

ANNUAL REPORT

2010/2011





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introduction

Welcome to the Bundaberg Regional Council's third Annual Report.

This report provides important information to our community, business and investors regarding Council financial performance over the 12 month period.

In preparing the annual report Council has made note of the legislative requirement and hopes that the report provides a clearer picture to the community about how well Council is performing financially and its ability to provide services to the community.

mayor's report



Every year seems to bring more challenges and this past twelve months has seen our region devastated by the worst flooding in over sixty years and seen the indirect impacts of the entire State of Queensland affected by natural disasters.

The personal cost of these events can never be fully measured, and while the financial impact on our community can be quantified, we as a region are likely to feel the effects of this disaster for many years to come.

As you will read in this Annual Report, many areas of Council were involved in the two flood events and recovery process. I am very proud of the wonderful work our staff and elected members have done, and continue to do, as we make progress in the recovery process.

As well as facing a flood damage bill of around \$60 million, Council has experienced many challenges in this financial year:

- Increased operating costs to meet new standards in areas such as Environmental Compliance;
- Escalation in costs for utilities such as electricity and fuel, despite ongoing efforts to reduce consumption;
- The reduction in some government financial support; and
- Increasing community expectation in demand for new and higher levels of service.

I would like to thank my fellow Councillors, Chief Executive Officer Peter Byrne, our Directors, Managers, Senior Officers and staff for their continued professionalism and cooperation during this last financial year.

We all look forward to continuing our important work with the community to deliver much needed facilities, services and support to our residents across the region.

Cr. Lorraine Pyefinch
Mayor



ceo's report

The 2010/2011 year was successful for Council despite the many challenges it faced. The commitment of Council resulted in the achievement of many notable outcomes which advanced the vision for the communities of the Bundaberg Region.

A highlight of the year was the adoption of Council's first Community Plan – Bundaberg Region 2031. The Plan was formulated following an extensive stakeholder engagement process, and details a vision that will guide the growth and development of our region over the next twenty years. To facilitate delivery of this vision, funding opportunities and partnerships with State and Federal Governments were actively pursued. Council was successful in securing funding for a number of key projects including the significant expansion of aged care accommodation in Bundaberg and Gin Gin, a major extension to the Childers Neighbourhood Centre and the revitalisation of the Gin Gin streetscape.

Certain aspects of Council's Annual Operational Plan were severely impacted for several months by the devastating floods over the Christmas New-Year period. Delivery of services to residents was maintained throughout this difficult period, however the need to reallocate resources to assist with the rebuilding process delayed several infrastructure projects.

The comprehensive Disaster Management Plan developed and adopted by Council following the merger in 2008 ensured the flooding events were managed in a timely and efficient manner. More importantly, there was no serious injury or loss of life. Council moved quickly to deal with emergent works and continues to work closely with the Queensland Reconstruction Authority to access funding under the Natural Disaster Relief and Recovery Arrangements with the majority of the expenditure being allocated for the rebuilding of Council's road network. The estimated \$60 million infrastructure rehabilitation and replacement program will be completed by contractors over a two-year period providing a significant stimulus to our local economy.

The focus on continuous improvement of Council's organisational efficiency was maintained. Key initiatives undertaken during the year included the development of a business plan for each sector of the organisation and the introduction of new software packages to facilitate improved budgeting and performance reporting. A detailed process of service level planning commenced and the consolidation and streamlining of Council Depot operations across the region was progressed.

An independent organisational review was also commissioned by Council to ensure the directorate and management structures are appropriately aligned to achieve the vision set out in Council's strategic plans and to meet the demands of a changing local government business environment.

Council continued to review its financial management strategies enlisting the services of Queensland Treasury Corporation (QTC) to complete an extensive assessment of Council's financial capacity. The Financial Sustainability Report produced by the QTC rated Bundaberg Regional Council as a "local government with a high capacity to meet its financial commitments in the short to medium term and an acceptable capacity in the long term". Since this report Council's financial position was further strengthened by an earlier than expected return to an operating surplus in this financial year. The QTC Report was also timely in that it informed the development of Council's Long-Term Asset Management Plan and Long-Term Financial Plan.

In reviewing the year it has been very heartening to note the collaboration across the community in responding to nature's challenges and the ongoing work of developing our region. My thanks and appreciation is extended to the Mayor and Councillors for their leadership and support through a very challenging year. I also wish to acknowledge and thank Directors, Senior Management and Staff for their ongoing commitment and dedication to the service of the communities of the Bundaberg Regional Council.

Peter Byrne
Chief Executive Officer



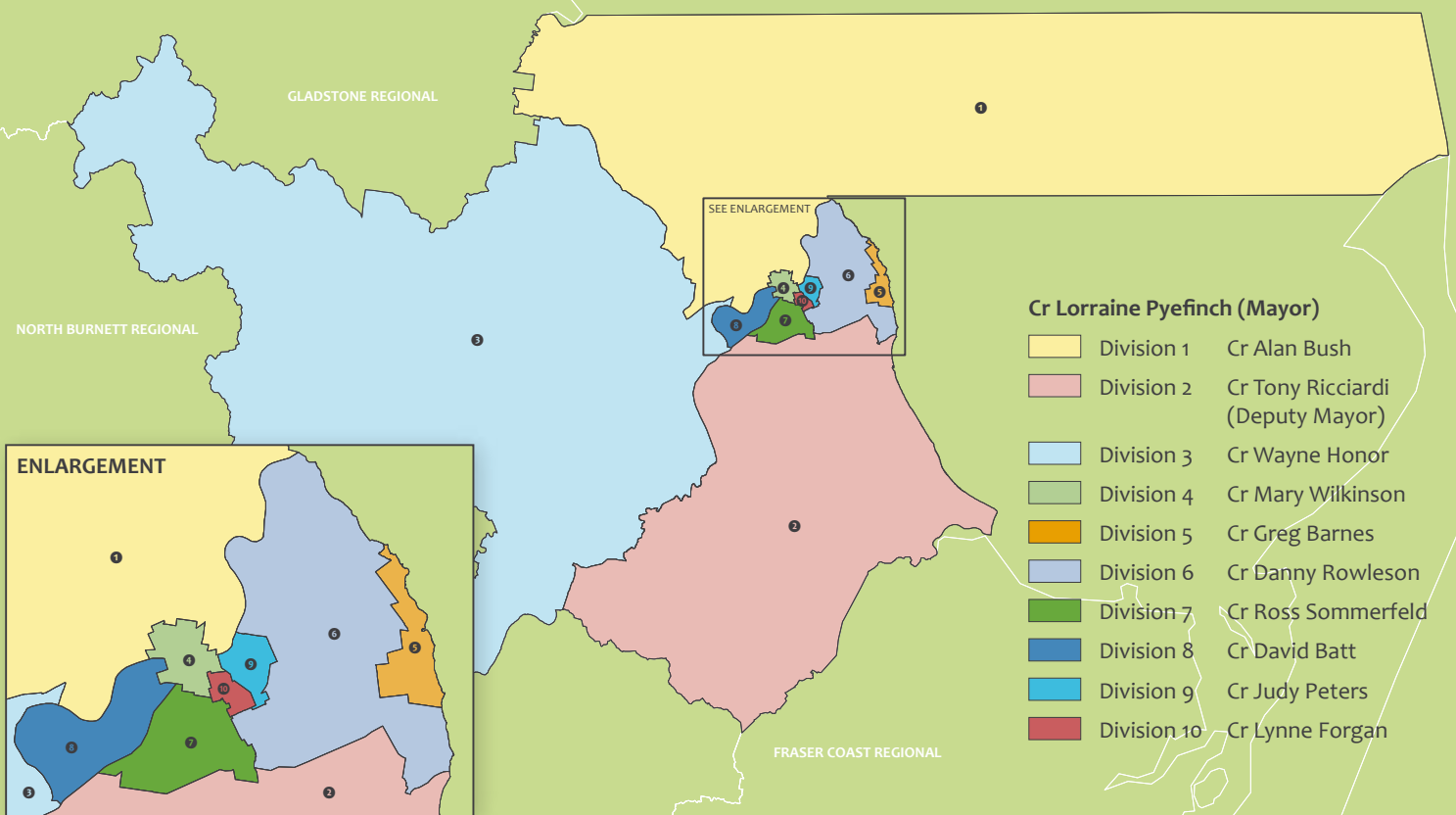
about the region

The Bundaberg Region, strategically situated at the southern end of the Great Barrier Reef and stretching from the Burrum River to Baffle Creek, is comprised of 6,451 sq km and is home to almost 100,000 people, with our population expected to grow to over 150,000 people within twenty years. Collectively, we are renowned for the friendliness of our residents, superb sub-tropical climate, affordable cost of living, quality facilities and relaxed lifestyle.

Abundant potential exists for a new wave of investment opportunities, given our close proximity to South East Queensland, and the excellent water, transport and other infrastructure, including a progressive sea port and regional airport and aerospace precinct, to facilitate the attraction of jet services to link the Bundaberg region direct to southern capitals. The Bundaberg region is rapidly progressing to be a destination of choice – for residents, visitors and investors.



electoral divisions



our vision

“Bundaberg Region – Vibrant, Progressive, Connected and Sustainable”

During this reporting period Bundaberg Regional Council has used its long-term Community Plan project ‘Bundaberg Region 2031’ to engage with its regional community and affirm its desired vision, first identified in the Bundaberg Regional Council Corporate Plan 2009-2014. The corporate plan was created after Council had undertaken extensive public consultation which took in a wide range of views from local communities.

The Corporate Plan provides the necessary strategic direction for the Council to plan and undertake business and service delivery over the next five years. Council’s clear goal is to have a vibrant, inclusive and caring community that has a sustainable, managed and healthy environment. With this there is a need to have a strong and sustainable regional economy and a responsive, cohesive, sustainable, ethical and accountable Council.

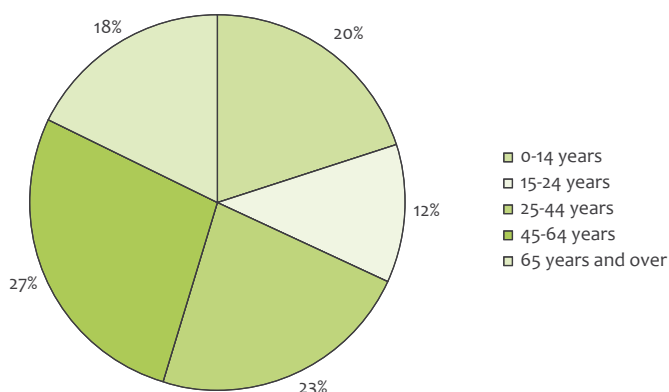


Vital Region Statistics of the Local Government Area

Estimated resident population by age, by local government area Bundaberg Regional Council (30 June 2010)

Age Groups	Bundaberg Region	% of total persons in Region	Queensland	% of total persons in Queensland
0-14 years	18,989	20.0	888,785	20.1
15-24 years	11,512	12.1	632,714	14.3
25-44 years	21,642	22.7	1,255,696	28.4
45-64 years	26,173	27.5	1,102,156	24.9
65 years and over	16,816	17.7	545,752	12.3

Source: Australian Bureau of Statistics, Population Estimates by Age and Sex, Australia and States (Cat. no. 3235.0)



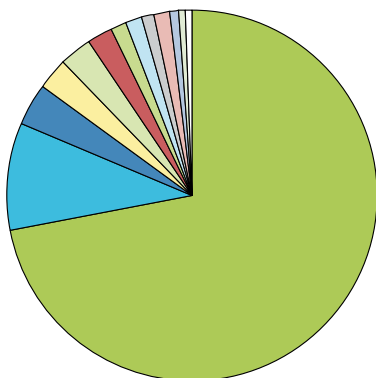


Vital Region Statistics of the Local Government Area

Estimated resident population by urban centre/locality Bundaberg Regional Council (30 June 2010)

Urban centre / Locality (L)	Estimated resident population	Area Km2	Population density persons/km2
Bundaberg	52,371	104.4	501.6
Bargara	6,814	9.3	732.7
Burnett Heads	2,739	9.8	279.5
Innes Park	2,093	10.1	207.2
Moore Park Beach	1,910	17.5	109.1
Childers	1,559	2.5	623.6
Coral Cove (L)	1,097	2.4	457.1
Gin Gin (L)	945	4.4	214.8
Elliott Heads (L)	922	1.6	576.2
Woodgate Beach	951	2.5	380.4
Sloping Hummock (L)	561	0.6	935.0
Apple Tree Creek (L)	537	8.6	62.4
Cordalba (L)	325	1.3	250.0
Bundaberg Regional Council	95,132	6,449.1	14.8
Queensland	4,425,103	1,734,173.9	2.6

Source: Australian Bureau of Statistics, Regional Population Growth (Cat no. 3218.0) and unpublished data



- Bundaberg 72%
- Bargara 9%
- Burnett Heads 4%
- Innes Park 3%
- Moore Park Beach 3%
- Childers 2%
- Coral Cove (L) 2%
- Gin Gin (L) 1%
- Elliott Heads (L) 1%
- Woodgate Beach 1%
- Sloping Hummock (L) 1%
- Apple Tree Creek (L) 1%
- Cordalba (L) 0%



about council

The Elected members of the Regional Council consist of one Mayor and 10 Councillors who were elected on the 15 March 2008 for a four year term.



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elected members' profile



Cr Lorraine Pyefinch

Mayor

Born and bred in the Bundaberg Region, Lorraine started her career as a nurse, graduating at Bundaberg Base Hospital. She was first elected to Local Government in 1994 and served 2 terms as a Councillor. In 2004 she was once again elected onto Council. In March 2008 Lorraine was elected the first Mayor of the new Bundaberg Regional Council and holds the Portfolio of Strategic Projects, which includes Economic Development, Tourism and Major Events. Lorraine is married to Frank and they have two adult children.

Lorraine is a Policy Executive Member of the Local Government Association of Queensland; a member of Wide Bay Burnett Regional Development Australia and a Director on the Wide Bay Australia International Airshow Board. As well as her nursing qualifications, Lorraine recently completed a Masters Degree in Management.

Cr Alan Bush

Representative for Division 1 - Water and Wastewater Portfolio

Alan represents Division 1 covering Moore Park, North Bundaberg, Avondale, Yandaran, Winfield, Sharon and Burnett Downs.

Prior to being elected on Council in 2008, Alan was a past Councillor with the Gooburrum Shire Council between 1988 and 1994 and the Burnett Shire Council between 1994 and 2000. He has held many committee positions in the community and now represents Council on a number of community committees.

Alan is also the portfolio spokesman for Water and Wastewater and is currently a member of the Moore Park Lions Club, Tegege Hall Committee, Avondale Football Club, Group Leader of the Yandaran SES and Officer of the Avondale Rural Fire Brigade.



Cr Tony Ricciardi

Deputy Mayor and Representative for Division 2 – Waste and Recycling Portfolio

Tony has been in Local Government since 1992 and was Deputy Mayor of Isis Shire Council, before becoming Deputy Mayor of Bundaberg Regional Council when amalgamation occurred in March 2008.

Tony has served on the Committee of the Childers Apex Club as President in 1986 and 1987 and remains a senior active member in the Childers Club. He also is Life Member of the Forest View Aged Care facility in Childers. Tony is the representative for Council on the Burnett Mary Regional Group for Natural Resource Management and is a third generation farmer and was born and educated in Childers and is married to Kath and has 3 sons. They currently reside at beautiful Woodgate Beach.



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Cr Wayne Honor

Representative for Division 3 – Roads and Drainage Portfolio

Wayne is Councillor for Division 3, covering an area of 3749 square kilometers in the hinterland of the Bundaberg Regional Council. Wayne holds the portfolio of Roads and Drainage Infrastructure and is also a member of the Planning and Development Committee. Wayne spent 4 years as a Councillor in the previous Kolan Shire Council working in the area of Community Services and Finance.

Wayne is actively involved in the community taking on many active rolls on committees, some being Chair of Lake Monduran Advisory Committee, Gin Gin Subgroup of Local Disaster Management Group and Council Representative on the Cycle and Pathways Committee, Roads Safety Committee and Regional Road Group. Before becoming a Councillor he was involved in a number of community committees including schools and agriculture.

His interests include community, art, sustainable farming practices as well as developing a Droughtmaster Stud cattle herd with his wife. He enjoys Clay Target and Small Bore rifle shooting. Wayne is keen to build on the achievements of Council to date and looks forward to contributing to the further development and prosperity of our culturally and geographically diverse region.





Cr Mary Wilkinson

Representative for Division 4 - Health and Environmental Services Portfolio

Mary has had an extensive background in management, marketing, promotion and development including 19 and half years as Councillor on Bundaberg City Council (8 years as Chairman of Health and Environment Services) and 18 years in hospitality and shopping centre management.

Mary has held many positions on community, local government or regional committees and is the Council representative for Division 4, which encompasses all the inner City of West, Central, some South, Milbank, and inner North and of course, the CBD. Her portfolio is Health and Environment and covers Health, Regulatory and Environmental Services.

Mary believes Council has achieved so much since amalgamation and is very excited about the next 2-3 years.



Cr Greg Barnes

Representative for Division 5 – Finance Portfolio

Greg was first elected to the former Burnett Shire Council in March 2000 and re-elected in 2004. In 2008 he was elected to the new Bundaberg Regional Council and assigned the Finance Portfolio.

Greg has considerable experience in the tourism industry having owned and operated a dive shop and charter boat business at Bargara prior to entering local government. He is the President of the Coral Coast Chamber of Commerce and Tourism and the Chair of Bundaberg North Burnett Tourism.

As the representative for Division 5 Greg has a strong affinity with the coastal townships of Bargara, Innes Park North, Innes Park and Coral Cove and is aware of the challenges posed by the higher than usual growth rate within that region.



Cr Danny Rowleson

Representative for Division 6 – Natural Resource Management Portfolio

Danny lives at Burnett Heads with wife Rhonda and both share an ambition to improve the quality of life across the Bundaberg Region. Danny believes his Natural Resource Management Portfolio provides him with an opportunity of a lifetime to make a contribution towards a more sustainable regional future. Danny believes our Council is working well in difficult circumstances and is excited by the opportunity available to this Council to create a solid platform of local government in this region.

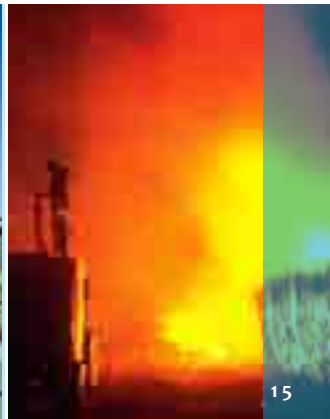
Cr Ross Sommerfeld

Representative for Division 7 – Planning and Development Portfolio

Ross was born and raised in Bundaberg. He has more than 25 years experience as a Consulting Surveyor with 21 of those years being Principal of his own business based in Bundaberg, before selling the whole business in 2004. Ross and his wife Linda have also owned the West Bundaberg News Mail delivery run for the past 10 years. Ross and Linda have three adult sons and one grandson.

Ross has been actively involved in a number of community and sporting groups over the years and still is a current member of the Bundaberg Croquet Club and a life member of Across the Waves Cricket Club.

Ross represents Division 7 which broadly covers the airport, Svensson Heights, Norville and Thabeban. Ross is Chairman of Planning and Development, a portfolio he finds most rewarding and closely aligned with his previous role as a Consulting Surveyor. He says that although he represents Division 7, he is committed to whole region along with his fellow Councillors.



Cr David Batt

Representative for Division 8 - Governance Portfolio

David is a third generation Bundaberg resident and is married with two daughters. He has been a Police Officer for 22 years rising to the rank of Sergeant before being elected for his first term in Local Government. David has a “Diploma in Policing” as well as an “Advanced Diploma in Investigative Practices” and was the Manager of the Bundaberg PCYC for over 2 years before his successful election as the Division 8 Representative for Bundaberg Regional Council.

David has a passion for Sport and Recreation in the local community and is involved in many local community organizations including Impact Make your Mark, PCYC, Bundaberg Netball Association and Across the Waves Sports Club.

Division Eight covers a large area of the former Bundaberg City Council, including the areas of Avoca and Branyan within the boundaries of the Isis Highway and the Burnett River.

In his first term David has the portfolios of Governance & Disaster Management. David was awarded a ‘Paul Harris Fellow’ by the Sunrise Rotary Club for his efforts in steering the ‘Response and Recovery’ to the devastating floods in December / January and will be continuing to push the recovery efforts for the local community over the next year.





Cr. Judy Peters

Representative for Division 9 – Community and Arts Portfolio

Cr Judy Peters was first elected as a Councillor on Bundaberg City Council in 1994 holding the Community and Cultural Services portfolio until 2008, and was re-elected in March 2008 as a Councillor for Bundaberg Regional Council representing Division 9 and holding the Community and Arts Portfolio. Judy serves in various executive positions within the community sector, as well as being involved in the LGAQ Social Planning Reference Group and the State Advisory Committee for Disability and is currently a member of the LGAQ Arts Reference Group. At the local level Judy is Chair of Council's Regional Arts Development Fund. Judy has held an Executive position with the Australian Local Government Women's Association Queensland having served as Zone 4 Representative for 4 years and State President for 4 years as well as delegate to the ALGWA National Executive. Judy is currently the Immediate Past President of ALGWA Queensland. She has also been welcomed in 2011 as an Associate Member of the National Rural Women Coalition.

Judy holds a Diploma in Local Government (Administration), a Diploma of Business (Frontline Management), undertaken a Certificate IV in Training and Assessment and is a Justice of the Peace (Qualified).

Judy was invited to be profiled in the Who's Who's 2009 Edition 'Lessons we Learn' and the recent 2010 edition, 'Reflections of Happiness'.

Judy owned and operated Bundaberg Shipping Services for 11 years dealing with domestic and foreign going cargo vessels from the Port of Bundaberg and held the position as a Director and then Deputy Chairman Bundaberg Port Authority for 14 years.

Creating opportunities for the community through networks and knowledge underpins her role on Council.



Cr Lynne Forgan

Representative for Division 10 – Social and Recreation Portfolio

Cr Forgan is the representative for Division 10 covering the areas of South Bundaberg, Walkervale and Avenell Heights.

With the diversity of our region, it enables Lynne to work with a variety of organisations in her Portfolio of Social and Recreation; this includes Sport and Recreation, Libraries, Halls and Facilities, Moncrieff Theatre, Showgrounds, Swimming Pools and Museums.

Lynne is a qualified hairdresser, mother of two and grandmother of five, and married to Gilbert who is happy and proud to support her. From operating her own business, she brings to Council her 27 years of business knowledge and experience, understanding all facets of business operation and also holds a Diploma of Local Government Administration and Certificate IV in Governance.

Lynne is actively involved in the community having served on many and varied organisations and taken many active roles on committees, some being board member on the Bundaberg Health Services Foundation, Past District Governor for Lions District 201 Q4 and current member of the Bundaberg North Lions Club, PCYC Committee member since its inception, Patron of the Rum City Silver Band along with being Council's appointed representative on several committees.



Council operates an Ordinary Meeting every three weeks which the Mayor is chairperson and a Planning Committee which meets every two weeks where the Portfolio Councillor is the Chairperson. Meeting times, dates and location can be found on Council's web site.

All meetings are held at Council's chambers situated at 190 Bourbong Street, Bundaberg with a meeting every quarter being held at one of the other service centres or a location determined by Council.

Council's role as a local authority is to make local laws and policies that ensure good rule and governance.

Your Council also has the responsibility to provide direct services to the community through the supply of services such as water, waste water, cleansing, recreational facilities and community services.

Council main source of revenue comes from rates, charges and fees which go towards carrying out works that are required by the community. Council obtains other sources of funds from Financial Assistance Grants from the Federal Government, the raising of loans for capital work such as water treatment and waste water treatment plants.



executive leadership

Peter Byrne

Chief Executive Officer

Peter was Chief Executive Officer of the previous Bundaberg City Council since 1995. He has an extensive career in local government having commenced with Bundaberg City Council in 1972 as a Cost Clerk. On qualifying as a Public Health Inspector Peter worked for the next 20 years in the environmental health field and managed the Health and Environmental Services Department for several years prior to his appointment as Chief Executive Officer. Peter has a Diploma Public Health Inspectors Qld and a Graduate Diploma Management - Public (CQU). He is a member of Local Government Managers Australia and a Fellow of Environmental Health Australia.

Allan Shorter

Director Finance

B.Bus (Local Government), Grad. Diploma (Local Government Management), Local Government Clerks Certificate, ALGMA (CPDP) and ALGA

Allan has 34 years experience in Local Government, working with six urban, coastal and rural multi-purpose Councils in New South Wales and Queensland, including the last 22 years in senior management positions. Allan is committed to encouraging and facilitating a team oriented culture and to ensuring Council's current and long term financial sustainability.

Andrew Fulton

Director Planning and Development Services

MBA (Tech. Mgmt.), B.E.(Civil), MIE Aust, CPEng, NPER, RPEQ

Andrew has recently been appointed to the position of Director Infrastructure & Planning. This area encompasses the Directorates previously known as Infrastructure Services and Planning & Development Services.

Andrew has 20 years experience with Local Government, 15 years within Senior Management. Andrew's extensive experience in the development industry includes time as an engineer within the construction industry and design work for the Commonwealth Government. Andrew is looking forward to the challenges ahead in leading a combined Directorate.

Glenn Hart

Director Governance

B. Bus (Local Government and Human Resources); MPA; ASA; AIMM; MLGMA

Glenn commenced in Queensland Local Government in 1982 and in that time has gained a wide range of skills and experience vital for the role. Glenn has held senior positions in the Ipswich City Council and Moreton Shire Council before moving to the Bundaberg Region as a Director and focuses on providing the best value-added internal services to create a strong, accountable and sustainable organisation.

Greg Savage

Director Health and Environmental Services

Diploma of Public Health, Bachelor of Applied Science (Environmental Health), fellow of Environmental Health Australia

Greg has over 34 years experience in local government, with 32 years in the Bundaberg region. Greg has been the head of the former Bundaberg City Council Health and Environmental Services Department since 1996, and continues this role in the new Bundaberg Regional Council.

John Clerke

Director Community and Cultural Services

B.Bus (Public Administration – Majoring in Local Government and Accounting), Diploma in Local Government Management, Local Government Clerk's Certificate, MLMGA

John has several years experience in private enterprise and over 30 years experience in Local Government. He has worked the largest local government in Australia, Brisbane City Council; before moving to the small rural Council of Esk Shire which rapidly developed to a medium size local government. Following his period as Deputy Shire Clerk, at Esk, he took up a position with the former Bundaberg City Council 16 years ago; and was the Director of Corporate and Community Services. John with his broad experience has a strong strategic vision to deliver community, cultural and customer services to residents and visitors to our local government.

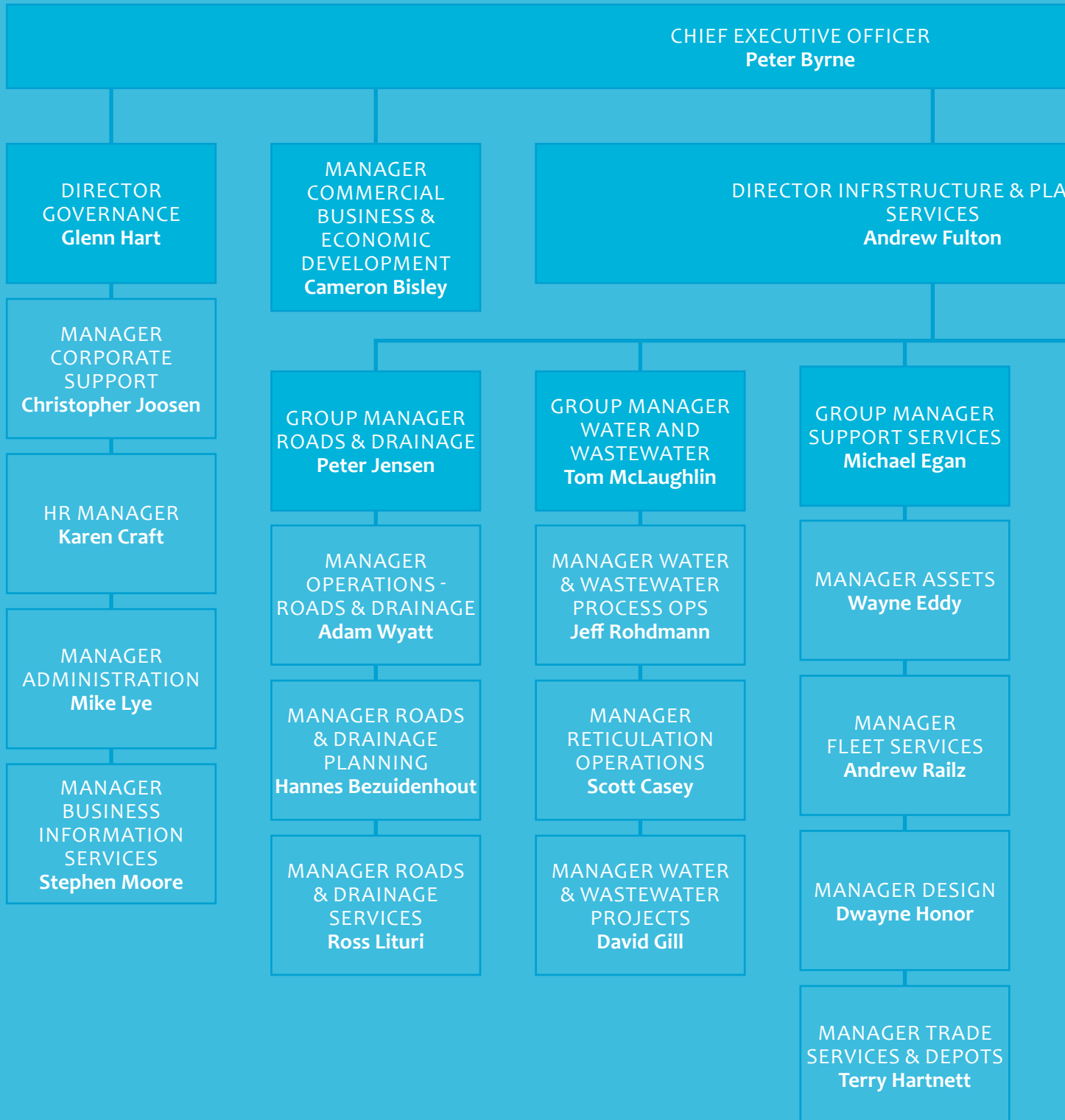
Wayne Cunningham

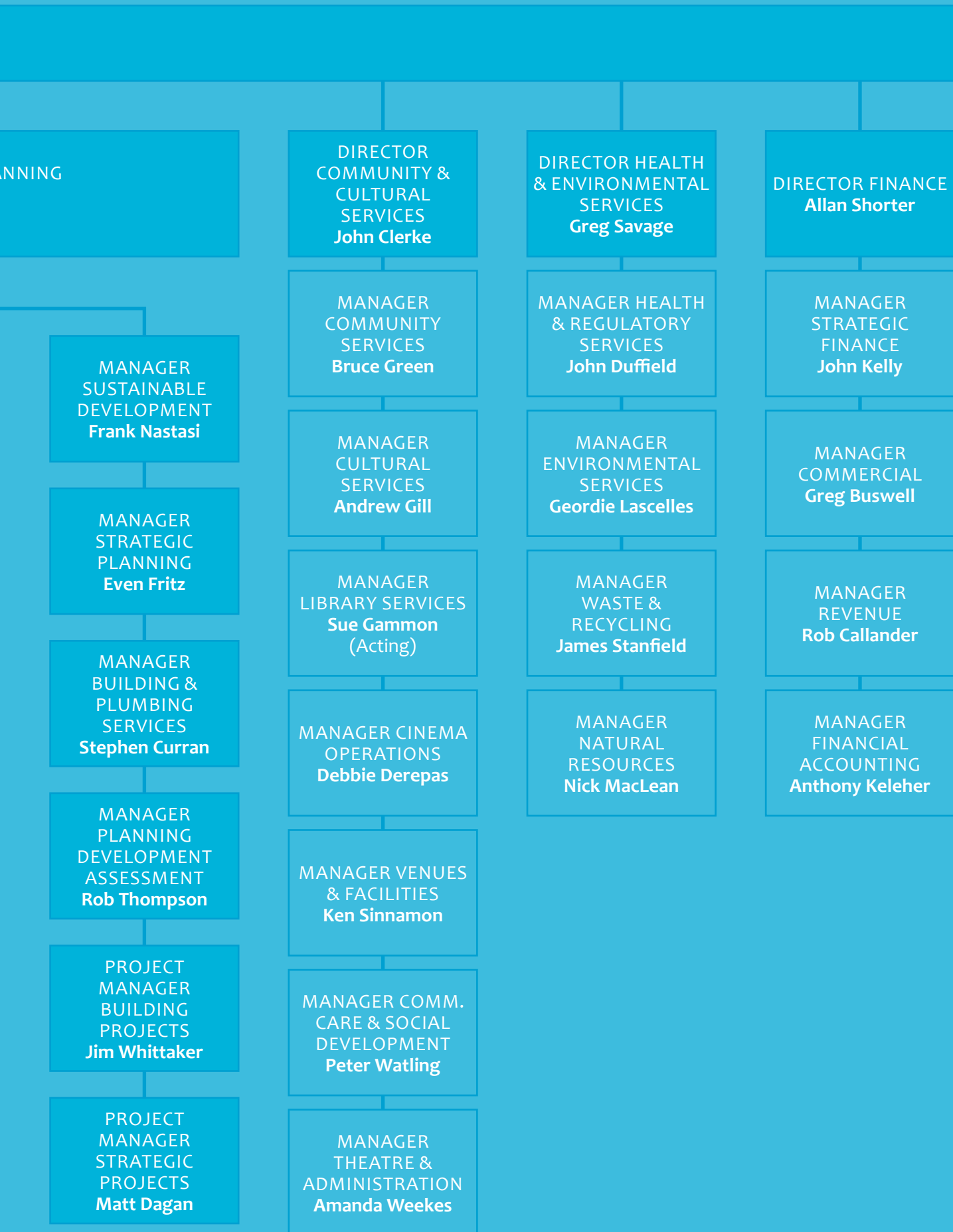
(Retired) Director Infrastructure Services

BE (Hons) (Qld) CP Eng RPEQ LGE

Wayne led the Infrastructure Services team from 1992 until his retirement at the end of 2010 in the provision of quality infrastructure to meet the region's current and future needs. He brought 45 years Local Government experience, engineering expertise and local knowledge to this position having commenced his engineering career as a Cadet Engineer with Bundaberg City Council in 1966.

bundaberg regional council management structure







achievements by directorate



community and cultural services

The Directorate has delivered numerous community, cultural, arts and lifestyle services to the region. These services include: community development, cultural activities, sport and recreation, swimming pools, community events, support for community groups, community care, libraries, arts and cultural initiatives, theatre and cinema, venues and facilities, youth services, disaster management and planning, state emergency services, after school care, neighbourhood centres, HACC services, pensioner units, aged care facility, social, youth and aged planning.

