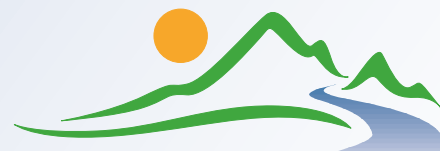


Annual Report 2008 - 2009



NORTH BURNETT
REGIONAL COUNCIL

Naturally beautiful...

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For all general enquires phone 1300 696 272 to be connected to your closest office.

	Administration Offices	Works Depots
Biggenden	47 Edward Street, BIGGENDEN Q 4621 P: 4127 6888 F: 4127 1590	47 Edward Street BIGGENDEN Q 4621 P: 4127 6888 F: 4127 590
Eidsvold	39 Moreton Street, EIDSVOLD Q 4627 P: 4165 7200 F: 4165 7244	27 Mount Rose Street, EIDSVOLD Q 4627 P: 4165 7220 F: 4165 7239
Gayndah	34-36 Capper Street, GAYNDAH Q 4625 P: 4160 3555 F: 4161 1310	Anzac Parade, GAYNDAH Q 4625 P: 4160 3534 F: 4140 8990
Monto	51A Newton Street, MONTA Q 4630 P: 4166 9999 F: 4166 9933	27 Luthje Road MONTA Q 4630 P: 4166 9966 F: 4166 9960
Mt Perry	Heusman Street, MT PERRY Q 4671 P: 4156 2444 F: 4156 3214	Flora Street MT PERRY Q 4671 P: 4156 2444 F: 4156 3214
Mundubbera	Lyons Street, MUNDUBBERA Q 4626 P: 4165 5700 F: 4165 4810	Durong Road MUNDUBBERA Q 4626 P: 4165 5780 F: 4165 3251

BACKGROUND

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

As a consequence of the Queensland Local Government Reform, North Burnett Regional Council was formally created on the 15th March 2008, through the amalgamation of Biggenden, Eidsvold, Gayndah, Monto, Mundubbera and Perry Shire Councils. The North Burnett Region covers approximately 19,700 square kilometres with the topography of the region being diverse from fertile farmland to rugged geographical formations.

Biggenden is located on the Isis Highway, approximately 340km from Brisbane and just over an hours drive from the coastal regions of Bundaberg, Maryborough and Hervey Bay. Eidsvold is positioned approximately 425km north west of Brisbane and 145km west of Bundaberg. Gayndah is situated on the Burnett Highway approximately 360km northwest of Brisbane. Monto is located approximately 175km west of Bundaberg and 500km northwest of Brisbane. Mundubbera is sited on Highway A3, 400km north west of Brisbane and 200km west of Maryborough. Mt Perry is to be found between the Bruce and Burnett Highways, approximately 450km north of Brisbane and 100km inland from Bundaberg.

HISTORY

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

LIFESTYLE

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

ENVIRONMENT

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

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

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



Queensland map showing North Burnett Region

BIGGENDEN

The original inhabitants of this area belonged to various aboriginal tribes including the Wakka Wakka, the Darielbelum and Dundubara. The boundaries of their land were the Aboriginal pathways which led from the coastal areas through this area and connected with pathways to the sacred site at Ban Ban Springs. Biggenden was settled in 1889 to service the era's short-lived gold rush. Biggenden is the home to Paradise Dam and two unique National Parks, Mt Walsh and Coalstoun Lakes.

EIDSVOLD

Eidsvold Township began its days as a goldmining town in 1887. The town Eidsvold took its name from Eidsvold Station, which was the name given to the property by the Archer Brothers when they selected it in 1848. Eidsvold Station was named after the small town of Eidsvoll in Norway. It is said that Australia's first game of golf was played at Eidsvold Station.

GAYNDAH

Gayndah holds the title of Queensland's Oldest Town. First settled in 1849, Gayndah is the historic centre of the Burnett Region. The town is nestled on the banks of the Burnett River and many historical buildings form part of the tree lined main street. Gayndah is well known for producing fine primary produce and is world famous for citrus. The community of Gayndah is proud of its unique Sister City relationship established in 1989 with the Belgian township of Zonhoven.

MONTO

Monto is the newest town in the region, being established in 1924. This is in contrast with the area's ancient geographical features, which include the spectacular Cania Gorge. Cania Gorge National Park offers interesting short or long bushwalks to places like Dripping Rock, Dragon Cave and Double-Storey Cave.

