this will be best achieved through the provision of litter bins and free refuse disposal vouchers for each ratepayer. Each ratepayer is to be entitled to dispose refuse to the value of \$12.00 four times per year. In addition, ratepayers are to be entitled to free refuse

disposal during a cleanup period following a cyclone or major storm event. These vouchers require the business to forgo revenue, which is not commercially viable and has been determined to be a community service obligation.

#### Costing

The value of this facility has been costed as a Community Service Obligation on the basis of the number of vouchers at \$12 per voucher. In addition, the Refuse Management Business Activity can apply to Council for a special Community Service Obligation payment for Cyclone/major storm on provision of evidence of additional unavoidable costs incurred.

#### Performance criteria and monitoring

Number of vouchers used, and the level of illegal dumping. The Refuse Management Business Activity is required to report to Council annually on the achievement of these requirements and the relevant cost.

### **Q (3) (v) Free Mulch from Refuse tips**

#### Policy framework

Council desires to reduce the waste stream stored at refuse tips, encourages recycling of green waste, and has determined that this will be best achieved through the provision of free recycled green waste mulch to residents at refuse disposal sites. This policy requires the business to forgo revenue, which is not commercially viable and has been determined to be a community service obligation.

#### Costing

The value of this facility has been costed as a Community Service Obligation on the basis of the estimated volume of free mulch given away at the market rate of \$10 per cubic metre.

#### Performance criteria and monitoring

Percentage of green waste recycled, and the volume of mulch given away. The Refuse Management Business Activity is required to report to Council annually on the achievement of these requirements and the relevant cost.

### **Q (4) Valuation of assets**

#### **Q (4) (i) Deprival Values**

All assets have been valued according to the deprival value method (the cost to Council if it was deprived of those assets), which has been subject to external audit. Asset lives are continually being reviewed based on an examination of the physical condition of a sample of assets.

#### **Q (4) (ii) Adjusted asset base for pricing**

Council has determined that prices to consumers should only be based on assets which have been efficiently invested by Council. Accordingly, any assets that are in excess of current capacity requirements or could now be constructed or provided more efficiently have been eliminated from the pricing calculations. Similarly, assets that have been financed or provided by third parties (for example, developers or government grants) have been eliminated from pricing calculations. Based on professional engineering advice to Council, the following asset values have been eliminated:

Roads (tendered MRD)		N/A
Other Roads		N/A
Recoverable Works		N/A
Water and Sewerage	\$13,501,100	
Workshop	\$	Nil
Caravan Parks	\$	Nil
Plant Management	\$	Nil

Refer to Appendix C for an explanation of the adjusted asset values for the water and sewerage business activity.

#### **Q (5) Allocation of overheads and support costs**

Council Overheads and support costs have been allocated on the basis of the cost drivers shown in the table below. These costs and the cost drivers will be reviewed following the first year of operation.

Description	Currently Used
CEO' OFFICE	Full Time Equivalents
DEPUTY CEO's OFFICE	Full Time Equivalents
EDP DEPARTMENT	Number of Computers
ADMINISTRATION	Full Time Equivalents
RECORDS MANAGEMENT	Number of Records
COUNCIL MEMBERS	Corporate Governance Only
COUNCIL PROPERTIES	Full Time Equivalents
ACCOUNTANT DEPARTMENT	Operational Expenditure
COSTING	Costing Transactions
PAYROLL	Payroll Transactions
FINANCIAL ADMIN OTHER	Full Time Equivalents
RATES ADMINISTRATION	Rates Revenue
STORES	Stores Transactions
SHIRE ENGINEER	Actual Estimated Time to FCP
WORKS ENGINEER	Actual Estimated Time to FCP
DRAFTING	Actual Estimated Time to FCP
WORKS & SERVICES	Actual Estimated Time to FCP
ENGINEERING ADMIN OTHER	Total to Shire Engineer

#### **Q (6) Direct and indirect expenditure**

All direct and indirect costs have been included in the costs used to set prices in each of the business activities.

#### **Q (7) Depreciation**

For accounting purposes (subject to audit in accordance with Australian Accounting Standards) Council applies the straight-line depreciation method.

For pricing purposes, Council considers that the depreciation amount should reflect the replacement funding required to maintain the asset quality in the foreseeable future (eg. Up to 20 years). Accordingly, a 20 year renewals annuity has been applied for water and sewerage, as shown in the Total Management Plan. For other business activities, the straight line depreciation method has been used since they have relatively short asset lives.

Funding of depreciation in the Full Cost Pricing Budgets is based on the replacement funding requirements, derived from the Total Management Plan renewals annuity where relevant.

## **Q (8) Tax Equivalents**

All material tax equivalents have been incorporated into prices where an equivalent organisation in the private sector would be liable. Minor taxes, which would not make a material impact on prices, have not been incorporated, including stamp duty, and bank taxes. Payroll tax and land tax have been examined, however most business activities are below the threshold at which these taxes would be applicable. A Payroll Tax equivalent amount has been included since the combined activities exceed the tax threshold. All Council rates and charges have been incorporated.

## **Q (9) Competitive Neutrality Adjustments**

Adjustments have been made in the FCP budget for the advantages and disadvantages associated with the business activities being in public ownership. The only material advantage or disadvantage identified is the additional superannuation payments made for local government, amounting to an additional 3 percent of payroll costs. Other advantages or disadvantages have been incorporated in the weighted average cost of capital applied for the rate of return.

## **Q (10) Rate of return**

For pricing purposes, Council will intend to achieve the following target rates of return on the adjusted asset values, in accordance with DLGP Bulletin 06/01:

Water and Sewerage	9% pre-tax
Plant Management	9% pre-tax
Caravan Parks	9% pre-tax
Workshop	9% pre-tax
Refuse	9% pre-tax

The remaining business activities have no assets or are thinly capitalised, therefore the following target rates of return on revenue are intended to be achieved:

Recoverable Works	10% pre-tax
Roads (tendered)	2% pre-tax
Other Roads	2% pre-tax

The above pre-tax rates of return are based on the weighted average cost of capital for a small Council activity set out in Bulletin 06/01. This calculation already incorporates financing cost advantages associated with public ownership, and a component for income tax. Therefore, no further adjustments for these items are required.

Where these rates of return are not achieved in the current budget, it is intended they will be progressively achieved over the next five financial years.

G.J. Webb  
CHIEF EXECUTIVE OFFICER.



### Revenue Policy for 2003/2004 and 2004/2005

Under Section 520(2) of the Local Government Act 1993, the Council's Revenue Policy for the financial years 2003/2004 and 2004/2005 is required to be specified in general terms.

In general terms, the Burdekin Shire Council intends to maintain a revenue policy that includes;

- Determination of general rates on the bases of seven differential categories which will be maintained with a minimum general rate for each category;
- Determination of utility and special charges per utility connection and/or provision on user pay principles for the relevant services of sewerage, water, garbage etc.;
- Determination of separate rates for provision of relevant services, facilities or activities;
- Allowance of remission of rates to approved pensioners;
- Allowance of discount during the applicable discount period; and
- Achievement of appropriate rates of return in respect of various business activities in conjunction with Full Cost Pricing principles.

G.J. Webb,  
CHIEF EXECUTIVE OFFICER

**APPENDIX A - Benefited Area**  
**Ayr Industrial Estate Sewerage (Stages 1/2) Special Charge**

<b>Assessment</b>	<b>RPD</b>
02838-00000-000-4	L2/RP748123
02838-10000-000-2	L3/RP748123
02838-20000-000-0	L1/RP742489
02838-25000-000-5	LOT 38 RP745989
02838-30000-000-8	L39/RP745989
02838-40000-000-6	L40/SP117900
02838-41000-000-5	L50/SP102302
02838-90000-000-5	L25/SP121162
02839-00000-000-3	L17/SP121167
02839-26000-000-3	L35/RP745989
02839-28000-000-1	L36/RP745989
02839-30000-000-7	L37/RP745989
02839-34000-000-3	L33/SP121170
02839-38000-000-9	LOT 14 RP742492
02839-40000-000-5	L30/SP121168
02839-42000-000-3	LOT 12 RP742492
02839-46000-000-9	LOT 29 RP745989
02839-80000-000-6	L12/SP123414
02839-84000-000-2	L11/SP121171
02839-90000-000-4	L10/SP117917
02840-00000-000-0	L2/SP102300
02840-00000-000-0	L1/SP102300

**APPENDIX B - Benefited Area  
Wunjunga SBS Translator Special Charge**

**Assessment**

**RPD**

00167000000009	LOT 908 W7374
00167000000009	LOT 9 SB722
00168000000008	L7/SB748
00169000000007	L6/SB748
00170000000004	L5/SB748
00171000000003	L901/W7374
00172000000002	LOT 14 SB707
00173000000001	LOT 15 SB707
00174000000000	L16/SB707
00175000000009	L17/SB707
00176000000008	LOT 903/W7374
00177000000007	L902/W7374:SL44/43521
00178000000006	L1/W7378
00179000000005	L18/SB707
00180000000002	LOT 19 SB711
00181000000001	L5/W7378
00182000000000	LOT 606 W7374
00183000000009	L52/SB634
00184000000008	L4/W7375
00185000000007	LOT 9 SB740
00186000000006	LOT 7 SB736
00187000000005	LOT 2 W7375
00188000000004	LOT 20 SB707
00189000000003	L21/SB707
00190000000000	LOT 22 SB707
00191000000009	L1/SB741
00192000000008	L702/W7374
00193000000007	LOT 3 SB758:SLPF44/2024
00194000000006	LOT 704 W7374
00195000000005	LOT 705 W7374
00196000000004	LOT 6 SB742
00197000000003	L7/SB742
00197500000002	LOT 23 SB742
00198000000002	LOT 5 W7377

**APPENDIX C**

**Calculation of Adjusted Asset Values for Pricing Purposes**  
**Written Down Values**

	<b><u>Water</u></b>	<b><u>Sewerage</u></b>
Total Asset Value – Operations	\$13,550,352	\$17,320,178
Total Asset Value – Land Component	\$ 91,000	\$ 128,000
Less Giru Water Supply	\$ 1,467,649	
Less Contributed	\$ 1,408,228	\$ 916,894
Less Subsidised	\$ 3,552,146	\$ 6,156,183
	-----	-----
TOTAL ADJUSTED ASSET VALUE	\$ 7,213,329 =====	\$10,375,101 =====

Source: Total Management Planning for Water Supply and Sewerage Services, June 2001, Version 1.0 prepared by Cardno MBK.

## Statutory Information – Revenue Policy for the Year 2002/2003

### APPENDIX D

#### Water Supply – Revenue for Services Provided to Council

Bulk Water Production(kl)	Total Charged(kl) (metered)	System loss (kl)*	Standpipe Usage(kl)	Unaccounted for water(kl)
6503000	3825220	1300600	25000	1352180

\* estimated system loss includes inaccurate meters, leakage, flushing, testing, firefighting etc.  
20% of bulk production (this would be an extremely generous assumption)

Standpipe usage is metered but not charged for. Includes use by private operators, Council works etc.

Average cost per kilolitre (calculated over all metered water) is \$0.55 (includes access fees and usage charges)

Lost revenue to water fund 

<b>\$743,699</b>
------------------

  
(1352180kl @ \$0.55/kl)

The average of \$0.55/kl would be high if large areas such as parks were taken into account as access fees would be reduced and the cost per kilolitre would probably be closer to \$0.40

Lost revenue to water fund 

<b>\$540,872</b>
------------------

  
(1352180kl @ \$0.40/kl)

The percentage of either of the above figures that is attributable to Council properties such as Public Buildings, Toilet Blocks Parks & Gardens etc. would be fairly high especially given that a large amount has already been allowed for in system loss.

Conservative estimate for level of Unaccounted water being used for Council purposes would be 50%.

Revenue for Services provided to Council  
(\$540,872 x 50%) 

<b>\$ 270,436</b>
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**Source: Water Supply Statistics 2000/01**

# Statutory Information – Revenue Policy for the Year 2002/2003

## APPENDIX E

### BURDEKIN SHIRE COUNCIL

#### STATEMENT OF FULL COST PRICE & ORIGINAL BUDGETS FOR NOMINATED BUSINESS ACTIVITIES

For the year ended 30 June 2003

Nominated Business Activities	Water		Sewerage		Refuse Management	
	FCP Budget	Original Budget	FCP Budget	Original Budget	FCP Budget	Original Budget
<b>Revenue</b>						
Revenue for services provided to Council	270,436	43,532	42,723	42,723	51,960	10,524
Revenue for services provided to external clients	1,905,205	1,964,568	2,595,888	2,751,177	1,268,576	1,268,576
Community Service Obligations	227,163		155,289		404,600	
<b>Total Revenue</b>	<b>2,402,804</b>	<b>2,008,100</b>	<b>2,793,900</b>	<b>2,793,900</b>	<b>1,725,136</b>	<b>1,279,100</b>
<b>Less Expenditure</b>						
Corporate overheads	145,933	450,635	117,891	566,599	66,493	215,908
Labour, Materials and Services	1,589,500	1,589,500	1,497,950	1,497,950	1,602,520	1,602,520
Depreciation	64,000	338,000	148,000	618,000	13,986	
Finance costs	23,800	23,800				
Standing Donations			70,000	70,000		
Tax Equivalents	20,185		25,710			
Competitive Neutrality Adjustments	-13,258		-16,382		-2,092	
<b>Total Expenditure</b>	<b>1,830,161</b>	<b>2,401,935</b>	<b>1,843,169</b>	<b>2,752,549</b>	<b>1,680,906</b>	<b>1,818,428</b>
Surplus/(Deficit)	572,643	-393,835	950,731	41,351	44,230	-539,328
<b>Return</b>	<b>596,443</b>	<b>-370,035</b>	<b>950,731</b>	<b>41,351</b>	<b>44,230</b>	<b>-539,328</b>
<b>Assets</b>						
Assets (Written Down)	13,641,352	13,641,352	17,448,178	17,448,178	378,600	378,600
Less contributed and optimised assets	6,428,023		7,073,077			
<b>Net assets for pricing purposes</b>	<b>7,213,329</b>		<b>10,375,101</b>		<b>378,600</b>	
<b>Rate of return (Return/Net assets)</b>	<b>8.27%</b>		<b>9.16%</b>		<b>11.68%</b>	

# Statutory Information – Revenue Policy for the Year 2002/2003

## APPENDIX E

### BURDEKIN SHIRE COUNCIL

#### STATEMENT OF FULL COST PRICE & ORIGINAL BUDGETS FOR NOMINATED BUSINESS ACTIVITIES

For the year ended 30 June 2003

Nominated Business Activities	Caravan Parks		Plant Management		Workshop	
	FCP Budget	Original Budget	FCP Budget	Original Budget	FCP Budget	Original Budget
<b>Revenue</b>						
Revenue for services provided to Council			3,150,000	3,150,000	945,000	945,000
Revenue for services provided to external clients	165,000	165,000	1,000	1,000	5,000	5,000
Community Service Obligations						
<b>Total Revenue</b>	<b>165,000</b>	<b>165,000</b>	<b>3,151,000</b>	<b>3,151,000</b>	<b>950,000</b>	<b>950,000</b>
<b>Less Expenditure</b>						
Corporate overheads	10,852	10,852	325,455	325,455	76,093	76,093
Labour, Materials and Services	107,450	107,450	651,685	651,685	805,300	805,300
Depreciation	13,384		790,000	790,000		
Finance costs			46,400	46,400		
Workshop repairs			945,000	945,000		
Tax Equivalents						
Competitive Neutrality Adjustments					-10,795	
<b>Total Expenditure</b>	<b>131,686</b>	<b>118,302</b>	<b>2,758,540</b>	<b>2,758,540</b>	<b>870,598</b>	<b>881,393</b>
Surplus/(Deficit)	33,314	46,698	392,460	392,460	79,402	68,607
<b>Return</b>	<b>33,314</b>	<b>46,698</b>	<b>438,860</b>	<b>438,860</b>	<b>79,402</b>	<b>68,607</b>
<b>Assets</b>						
Assets (Written Down)	547,916		4,494,379	4,494,379	861,653	861,653
Less contributed and optimised assets						
<b>Net assets for pricing purposes</b>	<b>547,916</b>		<b>4,494,379</b>		<b>861,653</b>	
<b>Rate of return (Return/Net assets)</b>	<b>6.08%</b>		<b>9.76%</b>		<b>9.22%</b>	