Cultural Activities

Bundaberg Regional Art Gallery (BRAG)

BRAG welcomed over 20,000 people through their doors over the last financial year, and serviced more than 17,000 through outreach services, more than doubling the previous year's numbers. Eight exhibition series were held, with a total of 26 unique exhibitions being displayed including works by local and national artists, as well as international Artist Glen Clarke. Touring shows were hosted from various agencies including the National Archives with Summers Past and the record breaking Legends of League from the National Museum. Another major exhibition for the year was of contemporary Asian art in Zhongjin: Midway Wollongong City Gallery, as well as the locally significant Deluge, dealing with the Queensland floods effect in Bundaberg.

83 very successful workshops were held over this period, well over double that of last year. These included workshops related to the KITE Yonder project in partnership with QPAC, professional development workshops for teachers, school holiday workshops, adult arts workshops, Artists in Schools initiative and externally programmed workshops accessing BRAG spaces.

The Gallery has over 45 active and dedicated volunteers, who give their time to the community through their input into the gallery and its programs, and has been sponsored by, or received discounted rates this year by, the NewsMail, Bundaberg Radiology, Bundaberg Broadcasters, Channel Seven, WIN television and Kens Kepnock Butchery.

BRAG Gift Shop showcases to the public the wealth of artistic talent in the region and offers a platform for artists to sell their artworks. The facility attracted 21 new suppliers during this period and saw excellent sales growth.

BRAG's corporate identity this year has been further enhanced by promotion through television, radio and print media, as well as social media sites including Facebook, Twitter, BlogSpot and Foursquare.

Childers Gallery

During 2010/2011 the Childers Gallery has grown and evolved into ChArts (Childers Arts Space) under the care of the new Community Arts Officer and with the help of BRAG staff and almost 15 volunteers actively working in the gallery. This refocus allows ChArts to broaden its scope into various arts areas and thus broaden its appeal and accessibility to the community. ChArts shows exhibitions of local and touring arts, and is committed to working in harmony with the Palace Backpackers Memorial, also housed in this space.

Figures have been recorded accurately since November 2010 with a total recorded visitation of over 9,000. Averaged over the year this represents approximately 13,500, and records indicate that the numbers coming for the gallery are now nearly on par with those coming to visit the memorial. Opening events have also been growing with an average of 75 people over recent openings.

In 2010/11 the gallery has supported two work experience students, initiated a space dedicated to the promotion of emerging local artists and started holding workshops for the first time, two so far with good attendance.

Community Arts

In 2010/2011 a new position of Community Arts Officer was created. This position is currently focused heavily on the development of ChArts, but has also been developing industry links via 'the edge' (State Library of Queensland digital arts and technology laboratory), which is now coming to the region to present workshops and exploring other partnerships in the region. Other initiatives include a youth arts skateboard project in Gin Gin, involvement in the Childers Tourism Action Group currently developing a tour programme for the region, involvement with the Bundaberg Base Hospital Healing Garden public art project and involvement with the Bundaberg Festival of arts.

RADF

Two rounds of Regional Arts Funding were distributed, equating to almost \$90,000 to the community. The focus of the grant is for artists and projects that develop the community. Projects were varied but the quality and quantity of project this period was very high, with total fund expenditure for the first time in many years.

Public Art

This period saw major work on cleaning and repair, as well as documentation of major public art across the entire region.

Art Collection

Over 2010/2011 Council continued to utilise its Cultural Gift Recipient Status from the Australian Taxation Office, meaning that artists and patrons can donate works to the collection and claim a 100% tax benefit. Due to this, the community gained several significant works this period, which are held at the BRAG on their behalf.

Moncrieff Theatre

General

The Moncrieff Theatre remains the showcase of live entertainment and cultural performance in the Bundaberg region, well regarded for its spacious and modern facilities and CBD access. The facility features an air-conditioned raked seating entertainment venue with a capacity of 865, candy bar and liquor bar facilities. Ongoing maintenance and refurbishments are made within our allocated budget, ensuring the facility is attractive, versatile, functional and well patronized by local residents and visitors.

Stage Shows

2010/2011 brought a range of diverse touring stage shows including comedy, international ballets, country artists, childrens' shows, pop and rock concerts and plays.

Accumulative stage show attendance was 28,669 patrons, with 61 performances, ensuring a bright spot light was focused on the talent and variety alive and thriving within the Bundaberg regional community. Our team is



always pleased to help showcase and encourage local performing arts talent, and the Moncrieff Theatre remains a popular live entertainment venue. Local dance concerts included Ignite, Encore and Tots & Teens which proved to be well supported and successful.

Each year the Moncrieff Theatre plays host to various school concerts, graduations, speech nights, conferences and seminars and also the Wide Bay & Central Queensland University Graduation Awards, ensuring the theatre remains a living asset for the regional community.

Cinema

The most successful cinema shows at the Moncrieff Theatre are holiday themed for children and family audiences, with recent highlights including The Karate Kid, Toy Story 3 and Shrek Forever After.

The Moncrieff's \$8.80 cinema admission price has proved to make an affordable and enjoyable family entertainment day or evening for our patrons. The theatre commenced Sunday afternoon trading just prior to end of this reporting year and other innovative events and promotions, including Thrifty Thursday, with \$6.00 tickets at all sessions, have been trialed throughout the year.

Limited release screenings are also very popular and in high demand, and fundraising events are held on a regular basis with snacks and a movie and prove to be very successful for the fundraising organisation and the venue.

When the theatre isn't showcasing popular stage shows, free Pensioner Morning Tea and Movie Mornings are usually run on the first Wednesday of every month, providing local residents with a chance to enjoy first class entertainment in a modern, comfortable venue.



Library Service

Bundaberg Regional Library Service has four branches across the region. The main branch is in Bundaberg, with other branches located in Gin Gin, Childers and Woodgate Beach. Our Libraries are friendly and welcoming and stock a large range of fiction, non-fiction, DVDs, CDs, junior, youth, and large print resources. Free Internet access via the library internet PCs or the wireless hotspot is also available.

Bundaberg Regional Library Service is a very busy service, with over 29,908 members. 953,460 items were issued during 2010/2011 with a total book stock of 128,583 items.

Long time Library Manager Ray McInerney recently retired, after 32 years at the Bundaberg Library. Ray has helped develop the Bundaberg Library into the great education, social and regional resource it is today, respected and admired by other local governments for its design, content, community reach and support, and we will always be grateful for his special contribution.

Special events

The Bundaberg Regional Library Service holds special events throughout the year including author visits and book sales.

The library has hosted visits from authors, Michelle Mitchell, Leah Giarratano and Nigel Brennan. These author visits are very well attended.

Two very successful Book Sales were held in January 2011 and August 2011. Donations and old book stock were sorted, stored, and then sold at the Book Sale which was held in the Civic Centre. The library organises this sale in conjunction with the Rotary Club of Bundaberg East and the profits are shared. Monies raised from this event are used for library and community projects.

Future

The Bundaberg Regional Library Service continues to grow. The library remains a popular place for residents and visitors alike with something for everyone available at the library.

Venues and Facilities

The Venues and Facilities Section is responsible for four Service Centres, five other Council office buildings, 43 various community halls and facilities, four swimming pools, three show grounds, the Recreational Precinct at Kendalls Road, the Bundaberg Racecourse, several minor commercial leased facilities, other community occupied and leased facilities and properties, Salter Oval, several museums and historical villages, various other sporting and recreational facilities, and four residential rental properties.

The Venues and Facilities Section is staffed by a Manager, an Operational Supervisor, a Senior Administration Officer, two Facilities Officers (one based in Bundaberg, and one based in Gin Gin), a Bookings Officer, a support Part-time Administration Officer, a Maintenance Trades Person, a Cleaning Supervisor, and 10 Cleaners with eight servicing the Bundaberg area and two servicing the Bargara Service Centre and Bargara Cultural Centre.

A Regional Community Facilities Booking System is now in operation and booking forms are issued at each of the Service Centres for hire of community facilities in the respective areas.

A community facilities list is maintained and updated regularly by Venues & Facilities providing full details of the ownership and operation of each facility, and specific leasing or occupancy tenures and arrangements in place for each one.

An electronic access key (Fob Key) management database has been established and the overall administration of the Fob Keys for the Service Centres, Other Council Offices, and the Bargara Cultural Centre is undertaken by Venues & Facilities staff.

Community Facilities

- Over the 2010/2011 period extensive upgrade works were undertaken at several community venues as follows: Buxton Hall patio extension, Coronation Hall lighting, Elliott Heads Hall lighting, Goodnight Scrub Hall floor vinyl and stair rails, Isis Cultural Centre skylight repairs and outdoor verandah refurbishment, Moore Park Beach Hall window tinting and lighting, National Fitness Hall stairs refurbishment, Waterloo Hall preparations for centenary, and Woodgate Hall lighting and electrical.
- The Gin Gin Youth Centre and National Fitness Hall car park was upgraded with the area having new road base laid and a bitumen seal applied.
- Council assisted the Woodgate Beach RSL Sub-branch with the establishment of a Broadband for Seniors Kiosk by providing shared office space at the Woodgate Beach Community Hall.
- An equipment elevator and disability access lift were installed on the Civic Centre stage and new curtains were installed in the Civic Centre auditorium.
- Community Committee Management Agreements were established for Goodnight Scrub and Woodgate Beach Halls.
- Council was successful in gaining RLCIP funding for the installation of solar powered storage sheds at the Bargara Cultural Centre, re-stumping of Coronation and Gin Gin RSL Halls, installation of new light and sound systems in the Isis Cultural Centre, upgrading of the Gin Gin Pool shade sails, and the installation of car park security lighting at the Moore Park Beach Hall.

Leased Facilities

- All leases that expired during the period were renewed, and building maintenance projects were undertaken at the following leased sites - City Y Childcare Centre, Elliott Heads Kiosk, PCYC, River Cruz Café and Rowers Restaurant.
- Proposed Floor Plan options for the new Elliott Heads Kiosk were developed for consideration by the Elliott Heads Foreshore Redevelopment Steering Committee.

Museums and Historical Villages

- Maintenance work was carried out at the Childers Historical Village and the Childers Firehouse Potters building.

Service Centres and Other Council Office Buildings

- A disabled toilet was installed in the Childers Service Centre.
- Contractors completed the refurbishment of the Civic Arcade Offices in June 2011.
- Electronic security access systems were installed at the Bargara Service Centre and the Civic Arcade Offices.

Show Grounds

- Two unsafe open grandstands were demolished.
- A survey was conducted of the Childers Show Grounds to identify underground services and provide details for preparation of site plans.
- The two old electrical hot water systems were removed from the amenities block at the Gin Gin Show Grounds and replaced with a more efficient single gas hot water system.

Sport and Recreation Facilities

- Fencing repairs were carried out at the Bargara and Woodgate Beach Tennis Courts. Surface preparation work was also undertaken prior to synthetic resurfacing of the Woodgate Beach Tennis Courts.
- The Isis District State High School assumed responsibility for taking bookings and collecting hire fees of the Gee Street Oval.
- The old Club House at the Cordalba cricket grounds was demolished and responsibility for management of the grounds was transferred to the Manager Environmental Services.



Swimming Pools

- Highlights for Council's swimming pools include upgrade of the electrical switch board for the Childers Pool.
- Council was successful in gaining RLCIP funding for the replacement of the shade sail structures at the Gin Gin Pool.
- Major off-season facilities maintenance was undertaken at all pools.

Rental Properties

- Tenancy agreements were renewed for two of Council's rental properties.
- The management of the Heales Road Depot Caretakers Residence was transferred to the Manager Trade Services & Depots.

Regional and Local Community Infrastructure Program

- Bundaberg Regional Council acknowledges the financial support provided by the Commonwealth Government to undertake works to various facilities through the Regional and Local Community Infrastructure Program (RLCIP).

Community Care and Social Development

With activities and initiatives ranging from neighbourhood centres and community, youth and cultural development; sport and recreation; community events and financial assistance; care and respite services; children's services; residential aged care and seniors housing, the Branch has continued to provide excellent and diverse service to our Regional and rural community.

In April 2011, the Branch was restructured to form the Community Care Branch and the Community Services Branch.

Community Care

The Community Care Branch delivers 13 government funded services across the Region.

These Services include four accredited Home and Community Care and one Disability Program ; being the Gracie Dixon Respite Centre, Kolan Community Options, Isis Community Care and Childers Meals on Wheels. The HACC services are based respectively in Bundaberg, Gin Gin, Childers and Bargara. Home and Community Care services are available to eligible residents. These services include centre based day respite, domestic assistance, social support, personal care, home based respite, home maintenance, and transport services for eligible frail aged persons, younger people with a disability and personal carers.

The services are operated under service funding agreements between the Department of Communities, Home and Community Care Program and Bundaberg Regional Council and represents a joint Federal Government and State Government funded program.

Isis Community Care was able to complete a funded Day Respite Room at the Childers Neighbourhood Centre which has enhanced services in for the local community.

- Gracie Dixon Centre provided 40,378 hours of service to 226 people and 157 carers during the year, plus delivery of a further 595 hours day respite services in Bargara.
- Isis Community Care provided services to 126 clients in Childers, with 4515 hours of service, 2117 client transport trips and one DSQ package with 266 service hours.
- Kolan Community Options assisted 114 clients with 8552 hours of service, 885 transport trips plus one DSQ client with 483 hours of disability services.

The Gracie Dixon Centre continued to integrate respite activities at Council's Bundaberg Seniors Village which has provided activity and craft options for those residents and complements the day respite activities at Bargara. The Centre also hosts a Seniors Broadband free service.

Neighbourhood Centres

Council operates two Centres, being in Childers and Gin Gin, as well as the Community Development office in Bundaberg. The centres are partly funded through the Department of Communities and have exceeded all service agreement targets for the year.

These centres continue to support the community in the areas of information and referral, community support and education and in empowering the community to be resilient and independent. Each centre provides an essential service hub through room hire for professional services, job-find brokers and counselling services. Through circumstances of rural isolation, high unemployment and current difficult economic times, the centres support many local residents and organisations. The Childers centre also assists many needy families through funding from the Department of Families Housing Community Services and Indigenous Affairs and the Emergency Financial Relief Program.

Both neighbourhood centres continued to provide free seniors broadband services, which including internet access and tutoring for seniors.

Child and Family Services

In Childers, the Isis Child and Family Support Program funded partly through the Department of Employment Education and Work Relations has continued to provide many essential services to children and families within the community, offering a large array of family, parenting and wellbeing workshops, facilitation of support groups and playgroups and providing a community meeting venue.

Isis Outside School Hours Care operates from the Childers State School grounds and meets all licensing obligations under the Building Code of Australia and through the Office of Early Education and Child Care. This service provides before and after school care in a structured learning environment and also supports vacation care activities for local families.

Seniors Housing

Council operates and maintains 60 independent living units for seniors, in Bundaberg and Gin Gin. These units are long term public housing and link to the Department of Social Housing Wait lists. The units have operated at 100% occupancy throughout the year. Each tenant has a lease with Council in accordance with the Residential Tenancies Act.

Council was awarded funding under the Federal Nation Building Economic Stimulus Program to construct four new units in Bundaberg, and four new units in Gin Gin in 2010. All eight Units are almost complete. Funding for a further eight Seniors Units has now been approved and these will be completed by 30 June 2012.

Residential Aged Care

Council owns a 21 room low care residential facility at Gin Gin. The Kolan Gardens Aged Care Facility celebrated its 7th anniversary in 2011. This facility has continued at 100% occupancy since it opened in 2004. Council has in place a management lease with Churches of Christ Care that provides quality nursing and care services on behalf of Council. The facility achieved renewed Federal accreditation in 2010 for a three year period with maximum compliance against the national aged care standards. The facility has met all subsequent Aged Care Audits.

Council has received approval for 14 high care places at the facility and is currently researching options for capital funding of this expansion.

Community Services

The Community Services branch incorporates Community, Youth and Cultural Development, Sport and Recreation, Community Events and Event Development. The branch specialises in building social capital within the community, disseminating information, providing event management and support, and enhancing healthy lifestyles.

Community and Youth Development

In 2010 the first Regional Social Development (Strategic) Plan was completed and endorsed by Council. As part of this process broad consultation was completed for the Childers district, which did not have current social plan strategies. This work combined with revisions of existing Social, Community and Health Plans across the Bundaberg Region provides the major strategic framework for community development activities for several years. An 'Action Plan' setting out priorities is being developed.

Sector reference networks have continued for seniors, mental health, learning communities, families, and youth and disabilities areas. Many effective community projects emanate from these networks. Some special projects included Adult Learners Week; Disability Action Week, National Youth Week and the Seniors and Carers Expo. Regular monthly newsletters continued to gather and disseminate vital information for community organisations across the region.

Creative Regions

Creative Regions held 89 Culture Clinics providing assistance to artists and performers during the last year. The key areas of advice given during Culture Clinics were in relation to funding, project development, event development, career development, networking, business development, strategic planning, marketing advice and referral to other service organisations.

CRUSH Festival

October 2010 saw another very successful CRUSH Festival, which is a month-long celebration and participation of arts and cultural events and activities throughout the region.

Community Events and Events Development

This section of Council provides support for the region's community groups and events through donations, financial assistance and in-kind programs. This support enabled many community groups and Council itself, to host events such as Australia Day celebration, ANZAC Day Services, Bundy in Bloom, the Tidy Towns program and celebration of many other local community events.

During the year, Event Development came across from Council's Economic Development branch. Major events like the Childers Festival of Cultures, Bundy Thunder and the Bundaberg Multicultural Festival were all very successful in attracting visitors to the area.



Sport and Recreation

A wide range of financial supported initiatives, and hosting of sporting events, benefited the region, and included international tennis and bowls events. Development of the first region-wide Sport and Recreation Strategy saw community consultation for all districts completed and a draft plan ready for community comment. The regional sporting organisation contacts directory and regular "Recreate" newsletters continued to provide benefits for local organisations, with over 300 local clubs now on the contacts list.

Special Projects

Yonder Project

During the year the Bundaberg region continued to participate in the Yonder Project as part of the KITE Program. The project aims at working with disadvantaged and/or primary schools students who have difficulties in communicating with their teacher, fellow students and the community. The project uses drama to assist the children to express themselves and culminates in a concert at the Moncrieff Theatre. Council provides in-kind support including the use of the Moncrieff Theatre, desk space and other support. The project has \$350,000 funding over three years. Special appreciation goes to Adrienne Jones and her team from Arts Queensland, Principals and teaching staff at the schools involved with the project.

Regional Stages

Council was successful in receiving a grant for \$300,000 over three years, under the Regional Stages Program, which aims to improve and achieve outcomes and activities for cultural development in regional areas of Queensland. Council acknowledges the significant support from Creative Regions Incorporated.



Disaster Management

The most significant impact on this particular portfolio during the period under review was that Bundaberg experienced flood inundation at the highest level since 1942. Mother Nature unleashed her fury in the form of persistent and prolonged rain periods across the entirety of Queensland area brought on by a number of cyclones, and in particular cyclone Tasha, that impacted on North Queensland but later reverted to rain depressions creating widespread flooding on a magnitude never before experience in the State. Accordingly, the approximate 33,000 sq km of the Burnett River catchment was subjected to the intensity of this rainfall, firstly significantly affecting the North Burnett Regional Council area before ferociously travelling on towards Bundaberg and on the way severely damaging or destroying any river telemetry measuring devices. Manual interpretation of flood heights for extrapolation became the norm in consultation with the Bureau of Meteorology. The results are now recorded in the history books.

On 25 December 2010, a day that there is an overt expectation that families and friends will be celebrating, particular members of the Bundaberg LDMG participated in a teleconference convened by the State Disaster Coordinator centering around the weather patterns and prevailing flood conditions. A crucial step in the preparation for what was to follow with the war with Mother Nature that followed.

On 27 December 2010 the Local Disaster Management Group was activated. From that point in time preparations continued with door knocking of identified residences within the Bundaberg town area with an assessed floor level height below 7.5 metres.

An Evacuation Centre was established on 28 December 2010 at the Civic Centre with initial staffing being provided by Council. A second Evacuation Centre was opened at the Bundaberg North High School on 30 December 2010.

On 29 December 2010 Gin Gin was isolated from Bundaberg with the access roads being cut by flood waters in several locations such as Splitters Creek on the outskirts of Bundaberg and Currajong Creek on the Bruce Highway effectively isolating several thousand members of the traveling public. This placed tremendous strain on this small community. Childers suffered the same fate, but not to the degree of Gin Gin, when the Isis River overflowed the Isis River bridge and again because of Currajong Creek. Four hundred motorists were thereby stranded in this township. The resilience of these communities came to the fore.

There was no resting on laurels insofar as Bundaberg was concerned. On 2 January 2011 the Recovery Committees were established and the general cleanup program was initiated in earnest. There was no expectation at this time that Bundaberg was to experience a further flood peak on 13 January 2011 albeit on a much lesser scale of 5.76m. This caused a temporary set back in some areas for the cleanup program but there was no wavering in the overall effort of recovery to restore Bundaberg to some form of normality. The Recovery Committees are still functioning today and will continue to do so until the achievement of the regularity for the community overall.

In any disaster situation there are always issues encountered that could be done better. This flood is no exception by any means. Importantly, the Council, the Local Disaster Management Committee and those within the Disaster Management network are willingly participating in crucial analysis and dissection of the overall response with a view to enhancement of actions, responses and methodologies to achieve positive outcomes for any future event. It is factual, that through a Disaster Management Strategic Alliance established with surrounding Councils that Bundaberg Regional Council is seen as progressive, stimulating and leading the direction in the disaster management field.

During the year Storm Tide Mapping and Evacuation Plans were developed and referred to the Local Disaster Management Group (LDMG). The LDMG recommended the adoption of the plans, which were subsequently adopted by Council.

Information on Council's Disaster Preparedness and helpful hints for residents is available on Council's website.

Council continues to develop plans and strategies in response to natural events that may impact upon our communities.

Local State Emergency Services (SES)

Council maintains 11 Local State Emergency Services Groups by providing the buildings, vehicles and equipment and 99% of the funding to operate the groups. Mr Bill Daniels is employed by Council as the full time Local Controller for the Bundaberg Local SES, and is responsible for eight of the 11 local SES groups. Mr John Cottam and Mr Ray McDonough hold the honorary positions of Local Controllers for the Childers and Gin Gin Districts respectively

From Sunday 12 December 2010 the continued rainfall induced flooding in the Gin Gin area via the Perry River effectively isolating areas such as Goodnight Scrub from that point in time until mid January 2011 causing the Gin Gin SES to be activated throughout the whole of this period. From 13 December 2010 the Bundaberg SES were activated and had commenced sandbagging operations in and around areas of Bundaberg, Moore Park Beach and Burnett Heads. Areas such as Pine Creek and Cherry Creek west of Bundaberg commenced to experience isolation because of river heights. This brought on other issues for the SES through activating boating transportation across the flooded Burnett River for residents of those areas.



finance



Strategic Finance

The finalisation of the 2011/2012 budget and the continual monitoring and review of the 2010/2011 budget undertaken by Strategic Finance have been crucial in Council's recovery from the significant budget deficits experienced since amalgamation. Council has addressed many challenges during the 2010/2011 financial year, the most notable being the region's worst flooding in over 60 years and the continuing difficult economic climate in which it operates. Despite mounting operating costs resulting from increased compliance requirements, escalating fuel and utilities costs and the reduction in financial support from State and Federal governments, Council was able to return to an operating surplus.

Undertake 10 Year Forward Financial Modelling in Accordance with Queensland Treasury Corporation (QTC) Guidelines

The Queensland Treasury Corporation were engaged to undertake a Financial Sustainability Review based on Council's historical performance and forecast financial outcomes prepared annually by Strategic Finance, to assess Council's capacity to meet its financial commitments in the short, medium and long-term. The review involved an evaluation of business drivers, regional economic information, impact testing of various scenarios and discussions with key Council officers, facilitated by Strategic Finance. The QTC's findings were finalised and presented to Council on 22 February 2011.

Undertake Quarterly Review of Finance Directorate Budget

The co-ordination and preparation of Council's 2010/11 annual budget was undertaken, monitored and maintained, quarterly reviews conducted and budget reports prepared for management and Councillors.

Internal Audit

Strategic Finance continues to carry out the vital internal financial audit function to ensure compliance with financial policies, procedures and legislation.

Performance Manager and Business Intelligence

Council has undertaken the implementation of two new software packages, Performance Manager and Business Intelligence. Performance Manager is a strategic planning and organisational performance management and reporting tool, designed specifically for the needs of local government. Business Intelligence will replace the current Budget and Reporting System (BARS) budgeting software and includes greater flexibility in budget preparation and reporting.

Strategic Finance has been responsible for the preparation of operating instructions and training notes, conducting training sessions, providing ongoing assistance to Council officers experiencing difficulties and resolving any issues arising from the use of the programs.

Financial Support

Financial support continues to be provided to all of Council's branches to assist in a range of issues ranging from reviewing and inputting budgets, providing assistance with the development of business cases, cost benefit analyses, assessing financial policies and procedures and providing analysis of business practices, systems and sustainability.

Future Business Planning

Future business planning assistance was provided to the Commercial Business and Economic Development branch to assess the financial implications of the Bundaberg Airport.

NCP Legislative requirements

A comprehensive review of the appropriate application of NCP reforms across the Bundaberg Regional Council was undertaken and the adoption of full cost pricing was determined to be the appropriate structural reform to apply. Financially significant Type 2 business activities were identified and separated for successful business unit planning. Type 3 and non-Type 3 business activities were also recognised and full cost pricing methodology was applied to all identified business units.

Financial Accounting

This year the Financial Accounting branch was mainly focused on:

- Providing timely financial information;
- Promoting Sustainable Asset Management;
- Costing of projects;
- Treasury functions; and
- Taxation.

Financial Reporting

The Local Government Act 2009 introduced a number of changes in financial reporting and asset management.

The legislation requires Council's Audit Committee to review the draft Financial Statements. This review must be undertaken before the Statements are presented to the Auditor General by 15 September. Effectively this change reduced the time available to prepare the Statements by two weeks, but adds more scrutiny to the process. Reporting processes were adjusted to accommodate the new timeframes.

Asset Management

An emphasis of the Local Government Act 2009 and associated regulations is to shift Council planning process from a short term focus to a longer term perspective of sustainability.

This planning process requires the adoption of a Long Term Asset Management Plan (LTAMP) early in the 2012 financial year. This plan will, inter alia, propose the capital expenditure programs for the next 10 years.

Council is refocussing on the funding requirements of LTAMP's renewal and upgrade programs over the next 10 years rather than the assumed annual consumption of assets determined by Depreciation. The change removes the item "Funded depreciation" from the Capital note to the Financial Statements.

Council will maintain an Asset Sustainability Reserve to set aside general revenue considered necessary to fund the LTAMP capital expenditure programs.



Costing

This year's natural disasters and flooding events continue to impact on Council costing and asset accounting sections. Council is still evaluating the damage to essential assets from these events with an initial estimate of \$40m claimable under Natural Disaster Relief & Recovery Arrangements (NDRAA). Council has engaged an additional Costing Officer to assist in meeting the NDRRA claiming process.

A significant portion of the damage infrastructure relates to Roads. The Asset Accounting section is continuing to work with internal and external stakeholders to accurately reflect the carrying value of the damaged assets.

Treasury functions

Council engaged its internal auditors to review Borrowing and Investment processes to ensure open accountability, adequate controls and continuous improvement in its processes. A number of opportunities were identified with developments ongoing.

Taxation

Taxation has seen changes in Fridge Benefit Tax and Goods & Services Tax during the year. The removal of Division 81 will require Council to self assess all fees and charges for GST during the next 12 months.

Revenue Management

The 2010/2011 financial year was another challenging one. Council continued to merge the 22 general rating categories which were necessitated by amalgamation. This task was further complicated by a region-wide revaluation of all land values by the Department of Environment and Resource Management. Council also discontinued the offer of discount on Service Charges which brought greater equity to the rating system.

Other notable achievements in this period include:

- Issuing half-yearly rate notices for all relevant rates and charges;
- Developing and implementing revenue systems, policies and procedures to establish parameters in which the Revenue Section operates;
- Implementing and interpreting revenue related issues legislated in the Local Government Act 2009 and Local Government (Finance, Plans and Reporting) Regulation 2010;
- Providing input and participating in the State Government's implementation of the Site valuation method as the new method of valuing non-rural land with effect from 1 July 2011.



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- Providing input and participating in the State Government's implementation of Water Advice Notices as a method of educating the public in water use and conservation, as required by the Water Supply (Safety and Reliability) Act 2008;
- Providing rates relief to not-for-profit community organizations on a uniform basis throughout the Region;
- Dealing with the aftermath of the devastating floods and the affect on ratepayer's water consumption;
- Reducing Council's rates debt through ongoing monitoring of debt recovery systems and practices;
- Implementing changes to Fees and Charges in terms of the Local Government Act 2009 and Local Government (Finance, Plans and Reporting) Regulation 2010; and
- Producing the 2010/2011 revenue budget whilst taking account of the multi-level parameters of amalgamation, revaluation and increased costs.

Commercial

Payroll

Over the last financial year the Payroll Section has been involved with the following projects:

- Ensuring all employees are paid in a timely manner.
- Upgrading all staff skills by providing additional training in payroll processes like terminations and back pay calculations.
- Conversion of Parks and Gardens and Trade Services teams to daily timesheets.
- The centralisation of all payroll services to the Bundaberg Administration Office.
- Internal Leave Entitlement Audit.
- Testing of email delivery for payslips.



Accounts Payable

- Pay all suppliers/vendors within Councils Terms of Payment.
- To endeavour to convert all payments from cheques to electronic funds transfer.
- Assist with the introduction of Council Corporate Cards and training Accounts Payable staff in the processes.
- Training Accounts Payable Staff in the use of the On-Line Requisitions System in preparation for its implementation.
- Training in procurement activity planned over the next 12 months for Accounts Payable providing an improved knowledge in other work processes.

Procurement/Store

- Constantly review and make recommendation to applicable Managers to ensure Council obtains best value for money.
- Assist with the completion of all tender documentation as required and attend all tender openings.
- Monitor and review all purchases to ensure they meet policy requirements.
- Assist with the introduction of Council Corporate Card.
- Continue with introduction of On-Line Requisitions and training of all staff in its application is planned for the next 12 months.



governance



Manage the governance requirements of the organisation and the delivery of a suite of governance services which support the business and legislative imperatives of Council. This includes change management, organisation performance management, policy formation, information systems management, human resources management, work place health and safety, quality assurance systems, risk management, customer services and record management.

Council has also embarked on the creation of Bundaberg Region 2031, its long-term Community Plan which sets down its future strategic direction for the next 20 years. Extensive community engagement was undertaken when creating the Bundaberg Region 2031 Community Plan which Council adopted in March 2011.

Human Resources

The Human Resources team has been focused on helping Council to fulfill its mission to provide open, transparent, effective leadership and efficient management practice delivered with a quality focus.

Open, transparent and effective leadership

The Human Resources team conducted the annual staff survey for the third year. The survey gives employees the chance to provide feedback to Council. Employees rated Council strongly across 10 categories, the lowest score was 74% for Performance and the highest score was 88% for Workplace Health & Safety. The branch will focus on improving Communication and Leadership in the next 12 months through assisting in recruitment for leaders and their on-the-job development. The branch also sourced state government funding and training for employees to undertake the Certificate IV in Front Line Management.

Effective management practice

Council engaged an independent review of its organizational structure and capabilities to assess whether it has the structure and capabilities to effectively implement the five year corporate plan and Bundaberg Region 2031. The branch will assist Council to implement the recommendations of the review by March 2012.

Quality focus

The branch has assisted Council to improve the quality of its services by providing training for employees in customer service. The branch also sourced funding from the state government so employees could gain or improve their qualifications in fields such as:

- Animal control and regulation
- Asset maintenance
- Child care
- Civil construction
- Community development and community sector development
- Library and information services
- Project management
- Youth work

Recognised as an Employer of Choice

As part of its role as the employer of choice in the region, the Human Resources team has:

- Hosted 43 work experience students to give them exposure to potential career paths.
- Hosted volunteers across our Art Galleries, Visitor Information Centres, Neighbourhood Centres and Home and Community Care facilities to enable Council to provide services at a low cost and an opportunity for volunteers to contribute to their community.
- Sourced Federal Government incentives to employ and train 20 trainees across fields such as business administration, customer contact, information technology, horticulture and water operations.
- Sourced Federal Government incentives to employ and train 18 apprentices across fields such as fabrication, fitting and turning, electrical, painting and decorating, boiler making, mechanical, plumbing, carpentry, diesel fitting and instrumentation

Business Information Services

The floods over Christmas were a highlight this year, they impacted what projects we were able to deliver and the Business Information Services team delivered significant resources to the Council and Community, both during, and after the floods. We believe that our services significantly assisted the Council to deliver appropriate services during this difficult time.

Geographic Information Services (G.I.S.)

Council has entered into a joint project with the Department of Environment and Resource Management to acquire new aerial imagery over the entire Council area. This includes high resolution imagery over a majority of the populated areas and lower resolution imagery over the entire Council area. The new imagery will replace the existing 2005 and 2006 imagery.

IT Support and Infrastructure

Major improvements have been undertaken on interconnectivity between the Bundaberg Administration Centre and neighboring sites. This includes the installation of a fibre optic link between the Bundaberg Administration Centre, Moncrieff Theatre, Bundaberg Regional Arts Gallery and the Councillors Quay St Office. Improvements in speed have also been sought with wireless media to a number of Council's remote facilities including the, Bundaberg Airport, Childers Service Centre (and adjoining sites) and the Burnett Heads Lighthouse Holiday Park.

These network improvements have been coinciding with the implementation of a “self-healing” microwave link between the Bundaberg Administration Centre and the Bargara Service Centre. It is anticipated this link will be officially commissioned in the 2010/11 financial year and would not have been possible without the new communications tower installed on The Hummock.

Corporate Applications

Council’s Enterprise System was updated further to take advantage of system enhancements and increased functionality. The Human Resources module benefits from additional functionality and tighter integration.

Corporate reporting functions were enhanced with the roll out of Business Intelligence and Performance Management software. This software enables Council to closely monitor financial and performance indicators.

The roll out of Council’s new agenda and minute software was completed. This software and associated processes are providing significant savings time and printing costs.



Corporate Support

Workplace Health and Safety

Council is a responsible employer and takes its Workplace Health and Safety responsibilities seriously. Whilst there is a legislative requirement to provide a safe work environment we respect that it is essential to provide an appropriate environment that actually values employees.

Council has fostered a pragmatic and responsive Workplace Health and Safety environment that facilitates issues being raised and addressed in a proactive manner. Obviously we wish to minimise the likelihood of any matter that may result in incident or unsatisfactory situation and we believe we have sustained and improved upon our efforts of recent years.