MT PERRY

Mt Perry is the only town in the former Perry Shire and was settled some time in the 1860s with the discovery of rich copper deposits by Henry Dingle. This discovery led to the development of the town as news of the discovery spread fast and many prospectors took up blocks. Perry Shire Council was formed in the early 1900s, holding its first meeting on Saturday, 9 May 1903. Mt Perry is the location of the largest gold mine in Queensland mining over 16million tonne per annum.

MUNDUBBERA

Mundubbera is better known as the Citrus Capital of Queensland and has been listed as the third largest agricultural crop producer in the Wide Bay area. The word "Mundubbera" is an aboriginal word meaning either 'footsteps in the trees' or 'meeting place of the waters', depending on which authority you choose to adopt. The former Mundubbera Shire Council came into existence in 1915 and was formally known as Auburn Shire Council. Mundubbera is home to the famous Black Stump.

It is with some humility and sense of satisfaction that I present the inaugural Mayor's Report of the North Burnett Regional Council.

The Council was established as a consequence of the Queensland Local Government Reform process and was formally created in legislation on the 15 March 2008 through the amalgamation of Biggenden, Eidsvold, Gayndah, Monto, Mundubbera and Perry Shire Councils.

In our first full year of operating we have concentrated on bringing together the resources of six (6) small Councils into one (1) Regional Council. The magnitude of the task and technicalities involved were huge. When you add to that mix the attitudes and personalities of six (6) different workforces in six (6) distinct locations, you appreciate the enormity of the job completed to date. For their success in this task, I sincerely thank all councillors and employees involved.

In a similar vein I thank all our residents firstly for their patience and understanding during this process, but more importantly, for the way they have continued to drive and support the various communities which make up our region.

To expand on this point, I feel that as a Regional Council, North Burnett has a responsibility to think and plan on a strategic or global level. However, we can never lose sight of the fact we must act locally and this will be done by providing the infrastructure and environment in which industry can grow and communities prosper.

Accordingly, I'm pleased to report that during the year, Council in consultation with the community, compiled its Corporate Plan 2009-2013 which sets the vision, corporate values, principles, outcomes and strategies for the Council going forward. The plan was adopted on 16 June 2008.



Mayor Joy Jensen

In the coming year, it is very important that we continue this process by developing operational yearly budgets and five (5) year strategies to attain Council's corporate objectives.

In progressing a number of these objectives, where we currently have limited capacity such as in economic development, tourism and town planning, we will need the assistance of outside consultants. In other areas where we have local skills and knowledge, Council wants to plan and develop from within.

This will require a change in attitude from all involved. We are no longer six (6) small Councils lacking resources and skills and looking outside for assistance. Relatively, we are now a larger Council with the potential to be more independent and accept responsibility for making the North Burnett Region a better place to live.

I wish to thank everyone involved for their effort in what we have achieved to date and look forward to the opportunities and results we will accomplish working with each other to enhance our *naturally beautiful* region.

Area:	19,710 sq km
Population:	10, 646 (est. 30/06/08)
Growth Rate:	0.3%
Length of Council Controlled Roads:	4,260 km
Unimproved Valuation:	618,238,640
Rateable Assessments:	6114
Number of Electoral Divisions:	6
Total Building Approvals:	369
New Dwellings:	232

COUNCIL

Notices of appreciation/compliment
Consultancy cost/capita

TOURISM

Caravan park nights
Visitor information centres

LIBRARY

Operating exp/capita/year
Loans/capita/year

HUMAN RESOURCES

Employee/capita
Turnover FTE
Average employee age

INFORMATION TECHNOLOGY

Hits on web page
\$/employee

WORKS AND SERVICES

Cost reseal/m²
Average - graders
Bitumen pavement/km²
100mm blue brute water main
Water cost/kl