# Statutory Information – Revenue Policy for the Year 2002/2003

## APPENDIX E

### **BURDEKIN SHIRE COUNCIL**

#### STATEMENT OF FULL COST PRICE & ORIGINAL BUDGETS FOR NOMINATED BUSINESS ACTIVITIES

For the year ended 30 June 2003

Nominated Business Activities	Other Roads (Council Maintenance)		Other Roads (Council Capital Works)		Roads (Tendered MRD)	
	FCP Budget	Original Budget	FCP Budget	Original Budget	FCP Budget	Original Budget
<b>Revenue</b>						
Revenue for services provided to Council	1,951,484	1,951,484	5,580,243	5,580,243		
Revenue for services provided to external clients	1,000	1,000			959,000	959,000
Community Service Obligations						
<b>Total Revenue</b>	<b>1,952,484</b>	<b>1,952,484</b>	<b>5,580,243</b>	<b>5,580,243</b>	<b>959,000</b>	<b>959,000</b>
<b>Less Expenditure</b>						
Corporate overheads	163,435	163,435	215,407	215,407	218,051	130,800
Labour, Materials and Services	1,762,000	1,762,000	5,255,519	5,255,519	741,200	741,200
Depreciation						
Finance costs						
Plant Hire						
Tax Equivalents						
Competitive Neutrality Adjustments	-12,216		-100		-13,192	
<b>Total Expenditure</b>	<b>1,913,219</b>	<b>1,925,435</b>	<b>5,470,826</b>	<b>5,470,926</b>	<b>946,059</b>	<b>872,000</b>
Surplus/(Deficit)	39,264	27,049	109,417	109,317	12,941	87,000
<b>Return</b>	<b>39,264</b>	<b>27,049</b>	<b>109,417</b>	<b>109,317</b>	<b>12,941</b>	<b>87,000</b>
<b>Assets</b>						
Assets (Written Down)						
Less contributed and optimised assets						
<b>Net assets for pricing purposes</b>						
<b>Rate of return (Return/Revenue)</b>	<b>2.01%</b>		<b>1.96%</b>		<b>1.35%</b>	
<b>Combined Other Roads ROR (Return on Revenue)</b>	<b>1.97%</b>					



# Statutory Information – Revenue Policy for the Year 2002/2003

## APPENDIX E

### **BURDEKIN SHIRE COUNCIL**

#### STATEMENT OF FULL COST PRICE & ORIGINAL BUDGETS FOR NOMINATED BUSINESS ACTIVITIES

For the year ended 30 June 2003

Nominated Business Activities	Recoverable Works	
	FCP Budget	Original Budget
<b>Revenue</b>		
Revenue for services provided to Council		
Revenue for services provided to external clients	1,093,100	1,093,100
Community Service Obligations		
<b>Total Revenue</b>	<b>1,093,100</b>	<b>1,093,100</b>
<b>Less Expenditure</b>		
Corporate overheads	68,462	63,738
Labour, Materials and Services	901,362	901,362
Depreciation (renewals annuity)		
Finance costs		
Plant Hire		
Tax Equivalentents		
Competitive Neutrality Adjustments	-13,192	
<b>Total expenditure</b>	<b>956,631</b>	<b>965,100</b>
Surplus/(Deficit)	136,469	128,000
<b>Return</b>	<b>136,469</b>	<b>128,000</b>
<b>Assets</b>		
Assets (Written Down)		
Less contributed and optimised assets		
<b>Net assets for pricing purposes</b>		
<b>Rate of return (Return/Revenue)</b>	<b>12.48%</b>	



**Ayr & Home Hill  
CBD Revitalisation  
Consultant &  
Architect, John  
Price**



**Uli Liessman  
providing input on  
the Ayr/Home Hill  
CBD Revitalisation  
Project with  
Architect & Artist,  
Tamsin Scott.**

## Policies on Rebates and Concessions

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The Council's Policy on remission of rates and charges for pensioners and donations to churches, sporting bodies and not for profit organisations is identified in Section N of the Revenue Policy.

## Particulars of Rebates and Concessions Allowed in Respect of Rates and Charges

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### Council Remissions

Rates and Charges Remitted to Pensioners.....	\$305,554
Number of Applications.....	950

### Donations

Standing Donations to Churches, Sporting Bodies etc .....	\$71,779
Number of Applications.....	50

## Library Statistics

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### Statistics

	2001/2002	2002/2003
Membership	9,290	9,907
Membership as % of population	49.32%	53.5%
Total book stock	53,610	55,070
AV Sound (spoken word, music)	1,688	1,560
AV Videos	1,031	1,281
CD Roms	60	76
DVD's		2
Annual circulation – Issues (excluding renewals)	168,088	166,824
Discarded library stock - sale receipts	\$1,266.80	\$1,014.75

# Elected Members Meeting Attendances

## **Councillor JOHN FREDERICK WOODS**

Chairman of Ordinary Council and the following Standing Committees:  
Administration and Finance Committee.

Representative on the following Standing Committees:

Planning & Development Committee; Health & Environment Committee and Combined Works Committee.

Chairman of the following Advisory Committees:

Aerodrome Advisory Committee; Burdekin Shire Storm Surge Study Committee; Brandon Heritage Precinct Steering Committee; Burdekin Local Government Counter Disaster Committee; Council Consultative Committee; Enterprise Bargaining Team; Home Hill Business District Beautification & Improvements Committee; Horseshoe Lagoon Drainage Steering Committee; Town of Ayr Flood Study Advisory Group, Town of Home Hill Flood Study Advisory Group.



Chairman of the following Statutory Committees:

Burdekin Cultural Complex Board Inc.

Representative of the following Statutory Bodies or Local/Regional Groups:

Burdekin Shire Rivers Improvement Trust; South Burdekin Water Board; and North Queensland River Trust Association Executive.

1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	18	2	2
Planning & Development	22	17	3	2
Combined Works Committee	12	10	1	1
Administration & Finance Committee	12	8	3	1
Health & Environment Committee	12	8	3	1
	80	61	12	7

Other: 49

Aerodrome Advisory Committee; Brandon Heritage Precinct Steering Committee; Burdekin Cultural Complex Board Inc.; Burdekin Local Government Counter Disaster Committee; Burdekin Shire Rivers Improvement Trust; Burdekin Shire Storm Surge Study Committee; Council Consultative Committee; Enterprise Bargaining Team; Home Hill Business District Beautification and Improvements Committee; Chairmen/Directors' Meetings; South Burdekin Water Board; Town of Home Hill Flood Study Advisory Group; North Queensland River Trusts Association Executive; Budget; Special Full Council; Works Inspections; North Queensland Local Government Association Conference; North Queensland River Trusts Association Conference; and Miscellaneous.

**Total** 110

**Councillor GRAHAM HENRY ANDERSEN**

Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Burdekin Bowen Integrated Flood Plain Management Advisory Committee (BIFMAC); Burdekin Local Government Counter Disaster Committee (Delegate); Haughton Integrated Catchment Committee; Local Authority Waste Management Advisory Committee (LAWMAC); Workplace Health & Safety Committee (Delegate); and Enterprise Bargaining Team.



Representative of the following Statutory Bodies or Local/Regional Groups:

Ayr Chamber of Commerce; and Burdekin Landcare Group.

1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	21	-	1
Planning & Development	22	21	-	1
Combined Works Committee	12	11	-	1
Administration & Finance Committee	12	11	-	1
Health & Environment Committee	12	11	-	1
	80	75	-	5

Other: 44

Ayr Chamber of Commerce; Burdekin Landcare Group; Burdekin Bowen Integrated Flood Plain Management Advisory Committee (BIFMAC); Enterprise Bargaining Team; Haughton Integrated Catchment Committee; Workplace Health & Safety Committee (Delegate); Local Authority Waste Management Advisory Committee LAWMAC; Budget; Special Full Council; Works Inspections; Local Government Association of Queensland Conference; and Miscellaneous.

<b>Total</b>	<b>119</b>
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**Councillor LLEWELYN REES DAVIES**

Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Boat Ramps Sub-Committee; Burdekin Local Government Counter Disaster Committee; Council Consultative Committee; Home Hill Central Business District Beautification & Improvements Committee (Delegate); Internal Audit Committee; and Town of Home Hill Flood Study Advisory Group.

Representative of the following Statutory Bodies or Local/Regional Groups:

Burdekin Development Council Inc.; Burdekin Shire Pest Management Advisory Group; and Home Hill Chamber of Commerce.



1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	22	-	-
Planning & Development	22	22	-	-
Combined Works Committee	12	12	-	-
Administration & Finance Committee	12	12	-	-
Health & Environment Committee	12	12	-	-
	80	80	-	-

Other: 34

Boat Ramps Sub-Committee; Burdekin Development Council Inc.; Burdekin Local Government Counter Disaster Committee; Council Consultative Committee; Home Hill Chamber of Commerce; Internal Audit Committee; Town of Home Hill Flood Study Advisory Group; Budget; Special Full Council; Works Inspections; North Queensland Local Government Association Conference; and Miscellaneous.

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Total	114
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**Councillor MARLENE LORRAINE HENAWAY**

Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Chairman of the following Advisory Committees:

Burdekin Road Safety Advisory Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Council Consultative Committee; and Equal Employment Opportunity Committee.



1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	18	-	1
Planning & Development	22	18	-	1
Combined Works Committee	12	9	-	1
Administration & Finance Committee	12	11	-	-
Health & Environment Committee	12	11	-	-
	80	67	-	3

Other: 13

Burdekin Road Safety Advisory Committee; Council Consultative Committee; Budget; Special Full Council; Works Inspections; North Queensland Local Government Association Conference; Miscellaneous.

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Total	80
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**Councillor ALDYTH CHRISTINE HYDEN**

Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Aerodrome Advisory Committee; Burdekin Shire Pest Management Advisory Group; and Internal Audit Committee.

Chairman of the following Statutory Bodies or Local/Regional Groups:

Burdekin Neighbourhood Centre.

Representative of the following Statutory Bodies or Local/Regional Groups:

Burdekin Development Council Inc.



1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	18	-	4
Planning & Development	22	18	-	4
Combined Works Committee	12	8	1	2
Administration & Finance Committee	12	10	-	2
Health & Environment Committee	12	10	-	2
	80	64	1	14

Other: 14

Aerodrome Advisory Committee; Internal Audit Committee; Burdekin Neighbourhood Centre; Burdekin Development Council Inc.; Budget; Special Full Council; Works Inspections; Local Government Association of Queensland Conference; and Miscellaneous.

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<b>Total</b>	<b>78</b>
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**Councillor DAVID REGINALD JACKSON**

Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Aerodrome Advisory Committee; Home Hill Business District Beautification & Improvements Committee; Burdekin Road Safety Advisory Committee; and Town of Home Hill Flood Study Advisory Group.

Representative of the following Statutory Bodies or Local/Regional Groups:

Burdekin Cultural Complex Board Inc.; Tourism Advisory Committee of Townsville Enterprise Board; and North Queensland Sports Foundation.



1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	22	-	-
Planning & Development	22	22	-	-
Combined Works Committee	12	12	-	-
Administration & Finance Committee	12	12	-	-
Health & Environment Committee	12	12	-	-
	80	80	-	-

Other: 47

Aerodrome Advisory Committee; Burdekin Cultural Complex Board Inc.; Burdekin Road Safety Advisory Committee; Home Hill Business District Beautification & Improvements Committee; North Queensland Sports Foundation; Tourism Advisory Committee of the Townsville Enterprise Board; Town of Home Hill Flood Study Advisory Group; Budget; Special Full Council; Works Inspections; Local Government Association of Queensland Conference; and Miscellaneous.

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Total	127
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**Councillor TREENA PATRICIA LIST**

Representative on the following Standing Committees:  
Health and Environment Committee.

Representative on the following Standing Committees:  
Ordinary Council Committee; Planning and Development Committee;  
Combined Works Committee; and Administration and Finance Committee.

Chairman of the following Advisory Committees:  
Boat Ramps Sub-Committee; and Internal Audit Committee.



Representative on the following Advisory Committees:  
Brandon Heritage Precinct Steering Committee; Burdekin Area Business Association (BABA); Enterprise Bargaining Team; Horseshoe Lagoon Drainage Steering Committee; Regional Arts Development Fund (RADF); and Town of Ayr Flood Study Advisory Group.

Representative of the following Statutory Bodies or Local/Regional Groups:  
Burdekin Cultural Complex Board Inc.; Local Authority Waste Management Advisory Committee (LAWMAC) (Delegate); and North Burdekin Water Board.

<b>1 / 7 / 2002 to 30 / 6 / 2003</b>				
<b>Meeting</b>	<b>Meetings Convened</b>	<b>Meetings Attended</b>	<b>Meetings Absent Whilst on Council Business</b>	<b>Leave of absence</b>
Ordinary Council	22	22	-	-
Planning & Development	22	22	-	-
Combined Works Committee	12	12	-	-
Administration & Finance Committee	12	12	-	-
Health & Environment Committee	12	12	-	-
	80	80	-	-

Other: 51

Boat Ramps Sub-Committee; Brandon Heritage Precinct Steering Committee; Burdekin Area Business Association (BABA); Burdekin Cultural Complex Board Inc.; Enterprise Bargaining Team, Horseshoe Lagoon Drainage Steering Committee; Internal Audit Committee; North Burdekin Water Board; Regional Arts Development Fund (RADF); Town of Ayr Flood Study Advisory Group; Budget; Special Full Council; Works Inspections; Local Government Association of Queensland Conference; Chairmen/Directors' Meetings; and Miscellaneous.

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<b>Total</b>	<b>131</b>
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**Councillor LOU LOIZOU**

Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Burdekin Boat Ramps Sub-Committee; Burdekin Local Government Counter Disaster Committee; Home Hill Business District Beautification and Improvements Committee; and Town of Home Hill Flood Study Advisory Group.



Representative of the following Statutory Bodies or Local/Regional Groups:

Burdekin Crimestoppers; and Water Use Efficiency Management Group.

<b>1 / 7 / 2002 to 30 / 6 / 2003</b>				
<b>Meeting</b>	<b>Meetings Convened</b>	<b>Meetings Attended</b>	<b>Meetings Absent Whilst on Council Business</b>	<b>Leave of absence</b>
Ordinary Council	22	22	-	-
Planning & Development	22	22	-	-
Combined Works Committee	12	12	-	-
Administration & Finance Committee	12	12	-	-
Health & Environment Committee	12	12	-	-
	80	80	-	-

Other: 33

Burdekin Boat Ramps Sub-Committee; Burdekin Local Government Counter Disaster Committee; Home Hill Business District Beautification & Improvements Committee; Burdekin Crimestoppers; Town of Home Hill Flood Study Advisory Group; Water Use Efficiency Management Group; Budget; Special Full Council; Works Inspections; and Miscellaneous.

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<b>Total</b>	<b>113</b>
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## Councillor MARLENE EVELYN PARISON

Chairman on the following Standing Committees:  
Combined Works Committee.

Representative on the following Standing Committees:  
Ordinary Council Committee; Planning and Development Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:  
Burdekin Boat Ramps Sub-Committee; Burdekin Local Government Counter Disaster Committee; Burdekin Shire Pest Management Advisory Group; Horseshoe Lagoon Drainage Steering Committee; Town of Giru Flood Study Advisory Group; Town of Home Hill Flood Study Advisory Group.



Representative of the following Statutory Bodies or Local/Regional Groups:  
Burdekin Shire Rivers Improvement Trust.

1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	22	-	-
Planning & Development	22	22	-	-
Combined Works Committee	12	12	-	-
Administration & Finance Committee	12	11	1	-
Health & Environment Committee	12	10	2	-
	80	77	3	-

Other: 37

Burdekin Boat Ramps Sub-Committee; Burdekin Local Government Counter Disaster Committee; Burdekin Shire Rivers Improvement Trust; Horseshoe Lagoon Drainage Steering Committee; Town of Giru Flood Study Advisory Group; Town of Home Hill Flood Study Advisory Group; Budget; Special Full Council; Works Inspections; North Queensland Local Government Association Conference; Chairmen/Directors' Meetings; and Miscellaneous.