Council has a consultative structure in place where workers are encouraged to raise issues with their area safety group and if necessary they are escalated to the Corporate Safety Committee which meets every six weeks. Area Safety representatives have the opportunity to attend these meetings which ensures good two way communication.

The Workplace Health and Safety team have placed particular focus on the rehabilitation and return to work area with new policies and procedures being actively implemented. This has already had impact with cases being actively managed and employees returning to work as soon as possible.

As the organisation matures the Workplace Health and Safety team will continue to build upon its already solid base.

Right to Information (formerly Freedom of Information)

The Right to Information took effect on Queensland Local Governments on 1 July 2009 and the Information Privacy Legislation on 1 July 2010. Over the reporting period Council has received 27 formal applications under the Right to Information Act. Over 6,347 documents were considered and, of these, full access was granted to 6,222, over 98 per cent of the remaining 12 documents were redacted in part and only 113 exempted in full. Documents redacted or exempted were done so under provisions of the RTI Act, such as the documents may disclose personal information or disclose the identity of information gathered in confidence. Other information may not have been disclosed as it was the subject of legal professional privilege.

Only the one application was received and processed under the Information Privacy Act.

It is pointed out that Council has administration arrangements promoting disclosure in place and in many instances potential applicants are advised on how to source information through other avenues. The formal processes of RTI and IP are utilised only when other formal or informal processes are not appropriate.



Risk Management

Like all organisations Council cannot operate in an environment free from risk. What is necessary is to balance the mitigation of these risks with delivering the services that the community expects. It is not a reasonable option to simply expect that if there is a financial, legal or political risk that an actively will not be undertaken. Council has a sophisticated risk identification software tool in place and is continuing to work on essential systems such as a Project Management Tool and the Project Portal that will better manage our exposure.

A 'Corporate Risk Register' is also being developed which will aid in the identification and management of our risk profile.

Internal Auditing

Council has established and implemented an internal quality audit program with scheduled audits of various management systems occurring each quarter. The purpose of these audits is to check whether the established systems are being put into practice and to ascertain how well they are working. Any weakness or deficiency in our management systems identified during auditing is reported to management as a request for corrective action. As part of their oversight responsibilities the Internal Audit and Risk Committee monitor the internal quality auditing process to ensure it is enhancing corporate governance and generating actions to optimise Council's performance.

Administration

The 2010/2011 reporting year presented challenges to maintain service levels with limited resources within a tight fiscal environment. One initiative this year was to raise organisational awareness of Council's Customer Service standards and Records Management responsibilities, particularly to new employees at induction.

The Administration branch function includes:

Customer Service

A busy environment made up of a Team Leader and 10 full-time Officers, three Trainees, two part-time and seven casual Officers, attending to Council's front line service desks and call centre facilities.

A summary of the locations and customer face to face payments recorded at each location is listed below:

- Bundaberg Administration Building - 35,418 customers
- Bargara Service Centre - 11,997 customers
- Childers Service Centre - 4,754 customers
- Gin Gin Service Centre - 3,439 customers

Summary of other payment types:

- Bpoint (Internet payments) - 7,702
- Agency payments - 23,220
- Bpay - 60,886
- Direct Debits - 57,766
- Summary Other - 6,466

Council's in-house call centre registered 104,995 in-coming calls with a 97.56% answer rate, and the daily average number of calls received was 423.

42,015 Customer requests were registered into Council's Customer Request Management system. 92% of the requests were completed at 30 June 2011.

The two Bundaberg flooding events of December 2010 and January 2011 saw Council's in-house call centre staff return from leave and work cooperatively to provide the required level of support to fill 24 hour continuous shifts.

Records Management

The Records Team made up of a Team Leader with five full-time Officers, one part-time Officer and one casual, who aim to ensure Council maintains compliant records systems as required under the Public Records Act 2002 and in accordance with Information Standard 40: Recordkeeping (IS40).

During the reporting year 41,927 registrations were recorded into Council's Electronic Document Management System, 558 Boxes were archived and 143 boxes of records were destroyed by certified document destruction.

Enhanced temporary document storage was established in the Bundaberg office, benefits include immediate availability of financial records to assist with audit and to reduce demands on the records team for file retrievals.

Leasing of Council Property

Our focus is to negotiate, manage and coordinate the preparation of tenures over Council facilities. In this regard, some 25 tenures were registered in the 2010/2011 reporting year.



health & environmental services



Waste and Recycling

Council's Waste and Recycling Service continued to provide a high standard of customer service in what is a growth environment. The benefits to the community were recently demonstrated by the efficiencies and continuance of a waste service throughout the Region during the recent flood crisis. The waste and recycling collection program continues to grow and currently services over 63,000 Residential and Commercial customers per week.

As the amount of waste produced increases there is a greater emphasis to provide recycling and reprocessing options as opposed to traditional disposal options. A high standard of environmental performance and compliance is an expectation of all stakeholders to minimise the impact to the environment for current and future generations. This will require an ongoing high level of strategic planning and the professional application of regulation and compliance in conjunction with education and waste reduction well into the future.

Through the application of best practice principles, Council continued to provide the community with a highly effective and environmentally proficient waste and recycling service. This was achieved using the latest waste collection technology, modern vehicles and plant and a well trained professional workforce. This is supported by the competent operation of the materials recycling facility (reducing waste to landfill), the progressive maintenance and development of quality landfill facilities and the implementation of environmental monitoring programs. Furthermore, Waste and Recycling is in the process of taking operational control of the Childers waste facilities. This will enable us to ensure a high level of service consistently across all sites within the Bundaberg Regional Council boundaries.

Council's 12 waste management facilities operate in accordance with compliance conditions as regulated by the Department of Environmental Resource Management to avoid undue environmental impacts. They provide a range of disposal and recycling options for the region. Council continues to stay abreast of developing technologies and resource recovery options. This is made all the more important with the introduction of the

Council is the managing authority for 19 public boat ramps and undertakes regular inspection, maintenance, and improvements. A new pontoon funded by the State government was completed at Riverview. A new boat ramp at Kirbys Wall, Kalkie was completed with Council providing a new sealed car park.

Public jetties are also provided and maintained by Council on the Burnett River.

Beautification and planning of the regions cemeteries is in constant progress with the aim to create an environment that is serene and tranquil. Administrative control and maintenance of nine cemeteries and several historical sites, lone graves and family sites has been undertaken.

The cemetery records of all the areas are being compiled into an electronic database that will be accessible to the public on the Bundaberg Regional Council website. Funding was obtained to assist continuing lone grave research and restoration of graves and also to provide solar security lighting in Bundaberg Cemetery.



Natural Resources

Council endeavours to manage the Bundaberg region's natural resources for the protection and enhancement of our landscape's important environmental values. The Bundaberg region has a diverse range of native fauna and flora, waterways, wetlands and coastline features.

The Natural Resources team within Council covers four main areas of natural resource and environmental management; land protection, wetlands and waterways, natural areas and coastal management.

Land Protection Unit staff use advanced mapping and surveying technology to track infestations of declared weeds and pests, and offers technical assistance, subsidised herbicide schemes and advice to landholders on integrated pest management options to achieve effective weed and pest management outcomes. Field days and demonstrations on the best management practice for the control of various declared weeds and pests are held in different areas within the region throughout the year, with the key event being Weedbuster Week.

Council has developed the Mangrove Management Strategy which is integral to Council carrying out operations and services in the Burnett River, whilst maintaining important fish habitats essential to the enjoyment of the recreational fisher. The area of waterway covered by the strategy is starting to expand into additional areas such as the Elliott River, with the ultimate goal being complete coverage of all effected areas throughout the region. Several large-scale riparian buffer plantings have been carried out throughout the region as part of National Tree Day and Green Army projects to protect and enhance the values of our important waterways and provide connectivity between key natural areas.

A dedicated Natural Areas team works in and around the Region's nature parks and environmental reserves to facilitate recreational experiences in the natural landscape for locals and visitors alike. A recent refit of the walking trail in Sharon Gorge Nature Park has set the benchmark for future work in natural areas.



Council also works closely with the community, volunteers and trainee programs to conduct further land management practices in natural and environmentally significant areas under the control of Council. The Community Conservation Advisory Group provides a platform for support and communication between Council and the community on matters pertaining to the environment and conservation efforts.

The Bundaberg Region is home to over 100 kilometres of coastline. Marine wildlife and migratory shorebirds frequent our region’s coastal areas, making our region home to some of the most internationally important roosting and feeding sites. Council has been successful in acquiring funds for the purpose of retro-fitting the streetscape of the coastal township of Bargara to ensure street-lighting is marine turtle friendly, supporting the ‘Cut-The-Glow’ campaign run by the Queensland Parks and Wildlife Service.

Health and Regulatory Services

The Health and Regulatory Services Program focuses on protecting the well-being of the community by maintaining a high standard of food hygiene, immunisation, public health education, animal management and environmental monitoring.

Licensing/Inspections/Audits

Environmental Health Officers undertake regular inspections of relevant premises to ensure that high health and environmental standards are maintained. Council administered the licensing and registration of 1,819 premises under the provisions of State legislation and Local Laws. These include food premises, accommodation premises, environmentally relevant activities and fuel storages.

Education

The PetPEP animal education program has been delivered to primary schools located throughout the region. Food hygiene training courses are delivered throughout the region on a monthly basis. Additional courses are offered subject to demand.

Food hygiene training options have been expanded to include free access to an on-line training package named “Im Alert” that can be accessed by link from Council’s website. “Im Alert” provides easy access to food hygiene training in the comfort or convenience of your own home or business.

Immunisation

Council coordinated and operated school based clinics across the region on behalf of Queensland Health.

Vector Control

Council has dedicated additional staff and resources to this program area and is currently undertaking a monitoring program involving the trapping of adult mosquitoes. This is necessary to determine both the population size and the species present. This is the first phase of data collection that will assist in the design of an appropriate treatment and control program. The Biting Midge program has also been modified to conduct chemical barrier treatments at two monthly intervals which are in keeping with treatment frequencies undertaken in other regions. Council Officers participated in the annual Dengue survey with Officers from Queensland Health and Aedes Aegypti mosquitoes were found in Gin Gin for the first time. This reinforces the need for residents to be vigilant and make sure that they are not leaving containers in the yard that are capable of holding water, water tanks are in a good condition and adequately screened.

The floods posed considerable potential health risks for increased incidences of vector borne diseases such as Ross River Virus. With this in mind Council Officers conducted inspections of all flood effected properties under a authorised prevention and control program. Council with the assistance of Officers from Queensland Health, Fraser Coast Regional Council, Moreton Bay Regional Council and Townsville Regional Council treated inundated public areas, schools and parks with chemical barrier treatments. These treatments significantly reduced the adult mosquito populations such that the expected increase in Ross River Virus numbers did not eventuate.

Regulated Parking

Regular parking patrols are undertaken in areas around schools to try and improve the safety of our children. Council endeavors to meet the parking needs of all drivers and the purpose of time regulated parking is to turn over the parking resources so that it is available for as many users as possible. Council is phasing out the use of “No Standing” signage and replacing it with a yellow unbroken line painted on the road edge. The following official traffic signage or line markings are valid twenty four hours a day seven days a week, Disabled, No Standing, No stopping. The use of loading zones by passenger vehicles is only permitted where indicated on the sign with the following conditions. The driver cannot leave the vehicle and can only stop for a maximum period of two minutes for the purpose of picking up or dropping off passengers.



infrastructure & planning



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In March 2011, Council resolved to amalgamate the two Directorates previously known as Infrastructure Services and Planning & Development Services, into one Directorate – Infrastructure & Planning.

This new Directorate's focus is on the planning, constructing and managing a sustainable built environment within the Local Government Region. It seeks to achieve this through land use planning, regulation of new development, and the construction, operation and maintenance of Council's infrastructure including roads, stormwater drainage, bridges, pathways and water & wastewater treatment and reticulation.

The Infrastructure and Planning Directorate encompasses the following areas:-

- Roads & Drainage
- Water & Sewerage
- Support Services
- Asset Management
- Major Projects
- Design & Survey
- Fleet Services
- Trade Services
- Planning Assessment
- Strategic Planning
- Sustainable Development
- Building & Plumbing

A brief overview of these key areas for the 2010/2011 reporting year is provided below:-

Roads and Drainage

Council has approximately 3,000 kilometres of constructed roads in its region and over 1,750 kilometres of these roads are sealed. The roads and drainage work crews are charged with maintaining this road network to Budget constraints and providing safe travel for motorists. The work crews have operated from Council depots located at Gin Gin, Childers, Kalkie, Meadowvale and East Bundaberg.

The sustained wet weather over the past twelve months has had a major impact on Council's road network. Traffic loading on rain saturated pavements has resulted in extensive potholes and pavement failures. A number of large culvert structures were washed away in the rains leading up to the river flooding after Christmas 2010. Funding for restoration works, estimated to cost in excess of \$40 million is being sought through the Natural Disaster Relief and Recovery Arrangements (NDRRA). To be eligible for this funding, the works have to be undertaken by contractors and Council does not get reimbursed if its own crews carry out the work.



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As well as maintaining and upgrading Council's road network, the roads and drainage work crews have maintained the stormwater drainage systems and the network pathways across the region. Council undertakes contract maintenance work for the Department of Transport and Main Roads on the State controlled road network and undertakes civil works for private entities and other Council departments.

The continued wet season has delayed many capital works projects. Some of the major capital road works projects completed during the year include:-

- Barolin/George Streets – reconstruction of roundabout at intersection;
- Birthamba Road - reconstruction through floodway;
- Bucca Road – widening west of Birthamba Road;
- Kenzler Road - stormwater drainage works;
- Monduran Road - culverts at Floodway near Lower Waterloo Road;
- Monduran Road - widening from Bruce Highway;
- North South Road - sealing to Bruce Highway;
- Waterview Road – improvements to drainage;
- Wonbah - Geata Road – sealing;
- Car park Civil Works for Bundaberg Airport;
- Bundaberg East State School Footpath;
- Bundaberg South State School Footpath;
- Burnett Heads State School Footpath;
- Hinkler Avenue Footpath;
- Norville State School Footpath;

- Murdochs Road, Moore Park Beach Footpath;
- Branyan Drive Footpath;
- Pedestrian Bridge - Elliott St Gin Gin - replace existing bridge;
- Price Street Drainage - improvements carried out;
- Bingera Street Drainage – Stage 2 constructed;
- Lovers Walk - drainage improvements carried out;
- Parklands Outlet Drain – constructed;
- Avondale - drainage works undertaken; and
- Sea Esplanade Burnett heads - new drainage installed.

Works currently under construction include:-

- Bundaberg Airport Link Road (from Takalvan St) – reconstruction;
- Back Windermere Road – reconstruction to two lane sealed width;
- Coonarr Road – widening west of Dr Mays Crossing Road;
- Duckpond Road – Sealing off Gin Gin Mt Perry Road;
- Bargara Coastal Pathways; and
- Goodwood Road Detention Basin – pump installation.

Water and Sewerage

Bundaberg Regional Council provides water and wastewater services to approximately 90,000 residents in the Bundaberg Region. Major centres where this service is offered include Bundaberg City, Bargara, Childers, Gin Gin and Woodgate Beach.

Council is responsible for the operation and maintenance of water and wastewater treatment plants, pump stations and network assets. These assets have an approximate replacement value of \$480 million.

Council has strived to achieve a high level of customer service in the delivery of this utility. Council's performance in this area has highlighted the attention given to maintenance and the renewal of aging assets during this period.

A number of strategic planning documents have been completed this year, including the Coastal Water Supply Strategy and the Coastal Wastewater Treatment Master Plan. Other major projects completed during this financial year include:-

- The preparation of Drinking Water Quality Management Plans for Council's water supply schemes. These plans shall aid in improving the reliability of water treatment and the quality of drinking water;
- Upgrading of the Supervisory Control and Data Acquisition system (SCADA) for Bundaberg City and the commencement of regional SCADA improvements;
- Improvements undertaken at the Wallaville Water Treatment Plant;
- Replacement of water hydrants in Childers and Gin Gin to improve fire fighting flows;
- Commencement of a project to apply bio-solids on local farms as a soil conditioner;
- Completion of the Gahans Road sewerage infrastructure;
- Completion of the Gin Gin Sewerage Pump Station;
- Commencement of the upgrade to the Bourbong Street Sewerage Pump Station; and
- Commencement of preliminary planning work on the new Rubyanna Sewerage Treatment Plant.

Support Services

Support Services Group provides Assets Management, Design and Survey Services, Fleet and Trade services and management of Depots. These areas of support provide advice, assistance, maintenance and construction services across Council's operational sections. During the second half of the 2010/11 reporting year, the Building Projects division was transferred from Support Services to a new Projects Group following amalgamation of two Directorates, Infrastructure Services and Planning and Development Services.

Assets Services

This team has guided the operational groups of Council in the completion of Asset Management Plans for each class of assets in accordance with the requirements of State Legislation. These Asset Management Plans will guide further development of detailed procedures and programs for asset classes in future years. The department continued the development and rollout of Asset Management software for Council's \$2.1 billion of assets.

Initial work has focused on financial aspects of asset management in forecasting Asset Replacement Programs. Priority implementation in regard to data collection, maintenance scheduling and modeling in the areas of roads, drainage, water and sewerage continues, however operational sections are now starting to utilise captured data for operational improvements.

Design and Survey

This team has completed the investigation and design for Council's budgeted capital works. Significant projects include:-

- Bundaberg Aerospace Precinct;
- Design of Council's first road based "Rain Garden" to improve water quality for Burkitts Reef, Great Sandy Marine Park. This was undertaken as a partnership with Burnett Mary Regional Group (BMRG) at Esplanade, Bargara Beach;
- Hydrologic modeling of Beach Milieu Estate (Bargara);
- Rocky Point, Kalkie and Sandy Hook Boat Ramps; and
- Culvert upgrades for Fish Passage at Kenzlers Road, Splitters Creek (BMRG partnership).

As a result of the January 2011 flood event, many Council programs of work were stalled and staff reallocated to address the significant road damage and emergent drainage issues. Investigations are ongoing as a result of these events which will bring minor impacts to the 2011/12 work programs.

The following are the more significant flood related projects undertaken by the Design and Survey sections:-

- Sheepstation Creek Culvert Replacement (Wallaville-Goondoon Road, Drinan);
- Arcadia Drive Culvert Replacement (Branyan);
- Drainage investigations at Moore Park Beach and Tantitha;
- Geotechnical investigations for slope stability at McCoy's Creek and the Burnett River at Robina Drive, Riverside Parklands and Targo St Marina;
- Survey of peak flood levels for over 100km along the Burnett River in consultation with property owners from Bundaberg Port to Paradise Dam. This was carried out for both flood events and also coordinated with aerial photography for the January 2011 event. This data now forms the most comprehensive collection of flood level information ever recorded for an event on the lower reaches of the Burnett River.

Fleet Services

This team has managed and maintained Council's 1,619 units of plant (671 major plant items valued at approximately \$22.5 million and 948 minor plant items valued at approximately \$1.8 million). Continued development of the Fleet Asset Management System has targeted improving forecasting of plant replacement programs and identifying opportunities for improvement in utilisation and operation of plant within Council's fleet.

Under the Fleet Purchase Replacement Program, Fleet Services arranged purchase and delivery of 214 items (102 major plant items and 112 minor plant items) with several specialised items purchased in response to technology improvements, production demands and legislative changes.

A Workshops Rationalisation Program was developed that, when implemented in 2011-12 year, will see the fleet workshops core operations consolidated at three sites in the region and supported with increased use of Council's new mobile service trucks and machinery floats to deliver improved utilisation of plant across the regional worksites.

Trade Services and Depots

This team offers extensive support to internal sections of Council throughout the 2010/11 reporting year with the coordination of over 5,000 recognised jobs. Delivery of these jobs was undertaken utilising both Council staff (79%) and contractors (21%).

These works involved both maintenance and construction in the areas of water and wastewater processing, pumping, building services, instrumentation, communication, refrigeration and air-conditioning.

This branch also coordinated and performed hundreds of mandatory compliance checks of electrical, mechanical, gas, lifting, access and emergency installations in Council's buildings and facilities on behalf of Council's operations and Workplace Health and Safety sections.

A major program for Depot Rationalisation has been developed that, when implemented in 2011-12, will see the relocation of operating groups and consolidation of depot sites at five main sites in the region, providing increased coordination of operations and will be supported with targeted workshop operations and increased use of Council's new mobile service trucks and machinery floats to deliver improved utilisation of plant across the regional worksites.



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Building Projects

This team has provided project management support for the completion of major alterations to Council's buildings and facilities and construction of Seniors Units at 31 Osborn Street, Svensson Heights. The section was also involved with preliminary planning for the Showgrounds Redevelopment, Agro trend Redevelopment and the new Athletics Facility.

In addition, the building project construction section assisted with 433 minor construction/maintenance jobs supporting operational sections across the organisation and several large general projects including:-

- Construction of Croucher Street (Belmont Park) Sewer Pump Station;
- Regional and Local Community Infrastructure Plan (RLCIP) funded projects for disabled lift to stage, Civic Centre Auditorium and Fairymead House, equipment lift for Civic Centre Auditorium and cover for feed conveyors to the Material Recycle Facility;
- Construction of toilet blocks for Smiths Crossing, Gin Gin Cemetery, Olsen Park/Skyring Street and an upgrade to the toilet blocks and a new generator shed for Miara Holiday Park;
- Refurbishment of Moore Park Beach Holiday Park on-site cabins;
- Construction of Childers Neighbourhood Centre;
- Refurbishment of Council offices at the Bundaberg Botanic Gardens;
- Material Recovery Facility (MRF) Compactor;
- Installation of Airport Car park Management System;
- Refurbishment of Gin Gin Streetscape – footpaths and toilet block upgrades;
- Demolition of flood damaged Walla Street Hall;
- Reinstatement of hand rails for the flood damaged Alexandra Park Jetty; and
- Reinstatement of small pontoon for the flood damaged Rowers Club, Riverside Parklands.

Planning Assessment

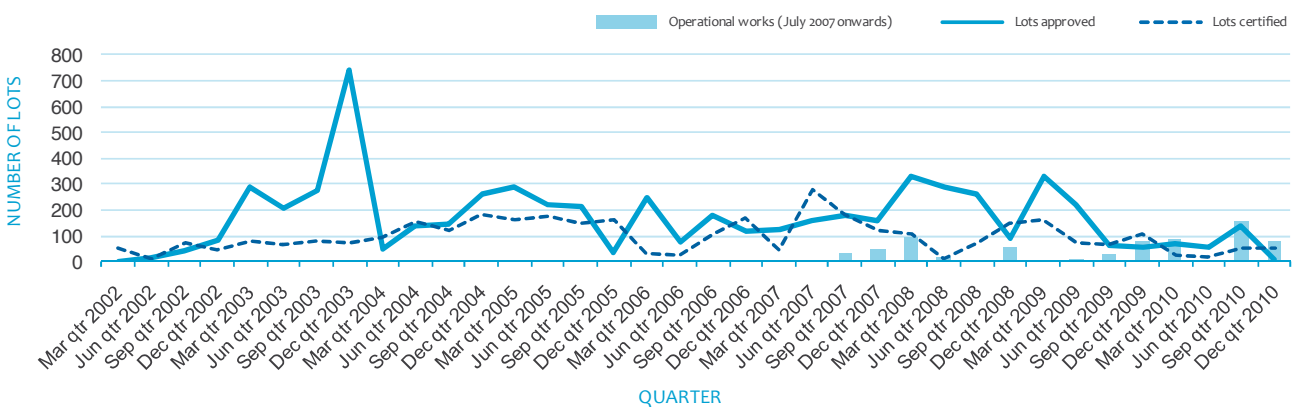
Planning Services development assessment operations for the 2010/2011 reporting year period have remained steady, generally reflective of the moderate activity levels in the Bundaberg Region's property and development sectors over the past twelve months.

Bundaberg Regional Council is recognised as one of 19 high growth Councils in Queensland. 459 planning applications were received by Council during the 2010/2011 reporting year, which is a slight decrease on the previous period.

Council's Planning Services program remains committed to the development and implementation of leading industry practices relating to development assessment initiatives, promoting quick and transparent assessment processes in collaboration with key stakeholders. In early 2010, Bundaberg Regional Council became the first Council in Regional Queensland to activate the 'Smart eDA' electronic development assessment system. Recent 'Smart eDA' usage data now indicates that Bundaberg Regional Council has the second highest assessment activity of any Queensland Council utilising the system. In 2010/2011 Council's Planning Services program has also continued an active partnership with the Federal Government Housing Affordability Fund and delivered a Planning and Development Online information services, which will be expanded over the next twelve months.

In 2010/2011 Council has also continued its active association with the Urban Development Institute of Australia (Bundaberg Branch) in an effort to be responsive to the needs of the Regions development Industry.

Below is a snapshot at the quarterly residential lot development activity experienced by the Bundaberg Region since March 2002.



Source: Office of Economic & Statistical Research - <http://www.oesr.qld.gov.au/products/profiles/res-land-dwelling-activity-lga/res-land-dwelling-activity-bundaberg.pdf>

Strategic Planning

Following the Queensland State Government's release of the Draft Wide Bay Burnett Regional Plan in October 2010, Council's Strategic Planning unit undertook a critical review of the policy content in the Draft Regional Plan to determine the significant implications for the future growth of the Bundaberg Region, and the preparation of Council's new planning scheme. A number of workshops with Council resulted in a comprehensive submission being made to the State Government in late-2010 regarding the Draft Regional Plan.

Over the same period, Council undertook an extensive tender process to appoint specialist town planning consultants to assist Council in the preparation of a new planning scheme for the Bundaberg Region. The Bundaberg Region Planning Scheme Project kicked off in November 2010, and by the end of 2010/2011 reporting year Stage 1 of the project has neared completion.

Stage 1 work involved the preparation of a scoping study, and included a review of Council's existing planning documents, and identification of the wide range of State interests, planning policy and issues needing to be addressed in the preparation of the new planning scheme. The scoping study identified a number of supplementary planning studies required to fill information gaps in Council's strategic planning database, and to inform the preparation of the new planning scheme. Work on these planning studies commenced late in the 2010/2011 reporting year. The scoping study also incorporated the preparation of a communications plan to steer Council's community consultation and engagement activities for future project stages of the planning scheme project.

Council's Strategic Planning unit continued to maintain Council's existing planning schemes through the year, with amendments to the Burnett Shire Planning Scheme and the Kolan Shire Planning Scheme. Amendments to the Burnett Shire Planning Scheme, which included a number of administrative changes to assist in the interpretation and operation of the planning scheme, were finalised in February 2011. Amendments to the Kolan Shire Planning Scheme commenced in October 2010 and were placed on public notice in early 2011, and are expected to be completed early in the 2011/12 reporting year. Over the final months of the year Council's Strategic Planning unit drafted amendments to the Bundaberg City Plan and Burnett Shire Planning Scheme to replace the existing infrastructure contributions policies with Priority Infrastructure Plans and Adopted Charges, for the charging of development for trunk infrastructure, including sewerage, water supply, transport/roads, stormwater drainage, and community facilities and parks. Council's Strategic Planning and Sustainable Development units will continue to work together on these amendments into the next financial year, ensuring that Council's infrastructure charging processes comply with recent and on-going infrastructure charges reforms being carried out by the Queensland State Government.

Sustainable Development

Sustainable Development manages the construction of private development works undertaken within the region. The following significant projects were constructed in 2010/2011:-

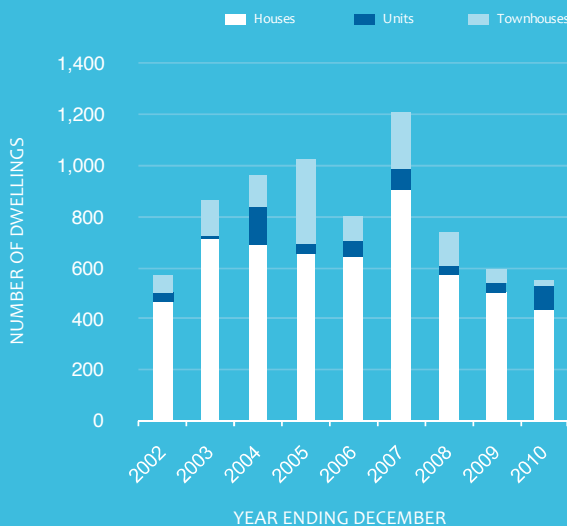
- Country Calm Estate, Stage 4 – Childers
- Brickworks Circuit Commercial Subdivision – Bundaberg
- Edamgrove Residential Subdivision, Stage 3 – Woodgate Beach
- Branyan Park Residential Subdivision, Stage 5 – Bundaberg
- Parklands Rural Residential Subdivision, Stage 8 – off Isis Highway

Building and Plumbing Services

Following a review of the Building Services Bundaberg Certification Unit, a decision was made to withdraw Council building certification services from the Bundaberg and Bargara areas. Consequently, building certification in the Bundaberg and Bargara areas will now be undertaken only by private building certifiers. Council continues to provide building certification services to Childers and Gin Gin. Council also will continue to undertake all plumbing and drainage assessments throughout the region.

The Building Services Section approved 2,089 Development Permits for Building Works with a constructed value of \$269,787,058 for 2010/2011. The adjacent table provides an indication of residential building activity within the Bundaberg Region over recent years.

The Plumbing Section approved 793 applications for compliance permits for Plumbing and Drainage Works within the 2010/2011 reporting year.



Source: Office of Economic & Statistical Research - <http://www.oesr.qld.gov.au/products/profiles/res-land-dwelling-activity-lga/res-land-dwelling-activity-bundaberg.pdf>



commercial business and economic development

The Commercial Business & Economic Development branch which encompasses the service areas of the Economic Development Unit, Airport Operations and Tourism Services continues to experience extremely busy times with many projects coming to fruition across the region. The Bundaberg Region Economic Development Strategy 2009-2014 provides clear direction for the Branch's activities across the region and the engagement of the many stakeholders groups within.

During 2010/2011 the branch welcomed a number of new staff including a Manager, an Economic Development Officer and the introduction of a Jobs and Skills Development Officer (JSDO) to the team. The JSDO program is funded by Skills Queensland and works closely with the Department of Employment Economic Development and Innovation (DEEDI) on the delivery of post natural disaster skilling, training and participation programs.

The restructure of the branch during 2010/2011 also saw the realigned of roles such as Strategic Events and Strategic Projects coordination which are now to be managed by other relevant directorates within Council.

In conjunction with the Port of Bundaberg, Council continues to support the Bundaberg Region Futures Program. This program assists in the provision of strategic economic development services including the facilitation of business and industry opportunities and investment attraction activities that result in new economic growth. In addition, Council continues to fund the Sister Cities Program and has developed specific programs and initiatives aimed at maximising economic opportunities between the regions. This includes an EDU staff member represented regional business and industry at the 2010 China-Asean Expo held in Nanning, China.

Key outcomes for 2010/2011 include:

- Development and growth of key industry sectors despite difficult trading conditions and flood events in early 2011.

- Coordination of the Economic Recovery sub-group being part of Council's natural disaster management response to the January floods.
- Strong support of local business and industry including the four regional Chambers of Commerce.
- Ongoing delivery of the Bundaberg Aviation and Aerospace Precinct Master Plan to improve airport infrastructure and services to residents;
- Upgrade of the Bundaberg Regional Airport terminal including the provision of extra car parking places;
- Ongoing commercialisation of terminal rental and hanger leasing arrangements to better ensure a return on investment for ratepayers;
- Completion of the design and commencement of trunk infrastructure installation for a 34-lot commercial and industrial sub-division located within the precinct;
- Business and route development activities which have identified opportunities for additional aviation investment and services; and
- Being an active member of Aviation Wide Bay Burnett.

Tourism

Tourism within the Bundaberg region was directly affected by extreme weather events experienced across most of Queensland over the traditionally busy summer period. The adverse impacts extended through to the middle of 2011 and combined with external factors such as the continued uncertainty on global equity markets, high Australian Dollar and cost of living pressures domestically; created a challenging operating environment for the 2010/11 financial year. Reservations at Bundaberg Holiday Parks were for the most part delayed rather than cancelled boding well for a positive summer season over 2012/13. Despite the operating environment, revenues across the Council's commercial accommodation service provider Bundaberg Holiday Parks to the end June 2011 exceeded projections and occupancy rates for caravan site and cabin reservations were pleasing.

The business unit operates holiday parks in the Bundaberg CBD (Finemore Holiday Park), and at prime coastal locations including Burnett Heads (Burnett Heads Lighthouse Holiday Park), Elliott Heads (Elliott Heads Holiday Park) and Miara (Miara Holiday Park). In addition, a permit-based bush camping facility is operated at Norval Park.

Highlights for Bundaberg Holiday Parks during the 2010/2011 reporting year included:

- Significant improvements to the Moore Park Beach Holiday Park as of 1 March 2011 following the expiry of the previous lease. The rapid return of the services and amenity of the park has been widely remarked upon by locals and visitors alike, with positive letters and articles appearing in tourism magazines nationally. A near capacity winter period stands the operation of the park under the Bundaberg Holiday Parks brand in good stead to exceed revenue projections in the first year of operation and;
- Burnett Heads Lighthouse Holiday Park was recognised as a finalist in the Bundaberg Chamber of Commerce Business Excellence Awards in the Tourism Category for 2010.

The Hinkler Hall of Aviation, Council's spectacular aviation adventure experience and visitor attraction, continued its successful operation and in fact won the Tourism Category of the Bundaberg Chamber of Commerce Business Excellence Awards for 2010. The Hall was also recognised by Spinal Injuries Australia in their "Inclusive Community Award" Tourism Attractions as winner for the Bundaberg region, winner for South East Queensland, and finalist in the Queensland State awards. The marked decrease in visitor numbers to the region was also reflected in a decline in visitor numbers and revenues to Hinkler Hall of Aviation.

Functions at Fairymead House continue to increase and the wedding market has been specifically targeted in advertising to promote events at the House and surrounding Gardens.

Council continued its support of accredited visitor information services within the Bundaberg region, itself managing the popular seven day a week Childers Visitor Information Centre, and supporting Bundaberg North Burnett Tourism to operate the Bundaberg and Gin Gin Visitor Information Centres. The highlights this year included the Childers Visitor Information Centre gaining their Visitor Information Service accreditation following a comprehensive application process and The Old Pharmacy growing awareness and recognition as a unique visitor experience with an increase in tourists and coach groups visiting the museum.

Further tourism development activities supported by Council over the past year have included the formation of the Lake Monduran Management Advisory Committee to help address recreation development and safety in the area and the formation of the Childers Tourism Group which has shown positive results with a wholesale Childers Day Out pass being promoted to tour companies.

key statistics on organisation performance

The information provided below displays statistical evidence and trends on the volume of work undertaken by Council in specific service delivery areas that contribute to our vision of a Vibrant, Progressive, Connected and Sustainable region.