WORKSHOP OPERATIONS

Maintenance/capital ratio

FINANCE

Rate arrears
Debt servicing ratio
% rate revenue
Debt/capita

WORKPLACE HEALTH & SAFETY

No accidents/100 employee/year
Cost accidents/employee

TRAINING

\$/employee
Development
Average approval time

BUILDING

Residential house approvals
Average approval time

PARKS AND GARDENS

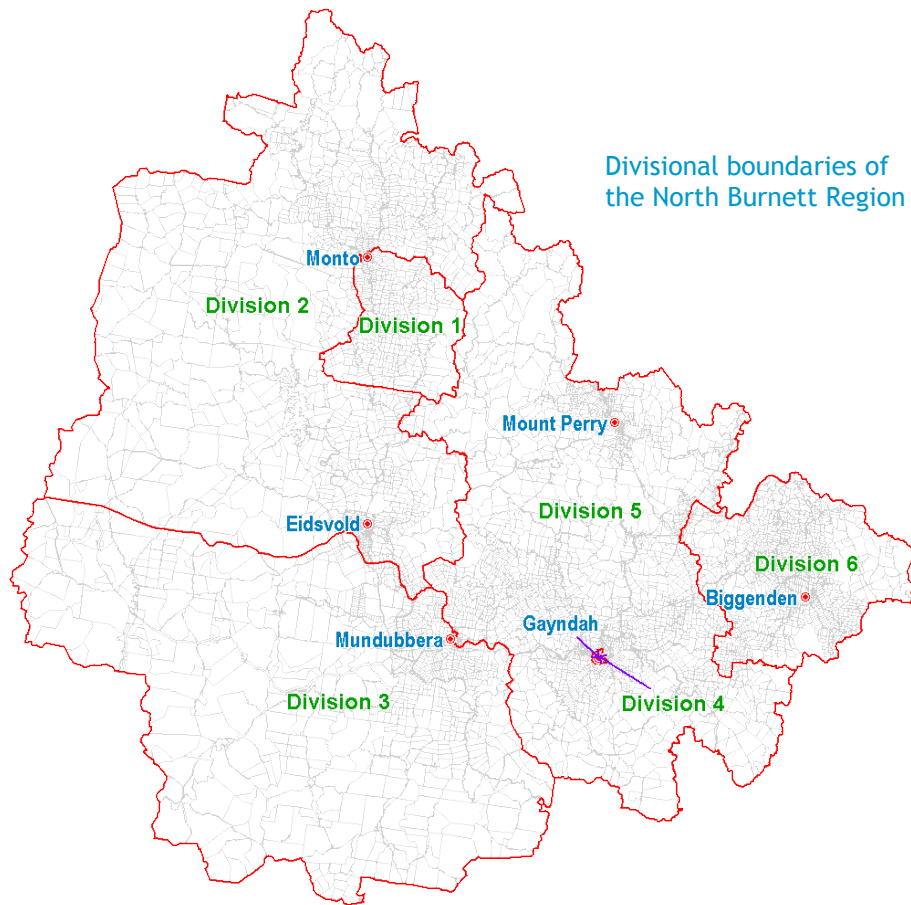
Operating costs /m²

NATURAL RESOURCE MANAGEMENT

Gross grants/year

CLEANSING

\$/bin lift
kg recycled/1000 population



Mayor Joy Jensen

P: 0458 696 272

E: Joy.Jensen@northburnett.qld.gov.au

Joy entered Local Government in Mt Perry in March 2000 and was elected Deputy Mayor in her first term. In March 2004 she successfully contested the Mayoralty and filled that position until Perry was amalgamated in March 2008.

Joy was successful in a field of seven (7) in the election for Mayor of the North Burnett Regional Council in March 2008.

Outside Local Government, Joy has a wide range of interests and is talented in fields ranging from leather work, to dressmaking and upholstery to gardening and poetry writing. She has been active in sports such as golf and tennis and is a competent horse woman.

Joy was the inaugural Community Care Package Co-ordinator for Perry and has served her community as secretary of the Local HACC Program, Sport and Recreation Club and Mt Perry School P&C. She works in a voluntary role for the Mt Perry Race Club Committee, Show & Rodeo Committee.

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



Cr Paul Lobegeier - Division 1

P: 0458 625 952

E: Paul.Lobegeier@northburnett.qld.gov.au

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

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

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

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



Cr Paul Francis - Division 2

P: 0458 625 951

E: Paul.Francis@northburnett.qld.gov.au

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

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

In addition to his Council responsibilities, Paul is heavily involved in the community through organisations such as Rotary, Agforce, Droughtmaster Breeders, and the Australian Stock Horse Society.

He has a Certificate IV in Business (Governance) and competencies in Human Resource Management, Financial Management and Marketing through the Dalby Agricultural College.



Cr Faye Whelan - Division 3

P: 0409 625 956

E: Faye.Whelan@northburnett.qld.gov.au

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

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

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

An Australian Sports Medal was awarded to Faye by Her Majesty Queen Elizabeth II to commemorate Year 2000. This was awarded to recognise Faye's dedication to sports administration. Faye has also been the recipient of two (2) Australia Day Awards.

Faye's educational qualifications (as yet not formally recognised) are cited as a Bachelor of Life Experiences and a Doctorate of Motherhood.