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Total	114
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## Councillor PETER JOSEPH HENRY PETERSEN



Representative on the following Standing Committees:

Ordinary Council Committee; Planning and Development Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:

Workplace Health and Safety Committee.

Representative of the following Statutory Bodies or Local/Regional Groups:

Burdekin Cultural Complex Board Inc; and Burdekin Development Council Inc.

1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	19	-	-
Planning & Development	22	19	-	-
Combined Works Committee	12	11	-	-
Administration & Finance Committee	12	10	-	-
Health & Environment Committee	12	10	-	-
	80	69	-	-

Other: 25

Burdekin Cultural Complex Board Inc.; Burdekin Development Council Inc.; Workplace Health & Safety Committee; Budget; Special Full Council; Works Inspections; North Queensland Local Government Association Conference; Local Government Association of Queensland Conference; and Miscellaneous.

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Total	94
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**Councillor WARREN FRANCIS TAME**

Representative on the following Standing Committees:  
 Planning and Development Committee.

Representative on the following Standing Committees:  
 Ordinary Council Committee; Combined Works Committee; Health & Environment Committee; and Administration and Finance Committee.

Representative on the following Advisory Bodies or Local/Regional Groups:  
 Council Consultative Committee; and Workplace Health and Safety Committee.

Representative of the following Statutory Bodies or Local/Regional Groups:  
 Burdekin Community Association; Burdekin Cultural Complex Board Inc.; and Burdekin Development Council Inc.



1 / 7 / 2002 to 30 / 6 / 2003				
Meeting	Meetings Convened	Meetings Attended	Meetings Absent Whilst on Council Business	Leave of absence
Ordinary Council	22	19	-	-
Planning & Development	22	21	-	-
Combined Works Committee	12	10	-	-
Administration & Finance Committee	12	11	-	-
Health & Environment Committee	12	11	-	-
	80	72	-	-

Other: 30

Burdekin Cultural Complex Board Inc.; Council Consultative Committee; Workplace Health & Safety Committee; Burdekin Community Association; Budget; Special Full Council; Works Inspections; Chairmen/Directors' Meetings; and Miscellaneous.

<b>Total</b>	<b>102</b>
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# Resolution on Elected Members' Remuneration

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Pursuant to section 379 of the Local Government Act 1993, the Council at its meeting held on 28<sup>th</sup> September 2000 recorded a resolution fixing the remuneration of Councillors. The resolution authorises the payment to Councillors of remuneration for their services in respect of the following:

- Council Meetings.
- Committee Meetings.
- Meetings concerning Local Government and community matters.
- Deputations, inspections, conferences, training and educational seminars in relation to duties as Councillors.
- All other matters relating to the carrying out by Councillors of their duties.

The full text of the resolution is available for perusal at the office of the Chief Executive Officer.

At the Council Meeting held on 28<sup>th</sup> September 2000 it was further resolved that remuneration to Councillors shall be paid by comparing the duties of a Councillor with the role, duties, responsibilities and characteristics applicable to a Member of the Legislative Assembly, Queensland. The basic annual salary payable to an MLA will include any variations approved by the Queensland Parliament. At 1<sup>st</sup> July 2000 the annual salary for an MLA was \$91,500.

From 1<sup>st</sup> July 2003 the annual salary for an MLA was \$98,300. Annual % increase from \$95,100 to \$98,300 = 3.4% approximately. Thus allowances and meeting fees for 2002/2003 were as follows:

Mayor Allowance	\$68,810 p.a.
Deputy Mayor	\$ 6,864 p.a.
Meeting: 4-8 hours	\$ 284
Meeting: 2-4 hours	\$ 142
Meeting: 0-2 hours	\$ 71
Annual Allowance – Councillors including Deputy Mayor	\$ 984
Annual Allowance – Mayor	\$1,474
Annual Allowance – Rural Councillor	\$1,474

## Total Remuneration and Superannuation Contributions Paid to Councillors

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**1<sup>st</sup> July 2002 – 30<sup>th</sup> June 2003**

Councillor	Mayor's Allowance	Meeting and Acting Mayor's Allowance	Car Allowance	Total	Council's 12% Superannuation Contributions Paid
<b>WOODS, J.F.</b>	68,810.00	-	-	68,810.00	8,427.79
<b>HENAWAY, M.L.</b>	-	16,593.00	109.00	16,702.00	2,004.24
<b>HYDEN, A.C.</b>	-	8,932.00	350.00(townstay) 2,468.00 (car)	11,750.00	1,451.96
<b>LIST, T.P.</b>	-	31,349.00	-	31,349.00	3,761.88
<b>LOIZOU, L.</b>	-	18,734.00	2,678.00	21,412.00	649.68
<b>PARISON, M.E.</b>	-	20,296.00	2,332.00	22,628.00	2,715.44
<b>TAME, W.F.</b>	-	16,604.00	-	16,604.00	1,992.48
<b>ANDERSEN, G.H.</b>	-	20,072.00	-	20,072.00	2,408.64
<b>DAVIES, L.R.</b>	-	24,485.00	98.00	24,593.00	2,949.97
<b>JACKSON, D.R.</b>	-	21,712.00	2,959.00	24,671.00	2,968.96
<b>PETERSEN, P.J.H.</b>	-	17,871.00	327.00	18,198.00	-
<b>TOTAL</b>	<b>\$68,810.00</b>	<b>\$196,648.00</b>	<b>\$11,321.00</b>	<b>\$276,789.00</b>	<b>\$29,331.04</b>



## Changes to Tenders

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### **List of Action taken Under Section 488(2) - Changes to Tenders during the Year**

There were no Council resolutions made to change tender specifications.

## Calling for Expressions of Interest

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### **List of all Resolutions during the Year Under Section 489(1) - Short Listing After Calling for Expressions of Interest**

The Council at its meeting held on 19<sup>th</sup> June, 2003 resolved to call for Expressions of Interest in accordance with Section 489 of the Local Government Act for the construction of Stage 1 of the works to be carried out under the Ayr and Home Hill CBD Revitalisation Project.

## Equal Employment Opportunity

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The Council forwarded its EEO Management Plan and EEO Annual Forward Plan - 1996/98 to the Director, Department of Local Government and Planning on 22<sup>nd</sup> August, 1996. Advice has been received back from the Department that both plans are supported.

## Public Sector Ethics Act Requirements

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A draft Code of Conduct for both Councillors and employees was prepared in 2001/02. It is anticipated that consultation and adoption of the Code will be undertaken in 2003/04.

# Borrowings Policy

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The Council adopted the following policy in respect of borrowings for the 2002/03, 2003/04 and 2004/05 financial years at its meeting held on 16<sup>th</sup> July, 2002.

## Legislation

In accordance with S521 of the Local Government Act 1993 and S7 of the Local Government Finance Standard 1994 the following is a statement of the Burdekin Shire's policy about borrowings.

## New Borrowings

New borrowings from Queensland Treasury Corporation planned for the current financial year and the next two financial years are as follows:-

<i>Purpose</i>	<i>2002/2003</i>	<i>2003/2004</i>	<i>2004/2005</i>
Roadworks	2,100,000	1,850,000	1,200,000
Drainage	485,000	100,000	300,000
Water	130,000	180,000	500,000
Plant	320,000	300,000	100,000
Council Properties	-	-	100,000
Sewerage	-	112,000	672,000
CBD Revitalisation Project	455,000	305,000	-
Total	\$3,490,000	\$2,847,000	\$2,872,000

The proposed borrowings are planned to be repaid over notional terms from six (6) up to fifteen (15) years as part of Council's consolidated debt with the Queensland Treasury Corporation.

## Existing Borrowings

Council's existing borrowings are held in debt pool accounts as follows:-

- A 3 year debt pool account (expected repayment terms from 1 to 4.75 years)
- Four 6 year debt pool accounts (expected repayment terms from 4.25 to 7.75 years)
- Three 9 year debt pool accounts (expected repayment terms from 7.25 to 10.75 years)
- One 12 year debt pool accounts (expected repayment terms from 10.25 to 13.75 years)
- Two 15 year debt pool accounts (expected repayment terms from 13.25 plus years)

As at 30<sup>th</sup> June 2002, the expected terms for repayment of Council's debt were:-

- 1.13 years for the three year debt pool
- 4.58, 5.82, 6.6 and 6.63 years for the six year debt pools
- 9.08, 9.78 and 9.89 years for the nine year debt pools
- 11.71 years for the twelve year debt pool
- 14.76 and 14.87 years for the fifteen year debt pools

G.J. Webb,  
CHIEF EXECUTIVE OFFICER

## Donations - Other

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The Council makes various donations through the year to assist in community development. The table below summarizes the extent of donations made. These donations are in addition to the rebates and concessions allowed in respect of rates and charges.

Donations - Welfare Associations	\$53,873
Donations - Cultural Activities	\$60,899
Donations - Entrepreneurial Fund	\$51,000
Donations - Burdekin Cultural Complex Board	\$300,300
Donations - Sporting Clubs/Associations	\$12,350
Donations - Life Saving/Beach Patrol	\$7,175
Donations - Economic Development, Tourism and Promotions	\$70,671
Donations & Inkind - Community Assistance	\$19,658

## Revenue Assistance Policy

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The Council has a Revenue Assistance Policy whereby funds are allocated to meet the costs of improvements on land owned or controlled by the Council. Funds are provided usually to sporting and community based organisations in the form of interest free loans repayable over an agreed period of time.

No allocations were made to organisations in the 2002/03 financial year.

## Grants for Excellence in Sports & Cultural Activities

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The Council has a small fund from which to allocate subsidies to those individuals under the age of 18 years selected to represent the State or Nation in a sporting or cultural event. Certain criteria must be met.

**Recipients in 2002/2003 are as follows:**

<b>Joshua Falco</b> - Queensland Country Under 14 Years Soccer Team	\$225
<b>Terrence Steel</b> - Queensland Schoollboys 16 Years & Under Hockey Team	\$225
<b>Drew Donovan</b> - Queensland Schoolboys' 18 Years Rugby League Team for 2002	\$225
<b>Drew Donovan</b> - 2002 Australian Secondary Schools' Rugby League Team to tour Great Britain & France	\$450
<b>Joel Torrisi</b> - Queensland Country Under 16 Years Soccer Team for 2002	\$225
<b>Joshua Searle</b> - Queensland Country Under 15 Years Soccer Team	\$225
<b>Christopher Woods</b> Queensland Junior Boys Darts Team	\$150
<b>Katrina Stevenson</b> Queensland Primary School Track & Field Team – High Jump Event	\$225
<b>Rachel Mulcahy</b> Queensland All-Schools Track & Field Championships	\$225
<b>Kris Quinlan</b> - Queensland Country Under 14 Years Soccer Team	\$225

# National Competition Policy

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## **Code of Competitive Conduct**

In accordance with Section 766 of the Local Government Act, the Council at its meeting held on 24 June, 2003 resolved to continue to apply the Code of Competitive Conduct to each of the business activities listed below for the 2003-04 financial year:

Other Roads	Roads (Tendered MRD)
Recoverable Works	Refuse Management
Water & Sewerage	Workshop
Caravan park	Plant Management

A description of each of the business activities is provided below:

### **Other Roads**

The core activities of this activity include the construction and maintenance of Council controlled roads. Minor activities include cross-over construction and private works. The main client is the Burdekin Shire Council on behalf of its ratepayers. Competition is limited as budgeted works are provided to the business activity. Prices or the cost of works are based on actual cost plus overheads plus oncosts.

### **Recoverable Works**

The core activities of this activity include the construction and maintenance of roads for the Department of Transport/Main Roads and Sunwater. Works for DMR is carried out under a Road Maintenance Performance Contract (RMPC) or Agreed Price Performance Contract (APPC). The main client is the Department of Transport/Main Roads. Competition is limited as the above contracts are in place. An overhead calculation is carried out to reflect the full cost of the works being carried out. The pricing has been accepted by DMR. The overhead calculation includes an allowance for network stewardship, office overheads, contingencies and profit.

### **Roads Tendered (MRD)**

This activity solely refers to road construction and maintenance work carried out for DMR under a tendered process. The main client is the DMR. Competition includes other private and government road construction and maintenance companies. As with Recoverable Works, an overhead calculation is carried out to reflect the full cost of the works being carried out. The overhead calculation includes an allowance for network stewardship, office overheads, contingencies and profit.

### **Plant Management**

The core activities of this activity include the maintenance, repair, purchase, disposal and hire of plant and equipment. The main clients are the users of the plant and equipment, particularly the Other Roads Business Activity and other operations of the Burdekin Shire Council. Competition is limited as the Council has a present policy to purchase and use its own plant and equipment. Prices or plant hire rates are set by reference to the Main Roads rates where possible.

### **Refuse Management**

The core activities of this activity include the collection, transport and disposal of refuse. The collection and transport component of this activity is contracted out to a private firm. Council is responsible for the operations of the Transfer Stations and Landfill site. The client base is the domestic and commercial consumer that has or is

required to have a refuse service. Competition is limited. Prices are based on actual cost plus overheads plus oncosts.

### **Water & Sewerage**

The core activities of this business activity is the collection, treatment and distribution of a domestic water supply to consumers and the collection, treatment and disposal of sewage effluent from consumers. The client base is the domestic consumer base in the Water Supply and Sewerage Supply areas. Competition is limited as there are no other suppliers in the area. Prices are based on actual costs plus overheads plus oncosts.

### **Workshop**

The core activities of this business activity include the repair and maintenance of Council's plant and equipment. Other minor activities may include fabrication work for other operations of the Council. The client base is the owners of the plant and equipment being the Burdekin Shire Council. Competition is limited as Council policy is to carry out this activity internally. Prices or the cost of repair and maintenance is based on actual costs plus overheads plus oncosts.

In respect of recoverable works carried out for the Department of Main Roads, an overhead calculation is carried out to reflect the full cost of the project being carried out. This pricing has been accepted by the Department of Main Roads. The overhead calculation includes an allowance for the following expenditures:

- Network Stewardship – Includes salary component for Executives, supervision, survey and design, costing, Workplace Health & Safety, Information Technology, Administration and associated plant.
- Office Overheads – Includes allowance for software upgrade, floor area, electricity, telephone, stationery and insurance.
- Contingencies and Profits.

### **Business Management Compliance Policy**

The Council at its meeting held on 24 June, 2003 further resolved to adopt a Business Management Compliance Policy and Manual to ensure business management principles that are receptive to the Code of Competitive Conduct requirements are adopted into Council's business processes.

### **COAG Water Reform**

The Council resolved to implement a two part tariff from 1 July, 2002.

During 2001/02 the Council considered reports from the Director of Development in relation to the proposed Water Pricing Policy to be implemented for the period 2002/03 to 2007/08.

At the Planning and Development Committee meeting held on 23 May, 2002 the Council resolved as follows:

Moved, seconded that the following pricing structure be adopted for water supply for 2002/03:

Access Charge -	\$240 for zero allocation
Consumption Charges -	10 cents per kilolitre for usage from 0 to 1,000 kls
	50 cents per kilolitre for usage over 1,000 kls

Moved, seconded that in respect of Water Supply Charges for 2002/03, no charging concessions be granted to consumers given that many community groups are already better off under the new pricing structure and there will be adverse implications of such a proposal on other ratepayers (any concessions given as a community service obligation will impact negatively on Council's General Rate).

Council's volumetric charges are above the marginal cost of production, because the fixed (access) charge does not recover all of the fixed costs. Previous reports indicate a fixed charge of \$300 compared to the adopted access charge of \$240 and marginal cost is just below 10c per kilolitre.

It is considered that the short term marginal costs are the same as long term marginal costs as no demand driven augmentation is required at this time. Augmentation proposed is basically for security of supply.

#### Identification of Cross Subsidies

The Local Government Finance Standards require the local authority in its Annual Report to state the amount of cross-subsidies between the different classes of consumers for water and sewerage provided. An analysis has been carried out and Council has determined that there are no cross-subsidies between the different classes of consumers for water.