Indicators	2006/07	2007/08	2008/09	2009/10	2010/11	Analysis
Library Membership	45,892	34,203	39,227	43,349	29,908	Includes database purge of expired memberships.
Library items borrowed	1,102,696	1,040,124	1,074,002	1,091,716	952,460	
Art Centre visits	15,962	18,360	26,206	22,487	22,697	
Development applications received	Not available	Planning - 618 Operational Works - 175 Building - 3085 Plumbing - 1032	Planning - 512 Operational Works - 124 Building - 2725 Plumbing - 945	Planning - 519 Operational Works - 161 Building - 2728 Plumbing - 1022	Planning: 459 received 378 approved Op Works: 143 received 127 approved Building: 1715 received 2089 approved Plumbing: 783 received 793 approved	Application numbers have decreased due to the economic financial crisis.
Employment rate of total Region population	N/A	N/A	92.2%	92.9%	92.7%	
Total kerb side waste placed into landfill	N/A	19,194	21,753	22,500	23,000	
Total kerb side waste recycled	3,585	4,164	4,682	4,918	4,751	
Customer Service Request	N/A	N/A	79,477	52,288	42,015	
Correspondence received by Council	N/A	N/A	52,865	35,606	41,927	
Staff turn over	N/A	N/A	6.6%	9.01%	10.47%	This is broadly in line with the average turnover rate for Qld local govt at 12.5%.

Audit and Risk Management

Council's Audit and Risk Committee is an advisory committee established in accordance with its charter, under Council's Audit and Risk Management Policy and in accordance with the Local Government Act 2009. It complements the relationship between internal audit and the wider organisation, safeguarding internal audit's independence and further increasing the internal audit function's effectiveness and value to Council.

The committee provides a review and monitoring function over Council's corporate assurance, audit, risk management and corporate governance activities and arrangements. The committee reports to Council through the General Committee, on issues within its charter. At 30 June 2011, membership of the Audit and Risk Committee comprised;

- Chairman - Cr D Batt, Governance Portfolio spokesperson
- Cr G Barnes, Finance Portfolio spokesperson
- Mr D Green, External Community Representative
- Ms S Barletta, External Community Representative
- Mr P Byrne, Chief Executive Officer (advisory only)
- Mr G Hart, Director Governance (advisory only)

The Audit and Risk Committee is also attended by representatives from both the internal and external audit providers. Council contracted an Internal Audit firm, Ulton Group who are responsible for carrying out the internal audit function of Council. The internal auditors have conducted five audits during the financial year with the reports being presented to the committee.

The committee has also reviewed and confirmed a three year audit plan and a number of Internal Quality Audit teams with the aim of enhancing current work processes. The teams have completed their second round of audits and the findings have been presented to the Committee.

The Audit and Risk Committee has held three meetings and attended Audit and Risk Management training. At these meeting the Committee reviewed the external audit management letter. The external audit was conducted by the Queensland Audit Office assigned auditors, Deloitte Touche Tohmatsu who made 17 audit recommendations of which 16 have been finalized with the final recommendation being 85% complete.

Public Participation

During the period up to 30 June 2011, members of the public had a number of opportunities to put forward their views on particular issues by way of:

1. Deputations – With the permission of the Mayor, a member of the public may be given the opportunity to address Council personally or on behalf of a group of residents on a matter within the jurisdiction of the Council.
2. Where a development application requires impact assessment and is required to be publicly notified the general public are invited to provide comment or representation in respect of the proposal to Council.
3. Petitions – Written petitions can be addressed to any elected member for presentation to Council on any issue within the Council's jurisdiction.
4. Written Requests – A member of the public can write to the Chief Executive Officer on any Council policy, activity or service.
5. Elected Members – Members of the public can contact their elected representative to discuss any issue relevant to Council.
6. Consultative Groups – Council has established a number of Consultative Groups to seek feedback from the public.
7. Public Participation – Council has established an internet site www.bundaberg.qld.gov.au which the public are welcome to provide feedback to Council and ask for information on the range of Council services.

Members of the public who wish to raise an issue or require a response to a particular matter are invited to forward a letter addressed to the Chief Executive Officer marked 'Public Participation' outlining their concerns.

Council's Ordinary Meetings were held at various "regional" centres during the year, including Buxton, Gin Gin and Booyal. At each of these meetings, a Community Consultation Forum was held afterwards, so residents could talk to the Councillor their choice. These one-on-one meetings are also available after each Ordinary Meeting held in the main Bundaberg Council Chambers.

Community & Stakeholder Engagement

Council continued its strong focus on Community and Stakeholder Engagement during the 2010/2011 reporting year.

Council's work on its first long term Community Plan, Bundaberg Region 2031, saw extensive community engagement undertaken, including the "Your 2031" online survey, which received over 500 submissions, visioning workshops held throughout the region, and further consultation sessions to present the Draft Community Plan and receive feedback in Gin Gin, Bargara, Moore Park Beach, Bundaberg, Childers and Woodgate Beach. The education, health, community care, seniors, sport, disability and public interest sectors were provided with regular updates on the project, and invited to be provide their input into development of the plan.

Council also began community engagement on the new Bundaberg Regional Planning Scheme Project. The new planning scheme – the first for the Bundaberg region as a whole and the most significant planning project to be undertaken by Council – invited interested stakeholders to be part of a Community Reference Group to provide advice to Council on issues associated with the development of the new planning scheme. Stakeholders were also encouraged to register to be part of future consultation events.



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Council continued to hold its Ordinary Meetings around the region on a regular basis. In this year they were held at Buxton, Gin Gin and Booyal were an ideal opportunity for interested residents to see Council "in action" and to meet Councillors and staff after the meeting.

Council's "Bright Ideas" box at Hinkler Central Shopping Centre continues to be well used, while the "Have your Say" online forum on Council's website was another popular avenue for residents to have input.

Council also developed several Facebook pages during the year – for Council as a whole, and for topics including Flood Recovery, Disaster Management, Moncrieff Theatre, Art Galleries, Hinkler Hall of Aviation and Library. These are an increasingly important avenue for people to give Council their views, as well as a convenient way of finding out information on Council operations and events.

Council's Natural Resources team is committed to community engagement through the formation of the 'Community Conservation Advisory Group' which meets four times a year. Senior staff and elected representatives are also part of many stakeholder groups, including Wetlandcare Australia, the Local Marine Advisory Committee, Bundaberg Fruit and Vegetable Growers Association and Integrated Pest Management committees.

The Community Services team continues its ongoing consultation with the community through many groups, including the Seniors Network, Family and Baby Network, Bundaberg Region Learning Community Network, Mental Wellbeing Alliance, Healthy Lifestyle Group, Bundaberg Region Cycle Action Group and Disability Sector Network.

Councillors, together with Senior Council Officers, continue to consult with the Development Industry through regular meetings with the Urban Development Institute of Australia Consultation Group.

Businesses around the region have also had regular consultation with Councillors and Economic Development staff, through the Chambers of Commerce in Bundaberg, Coral Coast, Childers and Gin Gin, with the first-ever meeting of all four Chamber Presidents and Council being held in this reporting year. Council's Tourism operations team also consults regularly with stakeholders and the community through the Lake Monduran Management Advisory Committee and Childers Tourism Group.

Council staff and Councillors also attended a number of major events around the region to showcase Council's many services and gauge community views, with Council Displays at Seniors, Health, Sports, Career and Lifestyle Expos, Agro Trend and the Bundaberg Show. These were so successful that the programme will be expanded in the next financial year.

Local Government finance standard requires the following details:

Overseas Travel

Overseas travel undertaken during the financial year by a Councillor or employee of the local government —

No Councillors or employees undertook Council funded overseas travel during the financial year.

Services rendered by a consultant, summarised by reference to categories of services include:

- Community and Cultural \$11,801.00
- Executive Services \$nil
- Finance \$27,996.00
- Governance \$48,721.00
- Health \$361,180.00
- Infrastructure \$87,861.00
- Planning and Development \$213,642.00

Entertainment or hospitality services

Entertainment and hospitality services cost totalled \$993.15

Advertising

Advertising costs for public notices, positions vacant, road closures and land sales totalled \$67,177.91

Grants to community organisations

Donations to the community totalled \$150,425.54

Councillors remuneration

Councillors' remuneration table for the period 1 July 2010 to 30 June 2011:

Councillor	Gross salary	Superannuation contributions	Training, Conferences and Travel	Home Internet Mobile Phone	Mileage	Total
L Pyefinch	\$131,101.50	\$15,732.22	\$9,454.89	\$873.69	Nil	\$157,162.30
A Bush	\$82,700.02	\$9,924.06	\$1,727.38	\$1,492.92	\$8,919.51	\$104,763.89
T Ricciardi	\$93,092.49	\$11,171.14	\$2,481.37	\$1,878.21	\$14,230.80*	\$122,854.01
W Honor	\$82,700.02	\$9,924.06	\$1,765.24	\$2,174.25	\$14,230.80*	\$110,794.37
M Wilkinson	\$82,700.02	\$9,924.06	Nil	\$600.03	Nil	\$ 93,224.11
G Barnes	\$82,700.02	\$9,924.06	\$737.10	\$2,132.18	\$7,351.50	\$102,844.86
D Rowleson	\$82,700.02	\$9,924.06	Nil	\$1,413.54	\$14,230.80*	\$108,268.42
R Sommerfeld	\$82,700.02	\$9,924.06	\$3,234.94	\$1,752.27	\$3,816.18	\$101,427.47
D Batt	\$82,700.02	\$9,924.06	\$374.28	\$1,947.70	\$7,789.98	\$102,736.04
J Peters	\$82,700.02	\$9,924.06	\$5,057.29	\$1,316.37	\$14,230.80*	\$113,228.54
L Forgan	\$82,700.02	\$9,924.06	\$918.92	\$2,015.00	\$5,841.56	\$101,399.56
	\$968,494.17	\$116,219.90	\$25,751.41	\$17,596.16	\$90,641.93	\$1,218,703.57

* Reflects the optioned provision of a fully-maintained Council motor vehicle in lieu of mileage paid Mayor and Councillors' remuneration paid in accordance with Remuneration Tribunal - [HTTP://dip.qld.gov.au](http://dip.qld.gov.au)

Total of Meetings attended July 2010 to June 2011:

	L Pyefinch	A Bush	T Ricciardi	W Honor	M Wilkinson	G Barnes	D Rowleson	R Sommerfeld	D Batt	J Peters	L Forgan
Ordinary Meetings	15	15	15	15	11	14	13	13	15	15	15
Planning and Development Committee Meetings	14 *	10 *	17	22	21	21	7 *	22	8 *	11 *	11 *
Special Meetings	3	3	3	3	3	3	3	3	3	3	3
Total Meetings	32	28	35	40	35	38	23	38	26	29	29

* By resolution of Council made on 1 February 2011 these Councillors were appointed as members of the Planning and Development Committee, effective from the meeting held on 3 February 2011.



Appointments to Committees and other Bodies to 30 June 2011:

Name of Committee / other bodies	Councillors
Bundaberg and District Vector Control Committee	Cr M Wilkinson Cr D Rowleson
Bundaberg Area Committee Crime Stoppers Queensland	Cr R Sommerfeld Cr G Barnes Cr W Honor Cr L Forgan
Bundaberg Crime Prevention Committee	Cr M Wilkinson (Chair)
Bundaberg Groundwater Area Advisory Committee	Cr A Bush Cr T Ricciardi (Cr W Honor – proxy)
Bundaberg Region Water Safety Advisory Group	Cr M Wilkinson (Chair)
Bundaberg Regional Council Audit and Risk Committee	Cr D Batt (Chair) Cr G Barnes (Cr A Bush and Cr M Wilkinson – proxies)
Bundaberg Toy Library Committee	Cr L Forgan
Cedars Landfill Advisory Committee	Cr T Ricciardi Cr W Honor
District Disaster Management Group	Cr L Pyefinch Cr D Batt
Hinkler Hall of Aviation Advisory Committee	Cr L Pyefinch Cr L Forgan
Life Education Bundaberg	Cr L Forgan
Local Disaster Management Group	Cr L Pyefinch (Chair) Cr D Batt (Deputy Chair)
Local Government Association of Queensland (LGAQ) Arts Reference Group	Cr J Peters
Local Government Association of Queensland (LGAQ) Policy Executive	Cr L Pyefinch
Local Government Association of Queensland (LGAQ) Social Reference Group	Cr J Peters
Regional Arts Development Fund Committee	Cr J Peters (Chair)
Wide Bay Burnett Regional Organisation of Councils	Cr L Pyefinch Cr T Ricciardi
Wide Bay Burnett Regional Planning Advisory Committee	Cr L Pyefinch (Cr R Sommerfeld – proxy)
Wide Bay Burnett Regional Roads Group	Cr L Pyefinch Cr W Honor
Wide Bay Burnett Regional Water Supply Strategy Management Committee	Cr A Bush

Executive Remuneration

Executive's remuneration table for the period 1 July 2010 to 30 June 2011:

Total Remuneration	Number
\$205,000 - \$220,000	5
\$225,000 - \$235,000	1
\$300,000 - \$315,000	1

Equal Employment Opportunity

Council is committed to providing equal employment opportunity to its employees and prospective employees. To help ensure equal employment opportunity in the recruitment, promotion and transfer of employees, Council trained 150 leaders in recruitment and selection processes and techniques.

Council recognises and encourages employees on the basis of their individual skills, experience and qualifications at all stages of their career. Council engaged 76 work experience students and employed trainees and 16 apprentices.

Employment status and staff age and groups are:

Employment status

Gender	Full Time	Part Time	Casual	Total
Female	169	29	35	233
Male	621	8	26	654
Total	789	37	61	888

Employee Age Group

Age	<24	25-34	35-44	45-54	55-65	>65
Male	44	78	135	242	139	14
Female	37	51	54	62	29	2

Code of Conduct for Staff - Public Service Ethics Act 1994

While there is no requirement under the Local Government Act 2009, elected members have resolved to a Code of Conduct for Councillors and can be found on Council's internet site.

- Placed the Employees Code of Conduct on Councils intranet site;
- Placed copies of the Employees Code of Conduct at all depots and offices;
- Undertaking the training of staff and is a regular component in the education of new employees.

Councillors Code of Conduct

While there is no requirement under the Local Government Act 2009, elected members have resolved to a Code of Conduct for Councillors and can be found on Council's internet site.

As well a register listing Councillors' material personal interests is also maintained. The Local Government Act 2009 requires elected members to declare any material personal interest in matters before Council and to remove themselves from any discussions or decision making on that matter. For a Councillor to have a material personal interest, there must be a personal benefit or gain received by the Councillor or a related person.

For the reporting period there have been no breaches of the Code of Conduct by a Councillor.

Registers open for inspection by members of the public

Annual Budget	Council policies
Annual Report	Delegations of authority
Land Record of Rateable Land	Fees and charges (regulatory fees and other charges)
Corporate and Operational Plans	Local law and subordinate local laws
Council minutes	NCP business activities
Councillors' register of interests	

Code of competitive conduct for business activities

In accordance with s45 of the Local Government Act 2009, Council has elected to apply the Code of Competitive Conduct (CCC) involving the application of full cost principles to its identified business activities.

A full review of the appropriate application of NCP reforms across Bundaberg Regional Council was undertaken and two business activities were identified as having reached the expenditure threshold for recognition as



financially significant business activities: Water and Wastewater, and Waste and Recycling. A Public Benefit Assessment was completed in June 2010 (in accordance with State Government legislation) and it was determined that the adoption of full cost pricing was the appropriate structural reform to apply.

The financially significant Type 2 business activities of Bundaberg Regional Council are:

- Water and Wastewater; and
- Waste and Recycling.

Type 3 (competitive) business activities are:

- Caravan Parks; and
- Bundaberg Airport.

Non-Type 3 business activity is:

- Building Certification.

Competitive neutrality complaints

As defined by s48 of the Local Government Act 2009, no competitive neutrality complaints were received.

Tenders and expressions of interest

There were no invitations to change tenders pursuant to Section 177(7) of the Local Government (Finance, Plans and reporting) Regulation 2010.

Public Interest Disclosure Policy

In accordance with provisions of the Public Interest Disclosure Act 2010 Council has developed a Public Interest Disclosure Policy. This Policy is premised on the firmly held belief that the reporting and investigation of suspected misconduct within Council is fundamental to its ongoing integrity and health.

The most effective protection for a person making a Public Interest Disclosure (PID) is the right organisational culture and Council strongly encourages disclosure of unethical and fraudulent behaviour and the reporting of serious misconduct and other important matters adversely affecting the public interest or Council operations. The Policy aims to provide clear guidance as to how Council will handle and deal with the complex issues associated with PIDs and the intent is to encourage all officers to be accountable for their actions and to maintain high standards of professional conduct and service.

This Policy complies with the Public Interest Disclosure Act 2010. In this Policy the term public officer applied to Councillors and Officers of Council.

General Complaints Management Process Disclosures

Under the Local Government Act 2009 and the Local Government (Operations) Regulations 2010 Council must develop a General Complaints Process.

The intent of this Policy is to establish a framework for the administration of complaints about administrative decisions and minor breaches of the Code of Conduct for Councillors.

The process does not apply to complaints relating to issues of competitive neutrality, official misconduct, those under the Public Interest Disclosures Act 2010, or those pertaining to meeting breaches, a repeat breach or a statutory breach under the Code of Conduct for Councillors.

Council received two applications under this policy for the reporting period to 30 June 2011.

Land

Council has control over approximately 5,053ha of parkland (which includes 132ha leased to recreational groups). The parks include land owned by Council and Crown Reserves, for which Council is the trustee. Areas of some parks are leased to local clubs and associations.

Council also controls 3,008km of roads on land defined under the Land Act 1994. (Roads not owned by Council)

Reimbursement of Expenses and Provision of Facilities for Councillors Policy and Resolution

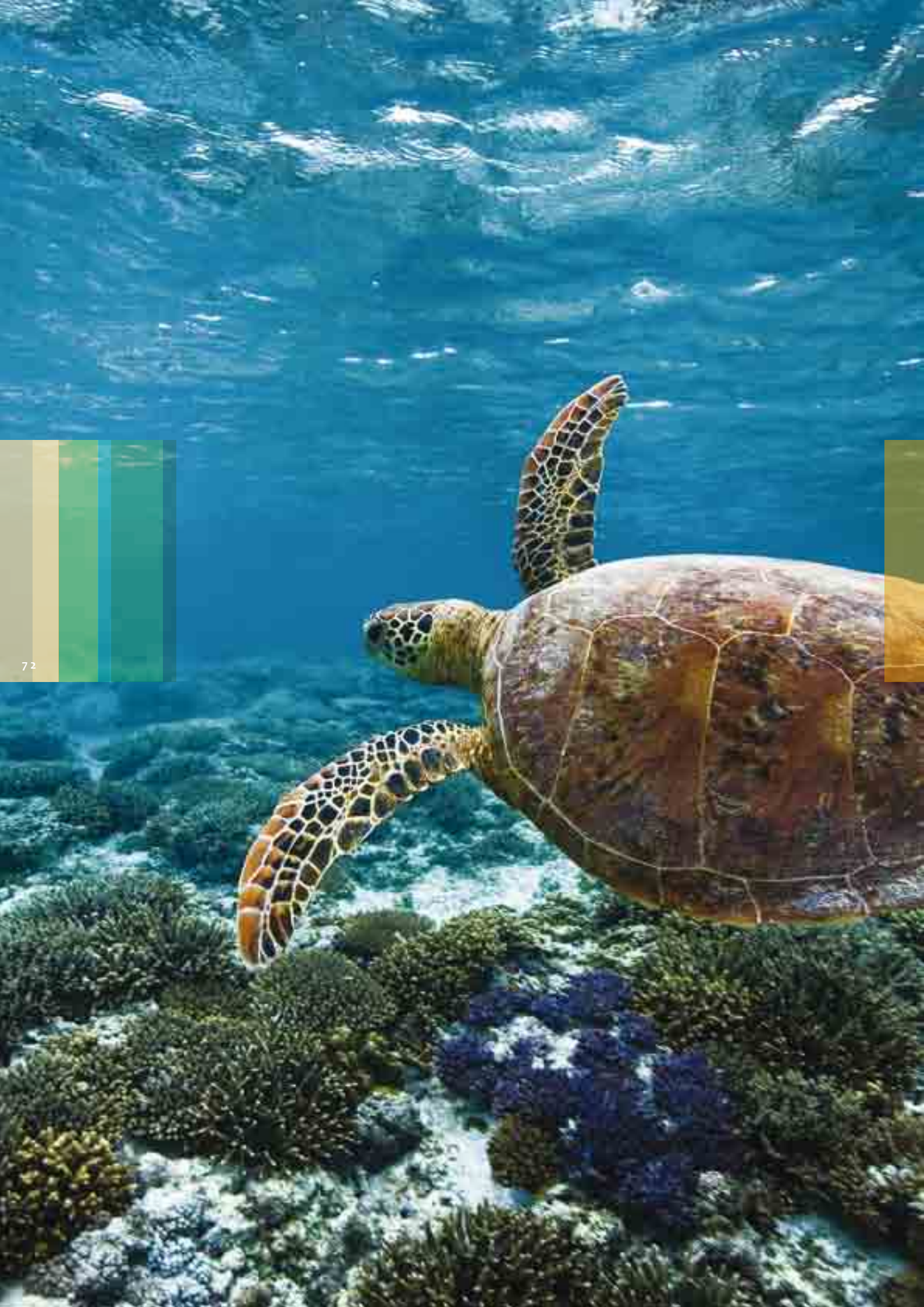
At the commencement of the current Council term March 2008 the Councillors were governed by the State Government Interim Reimbursement of Expenses and Provision of Facilities for Councillors guidelines. This remained until such time as Council adopted an approved Reimbursement of Expenses and Provision of Facilities for Councillors Policy.

Council passed a resolution adopting the Reimbursement of Expenses and Provision of Facilities for Councillors Policy

- a. The Reimbursement of Expenses and Provision of Facilities for Councillors Policy (as detailed on the ten pages appended to this Report) be adopted by Council.
- b. Council authorise the payment of reasonable expenses incurred and the provision of facilities to Councillors in accordance with the Reimbursement of Expenses and Provision of Facilities for Councillors Policy as adopted by Council.

Council's General Meeting of 19 May 2009 G.1





the reimbursement of expenses and provision of facilities for councillors governance policy



1.0 Intent

To ensure compliance with statutory requirements and community expectations relating to the payment or reimbursement of legitimate expenses and the provision of facilities for the Bundaberg Regional Council Councillors while carrying out their duties and responsibilities.

To ensure that Councillors have the facilities and support necessary to perform their civic duties as elected representatives of their local communities.

2.0 Scope

The policy applies to Bundaberg Regional Council Councillors and Mayor.

3.0 Policy Objectives

The purpose of the policy is to ensure that the Mayor, Deputy Mayor and Councillors can receive reimbursement of reasonable expenses and be provided with necessary facilities in performance of their role.

4.0 Policy

Background

The payment and/or reimbursement of expenses and the provision of facilities for Councillors must only be for the actual cost of legitimate business use and in accordance with the Local Government Act 2009 (the Act), Local Government (Operations) Regulations 2010 and the Guidelines for Councils: Reimbursement of Expenses and Provision of Facilities for Mayors and Councillors (the Guidelines) as issued by the Queensland Department of Local Government Sport and Recreation (the Department).

Councillors should not be financially disadvantaged when carrying out the requirements of the role of Councillor and should be fairly and reasonably compensated in accordance with statutory requirements and community expectations.



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The payment and/or reimbursement of expenses and provision of facilities for Councillors:

- is to be open and transparent, prudent, responsible, acceptable to the community and in accordance with statutory requirements;
- based on ensuring economy and efficiency; and
- subject to budget provisions.

Council must give public notice of the expenses reimbursement policy by publishing a public notice about the policy after it has been adopted.. The public notice must be published in a newspaper circulating in the local government area as soon as practicable after adopting the expenses reimbursement policy.

Council's annual report must contain a copy of the policy and a copy of any resolution made during the year authorising payment of expenses or provision of facilities to Councillors.. Council's annual report must also contain particulars about the expenses that were reimbursed, and the facilities that were provided to Councillors.

Councillors incurring expenses should not gain personal funds as a result of their role serving the community.. All reimbursement of expenses or provision of facilities must be for legitimate business use only, that is, to enable Councillors to effectively and efficiently carry out their civic duties.. Facilities and resources provided to Councillors by Council are for the sole use of. Councillors in undertaking their duties and must be used responsibly and appropriately.. Spouses, partners and family members of Councillors are not entitled to reimbursement of expenses or to have access to facilities allocated to Councillors.

Failure to comply with this policy or misappropriation of expenses or facilities may be a breach of the Councillor Code of Conduct and/or an offence under the Criminal Code 1899.

Definitions

Council Business means official business conducted on behalf of, and/or approved by Council or Mayor or Chief Executive Officer, where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council. Council Business should result in a benefit being achieved either for Council, the local government area or the community.

Council business includes functions that are a statutory requirement of the Councillor's role or are officially recorded in minutes or other public records.. This might also include, attending an event or function to perform official duties or as an official Council representative, such as -

- ceremonial openings of buildings or facilities;
- fetes and carnivals;
- annual or presentation dinners;
- public meetings;
- private meetings arranged through official Council channels (i.e. documented in official records or diary) for the purpose of conducting bona fide discussions of business of Council; and
- At the meetings of the local government or its committees that the Councillor is entitled to or asked to attend, or at which the Councillor has business for a resident of the local government's area; and
- At inspections or deputations, conferences and meetings at which the Councillor's attendance is permitted by the local government; and
- At official functions organised for the local government; and
- On residents of the area for the purpose of local government business.
- Gathering of information by a Councillor necessary to inform him or her of an incident of interest to Council or which properly falls within the responsibility of Council.

Councillors include Councillors, the Mayor and Deputy Mayor.

Civic duties means Council business.

Discretionary training is any training that is not determined by Mayor or Chief Executive Officer as "mandatory".

Expenses refers to expenses described in the Guidelines.

Facilities refer to the facilities deemed necessary to assist Councillors in their role as shown in the Guidelines.

Mandatory training is any training that Mayor or Chief Executive Officer determines that Councillors must attend.

Meal allowance is the daily amount allowed for meals while travelling on Council business.

Official capacity refers to activities undertaken while on Council business.

Public record is any record created, received or kept in an official capacity.

Representing Council - A Councillor is representing Council when Mayor or Chief Executive Officer determines that the Councillor is to attend an event or function as a representative of Council.

Travel advance is a cash payment paid in advance for anticipated expenses associated with travelling on Council business.. A travel advance may include expenses for meals, accommodation and incidentals.. All expenses must be reconciled at the return of the travel.

4.1 Expenses

The following expenses refer to actual expenses deemed necessary for Council business.. Councillors are only entitled to payment/reimbursement for the expenses contained in the categories listed below.

4.1 Council Business

Where Councillors are attending to Council business such as meetings, functions or other activities in an official capacity, Council will pay for the approved expenses associated with that activity.

4.1.1 Representing Council at Events and Conferences

Councillors may be required to attend a range of events and functions as part of their role in attending to Council business.. Councillors may, for example, be required to attend significant sporting and other community events in an official capacity.

Where the Mayor has approved that a Councillor is required to attend an event or conference either regionally or nationally as a delegate of Council, Council will pay for expenses associated with attending that event.

In the case of the Mayor is required to attend an event or conference either regionally or nationally as a delegate of Council the Chief Executive Officer can approve the attendance and Council will pay for expenses associated with attending that event.

Attendance at international conferences must be approved by Council.

4.1.2 Professional Development

The payment of expenses for professional development requires Council approval.

4.1.2.1 Mandatory Training

Councillors must attend training where the Mayor approves and where the Mayor is attending, the Chief Executive Officer approves, that all Councillors or a class of Councillors (e.g. newly elected Councillors) are to attend training courses, workshops, seminars or conferences for skill development related to a Councillor's role.. Council will meet all costs.

Examples of mandatory training include, but are not limited to, training for Councillor induction, code of conduct, meeting procedures and legislative obligations.

4.1.2.2 Discretionary Training

A Councillor can attend a conference, workshop or training that has been identified as relevant to their role (other than mandatory training as outlined above).. The Mayor can approve and where the Mayor is attending, the Chief Executive Officer may approve such training.

The funding limit for discretionary training is \$5,000 for each Councillor during their four (4) year term in office.

4.1.3 Travel costs

Councillors may incur travel costs for a number of reasons including attendance at conferences, training or workshops.

In general, the most cost effective form of travel must be used.. Councillors may request to travel using their own private vehicle for business purposes and claim a kilometre allowance based on log book details to substantiate their claim.

4.1.4 Accommodation

When attending conferences, Councillors must take advantage of any package provided by conference organisers and therefore, stay in the recommended accommodation unless prior approval has been granted by the Mayor, and where the Mayor is attending the Chief Executive Officer has approved.. In all other cases, the Mayor must decide, and where the Mayor is attending the Chief Executive Officer must decide what are legitimate accommodation costs for the purpose of reimbursement.

Councillors may receive up to \$20.00 per day to cover incidental costs incurred while travelling and staying away from home overnight.

4.1.5 Meals

Councillors may claim for the reimbursement of each actual cost per meal when travelling for business related purposes.

Alternatively, Councillors may be paid a daily meal allowance of:

- Breakfast \$20.00
- Lunch \$30.00
- Dinner \$40.00

4.1.6 Hospitality Expenses

Where Councillors incur hospitality expenses while conducting Council business, apart from official civic receptions organised by the Council, the maximum amount that may be reimbursed is:

- \$500.00 per annum for each Councillor; and
- \$6,000.00 per annum for the Mayor.

Where the Mayor has delegated the attendance at a function on the Mayor's behalf to another Councillor, any costs incurred by the Councillor for that function are to be charged against the Mayor's hospitality expense account.

Hospitality expenses related to official receptions and other functions organised by Council officers are met from relevant approved budgets.

4.1.7 Cab Charge and Public Transport

Councillors may claim for cab charge facilities or reimbursement for public transport tickets (rail, bus, ferry) to attend on official Council business only.

4.2 Facilities

Facilities provided for Councillors must be deemed necessary and required to assist Councillors in their official capacity.. In accordance with statutory provisions, Council may only provide Councillors with the facilities listed below.

All facilities provided to Councillors remain the property of Council and must be accounted for during annual equipment audits.. The facilities must be returned to Council when the Councillor's term expires, unless Council agrees to dispose of the facility in some other manner.

4.2.1 Administrative Tools and Council Office Amenities

4.2.1.1 Office Space and Access to Meeting Rooms

Council provides office accommodation and access to meeting rooms for Councillors.

The standard of Councillor office accommodation is as approved by the Chief Executive Officer.. Furniture and fittings for Councillor offices will be of a standard to allow Councillors to adequately undertake their roles as a Councillor.. In general, rooms provided for Councillor use will be located at Council owned or controlled premises such as libraries, community centres or branch offices.

4.2.1.2 Secretarial/Administrative Support

Council will provide administrative support for Councillors with Councillor Support Staff employed under Council's usual terms and conditions or employment.. Relief staff will be provided where practical and shall be subject to budgetary and operational constraints.

The Mayor is entitled to a full time Executive Assistant under Council's usual terms of employment.

4.2.1.3 Computer for Business Use

Councillors are provided with a desktop or a laptop computer for Council business use at the Councillor's office.

Where a Councillor is provided with a desktop computer at the Councillor's office, Council will approve a desktop computer for the Councillor's home office if required.

Where a Councillor is provided with a laptop computer, Council will provide a docking station and monitor for the Councillor's office and the Councillor's home office if required.

The standard of computer shall be similar to that available to Council managers, including provision of wireless/remote access to Council's information technology system.

4.2.1.4 Landline (Councillor Offices)

Councillors are provided with a Council landline telephone and internet access for business use.

4.2.1.5 Fax and/or Scanner (Councillor Offices)

Councillors are provided with a shared facsimile and scanner for business use at the Councillor's office.

4.2.1.6 Printer, Photocopier, Paper Shredder (Councillor Offices)

Councillors are entitled to a printer, paper shredder and shared photocopier for business use at the Councillor's office.

Councillors will be entitled to a printer at the Councillor's home office if required.. The standard of printer will be similar to that available to Council managers.

4.2.1.7 Stationery

Councillors are provided with Council stationery for official purposes only.. Council stationery (such as letterhead) is not to be converted or modified in any way and may only be used for carrying out the functions of the role of Councillor.. Stationery does not include any form of advertising or promotional material produced by Council.

Stationery will be provided similar to that available to Council managers.

4.2.1.8 Publications

Councillors are provided with copies of relevant legislation, books and journals considered necessary for undertaking their duties.. Where possible, these items will be provided in electronic format.. Publications approved by the Mayor and where the Mayor is requesting a publication, approved by the Chief Executive Officer, Council will meet the costs of such publications.

4.2.1.9 Other Administrative Necessities

Subject to Council approval, Councillors may be provided with any other administrative necessities to meet the business of Council.

4.2.1.10 Advertising

Council will not reimburse or provide funds, services or facilities for the purposes of advertising for Councillors.

4.2.1.11 Community Consultation

Councillors may use facilities provided to correspond with community representatives for the purpose of clarifying issues that are relevant to their portfolio, division or the Region in general.

Where a Councillor chooses to undertake further community consultation on a particular matter, in addition to that approved by Council, the Councillor is responsible for those costs.

4.2.2 Home Office

Councillors may be provided with home office equipment comprising a computer, or laptop docking station, facsimile machine, printer and internet access for business use only.

Where Council does not provide an internet or telephone connection at the Councillor's residence the Council will reimburse 50% of the monthly internet and telephone rental costs to the Councillor.

4.2.3 Maintenance Costs of any Council Owned Equipment

Council will cover all ongoing maintenance costs associated with Council owned equipment to ensure it is operating for optimal professional use.

4.2.4 Name Badge, Uniform and Safety Equipment

Councillors will be provided with a jacket and name badge as well as being provided with any safety equipment such as overalls, safety helmets or glasses, as required, in their role.

4.2.5 Vehicles, Fuel and Parking

4.2.5.1 Mileage on Private Vehicle

A Councillor who uses their private motor vehicle for official Council Business will be paid a monthly mileage allowance in accordance with the Australian Tax Office business use of motor vehicle cents per kilometre method and kilometre rate applicable at time of travel.

A Councillor who uses their private vehicle for Council Business will undertake a monthly reconciliation of Council business mileage for the private vehicle and seek reimbursement from Council for the actual mileage amount incurred for the month.

The Mileage allowance reimbursement will be paid up to a maximum of \$10,000 (6 cylinder vehicle) and \$8,700 (4 cylinder vehicle) per annum. Should the Councillor exceed the maximum amount they may elect to be supplied with a Council provided vehicle.

Council will provide GPS device (e.g. Navman) for use by Councillor.

4.2.5.2 Council Owned Vehicle

Councillors may be provided with a Council owned vehicle for official business, with access to private use of that vehicle being subject to reimbursement to Council for expenses (see below) associated with the private use of the vehicle.