Cr Peter Huth - Division 4

P: 0458 625 961

E: Peter.Huth@northburnett.qld.gov.au

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

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



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

Cr Peter Baker - Division 5

P: 0458 625 960

E: Peter.Baker@northburnett.qld.gov.au

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

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

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

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

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



Cr Lofty Wendt - Division 6

P: 0458 625 950

E: Lofty.Wendt@northburnett.qld.gov.au

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

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

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

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



MEMBER'S REMUNERATION POLICY

Council at its post election meeting held in Gayndah on Tuesday, 8 April 2008, adopted the following resolutions which determined its Remuneration Policy.

That the North Burnett Regional Council adopt to pay 100% of the upper band of Category 3 Council, together with the amalgamation loading as determined by the Local Government Remuneration Tribunal for the Mayor, Deputy Mayor and Councillors and the remuneration be paid fortnightly in arrears.

The Local Government Remuneration Tribunal referred to was established under section 250AA of the *Local Government Act 1993*. The Tribunal is required to make a determination by 1 December each year about the remuneration to be paid to Councillors including Mayors and Deputy Mayors.

That the North Burnett Regional Council not be an eligible Local Governing Body under the Tax Act.

That the Council approve payment of maximum 12% to superannuation providing Councillors contribute 50% (6%) and that Councillors have the option of salary sacrificing of a maximum of 50% of remuneration to a Superannuation Fund.

That Council adopt the Transitional Expenses Reimbursement Policy for Local Government Councillors as set out by the Department of Local Government Sport and Recreation and that Council reimburse Councillors for use of private vehicles at the Business Kilometre rates set by the Australian Tax Office for the year that the costs are incurred.



MEMBER'S REMUNERATION

	Gross Income	Contributed Super	Expenses Reimbursed	Council Super
Mayor Joy Jensen	\$ 92,501.71	\$ 5,549.07		\$ 13,598.05
Cr Paul Lobegeier	\$ 47,968.22	\$ 2,878.09	\$ 3,261.91	\$ 7,084.59
Cr Paul Francis	\$ 53,065.97	\$ 3,183.96	\$ 1,475.32	\$ 7,175.04
Cr Faye Whelan	\$ 47,968.22	\$ 4,796.82	\$ 358.35	\$ 7,084.58
Cr Peter Huth	\$ 47,968.22	\$ 2,914.99	\$ 8,399.56	\$ 7,158.37
Cr Peter Baker	\$ 47,968.22	\$ 2,878.09	\$ 93.80	\$ 7,068.77
Cr Lofty Wendt	\$ 53,122.31		\$ 56.00	

Meeting Attendance Record

	General Meeting	Policy & Strategy	Interface Meetings
Total Meetings Held	16	15	
Mayor Joy Jensen	16	15	49
Cr Paul Lobegeier	16	14	40
Cr Paul Francis	16	14	49
Cr Faye Whelan	16	14	44
Cr Peter Huth	14	12	47
Cr Peter Baker	16	15	29
Cr Lofty Wendt	16	15	31

The vision is for:

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

Corporate values and principles:

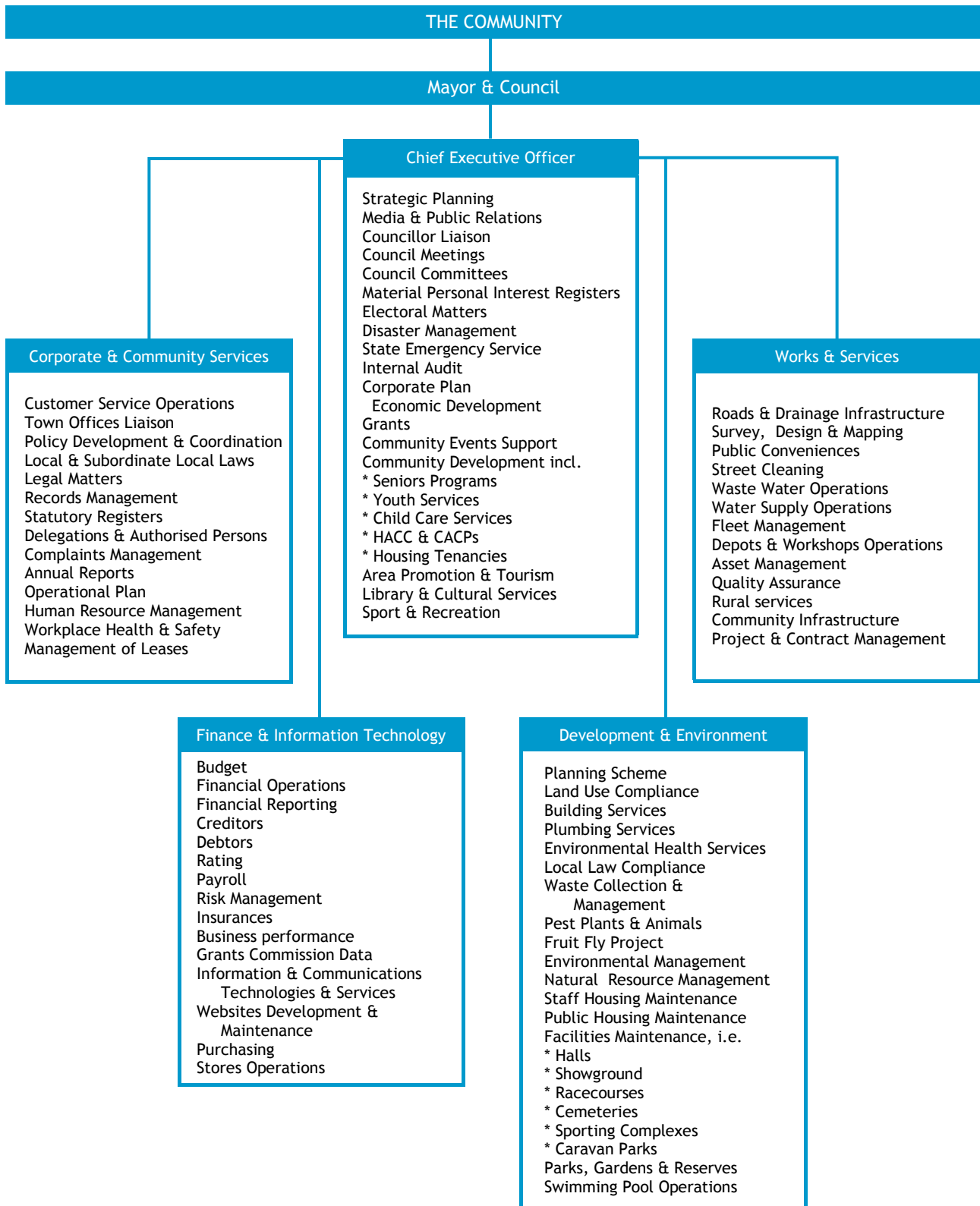
North Burnett Regional Council will be guided by the following corporate values and operating principles as it continues to deliver services:

Value/principle	Actions by which we live and operate
Working together positively	Striving for a united position that works toward a shared vision for the community Provide consistent leadership with a progressive culture Encourage a cohesive community spirit Listen to and work with the community
Openness and accountability	Transparent in our decision making Accept responsibility for our actions and behaviours Build respect and trust between Council and the community through honesty and strong communication
Service excellence	Take the time to understand how we can best serve our community Be responsive to community needs through practical, efficient and effective service delivery Strive for equity in the community through responsible use of resources
Growth and sustainability	Focus on economic sustainability for the community Work towards developing opportunities for community growth Provide services within the capacity of the community to pay

Council’s key strategic outcomes:

1. Community Infrastructure and Disaster Management
2. Economic Development and Tourism
3. Organisational Capability
4. Community Cohesion and Identity
5. Environment
6. Community Services and Health
7. Culture, Heritage, Sport and Recreation

CORPORATE STRUCTURE



An interim organisational structure base on the Corporate Structure was adopted by Council at its post election meeting held on 8 April 2008.

The first year of the North Burnett Regional Council has been a very busy and rewarding experience. In terms of the number of Councils involved i.e. six (6), our Region was one of the largest amalgamations in the state. However, the process has been assisted by the fact that the six (6) previous Councils were similar in many ways such as size, population, towns, technology, equipment, workforce and most importantly in attitude.

It is in this environment that I am able to report the amalgamation process to date has been successful and I believe has realised some of the potential benefits in administration, plant utilisation and general economies of scale, while still maintaining the previous high standard of customer service.

Council acted quickly in addressing staff matters and at the General Meeting on 9 April 2008, appointed myself as Chief Executive Officer and five (5) Directors to head the four (4) Departments identified by Council in its interim organisational structure.

For a detailed report on what has been achieved by each of these Departments, I refer you to the reports compiled by each of the Directors.

Also a single Enterprise Bargaining Agreement was negotiated with the combined workforce and registered on 23 December 2008. This agreement recognised a reclassification process would be undertaken in an attempt to equalise jobs and remuneration levels across the workforce. These actions reinforce the outcomes in the Corporate Plan in relation to organisational capability.