The Water Cross-Subsidies Statement is provided below:

#### Water Cross Subsidies Statement

	Residential (cents/KL)	Commercial & Industrial (cents/KL)	Other (cents/KL)
Average price paid by consumers	48	51	53
Average Government or CSO contribution	6	6	2
<b>Total Revenue</b>	<b>55</b>	<b>57</b>	<b>55</b>
<b>Water Consumption Cost</b>	<b>5</b>	<b>5</b>	<b>5</b>
Difference	50	52	50
<b>Cross subsidy received?</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>Full Water Cost</b>	<b>44</b>	<b>44</b>	<b>44</b>
Difference	11	14	11
<b>Below full cost budget?</b>	<b>No</b>	<b>No</b>	<b>No</b>

#### Business Activities Financial Performance

The financial performance of the eight (8) business activities is highlighted on page 26 of the attached Financial Statements. The financial statements take into account Community Service Obligations (CSO's) in the business activities of Water and Sewerage and Refuse Management. These CSO's are also described and valued on page 26 of the Financial Statements.

#### Complaints Procedure

Council at its meeting held on 26 June, 2002 resolved to establish a process for resolving complaints by affected persons about failure to comply with the competitive neutrality principles applying to the various business activities subject to the Code of Competitive Conduct. No complaints were received in 2002-03.

## Registers Kept Open for Inspection

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- Register of Councillors' Material Personal Interest
- Register of Delegation by Local Government
- Register of Delegation by Chief Executive Officer
- Register of Local Laws
- Register of Subordinate Local Laws
- Register of Authorisations
- Register of Fees and Charges
- Register of Enterprises
- Register of Gifts



Financial

**Statements**

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# Burdekin Shire Council



Financial Statements  
and Notes to the Accounts  
for the financial year  
2002/03

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**Addendum to the financial statements**

The following unaudited statements and reports are attached to provide additional information that the Council considers will provide the reader with more useful information in the process of interpreting these financial statements. These additional reports are not required under the Australian Accounting Standards and therefore do not form part of the audited financial statements.

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**BURDEKIN SHIRE COUNCIL**  
**Statement of Financial Performance**

For the year ended 30 June 2003

		2003	2002
	Note	Actual \$	Actual \$
Revenue from ordinary activities	3	26,260,908	27,347,843
Expenses from ordinary activities	4	(24,616,074)	(23,664,048)
Borrowing costs	5	(888,397)	(739,635)
<b>Result from ordinary activities</b>		<u>756,437</u>	<u>2,944,160</u>
Increase (decrease) in the asset revaluation reserve	24 (i)	38,876,697	4,913,703
<b>Change in community equity</b>		<u><b>39,633,134</b></u>	<u><b>7,857,863</b></u>

*The above statement should be read in conjunction with the accompanying notes.*

## Statement of Financial Position

As at the 30 June 2003

		2003	2002
		Actual	Actual
	Note	\$	\$
<b>Current Assets</b>			
Cash assets	13	13,198,311	9,171,369
Receivables	14 (i)	1,559,293	2,968,129
Tax assets	15	127,250	13,809
Inventories	16 (i)	576,126	606,785
Other	17 (i)	95,842	100,364
		<u>15,556,822</u>	<u>12,860,456</u>
<b>Non-Current Assets</b>			
Receivables	14 (ii)	68,030	93,817
Inventories	16 (ii)	56,988	56,988
Other	17 (ii)	684	463
Property, plant and equipment	18 (a)	190,984,518	153,045,648
Capital works in progress	19	1,996,576	1,029,164
		<u>193,106,796</u>	<u>154,226,080</u>
<b>TOTAL ASSETS</b>		<u><b>208,663,618</b></u>	<u><b>167,086,536</b></u>
<b>Current Liabilities</b>			
Payables	20	519,489	576,250
Interest bearing liabilities	21	1,910,571	1,829,005
Provisions	22	1,654,665	1,563,638
Other	23	593	364
		<u>4,085,318</u>	<u>3,969,257</u>
<b>Non-Current Liabilities</b>			
Interest bearing liabilities	21	12,892,213	11,118,912
Provisions	22	1,070,141	1,015,555
		<u>13,962,354</u>	<u>12,134,467</u>
<b>TOTAL LIABILITIES</b>		<u><b>18,047,672</b></u>	<u><b>16,103,724</b></u>
<b>NET COMMUNITY ASSETS</b>		<u><b>190,615,946</b></u>	<u><b>150,982,812</b></u>
<b>Community Equity</b>			
Asset revaluation reserve	24 (i)	46,018,966	7,142,269
Retained surplus	24 (ii)	135,452,185	137,195,853
Other reserves	25	9,144,795	6,644,690
<b>TOTAL COMMUNITY EQUITY</b>		<u><b>190,615,946</b></u>	<u><b>150,982,812</b></u>

The above statement should be read in conjunction with the accompanying notes.

**Statement of Cash Flows**

For the year ended 30 June 2003

	Note	2003 \$	2002 \$
<b>Cash flows from operating activities:</b>			
Receipts from customers		27,389,631	25,135,257
Payments to suppliers and employees		(18,214,029)	(18,866,611)
		9,175,602	6,268,646
Interest received		740,167	472,766
Borrowing costs		(888,397)	(739,635)
<b>Net cash inflow (outflow) from operating activities</b>	33	<u>9,027,372</u>	<u>6,001,777</u>
<b>Cash flow from investing activities:</b>			
Payments for property, plant and equipment	18	(7,920,479)	(6,580,348)
Net movement in loans to community organisations	14	41,818	30,418
Proceeds from sale of property, plant and equipment	8	1,024,117	564,660
<b>Net cash inflow (outflow) from investing activities</b>		<u>(6,854,544)</u>	<u>(5,985,270)</u>
<b>Cash flow from financing activities:</b>			
Proceeds from borrowings	26	3,712,089	2,872,000
Repayment of borrowings	26	(1,857,975)	(1,878,576)
<b>Net cash inflow (outflow) from financing activities</b>		<u>1,854,114</u>	<u>993,424</u>
<b>Net increase (decrease) in cash held</b>		4,026,942	1,009,931
Cash at beginning of reporting period		9,171,369	8,161,438
<b>Cash at end of reporting period</b>	13	<u><b>13,198,311</b></u>	<u><b>9,171,369</b></u>

*The above statement should be read in conjunction with the accompanying notes.*

**BURDEKIN SHIRE COUNCIL**

**Statement of Changes in Equity**

For the year ended 30 June 2003

	Total		Retained surplus Note 24 (ii)		Asset revaluation reserve Note 24 (i)		Other reserves Note 25	
	2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$
Balance at beginning of period	150,982,812	143,124,949	137,195,853	135,396,415	7,142,269	2,228,566	6,644,690	5,499,968
Net result for the period	756,437	2,944,160	756,437	2,944,160				
Transfers to reserves	-	-	(3,422,417)	(3,116,015)	-	-	3,422,417	3,116,015
Transfers from reserves	-	-	922,312	1,971,293	-	-	(922,312)	(1,971,293)
Asset revaluation adjustment	38,876,697	4,913,703	-	-	38,876,697	4,913,703		
Balance at end of period	190,615,946	150,982,812	135,452,185	137,195,853	46,018,966	7,142,269	9,144,795	6,644,690

*The above statement should be read in conjunction with the accompanying notes.*

## Notes to the Financial Statements

**1 Summary of significant accounting policies**

The significant accounting policies which have been adopted in the preparation of these financial statements are:

**(i) Basis of preparation**

These financial statements, which are general purpose financial statements, have been drawn up in accordance with the Accounting Standards, Urgent Issues Group consensus views, the Local Government Act 1993 and the Local Government Finance Standard 1994. The accrual basis of accounting has been applied in accordance with the convention of historical cost accounting and does not take into account changing money values, or except where stated, current valuations of non-current assets.

**(ii) Accounting policies**

Accounting policies adopted are consistent with those of the previous year except as stated.

**(iii) Taxation**

Income of local authorities and public authorities is exempt from Commonwealth taxation except Fringe Benefits Tax and Goods and Services Tax (GST). As such, input tax credits receivable and GST payable from/to the Australian Tax Office are recognised and accrued.

**(iv) Trust funds held for outside parties**

Funds held in the Trust Account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the Trust Account by the Council. The Council performs only a custodial 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 Note 32 to the Financial Statements for information purposes only.

**(v) Property, plant and equipment***(a) Non-current assets threshold*

Items of property, plant and equipment with a total value of less than \$5,000, are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

*(b) Capital and operating expenditure*

As a general rule, wage and material expenditure incurred for the acquisition or construction of assets is treated as capital expenditure. Expenditure necessarily incurred in maintaining the operational capacity of the non-current asset is expensed as incurred, while expenditure to maintain the assets service potential is capitalised and funded from capital funding sources.

*(c) Acquisition*

Acquisitions of assets are initially recorded at cost. Cost is determined as a fair value of the assets given as consideration plus costs incidental to the acquisition, including 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 grants or contributions, are recognised as assets and revenues at fair value by Council valuation.

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.



**(v) Property, plant and equipment (continued)**

*(d) Valuation*

Property, plant and equipment recognised, which excludes receivables, inventory land held for resale and cash investments are valued at their fair value except where stated in Note 18. Where there is no active market in the assets, fair value is the replacement cost less depreciation. Where assets are not required and intended to be disposed of, fair value is the anticipated net sale proceeds. Assets within each class of property, plant and equipment are carried at fair value and are required to be revalued as necessary, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date.

*Valuation of property, plant and equipment*

The Council has adopted an asset valuation policy in accordance with section 36 (2) of the Local Government Finance Standard 1994 which states that a local government may value a non-current asset by using the cost basis if the asset has a useful life of not more than 10 years, or a carrying value of not more than \$50,000 or, if a lesser amount is decided by the local government, the lesser amount. This policy applies to the property, plant and equipment classes of asset in which assets are carried at both the depreciated original cost and the depreciated fair value.

The adoption of this policy does not comply with the new accounting standard AASB1041 Revaluation of Non-Current Assets, which in paragraph 5.1 requires that, subsequent to initial recognition as assets, each class of non-current assets must be measured on either the cost basis or the fair value basis. The Council is of the opinion that the difference in value between the reported value of assets at depreciated cost and their corresponding fair value is immaterial, based on their short useful life or minor capital value. Accordingly all property, plant and equipment is reported at fair value.

Details of valuers and methods of valuation are disclosed in Note 18 b.

In revaluing land and buildings, the potential capital gains tax in relation to such assets acquired after 19 September 1985 was not taken into account as the Council is not liable to this tax.

*(e) Depreciation of property, plant and equipment*

To achieve a systematic and rational allocation of the value of non-current assets over their estimated useful lives, depreciation represents the consumption of the service potential embodied in the non-current asset over its useful life to the Council. The straight line method of depreciation is used. The estimated useful life of assets are reviewed annually.

<b>Asset</b>	<b>Range of estimated useful life</b>
Land	not depreciated
Buildings	10 – 60 years
Plant and equipment	2 – 30 years
Roads	10 – 100 years
Stormwater drainage	80 years
Water supply network	20 – 90 years
Sewerage supply network	20 – 80 years
Other assets	5 – 50 years

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.

*(f) Funding of depreciation*

It is the policy of Council to allocate sufficient unrestricted funds, after meeting all other operating expenses, to the full funding of the annual depreciation expense. This will not apply to depreciation on capital assets that the Council has resolved not to replace on their ultimate demise. If insufficient funds are available, the Council may recover the shortfall in the next years budget allocation or resolve to unfund that portion of the depreciation expense that cannot be funded from available funding sources. Such a resolution will include the proposed steps that will be taken to correct the shortfall in depreciation funding.

**(vi) Capital works in progress**

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

**(vii) Leased plant and equipment**

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.

**(viii) Inventories**

Inventories are valued at the lower of cost and net realisable value and includes, 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.

**(ix) Investments**

Investments are brought to account at net fair value and interest income is recognised as it accrues.

**(x) Land held for resale***(a) Held as a non-current asset*

Land approved for resale is recorded as part of the Council's non-current assets (Note 18) and is valued at fair value based on current market prices of undeveloped land in the vicinity, or in a similar area, having similar characteristics of the land held at the time the land development is proposed and approved by Council. Any change in the carrying value is reflected in the asset revaluation reserve. The Council may reclassify this land to an inventory asset when it determines that this land no longer forms part of the capital assets required to provide a future service delivery.

*(b) Held as an inventory asset.*

Land approved by Council for resale and to be classified as inventory is recognised as a current asset where steps have been taken to ready this land for marketing and it is expected that the properties will be sold within a 12 months period. It is valued at the lower of cost or net realisable value (refer viii). That portion of the land that is not expected to be sold within 12 months is classified as a non-current asset.

Profit arising upon resale of land is recognised in the Statement of Financial Performance at settlement date.

**(xi) Employee benefits**

Employee benefits are accrued for such items as wages and salaries, annual leave, sick leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date.

Where it is expected that the leave will be taken in the next 12 months the liability is treated as a current liability, otherwise the liability is treated as non-current.

*(a) Wages and salaries*

A liability for wages and salaries 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 creditor of the Council and not as an employee entitlement.

*(b) Annual leave and sick leave*

A liability for annual leave and sick leave is recognised and based on current wage and salary levels with an additional allowance being made for employee on-costs.

*(c) Superannuation*

The superannuation expense for the reporting period is the amount of the statutory contribution the local government makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 30.

*(d) 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 with an additional allowance for employee on-costs.

**(xii) Provision for doubtful debts**

The collectability of debts is assessed at the reporting date and provision is made for doubtful accounts where it is no longer probable that the amount owing will be collected.

*Credit risk*

The maximum credit risk exposure of receivables as at 30 June is the carrying amount of these assets as shown in Note 14. This credit risk exposure does not take into account that s.1040 of the Local Government Act allows a local government to sell land upon which rates and utility charges were levied to recover rates and charges owing and unpaid for over three years.

**(xiii) Rates, grants and other revenue**

Rates, grants and other revenue are recognised as revenues when the Council obtains control over assets comprising the contributions. Receivables are recorded at nominal amounts less any provision for doubtful debts.

*(a) Rates*

Control over assets acquired from rates is obtained at the commencement of the rating period. Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue at that time.

Current year's rates receivable includes total water consumption income to 30 June 2003. This differs from the prior year when water consumption income was recognised to 30 June 2002 and included income from 2001 recognised on issue of rates notices in September 2001.

*(b) Grants and subsidies*

Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

*(c) Non-cash contributions*

Non-cash contributions in excess of \$5,000 in value are recognised as revenue and as non-current assets.

*(d) Other revenue including contributions*

Unreceived revenue is recognised as a receivable when it is probable that the receipt will occur and it can be measured, otherwise the amount is recognised upon receipt.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts pertaining to those undischarged conditions are carried in the Constrained Works Reserve.

Disclosure of the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period are also reported in Note 25 a.

**(xiv) Accounts payable (trade creditors and accruals)**

Accounts payable have been recognised as a liability where an obligation to pay for goods and services received can be reliably measured and it is probable the account will have to be paid. This usually occurs at the time of the goods being received or the service being performed. The amount recognised for each creditor is based on purchase or contract costs. These amounts are unsecured and normally settled within 30 working days.

**(xv) Loans and borrowings**

Loans and borrowings have been recognised as a liability at their respective book values.

**(xvi) Cash**

For purposes of the Statement of Cash Flows, cash includes cash on hand, short term investments and other cash equivalents, which are readily convertible to cash, and which are used in the cash management function on a day-to-day basis, net of borrowings which are integral to the cash management function and which are not subject to a term facility.

**(xvii) Components of equity***(a) Asset revaluation reserve*

The asset revaluation reserve is comprised of adjustments relating to changes in value of assets which arise primarily from changes in the purchasing power of money. Net incremental changes in the carrying value of classes of capital non-current assets, since their initial recognition, are accumulated in this reserve. Where a class of asset is revalued down, without a prior revaluation credit in the asset revaluation reserve, the asset revaluation decrement net of the corresponding adjustment to the accumulated depreciation are debited to the Statement of Financial Performance and then appropriated to the capital account.