- (1) A Councillor must keep records of "Council Business Use" in their private vehicles in an approved recording system for a minimum period of six (6) months prior to requesting a Council supplied vehicle.

(2) The expense for private use shall be calculated such that the contribution by the Councillor will be either:

- 2% of the Councillor's annual remuneration (excluding the amalgamation loading) or
- based on actual private use of the vehicle for the month with the private use reimbursement calculated in accordance with the Australian Tax Office business use of motor vehicle cents per kilometre method and kilometre rate applicable at time of travel.

Councillors must advise the Chief Executive Officer of which contribution method they choose.

(2) Vehicles provided will be in accordance with Council's fleet management practices and Use of Council Vehicle policy and will be purchased or leased ensuring a low carbon footprint.

All vehicles are to be approved by the Chief Executive Officer or their delegate.

(3) All fuel and maintenance costs will be paid by Council.

(4) Council will provide parking facilities for Councillors at their base office locations.. Council will provide parking facilities for all Councillors at Council buildings for the purpose of Committee and Ordinary Council meetings.

(5) Council will provide a GPS device (e.g. Navman) to each vehicle.

(6) Where a Council motor vehicle is provided to a Councillor, the Use of Council Vehicles Policy is applicable to the use of the vehicle.

4.2.6 Telecommunication Needs

Councillors will be provided with a mobile telephone or a hand held PDA palm pilot device (e.g. Blackberry).

Council will pay for all costs associated with the business use.. Any personal calls made by the Councillor must be reimbursed to Council.. In this context, Council acknowledges that, in principle, it will accept prima facie 5% of the total call charges for a mobile telephone being considered as personal calls and therefore subject to reimbursement to the Council by a Councillor.. This principle is subject to review, on a case by case basis should it become evident to the Chief Executive Officer that 5% is reasonably insufficient to cover the actual personal calls for any specific telephone account.

Alternatively, a Councillor may elect to undertake a detailed review of each monthly telephone account and provide reimbursement to Council for the actual amount incurred for private use.

Council will pay for the cost of home internet access for business use only.

4.2.7 Legal Costs and Insurance Cover

Council may decide, pursuant to s107 of the Local Government Act 2009, to cover costs incurred through any inquiry, investigation, hearing or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillor's performance of his/her civic functions.

Councillors will be covered under Council insurance policies while discharging civic duties.. Specifically, insurance cover will be provided for public liability, professional indemnity, Councillor's liability, personal accident and/or workers compensation, international and domestic travel insurance.

4.2.8 Credit Card

A credit card may be made available to the Mayor and Deputy Mayor and will be issued with the approval of the Chief Executive Officer.. The credit card should only be used for extraordinary business expenses directly related to the Mayor or Deputy Mayor attending to Councils business.

Personal expenses not related to the business of Council must not be charged to the Credit Card.

A statement of expenses including all receipts must be used to reconcile all credit card expenditure and must be submitted to the Chief Executive Officer within seven (7) days of receiving the credit card statement.

4.2.9 Provision of Meals

Councillors will be provided with light meals and morning and afternoon teas if they are required to attend statutory or other prescribed Council meetings that extend over these meal periods.

4.2.10 Non Allowable Expenses

Requests for payment/reimbursement of expenses associated with the following will not be paid or reimbursed:

- unreasonable alcohol expenses (a glass of alcoholic beverage with a meal is not considered unreasonable).
- unreasonable personal telephone expenses (a short daily telephone call to home would not be considered unreasonable).
- toiletries
- mini bar purchases
- traffic infringements
- laundering or dry cleaning
- airline membership
- in flight and in house movies
- expenses incurred by or on behalf of others such as partners, family members and associates

5.0 Controls

This policy is in compliance with the Guidelines for Councils - Reimbursement of Expenses and Provisions of Facilities for Mayors and Councillors issued by the Chief Executive of the Department of Infrastructure and Planning, the Local Government Act 2009 and Local Government (Operations) Regulation 2010.

6.0 Effective From

The Councillor's Expenses Reimbursement and Provision of Facilities Policy was adopted by Bundaberg Regional Council on the 22 September 2009 (Item G1).

This policy will be effective from 22 September 2009.

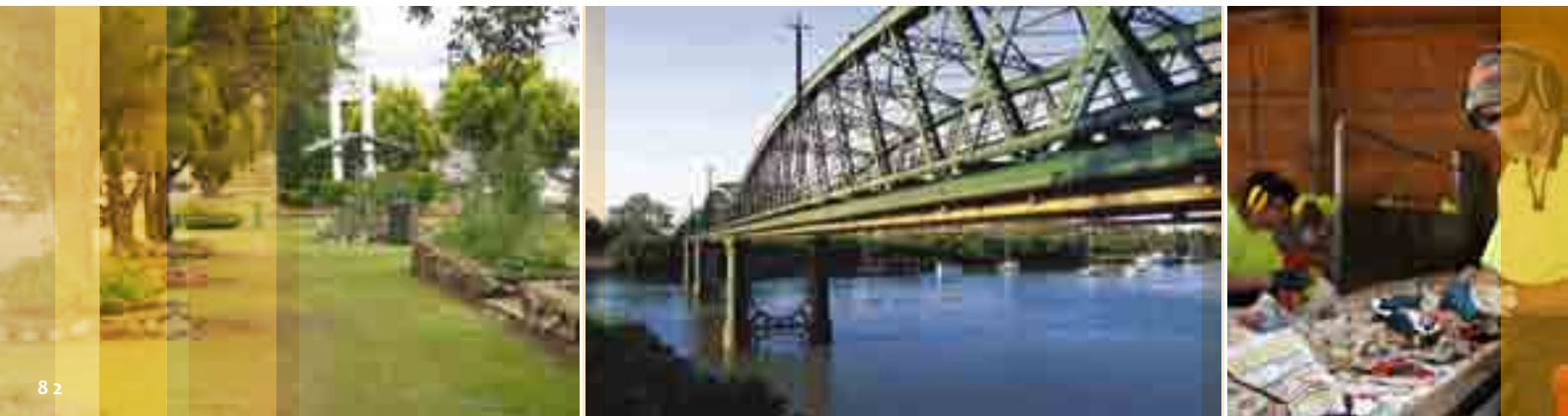
7.0 Associated Documents

Guidelines for Councils - Reimbursement of Expenses and Provisions of Facilities for Mayors and Councillors

GP-3-005 Use of Council Vehicles Governance Policy

Local Government Act 2009

Local Government (Operations) Regulation 2010



revenue governance policy

1.0 Intent

To set the principles which Council will use for:

- The making of rates and charges;
- The levying of rates;
- The recovery of rates and charges;
- Concessions for rates and charges.

Whilst observing these principles Council may apply any of the relevant provisions of the Local Government Act 2009, Local Government Finance Standard and Local Government Regulation 2010 relating to formulating, levying, applying concessions and recovery in its system of Rates and Charges.

2.0 Scope

This policy applies to the making of rates and charges, the levying of rates, the recovery of rates and charges, and concessions for rates and charges.

3.0 Policy Objectives

To meet the requirements of legislation including section 134 of the Local Government (Finance, Plans & Reporting) Regulation 2010.

Transparency, Simplicity, Equity, Fiscal Responsibility, Efficiency and Flexibility in making of rates and charges, levying of rates, recovery of rates and charges, and concessions for rates and charges.

4.0 Policy

4.1 Principles used for the making of Rates and Charges

In deciding the General rate, Council will consider the total projected expenditure and other revenues received when providing its services to the community.

Where possible, Council will be guided by the principle of user pays for the making of Rates and Charges for Water, Sewerage and Cleansing to minimise the impact of rating on the efficiency of the local economy.

In accordance with the Fire and Rescue Services Act 1990, Council is required to collect a fire levy on behalf of the Queensland Fire and Rescue Services. The levy is not a Council charge and the funds collected are remitted to the Queensland Fire and Rescue Services.

Council will also have regard to the principles of:

- Transparency in the making of rates and charge;
- Having in place a rating regime that is simple and inexpensive to administer;
- Equity by taking account of the different levels of capacity to pay within the local community;
- Flexibility to take account of changes in the local economy.

In determining rates and charges the Council will have regard to reserves held or desired to be held in respect of asset replacement and/or specific purpose reserve funds. Reserves will be used for designated purposes, funding of “internal” loans when surplus reserves are available, and balancing of under or over expenditure against the original budget estimates.

In making Water Service Charges Council may consider the community benefits (health, safety, aesthetics, etc) gained by classes of landowner using this service.

4.2 Principles used for the levying of Rates

In levying rates Council will apply the principles of:

- Making clear what is the Council’s responsibility to the rating system and each ratepayer’s responsibilities in paying for the levy, ability to enjoy prompt payment discount and the application of interest for overdue rates;
- Making the levying system simple, efficient, and inexpensive to administer in order to minimise costs;
- Making clear the method of calculating the sums payable by a ratepayer;
- Empathy through flexible payment arrangements for Ratepayers experiencing financial difficulty in meeting their rating obligation;
- Discounting certain levies for payment by the due date;
- Timing the levy of rates to take into account the financial cycle of local economic activity, in order to assist smooth running of the local economy.

4.3 Principles used for the recovery of Rates and Charges

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

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

4.4 Rebates and Concessions for Rates and Charges

Statutory provision exists for the Council to remit or postpone rates in certain circumstances. These provisions are detailed in Part 6, Chapter 14 of the Local Government Act of 1993.

In considering the application of concessions, Council will be guided by the principles of:

- The same treatment for ratepayers with similar circumstances;
- Transparency by making clear the requirements necessary to receive concessions;
- Flexibility to allow Council to respond to local economic issues.
- Equity by having regard to the different levels of capacity to pay within the local community;

Consideration may be given by Council to granting a concession to a class of landowner without the need for an individual application (e.g. in the event an area is declared a natural disaster area by the State Government).

5.0 Controls

Section 134 of the Local Government (Finance, Plans & Reporting) Regulation 2010 requires the following in regard to a Local Government's Revenue Policy:

134 Revenue policy

- (1) A local government must prepare a revenue policy each financial year.
- (2) The revenue policy must state -
 - (a) the principles that the local government intends to apply in the financial year for -
 - (i) levying rates and charges; and
 - (ii) granting concessions for rates and charges; and
 - (iii) recovering overdue rates and charges; and
 - (iv) cost-recovery fees; and
 - (b) if the local government intends to grant concessions for rates and charges - the purpose for the concessions; and
 - (c) the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development; and
 - (d) the amount of each reserve to be kept in the operating fund and the way in which the local government intends to ensure funding is available to support the purpose of each reserve.
- (3) The revenue policy may state guidelines that may be used for preparing the local government's revenue statement.
- (4) The local government must adopt the revenue policy in sufficient time before the start of the financial year to allow an annual budget that is consistent with the revenue policy to be adopted for the financial year.
- (5) The local government may amend the revenue policy at any time before the end of the financial year.

6.0 Effective From

This Policy is effective from 1 July 2010.

7.0 Associated Documents

GP-3-038 Revenue Statement Policy

Local Government Act 2009

Local Government (Finance, Plans and Reporting) Regulation 2010



revenue statement

1.0 Intent

To establish:

- How Rates and Charges are determined, including the extent that Rates and Charges relate to relevant costs;
- Details on all rebates and concessions; and
- Details on any limitations on Rates and Charges.

2.0 Scope

This policy applies to the making of Rates and Charges, the levying of rates, the recovery of Rates and Charges, and concessions for Rates and Charges.

3.0 Policy Objectives

This Statement deals with the reasoning applied by Council in fixing Rates and Charges and if applicable, how the Council applies user pays principles to utility and general charges. Generally, this statement does not deal with specific dollar amounts.

This Revenue Statement specifically addresses the legislative requirements in respect of those matters detailed above. The Statement provides reasons why Council levies its Rates and Charges, why and how rebates and concessions are provided, and any limitations on these matters. Where appropriate, the basis for calculation of the various Rates and Charges may be shown.

4.0 Policy

4.1 The Determination of Rates and Charges:

The Bundaberg Regional Council for any financial year will, as properly planned to meet requirements, make and levy:

- Differential General Rates
- Minimum General Rates;
- Special Rates and Charges (generally across specific benefited or serviced areas of the Region); and
- Utility Charges.

In respect of utility charges, the Council will, as properly planned to meet requirements, make and levy such charges for:

- Supplying water services;
- Supplying sewerage services; and
- Supplying cleansing services.

By resolution, the Council will for any financial year, fix Cost-Recovery and Non-Regulatory Charges for services and facilities supplied by the Council pursuant to Sections 97 and 262 (c) of The Local Government Act 2009. In accordance with the Act, a Register of the Council's Cost-Recovery and Non-Regulatory charges will be kept at the Public Administration Office at 186–190 Bourbong Street, Bundaberg Central, and its Service Centres at Bargara, Childers and Gin Gin.

In determining Rates and Charges the Council will have regard to reserves held or desired to be held in respect of asset replacement and/or specific purpose reserve funds.. Reserves will be used for designated purposes, funding of "internal" loans when surplus reserves are available, and balancing of under or over expenditure against the original Budget estimates.

4.2 General Rates / Differential General Rates:

General Rates are principally allocated to rateable properties in the Regional area based on the Unimproved Capital Value (UCV) as supplied by the Lands Division of the Department of Environment and Resource Management.. General Rates are used to fund the general operations of Council after allowing for the income from all other Rates and Charges. The term "rateable land" is defined by Section 93(2) of The Local Government Act 2009.

Other relevant terms used in Council's differential rating criteria are defined as follows:

- 'Primary Council Land Use Code'-. shall mean. -. A four-character code recorded in Council's rating files as a Local Government Code which identifies the principal use of the land;.
- 'Secondary Council Land Use Code'.. – shall mean. -. A four-character code used in conjunction with the Primary Council Land Use code to indicate a particular land use.
- 'Strata Title Residential and Commercial Property' 'Strata Title Residential and Commercial Use' -. shall mean. -. Lots, which would have a Primary Council Land Use Code of 1008 or 1009, created under the provisions of "The Building Units and Group Titles Act 1980" or "The Body Corporate and Community Management Act 1997".

Council will make and levy Differential General Rates for the Financial Year ending 30 June 2011, on all Rateable Land in the Local Government Area.

In the following table, and in accordance with Section 15 of The Local Government (Finance, Plans and Reporting) Regulation 2010, Council categorises all rateable land into twenty three (23) Categories, it being noted that Category 8 has been discontinued (Column 1), determines the description by which the land is to be categorised (Column 2) and identifies the categories in which rateable parcels of land are included (Column 3) as follows:

CATEGORY	DESCRIPTION	IDENTIFICATION																		
Section 15 of The Local Government (Finance, Plans and Reporting) Regulation 2010																				
<p>1</p> <p>Urban Residential Land</p>	<p>Land that is used for Urban Residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of Urban Residential purposes.</p>	<p>Land to which any of the following Primary Council Land Use Codes applies:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1001</td> <td>Vacant Land</td> </tr> <tr> <td>1002</td> <td>Single Unit Dwelling</td> </tr> <tr> <td>1003</td> <td>Multi Unit Dwelling - Flats</td> </tr> <tr> <td>1006</td> <td>Outbuildings</td> </tr> <tr> <td>1009</td> <td>Strata Title - Residential Use</td> </tr> <tr> <td>1072</td> <td>Section 25 Valuation</td> </tr> </tbody> </table>	Code	Description	1001	Vacant Land	1002	Single Unit Dwelling	1003	Multi Unit Dwelling - Flats	1006	Outbuildings	1009	Strata Title - Residential Use	1072	Section 25 Valuation				
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1072	Section 25 Valuation																			
<p>2</p> <p>Rural Residential Land</p>	<p>Land located within the area of the former Bundaberg City, Burnett Shire or Isis Shire Councils, that is used for Rural Residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of Rural Residential purposes.</p>	<p>Land to which any of the following Primary Council Land Use Codes applies:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1004</td> <td>Vacant - Large House site</td> </tr> <tr> <td>1005</td> <td>Dwelling - Large House site</td> </tr> <tr> <td>1006</td> <td>Outbuildings</td> </tr> <tr> <td>1072</td> <td>Section 25 Valuation</td> </tr> <tr> <td>1094</td> <td>Other Rural Land</td> </tr> </tbody> </table>	Code	Description	1004	Vacant - Large House site	1005	Dwelling - Large House site	1006	Outbuildings	1072	Section 25 Valuation	1094	Other Rural Land						
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<p>3</p> <p>Rural Residential Land (Kolan)</p>	<p>Land located within the area of the former Kolan Shire Council that is used for Rural Residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of Rural Residential purposes.</p>	<p>Land to which any of the following Primary Council Land Use Codes applies:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1004</td> <td>Vacant - Large House site</td> </tr> <tr> <td>1005</td> <td>Dwelling - Large House site</td> </tr> <tr> <td>1006</td> <td>Outbuildings</td> </tr> <tr> <td>1072</td> <td>Section 25 Valuation</td> </tr> <tr> <td>1094</td> <td>Other Rural Land</td> </tr> </tbody> </table>	Code	Description	1004	Vacant - Large House site	1005	Dwelling - Large House site	1006	Outbuildings	1072	Section 25 Valuation	1094	Other Rural Land						
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<p>4</p> <p>Bundaberg Strata Title Properties</p>	<p>Land located within the area of the former Bundaberg City Council that is used for multidwelling residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of multidwelling residential purposes.</p>	<p>Land to which any of the Primary Council Land Use Code applies:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1009</td> <td>Strata Title - Residential Use</td> </tr> </tbody> </table>	Code	Description	1009	Strata Title - Residential Use														
Code	Description																			
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<p>5</p> <p>Central Coastal Towns</p>	<p>Land that is:</p> <p>(a) Used for residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of residential purposes; and</p> <p>(b) Within the townships of Bargara, Burnett Heads, Elliott Heads, Innes Park and Moore Park except those having frontage to the Pacific Ocean</p>	<p>Lands depicted on Council's Differential Rating Map Nos. 1 to 5 to which any of the following Primary Council Land Use Code applies:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1001</td> <td>Vacant Land</td> </tr> <tr> <td>1002</td> <td>Single Unit Dwelling</td> </tr> <tr> <td>1003</td> <td>Multi Unit Dwelling - Flats</td> </tr> <tr> <td>1004</td> <td>Vacant - Large House site</td> </tr> <tr> <td>1005</td> <td>Dwelling - Large House site</td> </tr> <tr> <td>1006</td> <td>Outbuildings</td> </tr> <tr> <td>1009</td> <td>Strata Title - Residential Use</td> </tr> <tr> <td>1072</td> <td>Section 25 Valuation</td> </tr> </tbody> </table>	Code	Description	1001	Vacant Land	1002	Single Unit Dwelling	1003	Multi Unit Dwelling - Flats	1004	Vacant - Large House site	1005	Dwelling - Large House site	1006	Outbuildings	1009	Strata Title - Residential Use	1072	Section 25 Valuation
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<p>6</p> <p>Other Coastal Towns</p>	<p>Land that is:</p> <p>(a) Used for residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of residential purposes; and</p> <p>(b) Within the townships of Woodgate, Buxton, Walkers Point, Coonarr or Winfield except those having frontage to the Pacific Ocean</p>	<p>Land depicted on Council's Differential Rating Map Nos. 6 to 10 to which any of the following Primary Council Land Use Code applies:</p> <table border="1"> <thead> <tr> <th>Code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1001</td> <td>Vacant Land</td> </tr> <tr> <td>1002</td> <td>Single Unit Dwelling</td> </tr> <tr> <td>1003</td> <td>Multi Unit Dwelling - Flats</td> </tr> <tr> <td>1004</td> <td>Vacant - Large House site</td> </tr> <tr> <td>1005</td> <td>Dwelling - Large House site</td> </tr> <tr> <td>1006</td> <td>Outbuildings</td> </tr> <tr> <td>1009</td> <td>Strata Title - Residential Use</td> </tr> <tr> <td>1072</td> <td>Section 25 Valuation</td> </tr> </tbody> </table>	Code	Description	1001	Vacant Land	1002	Single Unit Dwelling	1003	Multi Unit Dwelling - Flats	1004	Vacant - Large House site	1005	Dwelling - Large House site	1006	Outbuildings	1009	Strata Title - Residential Use	1072	Section 25 Valuation
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1072	Section 25 Valuation																			

7

Central Urban Oceanfront

Land that:

(a) has frontage to the Pacific Ocean or roads fronting the Pacific Ocean within the townships of Bargara, Burnett Heads, Elliott Heads, Innes Park, Moore Park; and

(b) is used for residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of residential purposes

Land that is depicted on Council’s Differential Rating Map Nos. 1 to 5 to which any of the following Primary Council Land Use Codes applies:

Code	Description
1001	Vacant Land
1002	Single Unit Dwelling
1003	Multi Unit Dwelling - Flats
1004	Vacant - Large House site
1005	Dwelling - Large House site
1006	Outbuildings
1009	Strata Title - Residential Use
1072	Section 25 Valuation

8

Subdivisions

Discontinued

Discontinued



9

Agricultural Land

Land located within the area of the former Bundaberg City or Burnett Shire Councils that is used for agricultural purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of agricultural purposes

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1060	Sheep Grazing - Dry
1061	Sheep Breeding
1064	Cattle Grazing & Breeding
1065	Cattle Breeding & Fattening
1066	Cattle Fattening
1067	Goats
1068	Milk - Quota
1069	Milk - No Quota
1070	Cream
1071	Oil Seeds
1073	Grains
1074	Turf Farms
1075	Sugar Cane
1076	Tobacco
1077	Cotton
1078	Rice
1079	Orchards
1080	Tropical Fruits
1081	Pineapple
1082	Vineyards
1083	Small Crops & Fodder - Irrigated
1084	Small Crops & Fodder - Non Irrigated
1085	Pigs
1086	Horses
1087	Poultry
1088	Forestry & Logs
1089	Animals - Special
1090	Stratum
1093	Peanuts

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Agricultural Land (Isis)

Land located within the area of the former Isis Shire Council that is used for agricultural purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of agricultural purposes

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1060	Sheep Grazing - Dry
1061	Sheep Breeding
1064	Cattle Grazing & Breeding
1065	Cattle Breeding & Fattening
1066	Cattle Fattening
1067	Goats
1068	Milk - Quota
1069	Milk - No Quota
1070	Cream
1071	Oil Seeds
1073	Grains
1074	Turf Farms
1075	Sugar Cane
1076	Tobacco
1077	Cotton
1078	Rice
1079	Orchards
1080	Tropical Fruits
1081	Pineapple
1082	Vineyards
1083	Small Crops & Fodder - Irrigated
1084	Small Crops & Fodder - Non Irrigated
1085	Pigs
1086	Horses
1087	Poultry
1088	Forestry & Logs
1089	Animals - Special
1090	Stratum
1093	Peanuts

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Agricultural Land (Kolan)

Land located within the area of the former Kolan Shire Council that is used for agricultural purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of agricultural purposes

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1060	Sheep Grazing - Dry
1061	Sheep Breeding
1064	Cattle Grazing & Breeding
1065	Cattle Breeding & Fattening
1066	Cattle Fattening
1067	Goats
1068	Milk - Quota
1069	Milk - No Quota
1070	Cream
1071	Oil Seeds
1073	Grains
1074	Turf Farms
1075	Sugar Cane
1076	Tobacco
1077	Cotton
1078	Rice
1079	Orchards
1080	Tropical Fruits
1081	Pineapple
1082	Vineyards
1083	Small Crops & Fodder - Irrigated
1084	Small Crops & Fodder - Non Irrigated
1085	Pigs
1086	Horses
1087	Poultry
1088	Forestry & Logs
1089	Animals - Special
1090	Stratum
1093	Peanuts

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Bundaberg Commercial Land

Land located within the area of the former Bundaberg City Council that is used for commercial purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of commercial purposes

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1007	Guest House/Private Hotel
1008	Strata Title - Non Residential Use
1010	Combined Multi Dwelling and Shops
1011	Shop - Single
1012	Shop Group (more than 6 shops)
1013	Shopping Group (2 to 6 Shops)
1014	Shopping - Main Retail (Central Business District)
1015	Shopping - Secondary Retail (Fringe Central Business District)
1016	Drive-In Shopping Centre
1017	Restaurant
1018	Tourist Attraction
1020	Marina
1021	Residential Institution - Non Medical
1022-1	Car Park - Commercial
1023	Retail Warehouse
1024	Sales Area (Outdoor)
1025	Offices
1026	Funeral Parlour
1027	Private Hospital/ Convalescent Home (Medical-Private)
1028	Warehouse and Bulk Stores
1030	Service Station
1038	Advertising Hoarding
1041	Child Care
1042	Tavern/Hotel
1043	Motel
1044	Nursery (Plants)
1045	Theatres and Cinemas
1046	Drive-In Theatre
1047	Club - Sport/Run as a business
1049	Caravan Park
1053	Employment Agency

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Other Coastal Towns Commercial Land

Land located within the townships of Woodgate, Buxton, Walkers Point, Coonarr or Winfield that is used for commercial purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of commercial purposes

Land to which any of the following Primary Council Land Use Code applies:

Code	Description
1007	Guest House/Private Hotel
1008	Strata Title - Non Residential Use
1010	Combined Multi Dwelling and Shops
1011	Shop - Single
1012	Shop Group (more than 6 shops)
1013	Shopping Group (2 to 6 Shops)
1014	Shopping - Main Retail (Central Business District)
1015	Shopping - Secondary Retail (Fringe Central Business District)
1016	Drive-In Shopping Centre
1017	Restaurant
1018	Tourist Attraction
1020	Marina
1021	Residential Institution - Non Medical
1022-1	Car Park - Commercial
1023	Retail Warehouse
1024	Sales Area (Outdoor)
1025	Offices
1026	Funeral Parlour
1027	Private Hospital/ Convalescent Home (Medical-Private)
1028	Warehouse and Bulk Stores
1030	Service Station
1038	Advertising Hoarding
1041	Child Care
1042	Tavern/Hotel
1043	Motel
1044	Nursery (Plants)
1045	Theatres and Cinemas
1046	Drive-In Theatre
1047	Club - Sport/Run as a business
1049	Caravan Park
1053	Employment Agency

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Other Commercial Land

Land that is not included in any other category and is used for commercial purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of commercial purposes

Land to which any of the following Primary Council Land Use Code applies:

Code	Description
1007	Guest House/Private Hotel
1008	Strata Title - Non Residential Use
1010	Combined Multi Dwelling and Shops
1011	Shop - Single
1012	Shop Group (more than 6 shops)
1013	Shopping Group (2 to 6 Shops)
1014	Shopping - Main Retail (Central Business District)
1015	Shopping - Secondary Retail (Fringe Central Business District)
1016	Drive-In Shopping Centre
1017	Restaurant
1018	Tourist Attraction
1020	Marina
1021	Residential Institution - Non Medical
1022-1	Car Park - Commercial
1023	Retail Warehouse
1024	Sales Area (Outdoor)
1025	Offices
1026	Funeral Parlour
1027	Private Hospital/ Convalescent Home (Medical-Private)
1028	Warehouse and Bulk Stores
1030	Service Station
1038	Advertising Hoarding
1041	Child Care
1042	Tavern/Hotel
1043	Motel
1044	Nursery (Plants)
1045	Theatres and Cinemas
1046	Drive-In Theatre
1047	Club - Sport/Run as a business
1049	Caravan Park
1053	Employment Agency

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Major Drivein Shopping Centre

Land that is used for a drive-in shopping centre with more than 20,000m2 gross floor area, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of drive-in shopping centre with more than 20,000m2 gross floor area

Land to which any of the following Primary Council Land Use Code applies:

Code	Description
1016-16	Drive-In Shopping Centre with more than 20,000m2 gross floor area.

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Industrial Land

Land that is:
 (a) Used for industrial purposes or has the potential predominant use by virtue of its improvements or activities conducted upon the land of industrial purposes; and
 (b) Is not Category 19 Land (Heavy Industry).

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1029	Transport Terminal
1031	Oil/Fuel Depot and Refinery
1032	Wharves, Jetties and barge landing
1033	Outdoor Storage Area
1034	Cold Stores - Iceworks
1035	General Industry
1036	Light Industry
1037	Noxious/Offence Industry
1039	Harbour Industry
1040	Extractive Industry

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Industrial Land (Isis)

Land that is located within the area of the former Isis Shire Council that is:
 (a) Used for industrial purposes or has the potential predominant use by virtue of its improvements or activities conducted upon the land of industrial purposes; and
 (b) Is not Category 19 Land (Heavy Industry).

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1029	Transport Terminal
1031	Oil/Fuel Depot and Refinery
1032	Wharves, Jetties and barge landing
1033	Outdoor Storage Area
1034	Cold Stores - Iceworks
1035	General Industry
1036	Light Industry
1037	Noxious/Offence Industry
1039	Harbour Industry
1040	Extractive Industry

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**Extractive/ Transformers/
Substations/ Communication
Towers**

Land that is used for industrial purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of industrial purposes

Land to which any of the following Primary Council Land Use Codes applies:

Code	Description
1040	Extractive Industry
1091	Transformers / Substations / Communication Towers

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Heavy Industry

Land that is used for heavy industrial purposes, such as for example - a cogeneration plant or sugar mill, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of heavy industrial purposes.

Land to which any of the following Primary Council Land Use Codes and Secondary Council Land Use Codes applies:

Code	Description
1251	Co-generation plant
1252	Sugar Cane/Sugar Mill

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Other

Land that is not included in any other rating category.

This Criteria will only apply where the land is not included in any other rating category, including the following specific land use codes which are not included in any other category:

Code	Description
1019	Walkway
1022-2	Car Parks - Ancillary Use
1050	Other Clubs (Non-Business)
1051	Religious
1052	Cemeteries
1055	Library
1056	Showgrounds/Racecourse, Airfield
1057	Parks, Gardens
1058	Educational - Including Kindergarten
1059	Local Authority (SecondaryUse Only)
1092	Defence Force Establishments
1095	Reservoirs, Dams, Bores
1096	Public Hospitals
1097	Welfare Homes/Institutions
1099	Community ProtectionCentres

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**Residential Riverfront
(Burnett)**

Land that has frontage to rivers or roads fronting rivers in Burnett Downs or River Park Estate, and is used for residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land or residential purposes.

Lands depicted on Council's Differential Rating Map Nos. 11 and 12 to which any of the following Primary Council Land Use Code applies:

Code	Description
1001	Vacant Land
1002	Single Unit Dwelling
1003	Multi Unit Dwelling - Flats
1004	Vacant - Large House site
1005	Dwelling - Large House site
1006	Outbuildings
1009	Strata Title - Residential Use
1072	Section 25 Valuation

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**Residential Coastal Riverfront
(Burnett)**

Land that has frontage to the rivers or roads fronting rivers in Corser Street, Burnett Heads or McIntosh Street, Elliott Heads, and is used for residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of residential purposes.

Lands depicted on Council's Differential Rating Map Nos. 2 and 3 to which any of the following Primary Council Land Use Code applies:

Code	Description
1001	Vacant Land
1002	Single Unit Dwelling
1003	Multi Unit Dwelling - Flats
1004	Vacant - Large House site
1005	Dwelling - Large House site
1006	Outbuildings
1009	Strata Title - Residential Use
1072	Section 25 Valuation

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Other Urban Oceanfront

Land that has frontage to the Pacific Ocean or roads fronting the Pacific Ocean within the townships of Woodgate Beach or Coonarr and is used for residential purposes, or has the potential predominant use by virtue of its improvements or activities conducted upon the land of residential purposes.

Lands depicted on Council's Differential Rating Map Nos. 6 to 9 to which any of the following Primary Council Land Use Code applied:

Code	Description
1001	Vacant Land
1002	Single Unit Dwelling
1003	Multi Unit Dwelling - Flats
1004	Vacant - Large House site
1005	Dwelling - Large House site
1006	Outbuildings
1009	Strata Title - Residential Use
1072	Section 25 Valuation

Subdivisions: Subdivided land in terms of Section 25 of the Valuation of Land Act 1944 that has a Primary Council Land Use Code of 1072 will be placed into the category in which it would normally be situated. The concession applicable will be applied.

Subdivided land is:

- (a) a parcel of land which is one of the parts into which land has been subdivided; and
- (b) the person who subdivided the land (the “subdivider”) is the owner of the parcel; and
- (c) the parcel is not developed land.

In accordance with Section 22 of The Local Government (Finance, Plans and Reporting) Regulation 2010, owners of rateable land will be informed of the category in which the land has been included and that they have the right of objection to the category their land is included in. All objections shall be submitted to the Chief Executive Officer, Bundaberg Regional Council, and the only basis for objection shall be that at the date of issue of the rate notice having regard to the criteria adopted by Council, the land should be in another rating category.



4.3 Minimum General Rates:

Each year the Council will make and levy a minimum general rate per rateable assessment irrespective of the unimproved capital value.. The minimum general rate is levied to:

- Provide a minimum contribution from all properties situated within the Region;
- Ensure that general rate revenue from lower valued properties within the Region results in a more equitable contribution from such properties towards the costs of services funded by general rates.

4.4 Separate Rates and Charges:

Each year the Council will determine the necessity to make and levy a separate Rate or Charge which will be applied across the whole Regional area, for the general benefit of the community of the Region, to separately identify funds required for the aforementioned services.

4.5 Special Rates and Charges:

Each year the Council will determine the necessity to make and levy a special Rate or Charge which will be applied across specific benefitted areas to repay the cost of works undertaken for the sole benefit of such areas.

Council currently levies special charges for the following specific purposes:

- to finance the reconstruction of the single lane timber bridge over the agricultural drain on Nortons Road;
- to provide drainage to the Moore Park Drainage Scheme defined area;
- to fund the cost of the capital construction of Sewerage Extensions in Rieck and Manning Streets, Gin Gin; and
- to provide for purchase, maintenance and operation of rural fire fighting equipment to specified Rural Fire Brigade Districts within the Region.

Discount will not be applicable to Special Rates and Charges.



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4.6 Urban Fire Levy:

In accordance with The Fire and Rescue Service Act 1990, Council is required to collect an Urban Fire levy on behalf of the Queensland Fire and Rescue Service.

The Levy is not a Council Rate or Charge and the Funds collected are remitted to the Queensland Fire and Rescue Service. However, Council is entitled to an Administration Fee for collecting this Levy, as prescribed by The Fire and Rescue Service Regulation 2010.. Discount will not be applicable to the Urban Fire Levy.

4.7 Utility Charges:

4.7.1 Water Charges

The Council levies Water Charges on properties in the Defined Water Supply Areas to recover the full costs of the Water Supply operation including a return to the Community on the assets employed.

Pursuant to Sections 92(4) and 94 of The Local Government Act 2009 and Sections 33 to 36 The Local Government (Finance, Plans and Reporting) Regulation 2010, the following Water Charges shall be made and levied for each financial year:

(1) Water Access Charge

A common Access Charge, for same sized meters, applies in all areas receiving a Potable Water Supply.