Further, Council agreed to undertake an organisational review of the workforce during the next financial year.



*Mr John Page
Chief Executive Officer*

In pursuing the objectives of its Corporate Plan, Council has developed a Regional Disaster Management Plan and has commenced the process of developing an Economic Development Plan. Obviously other objectives within the Corporate Plan will be achieved as a consequence of developing the strategic framework for not only Economic Development but also Tourism.

During the year, Council has actively increased its profile in the area of regional representation by lobbying government agencies at a regional, state and national level. Elected representatives have to date, borne the majority of this responsibility while executive staff have concentrated on operational matters.

Overall, I believe our first year results have been good and provide an ideal foundation to improve our efficiencies and service standards as we enter our second year.

In conclusion, I thank everyone for their valued contribution to the organisation.

Early in its existence, Council confirmed its commitment to Tourism by filling the position of Tourism Officer. This was the first step towards achieving the tourism development opportunities identified in the Corporate Plan with particular emphasis on the Region's built and natural attraction.

To this end, the first major priority completed was the bringing together of the various highlights/attractions in the previous six (6) council tourist brochures into one regional publication and map. In doing so, Council adopted its new corporate colours and branding.

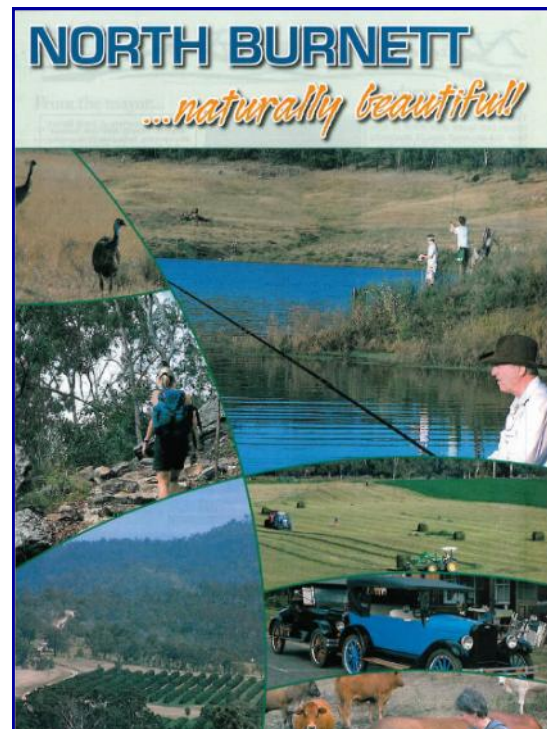
Next year it is Council's intention to produce a CD highlighting our natural and built environment and produce a regional flag and possibly banners.

With the resources available during the year, Council entered the promotional field and for example, attended Country Week in September at Brisbane. As a further demonstration of their individual commitment, Councillors assisted in manning these stands. It is intended to attend more of these events next year and perhaps concentrate on a particular target audience i.e. caravaners.

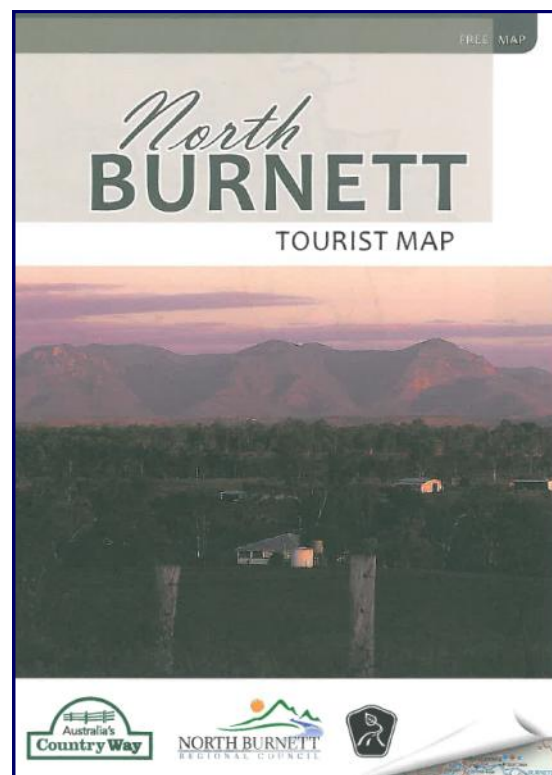
While not physically in attendance at numerous other events, Council was able to have its promotional material distributed by other parties at caravan and camp shows in Melbourne, Sydney and Brisbane.

During the year, Council also pursued the normal promotional avenues such as paid advertising in various publications.