*(b) Reserves held for future capital expenditure*

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

*Constrained works reserve*

This reserve is credited with all grants, subsidies and contributions of monetary revenue received during the reported period and constrained for the purpose of funding specific capital expenditure. As the expenditure is incurred on specified capital assets the equivalent funds are transferred to the capital account. The closing balance reported at the period end represents funds not yet expended and must be retained until expended in the manner specified by the contributor.

*Water reserve*

This reserve was created to contribute to future funding for water infrastructure and to provide a contingency amount to offset any major unforeseen water supply works which are required.

*Sewerage reserve*

This reserve was created to contribute to future funding for sewerage infrastructure and to provide a contingency amount to offset any major unforeseen sewerage works which are required.

*Capital maintenance reserve*

This reserve was created to contribute to future funding for general infrastructure works including aerodrome, buildings and swimming pools.

*Carryover capital works reserve*

This reserve was created for the purpose of holding carryover revenue funds for capital works yet to be completed.

*(b) Reserves held for funding future recurrent expenditure:*

These are cash backed reserves and represent funds 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.

*Recurrent maintenance reserve*

This reserve was created to contribute to future funding for operational and recurrent expenditures across Council programs and to provide a contingency amount to offset any major unforeseen operational expenditures which are required.

*(d) Retained surplus*

This represents that part of the Council's net funds not required to meet immediate requirements or to meet specific future needs. The balance of this account at the end of each financial year represents the amount available to Council that may be used to offset against expenditure in the following year or, if a deficit, the additional amount of revenue needed to be raised in the following year. In accordance with the Queensland Local Government Finance Standards all Councils must budget to either expend or appropriate all revenue raised by the Council in each financial year. A budgeted retained surplus of zero in the Statement of actual compared to original budget shows this requirement has been complied with.

**(xviii) Comparative figures**

Where required by Australian Accounting Standards, comparative figures for the preceding year have been reclassified on a basis consistent with current year disclosure.

**(xix) Actual figures**

All figures in the notes (except where otherwise stated) are actual amounts relating to the years ended 30 June 2003 and 30 June 2002 respectively.

**2 Analysis of results by function**

**(a) Revenue, expenses and assets have been attributed to the following functions:**

Functions	Revenue		Total revenue Ref - note 6	Total expenses Ref - note 6	Net result for period	Assets
	Grants	Other				
	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$
Corporate Services	767,743	317,820	1,085,563	2,795,247	(1,709,684)	18,246,887
Finance	583,749	13,355,167	13,938,916	7,533,065	6,405,851	14,933,249
Environmental Services	141,619	1,888,812	2,030,431	4,492,209	(2,461,778)	-
Community & Cultural	131,406	71,032	202,438	1,832,583	(1,630,145)	2,151,511
Works & Services	1,210,931	3,747,415	4,958,346	3,344,358	1,613,988	138,431,925
Technical Services	-	143,746	143,746	1,752,829	(1,609,083)	-
Sewerage	-	2,810,354	2,810,354	2,587,270	223,084	19,358,134
Water	-	2,115,231	2,115,231	2,191,027	(75,796)	15,541,912
<b>Total</b>	<b>2,835,448</b>	<b>24,449,577</b>	<b>27,285,025</b>	<b>26,528,588</b>	<b>756,437</b>	<b>208,663,618</b>

**Prior Year**

Functions	Revenue		Total Revenue Ref - note 6	Total Expenses Ref - note 6	Net result for period	Assets
	Grants	Other				
	2002 \$	2002 \$	2002 \$	2002 \$	2002 \$	2002 \$
Corporate Services	369,097	91,543	460,640	2,657,643	(2,197,003)	18,896,810
Finance	580,687	12,793,971	13,374,658	1,062,355	12,312,303	12,189,972
Environmental Services	285,740	1,841,296	2,127,036	4,796,399	(2,669,363)	-
Community & Cultural	258,527	121,415	379,942	2,047,276	(1,667,334)	2,125,945
Works & Services	2,359,460	3,707,585	6,067,045	8,309,283	(2,242,238)	98,552,326
Technical Services	-	115,083	115,083	1,627,280	(1,512,197)	-
Sewerage	-	2,809,784	2,809,784	2,423,219	386,565	19,283,537
Water	16,420	2,561,895	2,578,315	2,044,888	533,427	16,037,946
<b>Total</b>	<b>3,869,931</b>	<b>24,042,572</b>	<b>27,912,503</b>	<b>24,968,343</b>	<b>2,944,160</b>	<b>167,086,536</b>

**2 (b) Components of Council functions**

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

**Corporate Services**

Includes recruitment, training and development, employee relations, public relations, computing services, secretarial and minutes support, records management, quality assurance, Council properties management, economic development.

**Finance**

Includes revenue, purchasing, creditors, payroll, debtors, stores, budgeting, financial reporting, debt management, financial procedures development.

**Environmental Services**

Includes health administration, health inspection, by-law enforcement, animal control, immunisation, refuse services, waste disposal, parks, caravan parks, street cleaning, public conveniences, beach restoration, cemeteries, CBD beautification.

**Community & Cultural**

Includes libraries, theatre, memorial hall, art and cultural activities, recreation and sport facilities, area promotion, swimming pools, welfare.

**Works & Services**

Includes roads and drainage construction and maintenance, road reseals, bicycle ways, aerodrome, boat ramps, recoverable works (Queensland Transport & Water Resources), depot and workshop operations, plant management.

**Technical Services**

Includes engineering technical support, works estimating, drafting services, counter disaster co-ordination, flood forecasting, asset management, town planning, subdivision, building and plumbing inspections.

**Sewerage**

Includes treatment, sewers and rising mains, pumping and reticulation, asset management.

**Water**

Includes treating, pumping, reticulation, connections, metering and asset management.

	Note	2003 Actual \$	2002 Actual \$
<b>3 Revenue from ordinary activities:</b>			
<b>Operating income:</b>			
General rates		14,555,081	14,160,217
Environmental levy		130,306	-
Water		2,197,197	2,627,578
Sewerage		2,893,270	2,871,992
Garbage charges		1,154,222	1,115,525
Total rates and utility charges		20,930,076	20,775,312
Less: Discounts		(1,907,874)	(1,885,008)
Less: Pensioner remissions		(519,562)	(499,204)
Net rates and utility charges		18,502,640	18,391,100
Fees and charges		952,772	933,984
Sales - Contract and recoverable works		1,076,416	1,395,582
Government grants and contributions	7 (i)	2,233,358	3,033,774
Interest received from investments		737,432	478,558
Penalty interest from overdue rates and utility charges		21,992	13,829
Interest from other sources		1,346	1,435
Other		192,751	156,510
Total operating income		23,718,707	24,404,772
<b>Capital income:</b>			
Government grants and contributions	7 (ii)	2,542,201	2,064,955
Gain on market value adjustment to long term debt	26	-	133,643
Other capital income	9	-	744,473
Total capital income		2,542,201	2,943,071
<b>Revenue from ordinary activities</b>		<u>26,260,908</u>	<u>27,347,843</u>
Included in rates revenue is the amount of \$145,006 of rates received for a future financial period.			
<b>4 Ordinary expense activity comprises:</b>			
<b>Operating expenses:</b>			
Employee expenses	10	9,077,935	9,243,265
Materials and services		7,625,056	8,145,411
Depreciation	11	6,973,512	5,720,186
Bank charges		12,325	19,431
Bad and doubtful debts		2,425	7,698
Other expenses	12	339,934	364,654
Total operating expenses before interest		24,031,187	23,500,645
<b>Capital expenses:</b>			
Loss on the sale of capital assets	8	72,259	158,753
Loss on market value adjustment to long term debt	26	753	-
Revaluation down of capital assets	18	511,875	4,650
Total capital expenses		584,887	163,403
<b>Expenses from ordinary activities</b>		<u>24,616,074</u>	<u>23,664,048</u>
<b>5 Borrowing costs</b>			
Finance costs charged by the Queensland Treasury Corporation		882,123	726,487
Finance costs relating to BRIA Loan		6,274	13,148
		<u>888,397</u>	<u>739,635</u>



	Note	2003 Actual \$	2002 Actual \$
<b>6 Reconciliation of revenues and expenses</b>			
<b>Total revenue for the period was derived from:</b>			
Total ordinary revenues	3	26,260,908	27,347,843
Add: Proceeds from disposal capital assets sold	8	1,024,117	564,660
Revenue per analysis of results by function	2 (a)	<u>27,285,025</u>	<u>27,912,503</u>
<b>Total expenses for the period were incurred as follows:</b>			
Expenses from ordinary activities	4	24,616,074	23,664,048
Borrowing costs	5	888,397	739,635
Deduct: Loss from disposal of capital assets sold	8	(72,259)	(158,753)
Add: Book value of capital assets sold	8	1,096,376	723,413
Expenses per analysis of results by function	2 (a)	<u>26,528,588</u>	<u>24,968,343</u>
<b>Result from ordinary activities</b>		<u>756,437</u>	<u>2,944,160</u>
<b>7 Grants, subsidies and contributions</b>			
(i) Operational government grants and contributions are analysed as follows:			
Contributions		156,476	672,805
Specific project government subsidies & grants		1,493,133	1,780,282
General purpose government grants		583,749	580,687
Total operational revenue	3	<u>2,233,358</u>	<u>3,033,774</u>
(ii) Capital government grants and contributions are analysed as follows:			
(a) Monetary revenue constrained for capital purposes:			
Government grants and subsidies		758,566	1,508,962
Contributions		1,092,766	555,993
Total constrained revenue		<u>1,851,332</u>	<u>2,064,955</u>
(b) Non-monetary revenue received is analysed as follows:			
Infrastructure from developers at fair value		690,869	-
Total non-monetary assets		<u>690,869</u>	<u>-</u>
Total capital revenue	3	<u>2,542,201</u>	<u>2,064,955</u>
<b>8 Gain (loss) on the disposal of capital assets</b>			
(i) Proceeds from the sale of property, plant & equipment		961,625	562,460
Less: Book value of property, plant & equipment sold		1,033,884	721,139
		<u>(72,259)</u>	<u>(158,679)</u>
(ii) Proceeds from the sale of land		62,492	2,200
Less: Book value of land sold		62,492	2,274
		<u>-</u>	<u>(74)</u>
Total gain (loss) on the disposal of capital assets		<u>(72,259)</u>	<u>(158,753)</u>
<b>9 Other capital income (expenses)</b>			
Capital income (expenses) recognised during the period arose from the following events:			
Plant & equipment not previously recognised as Council assets		-	86,700
Accumulated depreciation on these plant & equipment assets		-	(32,440)
Roads not previously recognised as Council assets through oversight		-	690,213
Other assets & Building assets not previously recognised as Council assets		-	(5,995)
Accumulated depreciation on other assets & Building assets not previously recognised		-	5,995
Total other income (expenses)		<u>-</u>	<u>744,473</u>

	2003	2002
	Actual	Actual
Note	\$	\$
<b>10 Employee expenses</b>		
Total wages and salaries	7,219,012	7,312,975
Annual, sick and long service leave entitlements	1,447,958	1,554,070
Superannuation	964,444	974,121
	<u>9,631,414</u>	<u>9,841,166</u>
Other employee related expenses	268,555	198,048
	<u>9,899,969</u>	<u>10,039,214</u>
Less: Capitalised employee expenses	(822,034)	(795,949)
	<u><u>9,077,935</u></u>	<u><u>9,243,265</u></u>

<b>11 Depreciation</b>		
Road and bridge network	4,514,298	3,242,892
Water	333,333	325,172
Sewerage	570,412	570,412
Drainage	125,925	124,157
Buildings	487,722	484,783
Plant and equipment	745,274	795,996
Other assets	196,548	176,774
	<u>6,973,512</u>	<u>5,720,186</u>

<b>12 Other expenses</b>		
Audit services	26,619	30,442
Councillors' remuneration	308,313	312,730
Rentals - Operating leases	5,002	21,482
	<u>339,934</u>	<u>364,654</u>

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

<b>13 Cash assets</b>		
Cash at bank and on hand	3,883,367	3,589,866
Short term money market instruments	9,314,944	5,581,503
	<u>13,198,311</u>	<u>9,171,369</u>

**Reconciliation to the statement of cash flows**

Cash at the end of the period as shown in the statement of cash flows is reconciled to the statement of financial position as follows:

Balances as above	<u>13,198,311</u>	<u>9,171,369</u>
Balance per statement of cash flows	<u>13,198,311</u>	<u>9,171,369</u>

Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	25 (i)	52,644	4,022
Unspent developer contributions	25 (i)	1,632,630	550,727
Unspent loan monies		647,137	1,177,918
Total unspent restricted cash for capital projects		<u>2,332,411</u>	<u>1,732,667</u>

	2003	2002
	Actual	Actual
Note	\$	\$
<b>14 Receivables</b>		
<b>(i) Current</b>		
Rateable revenue and utility charges	1,062,681	1,058,325
Less: Provision for doubtful debts	(1,870)	(1,165)
	<u>1,060,811</u>	<u>1,057,160</u>
Fees and charges	411,233	1,826,572
Other debtors	52,112	31,509
Less: Provision for doubtful debts	(12,994)	(11,274)
	<u>450,351</u>	<u>1,846,807</u>
Loans and advances	48,131	64,162
	<u>1,559,293</u>	<u>2,968,129</u>
<b>(ii) Non-current</b>		
Loans and advances	68,030	93,817
	<u>68,030</u>	<u>93,817</u>
<p>Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors.</p> <p>All loans and advances related to loans made to various sporting bodies. These assets arise irregularly and are normally unsecured and interest free. The credit risk on these loans is considered low.</p>		
<b>15 Tax assets</b>		
<b>Current</b>		
GST recoverable	208,972	189,867
Less: GST payable	(69,502)	(165,704)
Less: Employee related tax payable	(12,220)	(10,354)
	<u>127,250</u>	<u>13,809</u>
<b>16 Inventories</b>		
<b>(i) Current</b>		
Stores and raw materials	576,126	606,785
	<u>576,126</u>	<u>606,785</u>
<b>(ii) Non-current</b>		
Land held for development and sale	29 56,988	56,988
	<u>56,988</u>	<u>56,988</u>
<b>17 Other</b>		
<b>(i) Current</b>		
Prepayments	95,842	100,364
	<u>95,842</u>	<u>100,364</u>
<b>(ii) Non-current</b>		
Prepayments	684	463
	<u>684</u>	<u>463</u>

## BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2003

### 18 (a) Property, plant and equipment

	Land held for resale	Land and improvements	Buildings	Plant and equipment	Road and bridge network	Water	Sewerage	Drainage	Other assets	Total
	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$	2003 \$
<b>Asset Values</b>										
Opening gross value at valuation	237,026	3,849,626	25,968,797	9,339,578	120,717,936	24,945,746	33,562,097	10,306,522	3,664,364	232,591,692
Additions at cost	-	-	40,562	1,661,938	3,662,467	16,596	183,823	1,102,915	284,766	6,953,067
Contributed assets at valuation	-	-	-	-	690,869	-	-	-	-	690,869
Disposals	-	(62,492)	(75,000)	(1,684,753)	-	-	-	-	-	(1,822,245)
Revaluations in period	-	(5,000)	(181,000)	(4,294)	19,412,440	41,243	-	(568,086)	-	18,695,303
Closing gross value at valuation	237,026	3,782,134	25,753,359	9,312,469	144,483,712	25,003,585	33,745,920	10,841,351	3,949,130	257,108,686
Total asset value	237,026	3,782,134	25,753,359	9,312,469	144,483,712	25,003,585	33,745,920	10,841,351	3,949,130	257,108,686
<b>Accumulated Depreciation</b>										
Opening balance	-	-	11,682,183	4,323,561	35,081,805	9,220,098	14,280,139	3,241,026	1,717,232	79,546,044
Depreciation provided in period	-	-	487,722	745,274	4,514,298	333,333	570,412	125,925	196,548	6,973,512
Written off on disposals	-	-	(500)	(725,369)	-	-	-	-	-	(725,869)
Adjustment on asset revaluation	-	-	(142,420)	(74,161)	(19,345,417)	(12,730)	-	(94,791)	-	(19,669,519)
Closing balance of assets at fair value	-	-	12,026,985	4,269,305	20,250,686	9,540,701	14,850,551	3,272,160	1,913,780	66,124,168
Total accumulated depreciation	-	-	12,026,985	4,269,305	20,250,686	9,540,701	14,850,551	3,272,160	1,913,780	66,124,168
Fair value at 30 June 2003	237,026	3,782,134	13,726,374	5,043,164	124,233,026	15,462,884	18,895,369	7,569,191	2,035,350	190,984,518
Fair value at 30 June 2002	237,026	3,849,626	14,286,614	5,016,017	85,636,131	15,725,648	19,281,958	7,065,496	1,947,132	153,045,648