Vacant lands situated in the Water Area and not serviced with a Water Connection are charged 100% of the basic 20mm charge.

Single residential properties are levied a 100% charge based on the size of the water meter serving the property, since the meter size determines the potential volume of water used.

Where multiple lots are included on the one assessment Council does not levy a Water Access Charge for each allotment, e.g., House and vacant lot together – only One (1) water access charge equal to 100% is levied or where there are multiple vacant lots on the one assessment – only One (1) water access charge equal to 100% is levied.

Blocks of flats attract a levy of 100% of one water access charge for each parcel based on the size of the meter/s servicing the block of flats.

Properties with multiple connections are charged an access for each connection. Residential Body Corporate properties are charged one water access charge equal to 100% of the basic 20mm charge for each body corporate unit and each unit owner is levied separately for the charge.

Non Residential Body Corporate properties without an individual water connection are charged one water access charge equal to 100% of the basic 20mm charge for each body corporate unit and each unit owner is levied separately for the charge.

Non Residential Body Corporate properties with an individual water connection are charged one water access charge equal to 100% of the size of the meter connected to each body corporate unit and each unit owner is levied separately for the charge.

A concessional water access charge equal to a 20mm service is levied for each registered “Dedicated Fire Service” connection even though the actual size of the connection is usually larger.

A concession is applied to unlicensed/restricted sporting clubs which have more than One (1) connection... These are levied One (1) Water Access Charge equal to 100% for each connection but Council provides a concession equal to the difference between the aforementioned charge and One (1) Access Charge for their largest meter per assessment and no charges for the other connections.

For the reduced service areas of Burnett Downs, Sylvan Woods and Upper Hummock the following special arrangements will apply:

- Burnett Downs – Council identifies Burnett Downs Yard Water Supply properties, as defined in Water Rating Index Map Number 33745, dated July 2010 as a separate class of consumers, where consumers are provided with water and services at an amount below full cost.
- Sylvan Woods – Council identifies Sylvan Woods non-potable constant flow water supply properties, as defined in Water Rating Index Map Number 33743 dated July 2010, as a separate class of consumers, where consumers are provided with water and services which are restricted in volume and pressure of supply.
- Upper Hummock – Council identifies the Upper Hummock potable water supply to those properties defined in Water Rating Map Number 33744 dated July 2010, as a separate class of consumers, where consumers are provided with water and services which are restricted in volume and pressure of supply.

An Access Charge shall apply to all premises on metered connection according to the water meter size/s serving the premises.

(2) Water Consumption Charge

Water Consumption is levied half-yearly for the readings undertaken prior to 31 December and prior to the 30th June.. Generally, the consumption within each Six (6) Month reading period will be levied on a Tiered Charging System as set out hereunder:

- A Charge per Kilolitre will be set by Council each year for the former Bundaberg City Council area; the former Burnett Shire, Isis Shire and Kolan Shire Council areas, and for Burnett Downs Yard. / Sylvan Woods / Upper Hummock Water Supply.
- Where an assessment comprises multiple metered lots or services, the Charge shall be the standard tariff multiplied by the number of metered connections or services.
- Where an assessment comprises a Body Corporate situation, Council will charge as per the provisions of the Body Corporate and Community Management Act 1997.
- For measurement of water use for Charging purposes for the period 1st July, 2010, to 30th June, 2011, Section 36 of The Local Government (Finance, Plans and Reporting) Regulation 2010, shall apply to the reading of meters based on the nominal initial meter reading date of 30th June, 2010, and the nominal final reading date of 30th June, 2011.
- Council reserves the right to read and levy Water Consumption at intervals other than Six (6) Monthly for specific connections as required.

(3) Dedicated Fire Services

Water from Registered Dedicated Fire Services is for Fire Emergencies and Testing Purposes only, and no Charge will be levied for the first Ten (10) Kilolitres in each Six (6) Month Reading Period.. However, to prevent misuse of these services, Council will impose a Penalty Charge per Kilolitre for consumption greater than Ten (10) Kilolitres in each Six (6) Month Reading Period of Ten (10) times the normal Residential Charge per Kilolitre at the 2nd Tier Rate, unless evidence is provided proving the Water was used in a Fire Emergency.

(4) Community Service Obligations

Pursuant to Sections 54 to 56 of The Local Government (Finance, Plans and Reporting) Regulation 2010:

(a) That Council recognise Unlicensed / Restricted Sporting Clubs as providing a Community Service in the interest of recreation and the Region's aesthetics, and that this service be identified as a Community Service Obligation.

(b) That Council charge Unlicensed / Restricted Sporting Clubs a Water Access Charge for its largest connection on each Assessment, and that no Access Charge be levied for additional Meters.

(c) That Unlicensed / Restricted Sporting Clubs with an area:

- up to 3.3 hectares. –. be entitled to 3,600 Kilolitres of Water per Annum, free of Consumption Charges;
- greater than 3.3 hectares. –. be entitled to 6,000 Kilolitres of Water per Annum, free of Consumption Charges. .

(d) Provided that the following Clubs, identified as requiring higher Water Allocations based on area and level of use, be entitled to the following Kilolitres of Water per Annum, free of Consumption Charges:

- Junior Cricket Association and North Bundaberg Australian Rules Football Club. –. 9,600 Kilolitres at Kendall Flat;
- Bundaberg Soccer Federation. –. 9,600 Kilolitres at Martens Oval;
- Trustees Hinkler Park (Hockey). –. 9,600 Kilolitres at Hinkler Park;. and 3,600 Kilolitres at Special Lease 1209;
- Bundaberg Rugby League Ltd.. –. 9,000 Kilolitres at Salter Oval. (see note below);
- Bundaberg Cricket Association. –. 9,000 Kilolitres at Salter Oval. (see note below);
- Bundaberg Touch Association – 9,600 Kilolitres at Touch Association Grounds.

(NOTE: Provided that the Bundaberg Rugby League Ltd., and the Bundaberg Cricket Association pool their entitlements at Salter Oval and be levied on one Rates Notice.)

(e) That Water Consumption per Assessment in excess of these entitlements be levied for the first Three Hundred and Sixty-Six (366) Kilolitres at the 1st Tier rate;

(f) Provided that upon the installation of the new "Water Based" Hockey Playing Surface, water consumption for the Trustees Hinkler Park (Hockey) in excess of its Annual Entitlement, be at the rate of Fifty Cents (50¢) per Kilolitre.. (Note:. This arrangement is to apply for a Period of Five (5) Years from date of Installation.);

(g) That unused Entitlements not carry forward into the following Financial Year.

Council grants this remission on the basis that Restricted Sporting Clubs are entities whose objects do not include the making of a profit.

Council delegates to the Chief Executive Officer the power, pursuant to Section 56(3) of The Local Government (Finance, Plans and Reporting) Regulation 2010, to determine Applications made for this remission.

(5) Carlyle Gardens Retirement Village

Carlyle Gardens Retirement Village will be charged a Water Consumption Charge in accordance with the special arrangement made with the former Burnett Shire Council for a period of five (5) years; 2010/11 being the fourth of the fifth year.

(6) Water Meters Registering Inaccurately

Pursuant to Sections 54 to 56 of The Local Government (Finance, Plans and Reporting) Regulation 2010, if the Council is satisfied that a water meter ceases to register, or is reported to be out of order or registering inaccurately (through no fault of the Ratepayer), justifies the exercise by Council of the power to remit Water Consumption Charges by an amount that results in the Water Consumption Charge equalling the quantity used during the previous accurate period of measurement.

Council grants this remission on the basis that to require the Ratepayer to pay full charges for Consumption in circumstances where a water meter ceases to register, or is reported to be out of order, or registering inaccurately (through no fault of the Ratepayer) would result in hardship.

Council delegates to the Chief Executive Officer the power, pursuant to Section 56(3) of The Local Government (Finance, Plans and Reporting) Regulation 2010 to determinate Applications made for this remission.

(7) Extended area of application of charges

These charges apply to the declared service areas (water) shown on the maps identified above, and also to:

- All new lots created under a development approval for which all approval conditions have been completed, and which, as part of their conditions of approval, included a requirement for connection to reticulated water supply;
- Any other lot which is connected to reticulated water supply;
- Any other lot, where Council resolves that the lot becomes able, by reason of extension of the water supply system, to be connected to reticulated water supply.

That is, to all lots within any extension of any of the areas serviced by reticulated water supply where such areas are approved by Council.

The charges apply in every case where service is provided or available, regardless of whether or not, or the time at which, formal amendment is made to the declared service area.

(8) Service connections outside declared service areas (Water)

Any approved water service connections, which are located outside the declared service area (water), will have access and use charges applied in the same manner and at equivalent charges to the use as would apply were they to lie within the declared service area to which they are connected.

4.7.2 Sewerage Charges:

(1) Declared Service Area - Sewerage

The declared service areas (Sewerage) to which Sewerage Charges apply shall be as per the following Declared Service Area (Sewerage) schedule:

- Key Map Registered No. 33208 dated July 2010; and
- Key Series Nos. 1 to 23 inclusive Registered Series Nos. 33209 to 33252 dated July 2010

(2) Service Provider (Sewerage)

The Service Provider within the declared service area/s (Sewerage) shall be Bundaberg Regional Council through its Infrastructure Services (Water and Sewerage Operations) Section.

(3) Sewerage Charges

Sewerage Charges are levied on all properties within the defined sewerage area to cover the cost of:

- Sewerage collection and treatment;
- The disposal of effluent and bio-solids.

The same amount of rates is charged to connected properties and non-connected properties within the defined sewerage area. The reason for this is that the major portion of Council's costs associated with providing a sewerage service is in the provision and maintenance of capital infrastructure (pipes, processing plant etc.) and these costs must be financed whether or not a property is actually connected to the sewerage system.

Pursuant to Sections 33 and 34 of The Local Government (Finance, Plans and Reporting) Regulation 2010, the following Sewerage Charges shall be made and levied for each financial year:

- Single residential properties are levied a 100% charge for the first pedestal only. No additional charges apply for extra pedestals.
- Flats, units and residential strata title properties are levied a 100% charge per flat, unit or strata title unit, for the first pedestal only. No additional charges apply for extra pedestals.
- Where multiple lots are included on the one assessment Council does not levy a sewerage charge for each allotment, e.g. House and vacant lot together – only One (1) sewerage charge equal to 100% is levied or where there are multiple vacant lots on the one assessment – only one (1) sewerage charge equal to 100% is levied.
- Non Residential properties that are not Body Corporate/Strata Title entities will be charged on a per pedestal basis.
- Non Residential Body Corporate/Strata Title properties are levied at least one (1) sewerage access charge to each body corporate unit, regardless of whether or not they have an individual sewer connection. Where units have more than one pedestal, sewerage access charges are levied in accordance with the number of pedestals serving the unit. Each unit owner is levied separately for sewerage access charges.
- Waste Dump Points at Caravan Parks are charged 100% pedestal charge.

(4) Multiple Accommodation Self Contained Residential Units for Aged under the Control of Charitable/Church Organisations.

Pursuant to Sections 54 to 56 of The Local Government (Finance, Plans and Reporting) Regulation 2010, Multi accommodation self contained residential units for aged under the control of Charitable/Church organizations excluding care centres; and pedestals installed in Queensland Housing Commission units for the aged, including those identified in the following Table, be granted a remission of 60% of the Sewerage Rates.

Property Owner and Location

The State Of Queensland (Represented by Department of Housing), 11 Mulgrave Street, Bundaberg West

The State Of Queensland (Represented by Department of Housing), 30 Sugden Street, Bundaberg South

East Haven, 1 Ann Street, Bundaberg East

East Haven, 49 Victoria Street, Bundaberg East

East Haven, 51 Victoria Street, Bundaberg East

The Corporation of The Synod of The Diocese of Brisbane, 4 Mezger Street, Kalkie

The Roman Catholic Trust Corporation, 9 Kepnock Road, Kepnock

The State Of Queensland (Represented by Department of Housing), 9 Griffith Street, Bundaberg South

St. John's Evangelical Lutheran Church, 83 Dr. May's Road, Svensson Heights

The Uniting Church in Australia Property Trust (Q), (part) 341 Bourbong Street, Millbank

The Uniting Church in Australia Property Trust (Q), (balance) 341 Bourbong Street, Millbank

The State of Queensland (Represented by Department of Housing), 181 Barolin Street, Avenell Heights

The State Of Queensland (Represented by Department of Housing), 147 Barolin Street, Avenell Heights

Forest View Childers Inc., 3 Morgan Street, Childers

Forest View Childers Inc., 4 Morgan Street, Childers

Kolan Gardens, 3 Tyron Road, Gin Gin

Council grants this remission on the basis that Multi accommodation self contained residential units for aged, under the control of Charitable/Church organisations are entities whose objects do not include the making of a profit. . Council delegates to the Chief Executive Officer the power, pursuant to Section 56(3) of The Local Government (Finance, Plans and Reporting) Regulation 2010, to determine Applications made for this remission.

4.7.3 Waste Collection Charge

Waste Collection Charges are user-pays based charges and are levied on all properties receiving the cleansing service to recover the associated costs. These costs include the disposal and/or recycling of the refuse collected through a component of the Council's refuse tip maintenance costs.

- (1) Single residential properties are charged one full charge per set of One (1) refuse and One (1) recycling bin an additional recycling service is available and will be charged a single charge per single unit. Additional refuse bins will be charged as one full charge per set of One (1) refuse and One (1) recycling bin.
- (2) Premises containing Two (2) or more Flats, Apartments, or other Dwelling Units, each used as a separate Domicile are charged One (1) full charge for each separate Domicile per set of One (1) refuse and One (1) recycling bin an additional recycling service is available and will be charged a single charge per single unit.. Additional refuse bins will be charged as one full charge per set of one (1) refuse and one (1) recycling bin.
- (3) Where insufficient space is available for the storage of multiple bins at Strata Titled properties, (e.g. "Mantra"), these properties may make application to the Chief Executive Officer for approval to make private arrangements to receive an industrial bin service, in which case a Council Waste Collection Charge will not apply.

The charges for the service are annual charges and credits cannot be allowed for periods of time when the premises are unoccupied. Discount will not be applicable to Utility Charges.

4.8 Cost-Recovery Fees and Non-Regulatory Charges

Bundaberg Regional Council fixes Cost-Recovery Fees and Non-Regulatory Charges for services and facilities supplied by the Council in accordance with Sections 97 and 262 (c) of The Local Government Act 2009.

In accordance with the provisions of the Act, Council keeps a copy of the Register of Cost-Recovery Fees and Non-Regulatory Charges at its Public Administration Office at 186–190 Bourbong Street, Bundaberg Central, and its Service Centres at Bargara, Childers and Gin Gin, and this Register is open to inspection.

The criteria, used to determine the amount of Cost-Recovery Fees, are the costs of the service or facility being provided, which comprise labour, material, equipment, and overhead costs.

In determining the level of all Cost-Recovery Fees and Non-Regulatory Charges, the Council places a major emphasis on user-pays principles.

4.9 Business Activity Fees

Council has the power to conduct business activities and make business activity fees for services and facilities it provides on this basis. Business activity fees are made where Council provides a service and the other party to the transaction can choose whether or not to avail itself of the service. Business activity fees are a class of charge, which are purely commercial in application and are subject to the Commonwealth's Goods and Services Tax.

Business activity fees include but are not confined to the following: rents, plant hire, private works and hire of facilities.

4.10 Rebates and Concessions

Statutory provision exists for the Council to remit or postpone rates in certain circumstances.. These provisions are detailed in Sections 54 to 56 of The Local Government (Finance, Plans and Reporting) Regulation 2010.

The Council has a policy of providing an Annual Rate Rebate to Approved Pensioners and a copy of this Policy together with the necessary application forms are available from Council Offices.

Currently the Rebate is in the amount of 10% of the Council's annual Rates and Charges levy to a maximum of \$90 for any financial year. This Rebate is provided in addition to any Pension Subsidy Scheme operated by the Queensland Government.

4.11 Discount on Rates and Charges

4.12 Recovery of Overdue Rates

A separate Council policy has been prepared in respect of the recovery of overdue rates, to reinforce Council's practice and intentions in this regard. Council will actively pursue all available options under The Local Government Act 2009, including the sale of land for arrears of rates, to ensure that overdue rates are not a burden on the Region's ratepayers.

4.13 Interest on Overdue Rates

Council determines this matter from time to time by resolution in accordance with the provisions of Section 67 of The Local Government (Finance, Plans and Reporting) Regulation 2010.. Currently interest is charged at 11% on overdue Rates and Charges on Daily Rests as from the seventh day following the Due Date stated on the Rate Notice.

4.14 Levying and Payment of Rates and Charges

Council currently levies rates twice in each financial year. The first rates levy is issued as soon as possible after the annual Budget has been approved by Council. The second rates levy is issued in the second half of the financial year after 1 January.

Rates are due and payable by the 'Due Date' stated on the Rates Notice.

5.0 Controls

The Local Government Act 2009 and The Local Government (Finance, Plans and Reporting) Regulation 2010 require that the Council's Revenue Statement includes the aforementioned provisions.

6.0 Effective From

This Policy is effective from 21 July 2010.

7.0 Associated Documents

GP-3-001 Revenue Policy

The Local Government (Finance, Plans and Reporting) Regulation 2010

Local Government Act 2009





community financial report



The Local Government (Finance, Plans and Reporting) Regulation 2010 (section 104) requires Council to prepare a Community Finance Report to accompany the Financial Statements in the Annual Report. The four key financial statements of the annual report are often difficult for the user to interpret. The aim of this Community Financial Report is to summarise Council's financial performance and position for the financial year, in a form easily understood by the community.

Particular areas of importance have been highlighted and expanded on where necessary to allow interested stakeholders the opportunity to make their own informed decisions. The four key financial statements for 2011 and key performance indicators are described as follows:

1. Statement of Comprehensive Income - revenue and expenses in the past 12 months
2. Statement of Financial Position - assets owned and liabilities owed at 30 June 2011
3. Statement of Cash Flows - a summary of where cash was received from and where it was used
4. Statement of Changes in Equity - movement in the community's net wealth during the year
5. Financial Sustainability Ratios - for reviewing Council performance and sustainability

Bundaberg Regional Council was formed on 15 March 2008 as a consequence of the amalgamation of the shires of Burnett, Isis and Kolan and the city of Bundaberg. In accordance with the reform implementation legislation the financial statements for 2008-09 were prepared for the period 15 March 2008 to 30 June 2009 (15.5 months).

In order to create operating surplus ratio for 2008 and 2009, Council restructured information from the former and the Regional Council's financial statements for the 8.5 months ending 14 March 2008 and 15.5 months ending 30 June 2009, respectively. These figures are indicative only and have not been subjected to audit. To provide history and direction the consolidated data from the former Council's financial statements for 2007 is included.

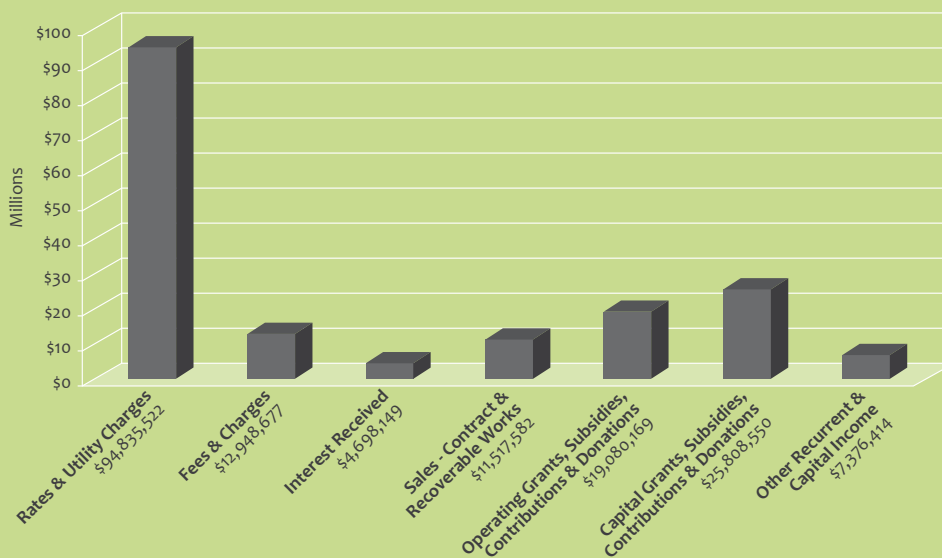
1. Statement of Comprehensive Income

The Total Comprehensive Income for the period was \$72.7m. This increase in community equity includes several items which Council has little control over and/or has little impact on Council's operations. When reviewing the Statement of Comprehensive Income or preparing budgets, Council focuses on the Surplus/(Deficit) from recurrent activities rather than the Total Comprehensive Income or Net Result Attributed to Council. This provides a better indication of Council's ability to renew or upgrade existing, purchase new assets, repay debt and adjust working capital.

The surplus/(deficit) from recurrent activities is calculated by subtracting the Recurrent Expenses of \$141.2m from the Recurrent Revenue of \$143.4m. This shows Council has made a surplus from recurrent activities (Operating Surplus) of \$2.2m. This is the first Operating Surplus of the amalgamated Council and reflects the significant changes in rating methodologies, and the focus on recoverable works from the major flood event experienced during the year.

Revenue \$169m - where did this revenue come from?

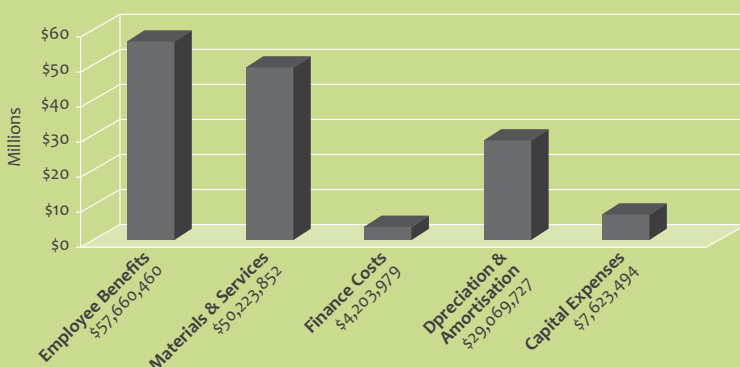
Bundaberg Regional Council has a population of approximately 98,500 (Queensland Government Population Projections, 2011 edition) and 44,000 rateable properties. The ratepayers contribute 53.8% of Council's total revenue through rates and charges. Other major sources of income including fees and charges, and grants, subsidies, contributions and donations, provided Council with 32.8% of its total revenue.



Expenses \$149m - what was this spent on?

A major component of Council's expenditure is employee benefits, representing approximately 39% of Council's outlay. Employee Benefits include employee salaries and wages, councillors remuneration and superannuation. It excludes approximately \$3.0m in wages spent on asset construction which will be expensed via depreciation over the life of the assets. Materials and services account for a large portion of Council's expenditure, totalling \$50.2m. This includes costs such as plant hire, contractors, chemicals for the operation of treatment plants, electricity, telephone and other operational costs.

Council's depreciation expense is in excess of \$29m. Assets wear out, are consumed and / or become obsolete over their lifetime and depreciation is used to record this by allocating a portion of the asset value as an expense each year.



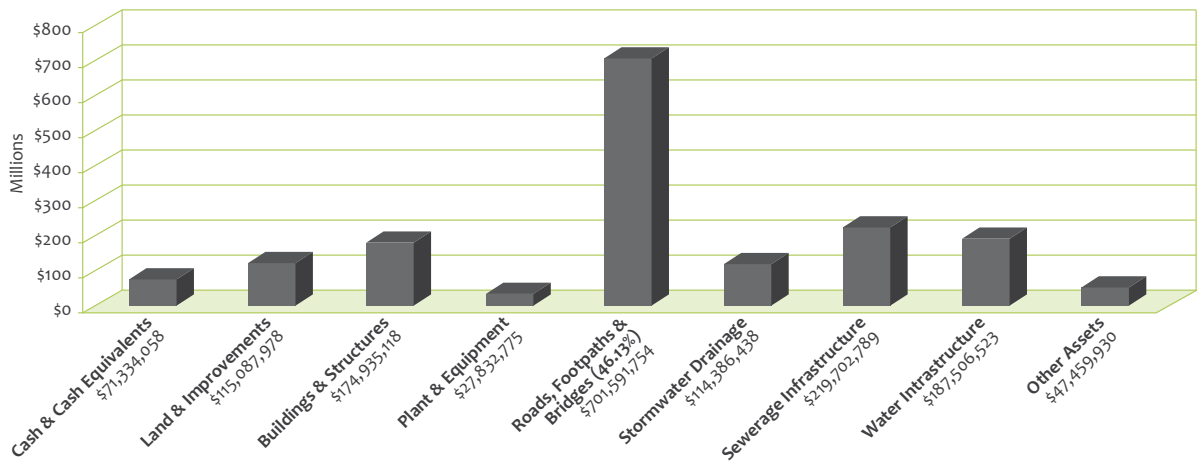
2. Statement of Financial Position

The Statement of Financial Position records the Community's assets and liabilities at the end of the financial year. The result of these two components determines the net worth of Council.

Assets \$1.66b - what Council owned at 30 June 2011

The major investment for Council is in assets which provide essential services for a growing community, namely property, plant & equipment totalling \$1.54b. Cash represents 4.3% of net assets and consists mainly of reserves restricted for future capital expenditure.

The bulk of Council's net assets are in the form of roads, footpaths and bridges, totalling \$701m or 42.27%, while Water and Sewerage Infrastructure account for approximately 25% of Council's assets. Council requires over \$29m p.a. to maintain the value in these assets.

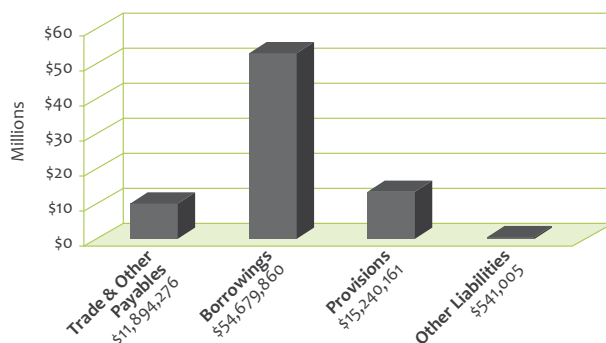


Liabilities \$82m - what Council owed at 30 June 2011

The majority of Council's liabilities consist of borrowings (66%) and trade and other payables (14%). Borrowings enables Council to provide timely essential services, such as the upgrade of the airport terminal and runway, whilst assisting to sharing the costs over the generations that benefit.

Trade and other payables are made up of day-to-day Creditors (\$6.7m), for the purchase of items ranging from bitumen to stationery, and Employee Entitlements (\$5.2m). Employee entitlements consist of annual leave and vested sick leave amounts payable to employees at 30 June 2011.

Provisions consist of long service leave payable to employees at 30 June 2011 (\$10.3m) and costs that are expected to be incurred in restoring landfill sites administered by Council (\$5m). Provisions represent 19% of the total liabilities.



3. Statement of Cash Flows

This statement records the change in cash during the year. Council commenced the year with a cash balance of \$59.5m, which included externally restricted capital cash (Developer Contributions, Unspent Loans and Capital Grants and Subsidies) of \$27m. At year end the closing balance was \$71.3m, with externally restricted capital cash of \$28.9m.

Council’s cash flow from operating activities remains positive with surplus operating cash of \$28.1m available for investing in assets and repayment of loans.

Council utilised \$32.8m on assets renewals, upgrades and new purchases and loan redemption. This was funded from operating surplus, existing borrowings, asset sales, capital grants and contributions and council reserves.

4. Statement of Changes in Equity

The Statement of Changes in Equity determines the net wealth of Council, and therefore the community, and includes the asset revaluation surplus, retained deficiency, capital and other reserves.

The asset revaluation reserve consists of \$355m in asset revaluation increases since amalgamation. Council’s other reserves contain restricted funds held for future projects, reducing the need to rely on borrowings. The reserves set aside by Council include constrained works, future capital works, asset acquisition, transport improvement, sewerage improvement and water improvement, totalling \$65.5m.

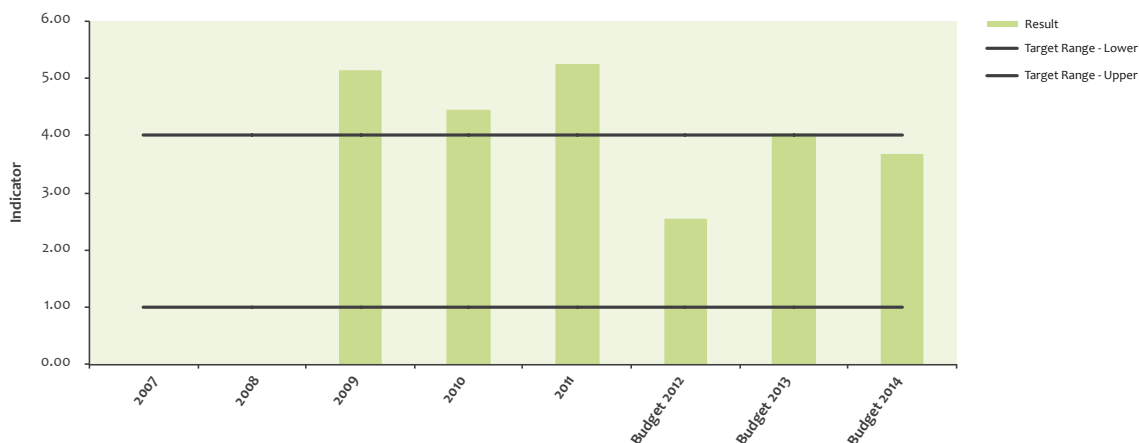
5. Financial Sustainability Ratios

The Financial Sustainability of Council is now a cornerstone of the Local Government Act and a core responsibility of individual Councils across Queensland.

Financial Sustainability is defined as when a “Local Government is able to maintain its financial capital and infrastructure capital over the long term” [source: Local Government Act 2009 section 102(2)].

The Local Government (Finance, Plans and Reporting) Regulation 2010 requires Council to publish Financial Sustainability measures. The Department of Local Government and Planning has set Targets for each measure in the Financial Management Sustainability Guideline 2011 (March 2011). These targets identify a preferred range and any actual values outside of these ranges require consideration to ensure that the overall sustainability strategy of Council is not compromised. These measures are as follows:

Working Capital Ratio



INDICATOR - Working Capital Ratio

DESCRIPTION - Measures the extent to which council has liquid assets available to meet short term financial obligation.

MEASURE - Current Assets divided by Current Liabilities

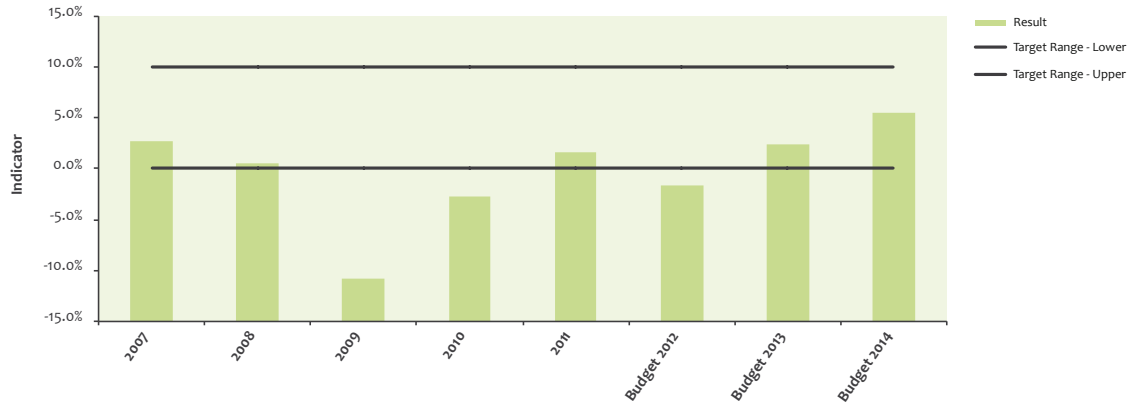
TARGET - Between 1 and 4

An important indication in determining the financial health of Council is to measure its ability to meet commitments when they fall due. This indicator identifies if Council has enough short-term assets to cover its immediate liabilities.

A ratio of more than 1 is desirable and generally a higher ratio indicates a stronger financial position, and that Council has sufficient liquid assets to maintain normal business operations. Council’s working capital ratio is 5.2 times, which indicates that it is in a strong financial position to meet its current commitments.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

Operating Surplus Ratio



INDICATOR - Operating Surplus Ratio

DESCRIPTION - Indicates the extent to which operating revenues are available to help fund proposed capital expenditure. If not required within the year, a surplus could be held for future capital expenditure (Reserves), adjust working capital cash or used to reduce current debt levels.

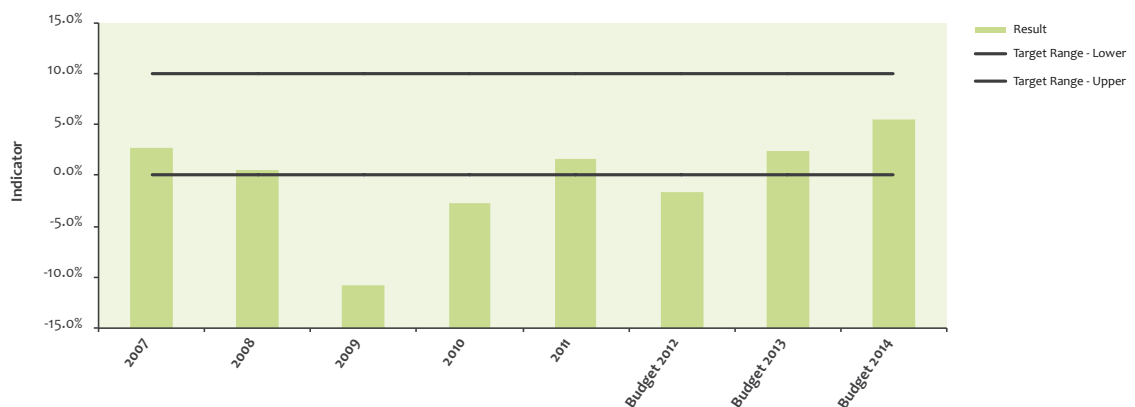
MEASURE - Net Operating Surplus divided by Total Operating Revenue

TARGET - Between 0% and 10%

A significant fall to -11% in 2009 was largely due to the cost associated with amalgamation. Council has implemented new rating methodologies and work practices in a continuing effort to bring Council back to a Surplus over the current term. In 2011 Council achieved an operating surplus, however this was partially due to the focus on recoverable and subsidised work relating to the emergent restoration of essential public assets following this year's significant flood event, rather than the normal Council works program.

Council expects to slip back into deficit in 2012 as it catches up on its normal work program before returning to surplus in 2013. A positive ratio is essential for a growing community to assist in the funding of the proposed capital expenditure. This results in less reliance on borrowed funds for capital expenditure and thus managers Council debt. The positive operating surplus ratio of Council for the future budget years 2013 and 2014 indicates a push for long term sustainability.