In the coming year, Council intends to take a more holistic approach to development of this sector and will undertake a tourism strategy including an audit of existing businesses and an action plan to grow and enhance the same.



North Burnett Tourist Brochure



North Burnett Tourist Map

It is generally recognised that the most utilised Council Service after roads is library. That is certainly true in the North Burnett Regional Council where libraries are conducted in the major centres of Biggenden, Eidsvold, Gayndah, Monto, Mundubbera and Perry.

Post amalgamation, all six (6) libraries have come together to form one library service. It was a consensus decision that all libraries would like to remain branch libraries and not be centralised with one main library. In doing so, our library service was able to remain a Country Lending Service through the Public Library Service branch of the State Library of Queensland.

A challenge we then faced was the combining of our separate databases into one. This was achieved in March 2009 over a week of new software, updates and much needed training to bring all library staff up to speed on the workings of the new library management system, Aurora Desktop.

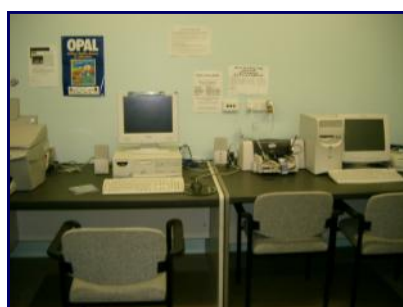
As a result of the one library service, all borrowers from the six (6) communities have access to inter-library loans and are now able to borrow and return items to any of our library branches.

Membership

Adult	Junior	Avid	Temporary	Institution	Library	Unsorted	TOTAL
1,989	648	55	58	25	32	27	2,834

Loans & renewals for each location

Biggenden	Eidsvold	Gayndah	Monto	Mundubbera	Perry	TOTAL
9,900	4,325	13,929	16,847	11,294	3,286	59,581



The amalgamation of six (6) separate Councils on the 15th March 2008 to form the North Burnett Regional Council brought with it many and varied challenges.

Council at its inaugural meeting on the 9th April 2008, made a commitment to residents and businesses that Council office depots will remain fully operational in the townships of Biggenden, Eidsvold, Gayndah, Monto, Mt Perry and Mundubbera. This decision was well received by residents and employees alike and I believe has made the transition far more smooth than it otherwise may have been.

The challenge or goal set for the Department in the Corporate Plan is to provide improved Council business systems and processes and have a valued, skilled and motivated team, focused on meeting community needs.

To achieve these objectives, Council retained the facilities listed and appointed Office Supervisors in each centre and retained existing depot staff. Generally speaking, and in an effort to retain service standards, previously performed functions and processes have been retained in each centre. We have however concentrated some functions in each centre in an attempt to gain efficiencies. These practices will be reviewed as part of the organisational review next year, however, Council's original commitment to residents will be met.

A number of the more notable highlights of the year included the introduction of the electronic Data Records Management System (eDRMS), InfoXpert. This system involves scanning data and filing the same on the basis of word recognition or digital reference. The system has been well received and as users become more familiar with its features, a very good records management system will evolve.

In May 2009 Council amended its current service agreement with the Department of Communities under which Naomi Roberts was employed as a youth worker.



Mr Les Hotz
Director Corporate Services

Council is pleased to acknowledge the very significant contribution this State Government initiative makes particularly, to the youth of this region. Activities such as the youth festival and personal youth support with social, educational, health and community matters benefit not only the individual but extended families and the wider community.

An Operational Plan will be in the new financial year as required by legislation and will be reviewed by Council and its Officers on a quarterly basis. This regular review provides the opportunity for Council to monitor its progress in achieving its set objectives in both a physical and financial sense.

The Annual Report has also been prepared and presented to Council for adoption as required by legislation.

While much has been achieved, a number of tasks remain outstanding and in the coming year we hope to concentrate our efforts in areas such as compilation of statutory registers, management of leases.

Council has to date undertaken a lot of work in policy development and this will continue over all facets of our operation. The development of policy gives more consistency to Council decision making and greater certainty to residents.



Mr Steve Lee
*Workplace Health & Safety Officer
Northern District
(Eidsvold, Monto, Perry)*



Mr Daniel Hart
*Workplace Health & Safety Officer
Southern District
(Biggenden, Gayndah, Mundubbera)*

This year has seen some staffing changes within the Workplace Health and Safety (WH&S) Department, the loss and addition of a workplace health and safety administration officer.

Staff training and development along with the continued implementation and improvement of the SafePlan 2 Safety Management System, has been the main focal point of the WH&S Department, which has led to positive growth in the overall state of workplace health and safety throughout the organisation.