	2003 Actual \$	2002 Actual \$
<p><b>18 b. Property, plant and equipment valuations were determined by reference to the following:</b></p> <p><b>Land</b></p> <p>Land acquired at cost since 1 July 1994 and land acquired pre July 1994 has been revalued by independent valuer, Rushton (Qld) Pty Ltd as at 30 June 2001, and is recorded at the greater of current market buying price or current market value.</p> <p>Land held for development and sale is valued at the lower of cost net realisable value.</p> <p>Land under infrastructure and reserve land does not have a value for the purpose of a Local Government's financial statements.</p> <p><b>Buildings</b></p> <p>All buildings have been revalued by independent valuer, Rushton (Qld) Pty. Ltd. as at 30 June 2001, and are recorded at fair value</p> <p><b>Plant and Equipment</b></p> <p>All Plant and Equipment with an original useful life of more than ten years, or with an original cost/value in excess of the revaluation threshold of \$50,000 has been revalued by independent valuer, Rushton (Qld) Pty. Ltd. as at 30 June 2001.</p> <p>Plant and equipment under the value of \$50,000 and mobile plant and equipment with an expected life of under ten years was not revalued and is valued at fair value.</p> <p><b>Infrastructure</b></p> <p>Roads and drainage infrastructure has been valued by qualified Council Engineering staff as at 30 June 2003.</p> <p>Water and sewerage infrastructure has been valued by qualified Council Engineering staff as at 1 July 2002. Water and sewerage infrastructure acquired or constructed during the financial year ended 30 June 2003 are recorded at fair value.</p> <p><b>Other Assets</b></p> <p>All Other Assets with an original useful life of more than ten years, or with an original cost/value in excess of the revaluation threshold of \$50,000, have been revalued by independent valuer, Rushton (Qld) Pty. Ltd. as at 30 June 2001.</p> <p>Other Assets under the value of \$50,000, with an expected life of under ten years were not revalued and are valued at fair value.</p>	<p>Note</p>	
<p><b>19 Capital work in progress</b></p>	<p>1,996,576</p> <p><u>1,996,576</u></p>	<p>1,029,164</p> <p><u>1,029,164</u></p>
<p><b>20 Payables</b></p> <p><b>Current</b></p> <p>Creditors and accruals</p>	<p>519,489</p> <p><u>519,489</u></p>	<p>576,250</p> <p><u>576,250</u></p>

	Note	2003 Actual \$	2002 Actual \$
<b>21 Interest bearing liabilities</b>			
<b>Current</b>			
Loans	26	1,910,571	1,829,005
		<u>1,910,571</u>	<u>1,829,005</u>
<b>Non-Current</b>			
Loans	26	12,892,213	11,118,912
		<u>12,892,213</u>	<u>11,118,912</u>
<b>22 Provisions</b>			
<b>Current</b>			
Employee benefits:			
Annual leave		1,105,448	1,051,506
Sick leave		299,741	304,132
Long service leave		249,476	208,000
		<u>1,654,665</u>	<u>1,563,638</u>
<b>Non-Current</b>			
Employee benefits:			
Long service leave		1,070,141	1,015,555
		<u>1,070,141</u>	<u>1,015,555</u>
<b>23 Other liabilities</b>			
<b>Current</b>			
Monies received in advance		593	364
		<u>593</u>	<u>364</u>
<b>24 (i) Asset revaluation reserve</b>	1 (xvii)(a)		
Movements in the asset revaluation reserve were as follows:			
Balance 1 July 2002		7,142,269	2,228,566
Net adjustment to capital non-current assets at end of period to reflect a change in current fair value:			
Land and improvements		(5,000)	(5,240)
Plant and equipment		69,867	936
Road and bridge network		38,757,857	-
Water		53,973	2,567,877
Sewerage		-	2,350,130
		<u>46,018,966</u>	<u>7,142,269</u>
Balance 30 June 2003		<u>46,018,966</u>	<u>7,142,269</u>
<b>(ii) Retained surplus</b>			
Movements in the retained surplus were as follows:			
Retained surplus at the beginning of financial year		137,195,853	135,396,415
Result from ordinary activities		756,437	2,944,160
Transfers (to) capital reserves for future capital project funding, or from reserves funds that have been expended:			
Constrained Works Reserve		(1,130,525)	(422,557)
Water Reserve		(190,979)	(331,740)
Sewerage Reserve		(356,912)	(329,008)
Capital Maintenance Reserve		(3,445)	(31,755)
Carryover Capital Works Reserve		(45,846)	42,732
Transfers (to) recurrent reserves for future recurrent project funding, or from reserves funds that have been expended:			
Recurrent maintenance reserve		(772,398)	(72,394)
Retained surplus at the end of the financial year		<u>135,452,185</u>	<u>137,195,853</u>

	Note	2003 Actual \$	2002 Actual \$
<b>25 Other Reserves</b>			
<b>(a) Reserves held for funding future capital expenditure:</b>			
(i) Constrained works reserve		1,685,274	554,749
(ii) Water reserve		3,036,962	2,845,983
(iii) Sewerage reserve		2,833,444	2,476,532
(iv) Capital maintenance reserve		267,599	264,154
(v) Carryover capital works reserve		397,388	351,542
		<u>8,220,667</u>	<u>6,492,960</u>
<b>(b) Reserves held for funding future recurrent expenditure:</b>			
(i) Recurrent maintenance reserve		924,128	151,730
		<u>924,128</u>	<u>151,730</u>
Total reserves		<u>9,144,795</u>	<u>6,644,690</u>
<b>(c) Movements in capital reserves are analysed as follows:</b>			
<b>(i) Constrained works reserve</b>			
Balance 1 July 2002		554,749	132,192
Net transfers from (to) retained earnings		1,130,525	422,557
Balance 30 June 2003		<u>1,685,274</u>	<u>554,749</u>
<b>(ii) Water reserve</b>			
Balance 1 July 2002		2,845,983	2,514,243
Net transfers from (to) retained earnings		190,979	331,740
Balance 30 June 2003		<u>3,036,962</u>	<u>2,845,983</u>
<b>(iii) Sewerage reserve</b>			
Balance 1 July 2002		2,476,532	2,147,524
Net transfers from (to) retained earnings		356,912	329,008
Balance 30 June 2003		<u>2,833,444</u>	<u>2,476,532</u>
<b>(iv) Capital maintenance reserve</b>			
Balance 1 July 2002		264,154	232,399
Net transfers from (to) retained earnings		3,445	31,755
Balance 30 June 2003		<u>267,599</u>	<u>264,154</u>
<b>(v) Carryover capital works reserve</b>			
Balance 1 July 2002		351,542	394,274
Net transfers from (to) retained earnings		45,846	(42,732)
Balance 30 June 2003		<u>397,388</u>	<u>351,542</u>
<b>(d) Movements in recurrent reserves are analysed as follows:</b>			
<b>(i) Recurrent maintenance reserve</b>			
Balance 1 July 2002		151,730	79,336
Net transfers from (to) retained earnings		772,398	72,394
Balance 30 June 2003		<u>924,128</u>	<u>151,730</u>

	2003 Actual \$	2002 Actual \$
<b>26 Loans</b>		
<b>(i) Queensland Treasury Corporation</b>	14,398,113	12,822,430
<b>(ii) BRIA Loan</b>	404,671	125,487
	<u>14,802,784</u>	<u>12,947,917</u>
Classified as:		
Current	1,910,571	1,829,005
Non-current	12,892,213	11,118,912
	<u>14,802,784</u>	<u>12,947,917</u>
<b>(i) Queensland Treasury Corporation</b>		
Opening balance	12,822,430	11,825,185
Loans raised	3,360,000	2,872,000
Principal repayments	(1,785,070)	(1,741,112)
Adjustment to loan value due to change in interest rates	753	(133,643)
Book value at period end	<u>14,398,113</u>	<u>12,822,430</u>
<p>The loan market value at the 30 June 2003 is \$15,023,023. This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the debt for its term, no provision is required to be made in these accounts. The loans are held in their respective program accounts. The interest rate on (i) Queensland Treasury Corporation borrowings range from 4.69% to 5.27%. Based on the current level of repayments the expected term of total debt is 14 years (2002 - 15 years). Borrowings are all in Australian dollars and are underwritten by the Queensland State Government.</p>		
<b>(ii) BRIA Loan</b>		
Opening balance	125,487	262,951
Loans raised	352,089	-
Repayments	(72,905)	(137,464)
Book value at period end	<u>404,671</u>	<u>125,487</u>
<p>The loans are unsecured.</p>		
<b>27 Commitments for expenditure</b>		
<b>Operating leases</b>		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	-	4,882
	<u>-</u>	<u>4,882</u>
<b>Contractual Commitments</b>		
Contractual commitments at balance date but not recognised in the financial statements are as follows:		
Service contracts over next 1 to 8 years	2,549,269	3,020,989
Donation Commitments from 1 to 3 years	14,398	23,796
	<u>2,563,667</u>	<u>3,044,785</u>
<b>Capital Commitments</b>		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:		
Infrastructure	132,521	489,639
	<u>132,521</u>	<u>489,639</u>
These expenditures are payable:		
Within one year	132,521	489,639
	<u>132,521</u>	<u>489,639</u>



	2003 Actual \$	2002 Actual \$
<b>28 Contingent liabilities</b>		
Details and estimates of maximum amounts of contingent liabilities are as follows:		
Various claims are pending against the Council. In the opinion of the Council's solicitors, at this stage in the proceedings the potential loss on all claims 30 June 2003 should not exceed:	<u>27,801</u>	<u>58,000</u>
Potential excess amounts payable against various insurance claims as at 30 June 2003 should not exceed:	<u>32,356</u>	<u>66,633</u>
The Burdekin Shire Council is a member of the local government self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled because of insufficient funds being available to cover outstanding liabilities. Only Local Government Workcare may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure is:	<u>120,575</u>	<u>134,477</u>
The Burdekin 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 it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises. As at June 2002 the financial statements reported an accumulated loss of \$12,914,897. The Board of Management has developed a long term financial strategy to address this deficit. As at the reporting date the Council's share of any liability can not be reliably estimated.		
<b>29 Land held for development and sale</b>		
Opening balance	<u>56,988</u>	<u>56,988</u>
Classified as:	<u>56,988</u>	<u>56,988</u>
Non-current	<u>56,988</u>	<u>56,988</u>
	<u>56,988</u>	<u>56,988</u>

Land held for development and sale is revalued when there is an adjustment required to net realisable value. Where this land was originally classified as a non-current capital asset it has been revalued in accordance with the valuation criteria set out in Note 18.

	2003 Actual \$	2002 Actual \$
<b>30 Superannuation</b>		
The Burdekin Shire Council contributes to the local government superannuation scheme (the scheme). The scheme has both defined benefits and accumulation arrangements, provided for in accordance with statutory requirements. Assets accumulate in the fund to meet member's benefits as they accrue. If that portion of the assets of the plan, intended to support employees' defined benefits, is insufficient to satisfy such entitlements payable to scheme beneficiaries, then the level and form of such benefits would need to be revised. All persons becoming permanent employees as from 1 July 1998 contribute to the scheme for defined contribution entitlements; the defined benefit section of the scheme having been closed to new entrants from that date.		
The Burdekin Shire Council's liability in respect of defined contribution superannuation arrangements is the amount of contribution that, under the terms of the Scheme, is payable to the fund as at the reporting date.		
The audited general purpose financial statements of the scheme as at 30 June 2002 (the most recent available) which were not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the accrued benefits. No liability for the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees.		
The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at the 30 June 2002. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.		
The amount of superannuation contributions paid by Burdekin Shire Council to the superannuation scheme in this period for the benefit of employees was:	<u>964,444</u>	<u>974,121</u>
The Burdekin Shire Council also contributes to the scheme for the benefit of elected members. The amount of contributions paid for this benefit during the reporting period was:	<u>29,376</u>	<u>31,016</u>
The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.		
<b>31 Conditions over contributions</b>		
Contributions and grants which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date.		
Contributions of infrastructure assets to be expended in 2002/03		554,749
Contributions of infrastructure assets to be expended in 2003/04	1,134,547	
	<u>1,134,547</u>	<u>554,749</u>
Contributions and grants which were recognised as revenues in a previous reporting period and were expended during the current reporting period in accordance with the Council's obligations.		
Contributions for infrastructure assets to be expended in 2001/02		59,060
Contributions for infrastructure assets to be expended in 2002/03	4,022	
	<u>4,022</u>	<u>59,060</u>
Net increase (decrease) in restricted asset (cash) at period end	<u>1,130,525</u>	<u>495,689</u>
<b>32 Trust Funds</b>		
Monies collected or held on behalf of another entity yet to be paid out to or on behalf of that entity	1,394	1,393
Security deposits	42,128	42,228
	<u>43,522</u>	<u>43,621</u>
The Burdekin Shire Council performs only a custodial role in respect of these monies, and because the monies cannot be used for Council, they are not brought to account in these financial statements.		

	2003 Actual \$	2002 Actual \$
Note		
<b>33 Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities</b>		
Result from ordinary activities	756,437	2,944,160
Non-cash operating items:		
Unrealised (gain) / loss on loan revaluation	753	(133,643)
Depreciation and amortisation	6,973,512	5,720,186
Non-cash donations subsidies and contributions	(690,869)	-
Provision for doubtful debts	2,425	7,698
Other capital income (expenses)	-	(744,473)
Revaluation down of capital assets	511,875	4,650
	<u>6,797,696</u>	<u>4,854,418</u>
Investing and development activities:		
Net (profit) loss on disposal of non current assets	72,259	158,753
	<u>72,259</u>	<u>158,753</u>
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	1,276,939	(2,028,170)
(Increase) decrease in other operating assets	34,960	(28,862)
Increase (decrease) in payables	(56,532)	(50,825)
Increase (decrease) in employee provisions	145,613	152,303
	<u>1,400,980</u>	<u>(1,955,554)</u>
<b>Net cash inflow from operating activities</b>	<u><u>9,027,372</u></u>	<u><u>6,001,777</u></u>

**34 Controlled Entity**

Burdekin Shire Council provides representation on the Burdekin Cultural Complex Board Inc. which manages, administers and operates the Burdekin Theatre and Music Loft in Queen Street, Ayr and the Burdekin Memorial Hall in Ninth Avenue, Home Hill pursuant to a written contract with the Council. The membership of the Board consists of five (5) Councillor members including the Mayor as Chairman and four (4) other members appointed at public meetings. As the Chairman of the Board has a constitutional casting vote and because of the existence of the contract between the Council and the Board wherein the Local Government approves the required operating budget of the Board, the Board is a controlled entity. As the Board's financial year, of 1st May 2002 to 30th April 2003, is inconsistent with Council's, the Board's financial results are not consolidated into these statements but are reported by way of note as follows:-

Income		
Council Contributions	335,650	333,400
Other Income	141,406	171,172
Promotions/Rentals	157,498	174,840
	<u>634,554</u>	<u>679,412</u>
Expenditure		
Administration	102,480	241,491
Operating Expenditure	253,220	181,528
Promotions/Rentals	184,893	219,397
	<u>540,593</u>	<u>642,416</u>
Operating Surplus/(Deficit)	<u>93,961</u>	<u>36,996</u>
Accumulated Funds		
Balance at beginning of period	(38,962)	(75,958)
Plus/(less) Surplus/(deficit) for period	93,961	36,996
	<u>54,999</u>	<u>(38,962)</u>
Represented by		
Assets		
Current	94,021	48,087
Liabilities		
Current	24,259	78,932
Non Current	14,763	8,117
	<u>39,022</u>	<u>87,049</u>
Net Assets	<u><u>54,999</u></u>	<u><u>(38,962)</u></u>

**35 Financial instruments**

**(a) Credit risk exposure**

The credit risk on financial assets of the Council which have been recognised on the statement of financial position other than investments in shares, 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.