Net Financial Liabilities Ratio



INDICATOR - Net Financial Liabilities Ratio

DESCRIPTION - Indicates the extent to which the net financial liabilities can be serviced by its operating revenue. A value less than 60% indicates the capacity to fund existing liabilities and appears to have capacity to increase borrowings. A value greater than 60% indicates limited capacity to increase borrowings.

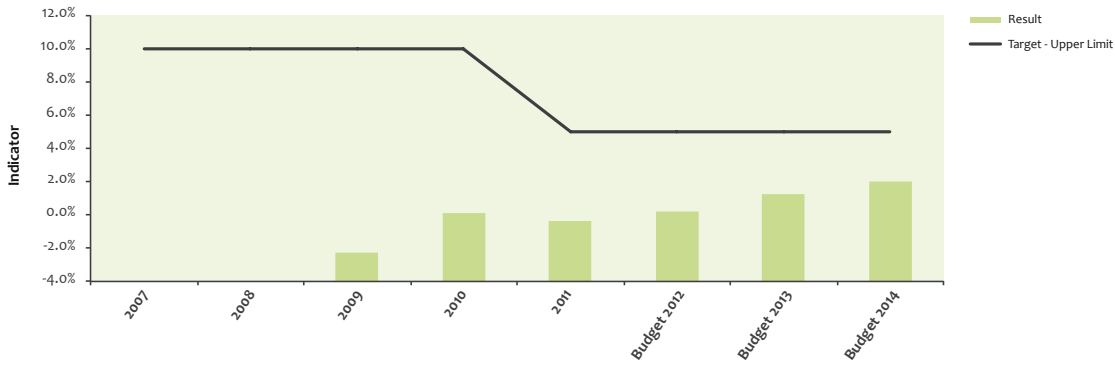
MEASURE - Total Liabilities less Current Assets divided by Operating Revenue

TARGET - Not greater than 60%

Council reported a negative ratio of -5.1% in the 2011 financial year. A negative ratio indicates that the current assets exceed the total liabilities and therefore Council appears to have significant capacity and ability to increase its loan borrowings if necessary. The ratio is expected to increase as Council undertakes the planned capital expenditure and loan program over the budget period. This will limit Council ability to increase its loan borrowings in following years.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

Interest Coverage Ratio



INDICATOR - Interest Coverage Ratio

DESCRIPTION - Indicates the extent to which a operating revenue is committed to net interest expense. (Not to be confused with normal Interest Coverage Ratio).

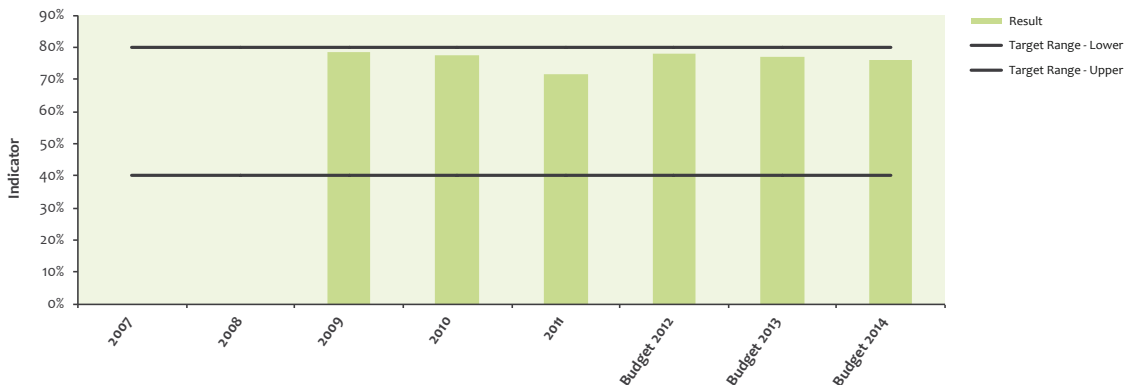
MEASURE - Net interest expense on debt service divided by total operating revenue

TARGET - Between 0% and 5%

In the 2011 financial years Council reported an Interest Coverage Ratio of -0.4%. A negative percentage for this ratio indicates that Council derives more interest income from investments than it incurs on paying interest on debt. In future budget years the ratio is predicted to increase slightly to become a positive figure however it will still remain well within the target range.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

Asset Consumption Ratio



INDICATOR - Asset Consumption Ratio

DESCRIPTION - Demonstrates the aged condition of Council's physical stock of assets by looking at the written down current value of assets relative to their new value.

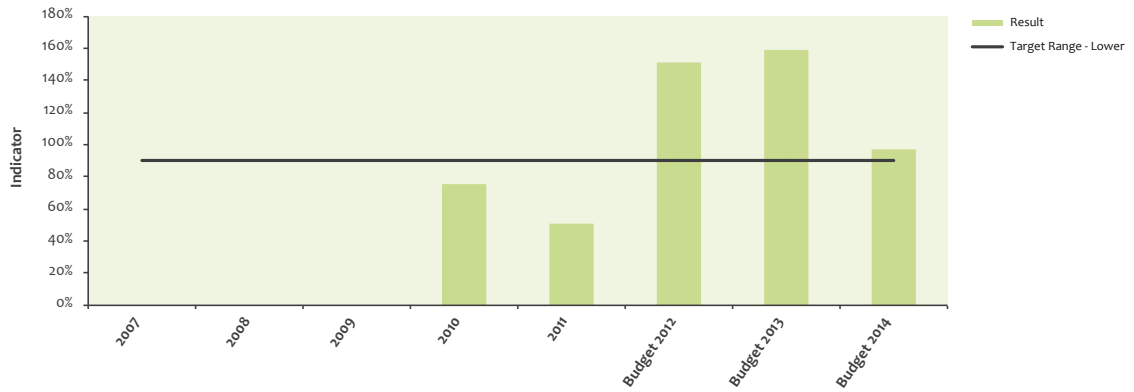
MEASURE - Infrastructure Asset's Written Down Value of divided by Gross Current Replacement Cost

TARGET - Between 40% and 80%

Council reported a asset consumption ratio of 72% in the 2011 financial year. The decrease this year is reflective of the damage sustained to infrastructure assets from 2010 / 2011 flood event. Council is prepare a significant submission to the Queensland Reconstruction Authority for assistance to restore these assets.

Former Council comparatives have not been included for this indicator as it is subjective with the changes in accounting policies and assumptions across the four former Councils following amalgamation and the creation of new policies.

Asset Sustainability Ratio



INDICATOR - Asset Sustainability Ratio

DESCRIPTION - Indicates whether a council is renewing or replacing existing noncurrent assets at the same rate that its assets are being consumed.

MEASURE - Capital Expenditure on Renewals divided by Depreciation Expense.

TARGET - Less than 90%

The approximate Asset Sustainability ratio for the 2011 financial year is 51%. This reflects the impact of the flood event on Council's capital expenditure program with a number of projects deferred until 2012 and 2013.

This ratio is an approximate as most projects are a mixture new, renewal and upgrade works. The ratio provides Council and the community with a feeling for the renewal program rather than a clear indication. Council will review this definition and capital work classification to refine this ratio during 2012.

Former Council and the 2009 comparatives have not been included for this indicator as accounting and asset management systems were not set up to record this information.



audited annual financial report



BUNDABERG REGIONAL COUNCIL

ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2011

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BUNDABERG REGIONAL COUNCIL

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
Income			
Revenue			
Recurrent Revenue			
Rates, levies and charges	3(a)	94,835,522	85,835,645
Fees and charges	3(b)	12,948,677	11,698,464
Interest received	3(c)	4,698,149	3,217,332
Sales - contract and recoverable works	3(d)	11,517,582	4,900,364
Grants, subsidies, contributions and donations	4(a)	19,080,169	10,564,155
Profit on sale of developed land held for sale	5	319,119	236,506
Total recurrent revenue		<u>143,399,218</u>	<u>116,452,466</u>
Capital Revenue			
Grants, subsidies, contributions and donations	4(b)	25,808,550	20,832,284
Total Revenue		<u>169,207,768</u>	<u>137,284,750</u>
Capital Income	6	7,057,295	54,746
TOTAL INCOME		<u>176,265,063</u>	<u>137,339,496</u>
Expenses			
Recurrent Expenses			
Employee benefits	7	(57,660,460)	(53,750,402)
Materials and services	8	(50,223,852)	(36,519,497)
Finance costs	9	(4,203,979)	(3,423,447)
Depreciation and amortisation	10	(29,069,727)	(26,011,391)
Total recurrent expenses		<u>(141,158,018)</u>	<u>(119,704,737)</u>
Capital Expenses	12	(7,623,494)	(1,953,610)
Increase in Provision for Land Restoration	11	-	(545,570)
TOTAL EXPENSES		<u>(148,781,512)</u>	<u>(122,203,917)</u>
NET RESULT ATTRIBUTABLE TO COUNCIL		<u>27,483,551</u>	<u>15,135,579</u>
Other Comprehensive Income			
Increase/(decrease) in asset revaluation surplus		45,194,498	38,374,236
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>72,678,049</u>	<u>53,509,815</u>

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

BUNDABERG REGIONAL COUNCIL

STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
ASSETS			
Current Assets			
Cash and cash equivalents	14	71,334,058	59,530,995
Trade and other receivables	15	15,540,051	11,787,958
Inventories	16	2,732,116	2,829,337
Total Current Assets		89,606,225	74,148,290
Non-Current Assets			
Investment property	18	1,286,160	1,042,899
Property, plant and equipment	19	1,541,502,495	1,474,003,663
Capital works in progress	20	21,547,366	36,564,529
Intangible assets	21	5,895,120	5,718,569
Total Non-Current Assets		1,570,231,141	1,517,329,660
TOTAL ASSETS		1,659,837,366	1,591,477,950
LIABILITIES			
Current Liabilities			
Trade and other payables	22	11,289,818	11,191,583
Borrowings	23	4,693,946	4,446,669
Provisions	25	655,000	518,000
Other liabilities	26	451,005	498,411
Total Current Liabilities		17,089,769	16,654,663
Non-Current Liabilities			
Trade and other payables	22	604,458	1,137,130
Borrowings	23	49,985,914	54,637,607
Provisions	25	14,585,161	14,154,535
Total Non-Current Liabilities		65,175,533	69,929,272
TOTAL LIABILITIES		82,265,302	86,583,935
NET COMMUNITY ASSETS		1,577,572,064	1,504,894,015
Community Equity			
Capital	27	1,159,979,067	1,149,211,426
Asset revaluation surplus	28	355,083,921	309,889,423
Retained surplus/(deficiency)	29	(2,979,846)	(3,958,278)
Other reserves	30	65,488,922	49,751,444
TOTAL COMMUNITY EQUITY		1,577,572,064	1,504,894,015

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

BUNDABERG REGIONAL COUNCIL

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2011

	Total	Capital	Asset Revaluation	Retained	Other Reserves
		Note 27	Surplus	Surplus/ Deficiency	
			Note 28	Note 29	Note 30
	\$	\$	\$	\$	\$
Balances as at 1 July 2010	1,504,894,015	1,149,211,426	309,889,423	(3,958,278)	49,751,444
Changes in equity for period					
Asset revaluation adjustments	45,194,498	-	45,194,498	-	-
Surplus for the period	27,483,551	-	-	27,483,551	-
Total comprehensive income for the year	1,577,572,064	1,149,211,426	355,083,921	23,525,273	49,751,444
Transfers to and from reserves					
Transfers to/from capital	-	10,767,641	-	(10,520,553)	(247,088)
Transfers to other reserves	-	-	-	(15,984,566)	15,984,566
Transfers from other reserves	-	-	-	-	-
Transfer of funds expended	-	-	-	-	-
Total transfers to and from reserves	-	10,767,641	-	(26,505,119)	15,737,478
Balance at 30 June 2011	1,577,572,064	1,159,979,067	355,083,921	(2,979,846)	65,488,922
Balances as at 1 July 2009	1,451,384,200	1,130,335,707	271,515,187	-	49,533,306
Changes in equity for period					
Asset revaluation adjustments	38,374,236	-	38,374,236	-	-
Surplus for the period	15,135,579	-	-	15,135,579	-
Total comprehensive income for the year	1,504,894,015	1,130,335,707	309,889,423	15,135,579	49,533,306
Transfers to and from reserves					
Transfers to/from capital	-	18,875,719	-	(9,084,687)	(9,791,032)
Transfers to other reserves	-	-	-	(10,009,170)	10,009,170
Transfers from other reserves	-	-	-	-	-
Transfer of funds expended	-	-	-	-	-
Total transfers to and from reserves	-	18,875,719	-	(19,093,857)	218,138
Balance at 30 June 2010	1,504,894,015	1,149,211,426	309,889,423	(3,958,278)	49,751,444

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

BUNDABERG REGIONAL COUNCIL

STATEMENT OF CASH FLOWS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
Cash Flows from Operating Activities :			
Receipts from customers		117,295,355	108,477,119
Payments to suppliers and employees		(107,819,068)	(100,234,061)
		<u>9,476,287</u>	<u>8,243,058</u>
Interest received		4,338,892	2,984,739
Proceeds from sale of developed land held for resale	5	389,545	290,909
Non-capital grants and contributions		17,494,434	10,538,866
Borrowing costs		(3,594,240)	(2,745,864)
Costs incurred on inventory land held for sale		(28,842)	(51,846)
		<u>28,076,076</u>	<u>19,259,862</u>
Net Cash Inflow/(Outflow) from Operating Activities	35	<u>28,076,076</u>	<u>19,259,862</u>
Cash Flow from Investing Activities :			
Payments for property, plant and equipment		(27,686,635)	(49,527,380)
Payments for intangible assets	21	(463,378)	(591,427)
Payments for investment property		(186,162)	(792,900)
Proceeds from sale of property plant and equipment		1,181,689	1,161,530
Grants, subsidies, contributions and donations		15,281,054	10,007,387
Net movement in loans and advances		4,835	4,600
		<u>(11,868,597)</u>	<u>(39,738,190)</u>
Net Cash Inflow/(Outflow) from Investing Activities		<u>(11,868,597)</u>	<u>(39,738,190)</u>
Cash Flow from Financing Activities :			
Proceeds from borrowings	24	-	7,800,000
Repayment of borrowings	24	(4,404,416)	(3,243,969)
		<u>(4,404,416)</u>	<u>4,556,031</u>
Net Cash Inflow/(Outflow) from Financing Activities		<u>(4,404,416)</u>	<u>4,556,031</u>
Net Increase/(Decrease) in Cash Held		<u>11,803,063</u>	<u>(15,922,297)</u>
Cash at beginning of reporting period		59,530,995	75,453,292
Cash at End of Reporting Period	14	<u><u>71,334,058</u></u>	<u><u>59,530,995</u></u>

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies

1.01 Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other pronouncements issued by the Australian Accounting Standards Board. They also comply with the requirements of the Local Government Act 2009 and the Local Government (Finance, Plans and Reporting) Regulation 2010.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain non-current assets.

1.02 Statement of Compliance

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Bundaberg Regional Council's ('Council') operations and effective for the current reporting period. Because Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with IFRS, to the extent these inconsistencies are applied this report does not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.03 Constitution

Bundaberg Regional Council is constituted under the Queensland Local Government Act 2009 and is domiciled in Australia.

1.04 Date of Authorisation

The financial statements were authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate is signed.

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

1.05 Currency

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

1.06 Adoption of New and Revised Accounting Standards

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies:

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.06 Adoption of New and Revised Accounting Standards (Cont'd)

Effective for annual report periods beginning on or after:

AASB 9 Financial Instruments (December 2009)	1 January 2013
AASB 124 Related Party Disclosures (December 2009)	1 January 2011
AASB 1053 Application of Tiers of Australian Accounting Standards	1 July 2013
2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)	1 January 2013
2009-12 Amendments to Australian Accounting Standards in relation to AASB 8 Operating Segments (December 2009)	1 January 2011
2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (Interpretation 14) (December 2009)	1 January 2011
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	1 July 2013
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	1 January 2011
AASB 2010-5 Amendments to Australian Accounting Standards	1 January 2011
AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets	1 July 2011
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2013
AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets	1 January 2012
AASB 2010-9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 July 2011
AASB 2010-10 Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters	1 January 2013
AASB 1054 Australian Additional Disclosures	1 July 2011
AASB 2001-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project	1 July 2011
AASB 2001-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project	1 July 2013
AASB 10 Consolidated Financial Statements	1 January 2013
AASB 11 Joint Arrangements	1 January 2013
AASB 12 Disclosure of Interests in Other Entities	1 January 2013
AASB 127 Separate Financial Statements	1 January 2013
AASB 128 Investments in Associates and Joint Ventures	1 January 2013
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 January 2013

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

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.07 Critical accounting judgements and estimates

In the application of Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following accounting policies and subsequent notes relating to:

* Valuation of Property, Plant and Equipment including:

- valuation of infrastructure assets using the depreciated replacement cost method which includes assessment of asset replacement cost and asset condition,
- useful lives; and
- residual values.

* Contingent Liabilities

* Employee Provisions

* Rehabilitation Provisions

1.08 Revenue

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

(i) Rates and Levies

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

(ii) Grants and Subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. An equivalent amount is placed in a reserve until the funds are expended. Unspent non-reciprocal capital grants are placed in the Unspent capital grants reserve. Council spends all recurrent grants in the year received and therefore Council has not established a reserve for this purpose.

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

(iii) Non-Cash Contributions

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

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received at the survey seal date.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.08 Revenue (Cont'd)

(iv) Cash Contributions

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

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

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

(v) Rental Income

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

(vi) Interest

Interest received from term deposits is accrued over the term of the investment.

1.09 Financial Assets and Financial Liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Bundaberg Regional Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents (note 1.10)

Receivables - measured at amortised cost (note 1.11)

Financial liabilities

Payables - measured at amortised cost (note 1.21)

Borrowings - measured at amortised cost (note 1.23)

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

The fair value of financial instruments is determined as follows:

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

The fair value of borrowings, as disclosed in Note 23 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if Council repaid it in full at balance date. As it is the intention of Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

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

The fair value of prepayments is represented by the book value as the period of time to consumption is short and there are no rates involved in the calculation, therefore they are not disclosed separately.

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.10 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.11 Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e agreed purchase price or contract price. Settlement of these amounts is required within 30 days from the invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

Because Council has the power to sell an owner's property to recover outstanding rate debts, Council does not impair any rate receivables.

All known bad debts were written-off at 30 June. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at commercial rates. Security is not normally obtained.

1.12 Inventories

Stores and raw materials are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution are:

- goods to be supplied at no, or nominal, charge, and
- goods to be used for the provision of services at no, or nominal, charges.

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

1.13 Land Purchased for Development and Sale

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

Profit arising upon sale of land is recognised in the Statement of Comprehensive Income at settlement date.

1.14 Investments

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

1.15 Investment Property

Investment property is property held for the primary purpose of earning rentals and/or capital appreciation. This includes land held by Council for a currently undetermined future use.

Investment property is measured using the fair value model. This means all investment property is initially recognised at cost (including transaction costs) and then subsequently revalued annually. Where investment property is acquired at no or nominal cost it is recognised at fair value.

Property that is being constructed or developed for future use as investment property is classified as investment property. Investment property under construction is measured at fair value, unless fair value cannot be reliably determined for an individual property (in which case the property concerned is measured at cost until fair value can be reliably determined).

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.15 Investment Property (Cont'd)

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

1.16 Property, Plant and Equipment

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Buildings with a total value of less than \$10,000, plant and equipment with a total value of less than \$5,000 and land with a total value of less than \$1 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

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

Land and Improvements
Buildings and Structures
Plant and Equipment
Cultural Assets
Road, Footpaths and Bridges
Stormwater Drainage
Sewerage Infrastructure
Water Infrastructure

(i) Acquisition of Assets

Acquisition of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees, engineering design fees and all other establishment costs.

Property, plant and equipment, received in the form of contributions are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

(ii) Capital and Operating Expenditure

Wage and materials expenditure incurred for the acquisition or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current assets are expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

(iii) Valuation

Land, buildings and structures, major plant, infrastructure and cultural assets are measured on the revaluation basis, at fair value, in accordance with AASB116 *Property, Plant and Equipment*. All other non-current assets, principally plant and equipment and intangibles are measured at cost.

Non-current physical assets measured at fair value are revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by comprehensively revaluing these assets at least once every five years with interim valuations, using a suitable index, being otherwise performed on an annual basis were there has been a material variation in the index.

Details of valuers and methods of valuations are disclosed in Note 19(b).

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

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

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.16 Property, Plant and Equipment (Cont'd)

(iv) Major Plant

Council has determined that plant which has an individual cost in excess of \$1,000,000 is of high value to Council. Plant which meets this criteria is classified as major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete.

(v) Capital Work in Progress

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

Investment property under construction is classified as investment property. Refer to Note 1.15 for further information.

(vi) Depreciation

Land and cultural assets are not depreciated as they have unlimited useful lives. Depreciation on roads, footpaths and bridges, stormwater drainage, sewer and water passive assets and plant and equipment is calculated on a straight-line basis. Buildings, sewer and water active assets are calculated using a straight-line consumption based depreciation method which is calculated on a straight line basis between condition points.

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

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

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

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

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in Note 19(a).

(vii) Land Under Roads

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. Bundaberg Regional Council does not have any such land holdings.

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

1.17 Intangible Assets

Only intangible assets which have a cost exceeding \$10,000 are recognised as intangible assets in the financial statements, with items of a lesser value being expensed.

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

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

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.18 Biological Assets

Council operates a nursery to produce bedding plants and trees for its own use. In view of the immaterial nature of this operation the accounting procedures related to biological assets have not been applied. The costs incurred in this operation are included in Council's general operations as they are incurred.

1.19 Impairment of Non-current Assets

Each non-current physical and intangible asset is assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The recoverable amount of an asset is determined as the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.20 Leases

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

(i) Finance Leases

Where Council enters into a finance lease, Council recognises an asset equal to the lower of fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

(ii) Operating Leases

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

1.21 Payables

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

1.22 Liabilities - Employee Benefits

Employee benefits are accrued for such items as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee entitlements are assessed at each reporting date. Where it is expected that the leave will be taken in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

(i) Salaries and Wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 22.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.22 Liabilities - Employee Benefits (Cont'd)

(ii) Annual Leave

A liability for annual leave is recognised. The current portion (based on expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non-current portion is based on projected future wage and salary levels and related employee on-costs discounted to present values. This liability is reported in Note 22.

(iii) Sick Leave

A liability for vested sick leave is recognised and measured in accordance with Council's Enterprise Bargaining Agreement. The current portion is based on current wage and salary levels and includes related employee on-costs. The non-current portion is based on projected future wage and salary levels and related employee on-costs discounted to present values. The liability is reported in note 22.

(iv) Superannuation

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

Details of those arrangements are set out in Note 33.

(v) Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. This liability is reported in Note 25.

1.23 Borrowings and Borrowing Costs

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.

1.24 Restoration Provisions

A provision is made for the cost of restoration of assets and other future restoration costs where it is probable Council will be liable, or required, to incur such a cost on the cessation of use of the facility. This liability is provided in respect of refuse dumps. Details can be found in Note 25.

The provision is measured at the expected cost of the work required and discounted to current day values using an appropriate rate. The current QTC lending rate is considered an appropriate rate.

(a) **Restoration on land not controlled by Council**

Where the restoration site is on State reserves which Council does not control, the cost of the provisions for restoration of these sites has to be treated as an expense in the year the provision is first recognised. Changes in the provision not arising from the passing of time are treated as an expense or income.

(b) **Restoration on land controlled by Council**

Where the restoration site is on Council controlled land, the cost of the restoration provision is added to the cost of the land as an improvement and amortised over the expected useful life. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus increases in provision are treated as an expense and recovered out of future decreases if any.

Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.25 Capital

Capital is the carrying value of Council's capital assets less the amount of capital debt at the reporting date. It represents the net investment of Council funds in assets purchased to deliver future services to the community.

1.26 Asset Revaluation Surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus. Increases and decreases upon revaluation are offset within a class of assets.

Where a class of assets is decreased upon revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

1.27 Retained Surplus

This represents that part of Council's net funds that are not required to meet specific future funding needs. The balance of this account at the end of each financial year represents the accumulative amount available to Council that may be used to offset against expenditure in the following year.

1.28 Reserves

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

(i) Constrained Works Reserve

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

(ii) Transport Improvement Reserve

This reserve represents cash reserves set aside to provide funds for the future construction and replacement of Council's Roads, Pathways and Bikeways Infrastructure.

(iii) Asset Acquisition Reserve

The financial strategy of Council is that each year there should be sufficient capital expenditure to maintain the operating capability of the Council. This reserve is used to even out capital expenditure fluctuations year by year.

(iv) Fleet Renewal Reserve

This reserve was created for replacement and upgrading of Council's plant.

(v) Sewerage Improvement Reserve

This reserve was created to provide a contingency amount to offset any major unforeseen sewerage works that are required.

(vi) Water Improvement Reserve

This reserve was created to provide a contingency amount to offset any major unforeseen water works that are required.

(vii) Future Capital Works Reserve

This reserve represents cash reserves set aside to provide funds for the future replacement or upgrade of Council's assets and Loan Principal payments.

(viii) Working Capital Cash Reserve

This reserve was created to ensure that Council is able to continue its operations and ensure that it has sufficient cash flow to enable payment of debt and upcoming operational expenses.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies (Cont'd)

1.29 Rounding and comparatives

Amounts included in the financial statements have been rounded to the nearest \$1 or, where that amount is \$0.50 or less, to zero.

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

1.30 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 paid into the Trust Account by Council. Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements. The monies are disclosed in the notes to the financial statements for information purposes only in Note 34.

1.31 Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the Australian Taxation Office ('ATO') or payable to the ATO is shown as an asset or liability respectively.

The Council pays Payroll Tax to the Queensland Government on certain activities.

1.32 National Competition Policy

The Council has reviewed its activities to identify its business activities. Details of these activities are disclosed in Note 37.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

2 (a) Analysis of results by function

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

Functions	Grant Revenue	Other Revenue	Total Revenue	Total Expenses	Net Result	Assets
	\$	\$	\$	\$	\$	\$
Council departments	28,636,952	84,590,884	113,227,836	94,974,607	18,253,229	1,169,386,110
Waste services	192,090	15,629,958	15,822,048	12,216,883	3,605,165	11,960,014
Sewerage services	34,604	23,703,788	23,738,392	23,597,064	141,328	254,102,150
Water services	-	23,476,787	23,476,787	17,992,958	5,483,829	224,389,092
Total	28,863,646	147,401,417	176,265,063	148,781,512	27,483,551	1,659,837,366

For the year ended 30 June 2010

Functions	Grant Revenue	Other Revenue	Total Revenue	Total Expenses	Net Result	Assets
	\$	\$	\$	\$	\$	\$
Council departments	16,601,813	70,176,701	86,778,514	83,845,819	2,932,695	1,164,427,158
Waste services	80,000	10,262,824	10,342,824	11,573,539	(1,230,715)	10,654,531
Sewerage services	69,007	18,975,004	19,044,011	12,947,375	6,096,636	210,708,582
Water services	30,909	21,143,238	21,174,147	13,837,184	7,336,963	205,687,679
Total	16,781,729	120,557,767	137,339,496	122,203,917	15,135,579	1,591,477,950

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

2 (b) Component functions of Council

The activities relating to Council's Functions reported on in Note 2(a) - Analysis of Results by Function are as follows:

Council departments

Comprised of the following departments incorporating the various service delivery programs within Council which are primarily funded from general rate operations:

Department	Service delivery programs
Governance	Corporate services; Information technology; Human resources and Workplace health and safety
Finance	Financial functions of Council including: Payroll; Purchasing; Rating; Budgeting and Financial reporting
Executive support	Chief Executive Officer; Mayor and Councillors; Economic Development; Tourism and Corporate communications
Community and cultural services	Community services; Cultural services; Counter disaster; Sport and recreation; Strategic events and Venues and facilities
Infrastructure & planning services	Roads and drainage; Fleet management; Assets and design; Trade services; Building; Planning and Major Projects (Water and Sewerage services reported as separate functions)
Health and environmental services	Health and environmental protection (Waste management services reported as a separate function)

Sewerage services

Council's sewerage operations are primarily funded from sewerage utility charges. The focus of this function is to provide and maintain a reliable, efficient and cost effective sewerage system which recognises environmental values in the city.

Water services

Council's water operations are primarily funded from water utility charges under a user-pays system. The focus of this function is to provide a safe, reliable and adequately treated water supply to consumers based on high standards of treatment, efficient maintenance of infrastructure and sound planning techniques.

Waste services

Council's waste operations are primarily funded from waste collection charges. The focus of this function is to provide a high standard service for both waste and recycling collection and waste disposal through the use of the latest waste collection vehicles, the operation of the materials recycling facility, the implementation of environmental monitoring programs and the development of award winning landfill facilities.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
3 Revenue analysis			
(a) Rates, levies and charges			
General rates		52,081,213	48,510,521
Cleansing and recycling		10,266,561	9,329,222
Water		19,473,169	19,727,743
Sewerage		18,066,548	16,855,055
Special rates and charges		371,457	366,629
Total rates and utility charge revenue		100,258,948	94,789,170
Less: Discounts		(4,603,959)	(8,292,018)
Less: Pensioner remissions		(819,467)	(661,507)
Net rates and utility charges		94,835,522	85,835,645
(b) Fees and charges			
Fees and charges		12,948,677	11,698,463
		12,948,677	11,698,463
(c) Interest received			
Interest received from investments		4,102,827	2,635,145
Other sources		190	48,155
Interest from overdue rates and utility charges		595,132	534,032
		4,698,149	3,217,332
(d) Sales - Contract and recoverable works			
Sales - Contract and recoverable works		11,517,582	4,900,364
		11,517,582	4,900,364

The amount recognised as revenue for contract revenue during the period is the amount receivable in respect of invoices issued during the period. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

4 Grants, subsidies, contributions and donations

(a) Recurrent - Grants and subsidies, other contributions and donations are analysed as follows:

General purpose grants	7,941,598	7,371,304
State Government grants and subsidies	10,268,971	2,243,931
Federal Government grants and subsidies	437,410	678,373
Non-Government grants and subsidies	7,700	22,363
Donations	68,822	72,037
Contributions	355,668	176,147
Total recurrent revenue	19,080,169	10,564,155

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
4 Grants, subsidies, contributions and donations (cont'd)			
(b) Capital - Grants and subsidies, other contributions and donations are analysed as follows:			
(i) Monetary revenue received:			
State Government grants and subsidies		8,056,159	3,362,412
Federal Government grants and subsidies		2,144,808	3,037,466
Contributions		5,068,312	2,837,405
Non-Government grants and subsidies		7,000	65,880
(ii) Non-Monetary revenue received:			
Non-Infrastructure assets donated		610	-
Donated assets contributed by developers at fair value		10,531,661	11,529,121
Total capital revenue		<u>25,808,550</u>	<u>20,832,284</u>
<p>Council received \$7,186,331 in Natural Disaster Relief and Recovery Arrangements (NDRRA) grants for the flood event in December 2010 and January 2011 (refer note 8 (ii)).</p>			
(c) Conditions over contributions			
<p>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 :</p>			
Capital grants and subsidies		3,077,055	2,609,648
Developer's contributions		4,674,772	2,480,242
Other capital contributions		195,430	91,068
		<u>7,947,257</u>	<u>5,180,958</u>
<p>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.</p>			
Capital grants and subsidies		2,650,574	1,738,162
Developer's contributions		1,508,829	2,534,526
Other capital contributions		116,466	-
		<u>4,275,869</u>	<u>4,272,688</u>
5 Profit on sale of developed land held for resale			
Proceeds from sales of developed land held for resale		389,545	290,909
Current cost of developed land sold		(70,426)	(54,403)
		<u>319,119</u>	<u>236,506</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
6 Capital income			
Revaluation of investment property	18	57,099	54,746
		<u>57,099</u>	<u>54,746</u>
Decrease in rehabilitation provision, due to decrease in the estimated future cost that pertains to land not controlled by Council	25	409,460	-
		<u>409,460</u>	<u>-</u>
Gain arising from recognising assets that were not previously recognised		6,590,736	-
		<u>6,590,736</u>	<u>-</u>
Total capital income		<u><u>7,057,295</u></u>	<u><u>54,746</u></u>
7 Employee benefits			
Total staff wages and salaries		44,604,761	41,897,000
Councillors' remuneration		968,494	963,071
Annual, sick and long service leave entitlements		7,360,280	7,204,687
Superannuation	33	5,584,957	5,288,230
		<u>58,518,492</u>	<u>55,352,988</u>
Other employee related expenses		2,110,879	2,398,527
		<u>60,629,371</u>	<u>57,751,515</u>
Less: Capitalised employee expenses		(2,968,911)	(4,001,113)
		<u><u>57,660,460</u></u>	<u><u>53,750,402</u></u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
Total Council employees at the reporting date:			
Elected members		11	11
Administration staff		338	339
Depot and outdoor staff		484	487
Total full time equivalent employees		<u><u>833</u></u>	<u><u>837</u></u>
8 Materials and services			
Audit services	(i)	319,503	149,466
Donations paid		1,033,687	651,114
Rentals - operating leases		267,828	250,262
Telephone expenses		665,845	701,404
Electricity expenses		4,439,704	3,888,928
Raw water		896,848	1,234,632
Insurance premiums		1,137,853	1,087,144
External plant hire		7,912,952	3,330,232
Consultants		762,646	874,902
Non-Council employees		1,056,342	1,300,989
Chemicals		605,562	922,784
Legal expenses		465,527	373,136
Plant consumables		5,005,026	4,564,716
Other material and services	(ii)	25,654,529	17,189,788
		<u><u>50,223,852</u></u>	<u><u>36,519,497</u></u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
8 Materials and services (Cont'd)			
(i) The audit services amount recorded in this note includes audit costs associated with the audit of Bundaberg Regional Council. The Auditors remuneration for the audit of the financial statement for the year ended 30 June 2011 is \$209,792 (year ended 30 June 2010 \$208,972)			
(ii) Between December 2010 and January 2011, parts of the Bundaberg Region were subjected to a major flood event. Council has recorded costs of \$8.7m relating to the initial response and emergent works following this event. These are included in Employee benefits and Materials and services. Council has received \$7.2m from the Queensland Reconstruction Authority as Natural Disaster Relief and Recovery Arrangements (NDRRA) grants (refer note 4) and \$250,000 from insurance claims. At year end Council had incurred \$7.3m in flood event related expenditure to be submitted as claims against the NDRRA fund. Costs of \$768,000 were associated with Counter Disaster efforts and \$6.5m for emergent works relating to the clean-up and repair of damaged assets. The assessment of further damage and resulting costs is continuing. Council expects to be eligible for further recoveries through NDRRA grants in relation to this event.			
9 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		3,593,806	2,742,653
Other finance costs		434	3,211
Impairment of debts		147,732	194,498
Bank charges		209,542	214,870
Landfill restoration - change in provision over time		252,465	268,215
		<u>4,203,979</u>	<u>3,423,447</u>
10 Depreciation and amortisation			
(a) Depreciation of non-current assets			
Buildings and structures		1,678,506	1,544,837
Plant and equipment		3,327,810	2,893,202
Roads, footpaths & bridges		15,518,022	13,391,763
Stormwater drainage		2,124,467	2,089,116
Water infrastructure		2,847,288	2,797,814
Sewerage infrastructure		3,404,003	3,138,374
Total depreciation of non current assets		<u>28,900,096</u>	<u>25,855,106</u>
(b) Amortisation of intangible assets			
Intangible assets		169,631	156,285
Total depreciation and amortisation		<u>29,069,727</u>	<u>26,011,391</u>
11 Increase in provision for land restoration			
Increase in rehabilitation provision, due to increase in the estimated future cost that pertains to land not controlled by Council	25	-	545,570
		-	545,570

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
12 Capital expenses			
Total loss on the disposal of non-current assets	13	7,481,377	1,933,982
Total loss on the write off of non-current assets	13	142,117	1,218
Loss on adjustment to long term debt	24	-	18,410
Total capital expenses		<u>7,623,494</u>	<u>1,953,610</u>
13 Gain/(Loss) on disposal of non-current assets			
Proceeds from disposal of property, plant and equipment		998,052	691,262
Book value of property, plant and equipment disposed		<u>(8,503,786)</u>	<u>(3,086,732)</u>
Gain/(Loss) on disposal of property, plant and equipment		<u>(7,505,734)</u>	<u>(2,395,470)</u>
Proceeds from disposal of land		131,818	465,270
Book value of land disposed		<u>(152,000)</u>	<u>(5,000)</u>
Gain/(Loss) on disposal of land		<u>(20,182)</u>	<u>460,270</u>
Proceeds from disposal of intangibles		-	-
Book value of intangibles disposed		<u>(97,578)</u>	<u>-</u>
Gain/(Loss) on disposal of intangibles		<u>(97,578)</u>	<u>-</u>
Gain/(Loss) on disposal of non-current assets		<u>(7,623,494)</u>	<u>(1,935,200)</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
14 Cash and cash equivalents			
Cash at bank and on hand		684,058	1,180,995
Deposits at call		10,350,000	10,000,000
Short term money market instruments		60,300,000	48,350,000
Balance per statement of cash flows		<u>71,334,058</u>	<u>59,530,995</u>

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

Unspent capital grants, subsidies & contributions		3,410,970	2,905,524
Unspent developer contributions		22,603,310	19,437,366
Unspent loan monies		<u>2,868,851</u>	<u>4,622,070</u>
Total unspent restricted cash for capital projects		<u>28,883,131</u>	<u>26,964,960</u>

Cash and deposits at call are held at the Commonwealth Bank and in a QTC Capital Guaranteed Cash Fund account, with credit ratings of A1+ for both institutions.