Financial Instruments	Note	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	Total
		2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$	2003 \$	2002 \$
<b>Financial assets</b>									
Cash assets	13	-	-	13,198,311	9,171,369	3,883,367	-	17,083,928	9,171,369
Receivables	14	-	-	1,176,972	1,215,139	450,351	1,846,807	1,627,323	3,061,946
Tax assets	15	-	-	-	-	127,250	13,809	127,250	13,809
		-	-	14,375,283	10,386,508	4,460,968	1,860,616	18,838,501	12,247,124
<b>Financial liabilities</b>									
Payables	20	-	-	-	-	519,489	576,250	519,489	576,250
Loans - QTC *	26	14,398,113	12,822,430	-	-	-	-	14,398,113	12,822,430
BRIA Loan	26	-	-	404,671	125,487	-	-	404,671	125,487
		14,398,113	12,822,430	404,671	125,487	519,489	576,250	15,322,273	13,524,167
Net financial assets		(14,398,113)	(12,822,430)	13,970,612	10,261,021	3,941,479	1,284,366	3,516,228	(1,277,043)

\* QTC - denotes Queensland Treasury Corporation

**(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.

**36 National Competition Policy**

**(a) Activities to which the code of competitive conduct applies**

The Council has one Type 3 business activity, that being the Refuse Services activity. Prior to 1 July, 2001 Council had not resolved to apply the Code of Competitive Conduct to such activity as the collection and transportation functions of such activity are outsourced.

Council resolved on 28 March, 2002 to apply the Code of Competitive Conduct to the following business activities:

Other Roads, Recoverable Works, Roads (tendered MRD), Refuse Management, Water & Sewerage, Workshop, Caravan Parks and Plant Management.

In respect of recoverable works carried out for the Department of Main Roads, an overhead calculation is carried out to reflect the full cost of the project being carried out. This pricing has been accepted by the Department of Main Roads. The overhead calculation includes an allowance for the following expenses:

- Network Stewardship - includes salary component for Executives, Supervision, Survey & Design, Costing, Workplace Health & Safety, Information Technology, Administration and associated Plant.
- Office Overheads - includes allowance for software upgrades, floor area, electricity, telephones, stationery and insurance.
- Contingencies and Profit.

# BURDEKIN SHIRE COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2003

## 36 National Competition Policy (continued)

### (b) Financial performance of activities subject to competition reforms

	Water and Sewerage	Refuse Management	Caravan Parks	Plant Management	Workshop	Other Roads	Roads (Tendered MRD)	Recoverable Works
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue for services provided to the Council	148,660	-	-	2,931,611	945,000	6,392,581	-	-
Revenue for services provided to external clients	4,823,853	1,271,079	148,478	-	10,700	1,313	-	1,076,417
* Community service obligations	265,725	404,600	-	-	-	-	-	-
	5,238,238	1,675,679	148,478	2,931,611	955,700	6,393,894	-	1,076,417
Less: Expenditure	3,352,271	1,676,837	140,136	2,700,319	857,059	6,200,390	-	851,642
Surplus/(deficiency)	1,885,967	(1,158)	8,342	231,292	98,641	193,504	-	224,775

### Community Service Obligations

	Value	Description
	\$	
Water and Sewerage	265,725	<p>Consisting of:-</p> <p>Operating costs of the Giru Water Supply</p> <p>Standing Donations - Donations of half the sum of the relevant sewerage charges in respect of second and subsequent pedestals and/or urinals for welfare and community groups</p> <p>Pensioner Concessions - Council remission of half the relevant water and sewerage charges in respect of land owned by bona fide full pensioners.</p>
Refuse Management	404,600	<p>Consisting of:-</p> <p>Refuse Disposal Vouchers - Provision of four (4) free vouchers valued at \$12-00 each, entitling ratepayers to free refuse disposal.</p> <p>Free Mulch - Provision of free recycled green waste (mulch) to residents based on estimated 3,500 tonnes at \$10 per tonne</p>

**BURDEKIN SHIRE COUNCIL**  
**ANNUAL FINANCIAL STATEMENTS**

For the year ended 30 June 2003

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**MANAGEMENT CERTIFICATE**

In our opinion:

- (i) the requirements under the Local Government Act 1993 for the keeping of the accounts have been complied with in all material respects; and
- (ii) the financial statements for the year ended 30 June 2003 and supporting notes presents the Council's operating results and financial position as required by the *Local Government Act 1993*.

Original signed on 6/10/03

\_\_\_\_\_  
**Mayor**

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Original signed on 6/10/03

\_\_\_\_\_  
**Chief Executive Officer**

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## INDEPENDENT AUDIT REPORT

### TO THE MAYOR OF BURDEKIN SHIRE COUNCIL

#### Electronic Presentation

The audit report relates to the financial statements of Burdekin Shire Council for the financial year ended 30 June 2003 included on Burdekin Shire Council's web site. The Council is responsible for the integrity of the Burdekin Shire Council's web site. The audit report refers only to the financial statements identified below and does not include a review of the integrity of this web site or provide an opinion on any other information which may have been hyperlinked to/from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements, available from Burdekin Shire Council, to confirm the information included in the audited financial statements presented on this web site.

#### Scope

##### *The financial statements*

The financial statements of Burdekin Shire Council consist of the statement of financial performance, statement of financial position, statement of changes in equity, statement of cash flows and notes to and forming part of the financial statements for the year ended 30 June 2003.

##### *Council's responsibility*

The Council is responsible for the preparation and true and fair presentation of the financial statements, 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 statements.

##### *Audit approach*

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards* to enable me to provide an independent opinion whether in all material respects the financial statements present 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 statements,
- 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 statements.

#### 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 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 section 532 of the *Local Government Act 1993* -

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the statements have been drawn up so as to present a true and fair view in accordance with the prescribed accounting standards of the transactions of the Burdekin Shire Council for the financial year 1 July 2002 to 30 June 2003 and of the financial position as at the end of that year.

John Zabala CA  
(as Delegate of the Auditor-General of Queensland)

Townsville

Date: 14 October 2003

# **BURDEKIN SHIRE COUNCIL**

For the year ended 30 June 2003

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## **Addendum to the financial statements**

The following unaudited statements and reports are attached to provide additional information that the Council considers will provide the reader with more useful information in the process of interpreting these financial statements. These additional reports are not required under the Australian Accounting Standards and therefore do not form part of the audited financial statements.



Statement of Appropriations  
For the year ended 30 June 2003

		2003 Actual \$	2002 Actual \$
Retained surplus (deficiency) from prior years	Note	(100,185)	(70,355)
Net result for the period from the statement of financial performance		<u>756,437</u>	<u>2,944,160</u>
		<u>656,252</u>	<u>2,873,805</u>
<b>Transfers (to) from capital account:</b>			
(Gain) loss on the loan revaluation adjustment	26 (i)	753	(133,643)
(Profit) loss on sale of capital assets	8	72,259	158,753
Non monetary capital revenue	7 (ii) (b)	(690,869)	-
General revenue used for capital purposes	CFS*	-	(51,473)
Correction to prior period error in unspent depreciation	CFS*	241,775	-
Adjustment for unfunded depreciation		2,539,576	794,508
Adjustment from capital for assets revalued down	18	511,875	4,650
Other capital (revenue) expense in the period	9	-	(744,473)
Net capital account transfers		<u>2,675,369</u>	<u>28,322</u>
<b>Transfer from (to) the constrained works reserve</b>	7 (ii)	<u>(1,851,332)</u>	<u>(1,983,294)</u>
<b>Retained surplus (deficiency) available for transfer to reserves</b>		<u>1,480,289</u>	<u>918,833</u>
Transfers (to) from reserves for future capital funding purposes:			
Water reserve	25 (ii)	(190,979)	(331,740)
Sewerage reserve	25 (iii)	(356,912)	(329,008)
Capital maintenance reserve	25 (iv)	(35,000)	(32,136)
Carryover capital works reserve	25 (v)	(125,000)	(253,740)
Transfers (to) from reserves for future general funding purposes:			
Recurrent maintenance reserve	25 (b) (i)	(772,398)	(72,394)
<b>Retained surplus (deficiency) available for general funding purposes</b>		<u>-</u>	<u>(100,185)</u>

\*CFS - Denotes Capital Funding Statement

## Capital Funding Statement - Revenue Source Analysis

For the year ended 30 June 2003

	Brought Forward \$	Becoming Available in Period \$	Amount Utilised in Period \$	Carried Forward \$
Capital loans raised:				
BRIA loan	-	352,089	352,089	-
Queensland Treasury Corporation	1,177,918	3,360,000	3,890,781	647,137
Funded depreciation	2,335,009	4,433,936	3,921,726	2,847,219
Proceeds from the sale of non current capital assets	-	1,024,117	1,024,117	-
Total funds utilised from specific capital cash sources	3,512,927	9,170,142	9,188,713	3,494,356
Movement in reserves for the period:				
Developer contributions, grants and subsidies	554,749	1,851,332	720,807	1,685,274
Water reserve	2,845,983	190,979	-	3,036,962
Sewerage reserve	2,476,532	356,912	-	2,833,444
Capital maintenance reserve	264,154	35,000	31,555	267,599
Carryover capital works reserve	351,542	125,000	79,154	397,388
Total funds utilised from reserves	6,492,960	2,559,223	831,516	8,220,667
Donated and contributed physical assets	-	690,869	690,869	-
Correction of prior period unspent depreciation	-	(241,775)	(241,775)	-
Total capital revenue source analysis for the period	10,005,887	12,178,459	10,469,323	11,715,023

Capital Funding Statement  
For the year ended 30 June 2003

	Note	2003 \$	2002 \$
<b>Sources of capital funding</b>			
General revenue used for capital purposes		-	51,473
Error correction to prior period unspent depreciation		(241,775)	-
Other capital revenue sources:			
Loan monies expended		4,242,870	2,436,922
Funded depreciation		6,768,945	3,540,260
Proceeds from the sale of capital assets		1,024,117	564,660
Donated and contributed physical assets		690,869	-
Developer contributions, grants and subsidies		720,807	1,560,737
Capital maintenance reserve		31,555	381
Carryover capital works reserve		79,154	296,472
		<u>13,316,542</u>	<u>8,450,905</u>
<b>Application of capital funding</b>			
Non current capital assets:			
Land and improvements	18	-	95,240
Buildings		40,562	355,547
Plant and equipment		1,661,938	1,198,867
Total infrastructure assets		5,656,670	4,974,233
Other assets		284,766	142,493
Movement in capital work in progress		967,412	(194,051)
		<u>8,611,348</u>	<u>6,572,329</u>
Principal loan redemptions:			
BRIA Loan	26	72,905	137,464
Queensland Treasury Corporation	26	1,785,070	1,741,112
		<u>1,857,975</u>	<u>1,878,576</u>
		<u>10,469,323</u>	<u>8,450,905</u>

Statement of Actual Results compared to Budget by Program  
For the year ended 30 June 2003

	Total on Consolidation		Eliminations on consolidation	
	Actual	Budget	Actual	Budget
<b>OPERATIONAL ACTIVITIES</b>				
<b>Operating revenue</b>	\$	\$	\$	\$
Rates and utility charges	20,930,076	20,977,300		
Less: Discounts & pensioner remissions	(2,427,436)	(2,406,200)		
User fees and charges	952,772	935,614		
Interest	760,770	511,749		
Operational contributions and donations	156,476	103,800		
Operational Government grants and subsidies	2,076,882	1,492,250		
Sales - Contract and recoverable works	1,076,416	2,052,100		
Internal service provider revenue	-	-	(7,865,333)	(9,004,479)
Other operating revenue	192,751	95,225		
Internal revenue distribution	-	-	-	-
<b>Total operating revenue</b>	<b>23,718,707</b>	<b>23,761,838</b>	<b>(7,865,333)</b>	<b>(9,004,479)</b>
<b>Operating Expenses</b>				
Employee costs	9,077,935	9,238,525		
Goods and services	7,625,056	8,661,705		
Internal service provider expenditure	-	-	(7,865,333)	(9,004,479)
Depreciation	6,973,512	5,810,000		
External finance and borrowing costs	903,147	929,674		
Other expenses	339,934	364,700		
<b>Total operating costs</b>	<b>24,919,584</b>	<b>25,004,604</b>	<b>(7,865,333)</b>	<b>(9,004,479)</b>
<b>Surplus (deficit) from operating activities</b>	<b>(1,200,877)</b>	<b>(1,242,766)</b>	<b>-</b>	<b>-</b>
Capital contributions	1,783,635	41,000		
Capital grants and subsidies	758,566	2,133,962		
Other capital income (expense)	(584,887)	-		
<b>Net result for the period</b>	<b>756,437</b>	<b>932,196</b>	<b>-</b>	<b>-</b>
Retained surplus (deficit) brought fwd from prior year	(100,185)	(109,786)		
Net result from above	756,437	932,196		
Transfer from capital for unfunded depreciation	2,539,576	1,381,484		
From (to) capital items of capital income & expense	(105,982)	-		
Transfer (to) capital general revenue expended	241,775	-		
Other transfers between functions	-	-		
Surplus/(deficit) available for transfer to reserves	3,331,621	2,203,894		
Net transfers from (to) capital reserves	(2,559,223)	(2,281,544)		
Net transfers from (to) recurrent reserves	(772,398)	77,650		
<b>Retained surplus (deficit) funds at period end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Funding Sources</b>				
General revenue used (excess funds provided)	(241,775)	-		
Disposal proceeds of capital assets	1,024,117	805,500		
Funded depreciation expended	3,921,726	4,354,047		
Government capital grants and subsidies	709,944	2,204,795		
Developer contributions and capital donations	701,732	41,000		
Funds held in capital reserves	110,709	255,500		
Loans for capital purposes	4,242,870	4,185,908		
<b>Total capital funding sources</b>	<b>10,469,323</b>	<b>11,846,750</b>		
<b>Capital Funding Applications</b>				
Land and improvements	-	-		
Buildings	40,562	33,000		
Plant and equipment	1,661,938	1,837,000		
Total infrastructure assets	5,656,670	7,942,745		
Other assets	284,766	205,000		
Movement in capital work in progress	967,412	-		
Total asset acquisitions	8,611,348	10,017,745		
Loan redemptions	1,857,975	1,829,005		
Total capital applications	10,469,323	11,846,750		
<b>Cash balances held at beginning of period</b>				
Capital reserve balances	6,492,960	5,475,156		
Unspent loans and depreciation cash	3,512,927	1,590,121		
Recurrent reserve balances	151,730	77,650		
<b>Total reserve cash held at beginning of the period</b>	<b>10,157,617</b>	<b>7,142,927</b>		
<b>Cash balances held at the end of period</b>				
Capital reserve balances	8,220,667	5,255,405		
Unspent loan and depreciation cash held	3,494,356	968,682		
Recurrent reserve balances	924,128	-		
<b>Total reserve cash held at the end of the period</b>	<b>12,639,151</b>	<b>6,224,087</b>		

Statement of Actual Results compared to Budget by Program  
For the year ended 30 June 2003