15 Trade and other receivables

(a) Current

Rateable revenue and utility charges		6,608,015	5,767,424
Less impairment		(21,212)	(87,406)
Other debtors		8,497,485	5,390,003
Less impairment		(140,422)	(132,096)
GST recoverable		143,145	449,397
Loans and advances to community organisation		-	4,835
Prepayments		<u>453,040</u>	<u>395,801</u>
		<u>15,540,051</u>	<u>11,787,958</u>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

All loans and advances related to loans made to various community bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
16 Inventories			
Current			
Inventories held for sale:			
Miscellaneous saleable items		53,790	74,208
		<u>53,790</u>	<u>74,208</u>
Valued at the lower of cost and net realisable value			
Inventories held for consumption:			
Stores inventories		1,060,630	1,095,849
		<u>1,060,630</u>	<u>1,095,849</u>
Valued at the lower of cost and replacement value			
Land purchased for development and sale	17	1,617,696	1,659,280
		<u>1,617,696</u>	<u>1,659,280</u>
Total inventories		<u><u>2,732,116</u></u>	<u><u>2,829,337</u></u>
17 Land purchased for development and sale			
Opening balance		1,659,280	1,661,837
Transfers		28,842	51,846
Less: Cost of developed land sold		(70,426)	(54,403)
Closing balance at end of financial year		<u>1,617,696</u>	<u>1,659,280</u>

Land purchased for development and sale is valued at the lower of cost and net realisable value.

18 Investment property

Fair value at the beginning of financial year		1,042,899	195,253
Construction costs of investment property		186,162	792,900
Revaluation adjustment to the income account	6	<u>57,099</u>	<u>54,746</u>
Fair value at the end of financial year		<u><u>1,286,160</u></u>	<u><u>1,042,899</u></u>

Investment property comprises land which is held for future development or unascertained future purposes.

The land was valued at market value by Australia Pacific Valuers Pty Ltd as at 30 April 2011. At the balance sheet date, no income was generated from the investment property. Expenses (if applicable) in respect of investment property are shown in Note 8. At reporting date there was no property being constructed or developed for future use as investment property.

BUNDEBERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2010

19 (a) Property, plant and equipment

30 June 2010

Basis of measurement

Asset values

Opening gross value as at 1st July 2009
 Additions at cost
 Contributed assets
 Disposals
 Revaluation adjustment to the Asset Revaluation Surplus
 Revaluation adjustment to expense
 Assets transferred to investment property
 Assets transferred from/(to) intangible assets
 Internal transfers
 Closing gross value as at 30th June 2010

	Land and improvements		Buildings and structures		Plant and equipment		Cultural assets		Roads, footpaths & bridges		Stormwater drainage		Sewerage infrastructure		Water infrastructure		Total
	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Cost	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	102,920,701	165,138,728	165,138,728	36,407,413	36,407,413	418,934	863,243,127	131,581,668	259,905,489	227,267,040	1,786,883,100						
	315,625	7,469,130	7,469,130	5,530,296	5,530,296	1,600	12,276,478	634,772	2,790,800	2,221,228	31,239,929						
	-	-	-	-	-	-	5,144,443	3,494,438	1,847,812	1,042,428	11,529,121						
	(5,000)	(339,071)	(339,071)	(2,614,394)	(2,614,394)	(1,218)	(4,155,560)	-	(392,326)	(299,804)	(7,807,373)						
	7,941,298	3,438,279	3,438,279	-	-	17,196	52,683	34,700,951	(9,046,410)	16,764,091	53,868,038						
	-	-	-	-	-	-	-	-	-	-	-						
	-	-	-	-	-	-	-	-	-	-	-						
	-	-	-	-	-	-	-	-	-	-	-						
	-	836,764	836,764	-	-	-	(144,622)	158,658	(213,582)	(637,218)	-						
	111,172,624	176,543,830	176,543,830	39,323,315	39,323,315	436,512	876,416,499	170,570,487	254,891,783	246,357,765	1,875,712,815						

Accumulated depreciation

Opening balance as at 1st July 2009
 Depreciation provided in period
 Depreciation on disposals
 Revaluation adjustment to the Asset Revaluation Surplus
 Revaluation adjustment to expense
 Assets transferred from/(to) intangible assets
 Internal transfers
 Closing accumulated depreciation as at 30th June 2010
 Total written down value at 30 June 2010
 Range of estimated useful life in years

	Land and improvements		Buildings and structures		Plant and equipment		Cultural assets		Roads, footpaths & bridges		Stormwater drainage		Sewerage infrastructure		Water infrastructure		Total
	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Cost	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	Revaluation	30-Jun-10	
	-	18,619,003	18,619,003	13,715,137	13,715,137	-	155,520,573	46,419,152	72,229,135	58,572,887	365,075,887						
	-	1,544,837	1,544,837	2,893,202	2,893,202	-	13,391,763	2,089,116	3,138,374	2,797,814	25,855,106						
	-	(19,523)	(19,523)	(1,946,359)	(1,946,359)	-	(2,821,574)	-	94,806	(22,993)	(4,715,643)						
	-	(1,567,417)	(1,567,417)	-	-	-	-	9,361,375	(1,528,062)	9,227,906	15,493,802						
	-	-	-	-	-	-	-	-	-	-	-						
	-	-	-	-	-	-	-	-	-	-	-						
	-	118,793	118,793	-	-	-	-	-	(64,169)	(54,624)	-						
	-	18,695,693	18,695,693	14,661,980	14,661,980	-	166,090,762	57,869,643	73,870,084	70,520,990	401,709,152						
	111,172,624	157,848,137	157,848,137	24,661,335	24,661,335	436,512	710,325,737	112,700,844	181,021,699	175,836,775	1,474,003,663						
Not depreciated		10-150		3-100		Not depreciated	10-150	80	20-80	20-100							

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

19 (b) Property, plant and equipment valuations were determined by reference to the following :

Basis of Valuation

Class of Asset		Maximum Years Between Comprehensive Valuations	Date of Last Valuation	Method of Last Revaluation
Land and improvements	(i)	5	April 2011	Indexation provided by APV Valuers and Asset Management
Buildings and structures	(ii)	5	April 2011	Indexation provided by APV Valuers and Asset Management
Cultural assets	(iv)	5	April 2011	Indexation to insurable value provided by APV Valuers and Asset Management
Roads, footpaths & bridges	(v)			
Roads		5	June 2011	An internal indexed revaluation and condition assessment was undertaken
Footpaths		5	March 2008	Comprehensive valuation by ACEAM
Bridges		5	March 2008	Comprehensive valuation by ACEAM
Kerbs		5	March 2008	Comprehensive valuation by ACEAM
Traffic Management Devices		5	March 2008	Comprehensive valuation by ACEAM
Stormwater drainage	(vi)	5	July 2009	Internal indexed revaluation
Sewerage infrastructure	(vii)			
Passive Assets		5	March 2011	Internal indexed revaluation
Active Assets		5	April 2011	Indexation provided by APV Valuers and Asset Management
Water infrastructure	(viii)			
Passive Assets		5	July 2009	Internal indexed revaluation
Active Assets		5	April 2011	Indexation provided by APV Valuers and Asset Management

An indexation review is performed for all asset classes at report date to assess whether carrying value materially differs from fair value. A review of these indexes as at 30 June 2011 indicated that the assets classes are not materially misstated and the respective indexes were not applied. The next planned comprehensive revaluation date for all asset classes is 30 June 2013.

(i) Land and improvements

Land parcels were independently valued at market value as at 30 April 2011. This indexed revaluation was undertaken by Daniel Atherton (Registered Valuer No. 2962) of APV Valuers and Asset Management.

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

(ii) Buildings and structures

The revaluation of buildings at fair value as at 30 April 2011 via indexation was undertaken by Daniel Atherton (Registered Valuer No. 2962) of APV Valuers and Asset Management. Buildings constructed and acquired since that date are recorded at cost. Ponds were assessed for impairment and no material changes noted.

(iii) Plant and equipment

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

(iv) Cultural assets

Cultural assets were valued on the basis of insurable value as at 30 April 2011. This indexed revaluation was undertaken by Richard McDonald, Art Valuer, on behalf of APV Valuers and Asset Management.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

19 (b) Property, plant and equipment valuations were determined by reference to the following (Cont'd):

(v) Roads, footpaths and bridges

Council implemented an internal indexed revaluation on the roads subclass using ARRB Group Limited's condition assessment and indexed unit rates as at 1 July 2010. Following the 2010/11 Queensland flood event, Council engaged Local Government Infrastructure Services (LGIS) to assist in quantifying the extent of the road network damage. LGIS appointed engineering consultants GHD Pty Ltd to inspect the entire road network and provide a flood related defect analysis. Council applied this analysis to adjust the condition of the affected assets via a revaluation process as at 30 June 2011.

(vi) Stormwater drainage

Stormwater Drainage assets were assessed for impairment and no material changes noted.

(vii) Sewerage infrastructure

Sewerage infrastructure active assets were independently revalued via indexation at fair value as at 30 April 2011 by Bryce McLaren, Plant & Equipment Valuer, of APV Valuers and Asset Management. An indexed revaluation of Sewer Maintenance Holes was performed internally as at 31 March 2011.

(viii) Water infrastructure

Water infrastructure active assets were independently revalued via indexation at fair value as at 30 April 2011, by Bryce McLaren, Plant & Equipment Valuer of APV Valuers and Asset Management.

	Note	30-Jun-11 \$	30-Jun-10 \$
20 Capital work in progress			
Capital work in progress at cost		21,547,366	36,564,529
21 Intangible assets			
(i) Computer software			
Opening balance at cost		2,001,498	1,965,283
Additions at cost		463,377	36,215
Transfer to other asset classes		(19,617)	-
Disposals		(238,291)	-
Closing balance at cost		2,206,967	2,001,498
Opening amortisation		(629,182)	(472,897)
Amortisation charge for the year		(169,631)	(156,285)
Amortisation on disposals		140,713	-
Closing accumulated amortisation		(658,100)	(629,182)
Net carrying value at the end of financial year		1,548,867	1,372,316
The software items have finite estimated lives of 10 years. Straight line amortisation has been used with no residual value.			
(ii) Water rights			
Opening balance at cost		4,346,253	3,791,041
Additions at cost		-	555,212
Closing balance at cost		4,346,253	4,346,253
The water rights have an indefinite useful life and, as such, are not amortised.			
Total intangible assets		5,895,120	5,718,569

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
22 Trade and other payables			
Current			
Creditors and accruals		6,708,428	6,180,939
Annual leave		4,193,788	4,198,638
Vested sick leave		387,602	812,006
		<u>11,289,818</u>	<u>11,191,583</u>
Non-Current			
Annual leave		604,458	697,794
Vested sick leave		-	439,336
		<u>604,458</u>	<u>1,137,130</u>

The average credit period on purchases is one month. No interest is charged on the trade payables for the first 30 days from the date of invoice. Thereafter, interest is charged at a pre-approved rate per annum on the outstanding balance. Council has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

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

These estimates are then adjusted for the probability of the employee remaining in employment with Council or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value.

23 Borrowings

Current

Loans - Queensland Treasury Corporation	24	<u>4,693,946</u>	<u>4,446,669</u>
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Non-Current

Loans - Queensland Treasury Corporation	24	<u>49,985,914</u>	<u>54,637,607</u>
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Financing facilities are limited by the requirement to obtain State Government approval for all loan applications. All loans are unsecured.

All borrowings are in \$A denominated amounts are carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 22 March 2014 to 3 June 2030.

There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
24 Loans			
Queensland Treasury Corporation			
Opening balance		59,084,276	54,509,835
Loans raised		-	7,800,000
Change in loan valuation		-	18,410
Principal repayments		(4,404,416)	(3,243,969)
Book value at end of financial year		<u>54,679,860</u>	<u>59,084,276</u>
Classified as :			
Current	23	4,693,946	4,446,669
Non-Current	23	<u>49,985,914</u>	<u>54,637,607</u>
		<u>54,679,860</u>	<u>59,084,276</u>

The loan market value at 30 June 2011 is \$56,237,510 . This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

25 Provisions

Current

Long service leave	<u>655,000</u>	<u>518,000</u>
	<u>655,000</u>	<u>518,000</u>

Non-Current

Landfill restoration	4,951,842	5,108,837
Long service leave	9,633,319	9,045,698
	<u>14,585,161</u>	<u>14,154,535</u>

Details of movements in provisions:

Landfill restoration provision

Opening balance	5,108,837	4,295,052
Increase in provision - finance cost due to change in time	252,465	268,215
Increase/(decrease) in provision - change in discount rate	(237,077)	861,320
Increase/(decrease) in estimate of future cost	<u>(172,383)</u>	<u>(315,750)</u>
Balance at the end of financial year	<u>4,951,842</u>	<u>5,108,837</u>

This is the present value of the estimated cost of restoring the landfill site to a useable state at the end of its useful life.

Long service leave provision

Opening balance	9,563,698
Additional provision made during the period	1,636,048
Amounts used during the period	(810,820)
Unused amounts reversed during the period	(63,215)
Change in discount and time	<u>(37,392)</u>
Balance at the end of financial year	<u>10,288,319</u>

26 Other liabilities

Monies received in advance	<u>451,005</u>	<u>498,411</u>
	<u>451,005</u>	<u>498,411</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
27 Capital			
Calculation of retained surplus:			
Cash and cash equivalents		71,334,058	59,530,995
Less restricted cash:			
Reserves (excluding the asset revaluation)		(38,577,885)	(34,745,487)
Future capital works reserve		(26,911,037)	(15,005,957)
Unspent loan funds		(2,868,851)	(4,622,069)
Unearned revenue		(451,005)	(498,411)
Cash funds allocated for future rehabilitation costs		(842,809)	(590,344)
Working cash requirement		(4,662,317)	(8,027,005)
Retained surplus/(deficit)		(2,979,846)	(3,958,278)
Capital		1,159,979,067	1,149,211,426
Total capital and retained surplus at end of financial year		<u>1,156,999,221</u>	<u>1,145,253,148</u>
Movement in capital account			
Balance at beginning of financial year:		1,149,211,426	1,130,335,707
Transfers from/(to) retained surplus		10,520,553	9,084,687
Transfers from/(to) reserves		247,088	9,791,032
Balance at end of financial year		<u>1,159,979,067</u>	<u>1,149,211,426</u>
28 Asset revaluation surplus			
(i) Movements in the asset revaluation surplus were as follows:			
Balance at beginning of financial year		309,889,423	271,515,187
Net adjustment to non-current assets at end of financial year to reflect a change in fair value:			
Land and improvements		3,612,953	7,941,298
Buildings and structures		10,172,390	5,005,696
Cultural assets		17,842	17,196
Roads, footpaths & bridges		(22,699,200)	52,633
Stormwater drainage		27,584	25,339,576
Sewerage infrastructure		43,349,202	(7,518,348)
Water infrastructure		10,713,727	7,536,185
Balance at end of the year		<u>355,083,921</u>	<u>309,889,423</u>
(ii) Asset revaluation surplus analysis			
The closing balance of the asset revaluation surplus is comprised of the following asset categories:			
Land and improvements		26,216,535	22,603,582
Buildings and structures		68,010,828	57,838,438
Cultural assets		35,038	17,196
Roads, footpaths & bridges		113,625,619	136,324,819
Stormwater drainage		25,367,160	25,339,576
Sewerage infrastructure		66,279,260	22,930,058
Water infrastructure		55,549,481	44,835,754
		<u>355,083,921</u>	<u>309,889,423</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
29 Retained surplus/(deficiency)			
Movements in the retained surplus were as follows:			
Retained surplus/(deficit) at the beginning of financial year		(3,958,278)	-
Net result attributable to Council		27,483,551	15,135,579
Transfers (to)/from capital account		(10,520,553)	(9,084,687)
Transfer (to)/from the constrained works reserve		(15,136,383)	(9,303,163)
Retained surplus available for transfer to reserves		(2,131,663)	(3,252,271)
Transfers (to)/from reserves for future capital funding purposes:			
Asset acquisition reserve		(202,763)	(169,720)
Transport improvement reserve		(66,027)	(62,612)
Fleet renewal reserve		-	(39,236)
Sewerage improvement reserve		(435,119)	(301,376)
Water improvement reserve		(144,274)	(133,063)
Retained surplus/(deficiency) at end of financial year		<u>(2,979,846)</u>	<u>(3,958,278)</u>
30 Other reserves			
(a) Summary of reserves held for funding future capital expenditure:			
(i) Future capital works reserve		26,911,037	15,005,957
(ii) Constrained works reserve		26,014,280	22,342,891
(iii) Asset acquisition reserve		3,383,888	3,591,621
(iv) Transport improvement reserve		233,979	167,952
(v) Fleet renewal reserve		-	39,236
(vi) Sewerage improvement reserve		6,009,642	5,811,965
(vii) Water improvement reserve		2,936,096	2,791,822
		<u>65,488,922</u>	<u>49,751,444</u>
(b) Movements in capital reserves are analysed as follows:			
(i) Future capital works reserve			
Balance at beginning of financial year		15,005,957	12,446,233
Transfer from retained surplus for future expenditure		-	-
Transfer to the capital account funds expended in the financial year		11,905,080	2,559,724
Balance at the end of financial year		<u>26,911,037</u>	<u>15,005,957</u>
(ii) Constrained works reserve			
Balance at beginning of financial year		22,342,891	21,434,621
Transfer from retained surplus for future expenditure		15,276,279	9,303,163
Transfer to retained earnings		(139,896)	-
Transfer to the capital account funds expended in the financial year		(11,464,994)	(8,394,893)
Balance at the end of financial year		<u>26,014,280</u>	<u>22,342,891</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
30 Other reserves (Cont'd)			
(b) Movements in capital reserves are analysed as follows:			
(iii) Asset acquisition reserve			
Balance at beginning of financial year		3,591,621	3,626,814
Transfer from retained surplus for future expenditure		202,763	169,720
Transfer to the capital account funds expended in the financial year		(410,496)	(204,913)
Balance at the end of financial year		<u>3,383,888</u>	<u>3,591,621</u>
(iv) Transport improvement reserve			
Balance at beginning of financial year		167,952	1,684,133
Transfer from retained surplus for future expenditure		66,027	62,612
Transfer to the capital account funds expended in the financial year		-	(1,578,793)
Balance at the end of financial year		<u>233,979</u>	<u>167,952</u>
(v) Fleet renewal reserve			
Balance at beginning of financial year		39,236	271,759
Transfer from retained surplus for future expenditure		-	39,236
Transfer to the capital account funds expended in the financial year		(39,236)	(271,759)
Balance at the end of financial year		<u>-</u>	<u>39,236</u>
(vi) Sewerage improvement reserve			
Balance at beginning of financial year		5,811,965	7,410,987
Transfer from retained surplus for future expenditure		435,119	301,376
Transfer to the capital account funds expended in the financial year		(237,442)	(1,900,398)
Balance at the end of financial year		<u>6,009,642</u>	<u>5,811,965</u>
(vii) Water improvement reserve			
Balance at beginning of financial year		2,791,822	2,658,759
Transfer from retained surplus for future expenditure		144,274	133,063
Transfer to the capital account funds expended in the financial year		-	-
Balance at the end of financial year		<u>2,936,096</u>	<u>2,791,822</u>

31 Commitments for expenditure

(a) Operating leases

Minimum lease payments in relation to non-cancellable operating leases are as follows:

Payable:

Within one year	216,192	220,393
One to five years	724,246	738,881
Later than five years	968,206	977,561
	<u>1,908,644</u>	<u>1,936,835</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
31 Commitments for expenditure (Cont'd)			
(b) Contractual commitments			
Contractual commitments at balance date but not recognised in the financial statements are as follows:			
Garbage collection contract. Expires 3 October 2012		369,472	648,767
		<u>369,472</u>	<u>648,767</u>
Payable:			
Within one year		288,772	279,793
One to five years		80,700	368,974
Later than five years		-	-
		<u>369,472</u>	<u>648,767</u>
(c) Capital commitments			
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:			
Property, plant and equipment		1,349,645	1,230,143
		<u>1,349,645</u>	<u>1,230,143</u>
Payable:			
Within one year		1,349,645	1,230,143
One to five years		-	-
Later than five years		-	-
		<u>1,349,645</u>	<u>1,230,143</u>

32 Contingent liabilities

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

The Council is a defendant in a number of claims that arise as a result of the operations of the Council. The Council is of the opinion that the claims can be successfully defended and that no costs in excess of the recorded accruals will result. Information in respect of individual claims has not been disclosed in accordance with AASB137 "Provisions, Contingent Liabilities and Contingent Assets" on the basis that the council considers such disclosures would seriously prejudice the outcome of the claims.

Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, Queensland Local Government Mutual Liability Pool. In the event of the scheme being wound up or if 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 scheme members in the same proportion as their contribution is to the total scheme contributions, in respect to any year that a deficit arises. As at June 2010 the financial statements reported an accumulated surplus of \$16,218,220. It is not anticipated that any liability will arise.

Local Government Workcare

Bundaberg Regional 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: 2,313,070 1,905,262

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$			
33 Superannuation						
<p>Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 Employee Benefits.</p> <p>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.</p> <p>The scheme has two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF). The ABF is a defined contribution scheme as defined in AASB119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the <i>Local Government Act 2009</i>.</p> <p>The DBF is a defined benefit plan as defined in AASB119. Council is not able to account for the DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.</p> <p>Any amount by which either fund is over or under funded would only affect future benefits and contributions to the DBF, and is not an asset or liability of the Council. Accordingly there is not recognition in the financial statements of any over or under funding of the scheme.</p> <p>The audited general purpose financial statements of the Scheme as at 30 June 2010 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.</p> <p>The most recent actuarial assessment of the scheme was undertaken as at 1 July 2009. The actuary indicated that "the DBF is in a very modest financial position with regard to the net asset coverage of vested liabilities. Investment returns will be volatile under the required investment strategy, particularly over short periods. The DBF therefore needs sufficient reserves to be able to withstand a reasonable range of such influences. Because the DBF is now running down and cash flows are negative, the VBI (vested benefit index) should not be allowed whenever possible to retreat below 100%. Once below 100% benefits drawn reduce the available assets for remaining members and hence the net asset coverage of vested benefits declines further.</p> <p>In order to withstand a one in ten 'low return' outcome, the DBF would need reserves of the order of 8% to 10% having regard to the investment strategy adopted. Given the current position of the DBF, such reserve can essentially only eventuate from either excess investments returns over salary increases or additional employer contributions.</p> <p>Council has been advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of DBF members. Under the <i>Local Government Act 2009</i>, the trustee of the scheme has the power to levy additional contributions on councils which have employees in the DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits.</p> <p>The next actuarial investigation will be made as at 1 July 2012.</p> <p>The amount of superannuation contributions paid by Council to the Superannuation Fund in this period for the benefit of employees was:</p>						
		5,468,737	5,172,661			
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:		116,220	115,569			

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

	Note	30-Jun-11 \$	30-Jun-10 \$
34 Trust funds			
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities:		<u>4,353,016</u>	<u>3,289,693</u>

Council performs only a custodial role in respect of these monies, and because the monies cannot be used by Council, they are not brought to account in these financial statements.

35 Reconciliation of net result attributable to council to net cash flow from operating activities

Net result attributable to Council		<u>27,483,551</u>	<u>15,135,579</u>
Non-cash operating items:			
Depreciation and amortisation	10	<u>29,069,727</u>	<u>26,011,391</u>
		<u>29,069,727</u>	<u>26,011,391</u>
Investing and financing activities:			
Revaluation of investment property	6	(57,099)	(54,746)
Gain arising from recognition of assets not previously recognised	6	(6,590,736)	-
Capital grants, subsidies and contributions	4	(25,808,550)	(20,832,284)
Capital expenses	12	<u>7,623,494</u>	<u>1,953,610</u>
		<u>(24,832,891)</u>	<u>(18,933,420)</u>
Changes in operating assets and liabilities:			
(Increase)/decrease in receivables		(3,813,517)	(1,896,699)
(Increase)/decrease in inventories		97,219	(177,814)
Increase/(decrease) in payables		(448,233)	(2,666,873)
Increase/(decrease) in provisions		567,626	1,653,037
Increase/(decrease) in other liabilities		<u>(47,406)</u>	<u>134,661</u>
		<u>(3,644,311)</u>	<u>(2,953,688)</u>
Net cash inflow from operating activities		<u><u>28,076,076</u></u>	<u><u>19,259,862</u></u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

36 Financial risk management

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

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

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

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

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

Risk exposure	Measurement method
Interest rate risk	Sensitivity analysis
Liquidity risk	Maturity analysis
Credit risk	Ageing analysis

(i) Credit risk exposure

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

In the case of rate receivables, Council has the power to sell the property to recover any defaulted amounts. In effect this power protects Council against credit risk in the case of these debts.

In other cases, Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

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

By the nature of Council's operations, there is a geographical concentration of risk in Council's area. Because the area is largely agricultural, there is also a concentration in the agricultural sector.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

No collateral is held as security relating to the financial assets held by Council.

The following table represents Council's maximum exposure to credit risk:

Financial assets

		30-Jun-11	30-Jun-10
Cash and cash equivalents - bank	14	684,058	1,180,995
Cash and cash equivalents - QTC	14	60,300,000	48,350,000
Cash and cash equivalents - other ADI	14	10,350,000	10,000,000
Receivables - rates	15	6,586,803	5,680,018
Receivables - other	15	8,500,208	5,712,139
Other credit exposures - Guarantee	32	2,313,070	1,905,262
Total		<u>88,734,139</u>	<u>72,828,414</u>

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

36 Financial risk management (Cont'd)

Past due or impaired

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

Included within Council's receivable balance are debtors past due date for which Council has not provided against as there has been no significant change in credit quality and amounts are still considered recoverable.

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

	Fully performing \$	Past due				Impaired \$	Total \$
		Less than 30 days \$	31 to 60 days \$	61 to 90 days \$	Over 90 days \$		
Receivables	7,689,000	396,605	35,123	31,778	7,096,140	161,637	15,087,009

(ii) Liquidity risk

Liquidity risk refers to the situation where Council may encounter difficulty in meeting obligations associated with financial liabilities. Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in the Borrowings Note 23.

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

	0 to 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
2011				
Trade and other payables	6,708,428	-	-	6,708,428
Loans - QTC	7,974,595	28,347,447	42,251,464	78,573,506
	<u>14,683,023</u>	<u>28,347,447</u>	<u>42,251,464</u>	<u>85,281,934</u>
2010				
Trade and other payables	6,180,939	-	-	6,180,939
Loans - QTC	8,079,466	32,126,902	46,101,667	86,308,035
	<u>14,260,405</u>	<u>32,126,902</u>	<u>46,101,667</u>	<u>92,488,974</u>

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

Financing arrangements

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

	30-Jun-11 \$	30-Jun-10 \$
Bank overdraft facility	-	-

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

36 Financial risk management (Cont'd)

(iii) Interest rate risk

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

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

Council does not undertake any hedging of interest rate risk.

Interest rate sensitivity analysis

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

	Net carrying amount		Profit		Equity	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Financial assets	70,650,000	58,350,000	706,500	583,500	706,500	583,500
Financial liabilities	(54,679,860)	(59,084,274)	(546,799)	(590,843)	(546,799)	(590,843)
Net total	15,970,140	(734,274)	159,701	(7,343)	159,701	(7,343)

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

37 National competition policy

(a) Significant Business Activities to which the Full Cost Pricing Model is applied

A full review of the appropriate application of National Competition Policy (NCP) reforms across Bundaberg Regional Council has been completed and two business activities were identified as having reached the expenditure threshold for recognition as financially significant Type 2 Business Activities; which is \$11.8 million for Water & Sewerage activities and \$7.9 million for other activities in accordance with section 9 of the Local Government (Beneficial Enterprises and Business Activities) Regulation 2010.

Council's significant Type 2 Business Activities are:

- (a) Council's combined Water and Sewerage activities
- (b) Waste Management activities.

A Public Benefit Assessment was undertaken in accordance with the *Local Government Act 2009* which determined that the adoption of full cost pricing was the most appropriate business model to be applied to these activities.

Activities to which the code of competitive conduct is applied

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

(a) Roads business activity:

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

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

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

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

It is no longer proposed that the Other Roads activity be considered a "competitive" business for the purposes of formally applying NCP reforms given that it essentially provides an internal service to Council operations and meets the requirements of Main Roads under sole supplier arrangements. Further, no competitive roadworks activity is deemed to exist given that Council does not competitively tender nor actively seek out private roadworks.

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

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

37 National competition policy (Cont'd)

Council has resolved to apply the Code of Competitive Conduct to the following business activities: Bundaberg Airport, Caravan Parks and Building Services.

Financial performance of activities subject to competition reforms:

	Water Supply	Sewerage	Waste Management
	2011	2011	2011
	\$	\$	\$
Revenue for services provided to Council	753,995	338,793	215,410
Revenue for services provided to external clients	20,243,490	19,054,203	12,441,200
Community service obligations	58,704	237,355	1,235,696
	21,056,189	19,630,351	13,892,306
Less: Expenditure	-12,345,174	-12,425,315	-11,006,036
Surplus/(deficiency)	8,711,015	7,205,036	2,886,270

	Caravan Parks	Bundaberg Airport	Building Services
	2011	2011	2011
	\$	\$	\$
Revenue for services provided to Council	-	-	-
Revenue for services provided to external clients	1,906,908	1,729,803	497,477
Community service obligations	-	-	-
	1,906,908	1,729,803	497,477
Less: Expenditure	-1,794,391	-1,683,300	-1,049,714
Surplus/(deficiency)	112,517	46,503	-552,237

Description of CSO's provided to business activities

Activities	CSO description	Actual
		\$
Water	Provision of water allocations to unlicensed sporting clubs free of charge	\$58,704
Sewerage	Providing pedestal discount for community and aged care facilities	\$224,960
	Clearance of private sanitary drains	\$12,395
Waste Management	Provision of wheelie bins and waste disposal for Community Events	\$14,900
	Unrecovered costs incurred in operating Rural Transfer Stations	\$373,835
	Free waste disposal days	\$53,534
	Free waste disposal by Council trucks	\$793,427

BUNDABERG REGIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2011

Management Certificate

These general purpose financial statements have been prepared pursuant to Section 102 of the *Local Government (Financial, Planning and Reporting) Regulation 2010* (the Regulation) and other prescribed requirements.

In accordance with Section 161 of the Regulation we certify that these general purpose financial statements:

- (i) have been prepared in accordance with the relevant accounting documents; and
- (ii) accurately reflect the local government's financial performance and position for the financial year.

In addition we certify that, in our opinion:

- (a) the prescribed requirements of the Local Government Act 2009 and associated Regulations for the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the general purpose financial statements, as set out on pages 1 to 42, have been prepared in accordance with Australian accounting standards (including Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board); and
- (c) the general purpose financial statements present a true and fair view of the Council's financial position as at 30 June 2011 and of its financial performance and cash flows for the financial year ended on that date.

Mayor

Date: 28/11/11

Peter Byrne
Chief Executive Officer

Date: 28/11/11

INDEPENDENT AUDITOR'S REPORT

To the Mayor of Bundaberg Regional Council

Report on the Financial Report

I have audited the accompanying financial report of Bundaberg Regional Council which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government (Finance, Plans and Reporting) Regulation 2010*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Bundaberg Regional Council for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Bundaberg Regional Council for the year ended 30 June 2011. Where the financial report is included on Bundaberg Regional Council's website the Council is responsible for the integrity of Bundaberg Regional Council's website and I have not been engaged to report on the integrity of Bundaberg Regional Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

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



Stephen Stavrou
as Delegate of the Auditor-General of Queensland

28 November 2011



feedback

Council welcomes feedback on this annual report.

Please pass on your comments or request for additional copies of the report to Council's Corporate Communications Branch:

Phone 1300 883 699,

Email council@bundaberg.qld.gov.au

PO Box 3130, Bundaberg, Qld, 4670.

Council's annual report is available online at:

www.bundaberg.qld.gov.au