	Sub-total of all Council programs		Corporate Services		Finance	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>OPERATIONAL ACTIVITIES</b>						
<b>Operating revenue</b>	\$	\$	\$	\$	\$	\$
Rates and utility charges	15,839,609	15,952,300	-	-	14,555,081	14,665,000
Less: Discounts & pensioner remissions	(1,852,687)	(1,846,200)	-	-	(1,720,340)	(1,716,000)
User fees and charges	847,476	827,114	24,500	24,864	45,649	41,700
Interest	476,123	320,749	-	-	474,777	320,000
Operational contributions and donations	146,686	74,000	50	-	-	-
Operational Government grants and subsidies	2,076,882	1,492,250	765,533	142,000	583,749	581,000
Sales - Contract and recoverable works	1,076,416	2,052,100	-	-	-	-
Internal service provider revenue	7,865,333	9,004,479	1,303,142	1,303,142	-	-
Other operating revenue	182,617	87,525	121,575	55,900	-	500
Internal revenue distribution	-	-	-	2,568,776	-	(5,034,179)
<b>Total operating revenue</b>	<b>26,658,455</b>	<b>27,964,317</b>	<b>2,214,800</b>	<b>4,094,682</b>	<b>13,938,916</b>	<b>8,858,021</b>
<b>Operating Expenses</b>						
Employee costs	7,647,412	7,778,025	1,576,183	1,403,850	848,653	877,800
Goods and services	6,287,988	7,034,755	1,217,263	1,178,105	91,704	122,450
Internal service provider expenditure	6,778,099	7,917,245	-	-	6,551,339	7,690,485
Depreciation	6,069,767	4,854,000	581,716	661,000	-	-
External finance and borrowing costs	883,420	905,874	239,342	251,800	14,750	17,500
Other expenses	339,934	364,700	308,313	324,700	26,619	40,000
<b>Total operating costs</b>	<b>28,006,620</b>	<b>28,854,599</b>	<b>3,922,817</b>	<b>3,819,455</b>	<b>7,533,065</b>	<b>8,748,235</b>
<b>Surplus (deficit) from operating activities</b>	<b>(1,348,165)</b>	<b>(890,282)</b>	<b>(1,708,017)</b>	<b>275,227</b>	<b>6,405,851</b>	<b>109,786</b>
Capital contributions	1,783,635	41,000	41,203	41,000	-	-
Capital grants and subsidies	758,566	1,829,962	2,210	3,000	-	-
Other capital income (expense)	(584,887)	-	(45,080)	-	-	-
<b>Net result for the period</b>	<b>609,149</b>	<b>980,680</b>	<b>(1,709,684)</b>	<b>319,227</b>	<b>6,405,851</b>	<b>109,786</b>
Retained surplus (deficit) brought fwd from prior year	(100,185)	(109,786)	(2,388,713)	-	12,241,948	(109,786)
Net result from above	609,149	980,680	(1,709,684)	319,227	6,405,851	109,786
Transfer from capital for unfunded depreciation	2,539,576	1,075,746	-	-	-	-
From (to) capital items of capital income & expense	(105,982)	-	45,080	-	-	-
Transfer (to) capital general revenue expended	-	-	728,733	(139,507)	-	-
Other transfers between functions	(133,828)	(133,828)	(135,720)	(135,720)	-	-
Surplus/(deficit) available for transfer to reserves	2,808,730	1,812,812	(3,460,304)	44,000	18,647,799	-
Net transfers from (to) capital reserves	(2,036,332)	(1,890,462)	(193,413)	(44,000)	-	-
Net transfers from (to) recurrent reserves	(772,398)	77,650	(648,300)	-	-	-
<b>Retained surplus (deficit) funds at period end</b>	<b>-</b>	<b>-</b>	<b>(4,302,017)</b>	<b>-</b>	<b>18,647,799</b>	<b>-</b>
<b>Capital Funding Sources</b>						
General revenue used (excess funds provided)	-	-	(728,733)	139,507	-	-
Disposal proceeds of capital assets	1,024,117	805,500	130,492	55,000	-	-
Funded depreciation expended	3,290,559	3,717,547	1,072,698	600,293	-	-
Government capital grants and subsidies	709,944	1,900,795	2,210	3,000	-	-
Developer contributions and capital donations	701,732	41,000	-	41,000	-	-
Funds held in capital reserves	31,555	255,500	-	150,000	-	-
Loans for capital purposes	4,242,870	4,055,908	37,369	-	-	-
<b>Total capital funding sources</b>	<b>10,000,777</b>	<b>10,776,250</b>	<b>514,036</b>	<b>988,800</b>	<b>-</b>	<b>-</b>
<b>Capital Funding Applications</b>						
Land and improvements	-	-	-	-	-	-
Buildings	40,562	33,000	40,562	33,000	-	-
Plant and equipment	1,661,938	1,837,000	70,119	566,500	-	-
Total infrastructure assets	5,456,251	6,917,445	-	-	-	-
Other assets	284,766	205,000	-	-	-	-
Movement in capital work in progress	739,496	-	1,684	-	-	-
Total asset acquisitions	8,183,013	8,992,445	112,365	599,500	-	-
Loan redemptions	1,817,764	1,783,805	401,671	389,300	-	-
Total capital applications	10,000,777	10,776,250	514,036	988,800	-	-
<b>Cash balances held at beginning of period</b>						
Capital reserve balances	968,903	-	202,500	202,500	-	-
Unspent loans and depreciation cash	2,509,835	-	656,925	397,075	-	-
Recurrent reserve balances	151,730	-	-	-	-	-
Total reserve cash held at beginning of the period	<b>3,630,468</b>	<b>-</b>	<b>859,425</b>	<b>599,575</b>	<b>-</b>	<b>-</b>
<b>Cash balances held at the end of period</b>						
Capital reserve balances	2,252,873	-	393,703	52,500	-	-
Unspent loan and depreciation cash held	2,218,686	-	128,574	457,782	-	-
Recurrent reserve balances	924,128	-	648,300	-	-	-
Total reserve cash held at the end of the period	<b>5,395,687</b>	<b>-</b>	<b>1,170,577</b>	<b>510,282</b>	<b>-</b>	<b>-</b>

	Environmental Services		Community & Cultural		Works & Services	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>OPERATIONAL ACTIVITIES</b>						
<b>Operating revenue</b>	\$	\$	\$	\$	\$	\$
Rates and utility charges	1,284,528	1,287,300	-	-	-	-
Less: Discounts & pensioner remissions	(132,347)	(130,200)	-	-	-	-
User fees and charges	597,657	603,500	46,373	53,000	21,713	19,800
Interest	-	-	1,346	749	-	-
Operational contributions and donations	131,680	74,000	14,000	-	956	-
Operational Government grants and subsidies	141,619	208,000	19,831	19,500	566,150	541,750
Sales - Contract and recoverable works	-	-	-	-	1,076,416	2,052,100
Internal service provider revenue	-	-	-	-	6,562,191	7,701,337
Other operating revenue	7,294	12,500	9,313	1,500	12,273	6,200
Internal revenue distribution	-	2,624,730	-	1,580,276	-	(3,342,333)
<b>Total operating revenue</b>	<b>2,030,431</b>	<b>4,679,830</b>	<b>90,863</b>	<b>1,655,025</b>	<b>8,239,699</b>	<b>6,978,854</b>
<b>Operating Expenses</b>						
Employee costs	1,509,112	1,600,100	470,936	475,475	1,637,435	1,689,300
Goods and services	2,751,335	2,852,970	1,165,099	1,136,790	914,851	1,778,035
Internal service provider expenditure	226,760	226,760	-	-	-	-
Depreciation	-	-	196,548	200,000	5,291,503	3,993,000
External finance and borrowing costs	-	-	-	-	629,328	636,574
Other expenses	5,002	-	-	-	-	-
<b>Total operating costs</b>	<b>4,492,209</b>	<b>4,679,830</b>	<b>1,832,583</b>	<b>1,812,265</b>	<b>8,473,117</b>	<b>8,096,909</b>
<b>Surplus (deficit) from operating activities</b>	<b>(2,461,778)</b>	<b>-</b>	<b>(1,741,720)</b>	<b>(157,240)</b>	<b>(233,418)</b>	<b>(1,118,055)</b>
Capital contributions	-	-	-	-	1,742,432	-
Capital grants and subsidies	-	-	111,575	84,000	644,781	1,742,962
Other capital income (expense)	-	-	-	-	(539,807)	-
<b>Net result for the period</b>	<b>(2,461,778)</b>	<b>-</b>	<b>(1,630,145)</b>	<b>(73,240)</b>	<b>1,613,988</b>	<b>624,907</b>
Retained surplus (deficit) brought fwd from prior year	(2,670,790)	-	(1,823,421)	-	(3,947,012)	-
Net result from above	(2,461,778)	-	(1,630,145)	(73,240)	1,613,988	624,907
Transfer from capital for unfunded depreciation	-	-	-	-	2,539,576	1,075,746
From (to) capital items of capital income & expense	-	-	-	-	(151,062)	-
Transfer (to) capital general revenue expended	-	-	116,887	184,500	(845,620)	(44,993)
Other transfers between functions	-	-	(22,760)	(22,760)	24,652	24,652
Surplus/(deficit) available for transfer to reserves	(5,132,568)	-	(3,359,439)	88,500	(765,478)	1,680,312
Net transfers from (to) capital reserves	-	-	(131,575)	(88,500)	(1,711,344)	(1,757,962)
Net transfers from (to) recurrent reserves	(101,222)	-	(22,876)	-	-	77,650
<b>Retained surplus (deficit) funds at period end</b>	<b>(5,233,790)</b>	<b>-</b>	<b>(3,513,890)</b>	<b>-</b>	<b>(2,476,822)</b>	<b>-</b>
<b>Capital Funding Sources</b>						
General revenue used (excess funds provided)	-	-	(116,887)	(184,500)	845,620	44,993
Disposal proceeds of capital assets	-	-	-	-	893,625	750,500
Funded depreciation expended	-	-	237,689	200,000	1,980,172	2,917,254
Government capital grants and subsidies	-	-	111,575	84,000	596,159	1,813,795
Developer contributions and capital donations	-	-	-	-	701,732	-
Funds held in capital reserves	-	-	31,555	105,500	-	-
Loans for capital purposes	-	-	-	-	4,205,501	4,055,908
<b>Total capital funding sources</b>	<b>-</b>	<b>-</b>	<b>263,932</b>	<b>205,000</b>	<b>9,222,809</b>	<b>9,582,450</b>
<b>Capital Funding Applications</b>						
Land and improvements	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Plant and equipment	-	-	-	-	1,591,819	1,270,500
Total infrastructure assets	-	-	-	-	5,456,251	6,917,445
Other assets	-	-	284,766	205,000	-	-
Movement in capital work in progress	-	-	(20,834)	-	758,646	-
Total asset acquisitions	-	-	263,932	205,000	7,806,716	8,187,945
Loan redemptions	-	-	-	-	1,416,093	1,394,505
Total capital applications	-	-	263,932	205,000	9,222,809	9,582,450
<b>Cash balances held at beginning of period</b>						
Capital reserve balances	-	-	155,975	127,220	610,428	177,239
Unspent loans and depreciation cash	-	-	191,141	-	1,661,769	695,908
Recurrent reserve balances	-	-	151,730	-	-	77,650
Total reserve cash held at beginning of the period	-	-	<b>498,846</b>	<b>127,220</b>	<b>2,272,197</b>	<b>950,797</b>
<b>Cash balances held at the end of period</b>						
Capital reserve balances	-	-	144,420	26,220	1,714,750	121,406
Unspent loan and depreciation cash held	-	-	150,000	-	1,940,112	-
Recurrent reserve balances	101,222	-	174,606	-	-	-
Total reserve cash held at the end of the period	<b>101,222</b>	<b>-</b>	<b>469,026</b>	<b>26,220</b>	<b>3,654,862</b>	<b>121,406</b>

Statement of Actual Results compared to Budget by Program  
For the year ended 30 June 2003

	Technical Services		Sewerage		Water	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>OPERATIONAL ACTIVITIES</b>						
<b>Operating revenue</b>	\$	\$	\$	\$	\$	\$
Rates and utility charges	-	-	2,893,270	2,909,000	2,197,197	2,116,000
Less: Discounts & pensioner remissions	-	-	(320,025)	(325,000)	(254,724)	(235,000)
User fees and charges	111,584	84,250	72,488	84,500	32,808	24,000
Interest	-	-	151,910	99,000	132,737	92,000
Operational contributions and donations	-	-	7,711	25,900	2,079	3,900
Operational Government grants and subsidies	-	-	-	-	-	-
Sales - Contract and recoverable works	-	-	-	-	-	-
Internal service provider revenue	-	-	-	-	-	-
Other operating revenue	32,162	10,925	5,000	500	5,134	7,200
Internal revenue distribution	-	1,602,730	-	-	-	-
<b>Total operating revenue</b>	143,746	1,697,905	2,810,354	2,793,900	2,115,231	2,008,100
<b>Operating Expenses</b>						
Employee costs	1,605,093	1,731,500	825,625	818,500	604,898	642,000
Goods and services	147,736	(33,595)	554,634	679,450	782,434	947,500
Internal service provider expenditure	-	-	636,599	636,599	450,635	450,635
Depreciation	-	-	570,412	618,000	333,333	338,000
External finance and borrowing costs	-	-	-	-	19,727	23,800
Other expenses	-	-	-	-	-	-
<b>Total operating costs</b>	1,752,829	1,697,905	2,587,270	2,752,549	2,191,027	2,401,935
<b>Surplus (deficit) from operating activities</b>	<b>(1,609,083)</b>	-	<b>223,084</b>	<b>41,351</b>	<b>(75,796)</b>	<b>(393,835)</b>
Capital contributions	-	-	-	-	-	-
Capital grants and subsidies	-	-	-	304,000	-	-
Other capital income (expense)	-	-	-	-	-	-
<b>Net result for the period</b>	<b>(1,609,083)</b>	-	<b>223,084</b>	<b>345,351</b>	<b>(75,796)</b>	<b>(393,835)</b>
Retained surplus (deficit) brought fwd from prior year	(1,512,197)	-	-	-	-	-
Net result from above	(1,609,083)	-	223,084	345,351	(75,796)	(393,835)
Transfer from capital for unfunded depreciation	-	-	-	-	-	305,738
From (to) capital items of capital income & expense	-	-	-	-	-	-
Transfer (to) capital general revenue expended	-	-	-	-	241,775	-
Other transfers between functions	-	-	133,828	133,828	-	-
Surplus/(deficit) available for transfer to reserves	(3,121,280)	-	356,912	479,179	165,979	(88,097)
Net transfers from (to) capital reserves	-	-	(356,912)	(479,179)	(165,979)	88,097
Net transfers from (to) recurrent reserves	-	-	-	-	-	-
<b>Retained surplus (deficit) funds at period end</b>	-	<b>(3,121,280)</b>	-	-	-	-
<b>Capital Funding Sources</b>						
General revenue used (excess funds provided)	-	-	-	-	(241,775)	-
Disposal proceeds of capital assets	-	-	-	-	-	-
Funded depreciation expended	-	-	631,167	577,000	-	59,500
Government capital grants and subsidies	-	-	-	304,000	-	-
Developer contributions and capital donations	-	-	-	-	-	-
Funds held in capital reserves	-	-	13,842	-	65,312	-
Loans for capital purposes	-	-	-	-	-	130,000
<b>Total capital funding sources</b>	-	-	645,009	881,000	(176,463)	189,500
<b>Capital Funding Applications</b>						
Land and improvements	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Plant and equipment	-	-	-	-	-	-
Total infrastructure assets	-	-	183,823	881,000	16,596	144,300
Other assets	-	-	-	-	-	-
Movement in capital work in progress	-	-	461,186	-	(233,270)	-
Total asset acquisitions	-	-	645,009	881,000	(216,674)	144,300
Loan redemptions	-	-	-	-	40,211	45,200
Total capital applications	-	-	645,009	881,000	(176,463)	189,500
<b>Cash balances held at beginning of period</b>						
Capital reserve balances	-	-	2,560,156	2,375,402	2,963,901	2,592,795
Unspent loans and depreciation cash	-	-	703,092	169,900	300,000	327,238
Recurrent reserve balances	-	-	-	-	-	-
<b>Total reserve cash held at beginning of the period</b>	-	-	<b>3,263,248</b>	<b>2,545,302</b>	<b>3,263,901</b>	<b>2,920,033</b>
<b>Cash balances held at the end of period</b>						
Capital reserve balances	-	-	2,903,226	2,550,581	3,064,568	2,504,698
Unspent loan and depreciation cash held	-	-	642,337	210,900	633,333	300,000
Recurrent reserve balances	-	-	-	-	-	-
<b>Total reserve cash held at the end of the period</b>	-	-	<b>3,545,563</b>	<b>2,761,481</b>	<b>3,697,901</b>	<b>2,804,698</b>