Training compliance has been achieved for:

- ♦ First Aid/CPR
- ♦ ACDC/Chemical Application
- ♦ Traffic control
- ♦ Rail/Track Side Safety
- ♦ Safety Representative
- ♦ Rehabilitation
- ♦ Aggressive Dog Handling
- ♦ Machinery Assessment
- ♦ Code of Conduct
- ♦ Customer Aggression
- ♦ Workplace Inductions
- ♦ Confined Spaces
- ♦ MUTCD
- ♦ Construction Industry Induction

Staff from the WH&S Department were key contributors in the preparation of a draft budget for submission to, and adoption by Council. All work undertaken is fiscally responsible with regards to expenditure and falls well within the established budgetary framework.

The WH&S department is currently undertaking an audit of the SafePlan 2 Safety Management System, the aim of which will determine area requiring attention or a more direct focus towards and to also identify and highlight areas that have exceeded benchmarked levels of statutory compliance. The results of this audit will have a considerable influence on the direction that WH&S will take in the immediate future with the primary objective being to ensure that the North Burnett Regional Council remains compliant with all imposed statutory obligations, and most importantly continues to provide Council employees with a safe work environment.

Staff at all district offices have transitioned well post amalgamation. All offices have experienced little staff turnover and the few vacancies have been filled in a timely manner. Consequently, the communities throughout our region have felt little impact as a result of the amalgamation.

In addition to their normal Council activities, both the Mundubbera and Eidsvold offices provide a Queensland Government Agent Program - Small Services. This agency provides services such as vehicle registration, births, deaths and marriage registration, Suncorp and this year, extended to Carer's Business Card Services, Ombudsman and General Household Insurance Service. This agency has seen a dramatic increase in the number of customers and community queries this year.

The Biggenden, Gayndah and Mundubbera offices also run a Centrelink service which is busy at all times, but particularly so when the towns contains high numbers of itinerant workers during the fruit picking season.

The Eidsvold office also hosts a Queensland Teachers Credit Union sub branch.

A legacy of the former Councils was that staff were multi-skilled and had experience in all facets of administration. This positive benefit has been retained in that the various offices have a capability to perform whatever function is required. The major responsibility for accounting/admin functions however, has been distributed between the six (6) former offices:

Biggenden - Bank Reconciliation

Eidsvold - Rates

Gayndah - Debtors/Records

Monto - Human Resources

Mt Perry - Road Maintenance Performance Contracts

Mundubbera - Creditors

These arrangements have worked well in that the high service levels to our customers have been maintained.



The Finance and Information Technology Department as the name implies is responsible for all the accounting functions of the Council and the equipment which produces these results.

INFORMATION TECHNOLOGY

In hindsight, one of the big advantages and hence savings Council experienced in the amalgamation process, was in terms of information technology. All six (6) previous Councils had a common IT supplier and software. This commonality resulted in a fairly seamless transition in both an accounting and technical sense. In a financial sense, Council avoided or at least minimised costs associated with capturing data, retraining staff and reconfiguring networks.

It must also be recognized that the previous Councils had developed the physical capacity to operate and maintain their computers and associated networks. The combining of this technical ability has enhanced this capacity and will serve Council well in future. By way of example, staff have recognized the need to develop video conferencing to save time, effort and expense of travelling between towns and this ability will be developed in house in the coming year.

FINANCIAL SUSTAINABILITY

One of the stated reasons for the State Government to amalgamate Councils was to improve their financial sustainability. In that regard, the State has maintained a watching brief on this Council and to give credit, has provided some assistance in monitoring and advising Council in managing its accounts.

RATING SYSTEM

One of the more significant projects undertaken during the year was the merging of the six (6) differential rating systems of the former Councils. As can be appreciated these previous rating systems had evolved over a long time and suited each individual area. Obviously some combination/rationalization of categories has occurred.



*Mr Justin Kronk
Director Finance &
Information Technology*

The result is nine (9) categories of land with different minimum rates. To mitigate against large immediate increases in rates, Council also employed rate capping of 30% in the rural/urban zone and 50% in industrial/commercial. No cap on rates was adopted in the mining category.

Obviously, Council will continue to adjust rates levied over coming years in an effort to achieve an equitable distribution of the rate burden.

BUDGET/FINANCIAL STATEMENTS

Council's budget was adopted in accordance with the legislative requirements at its General Meeting held in Monto in August 2008. The finance statements for the year ending 30 June 2009 form a part of this report.

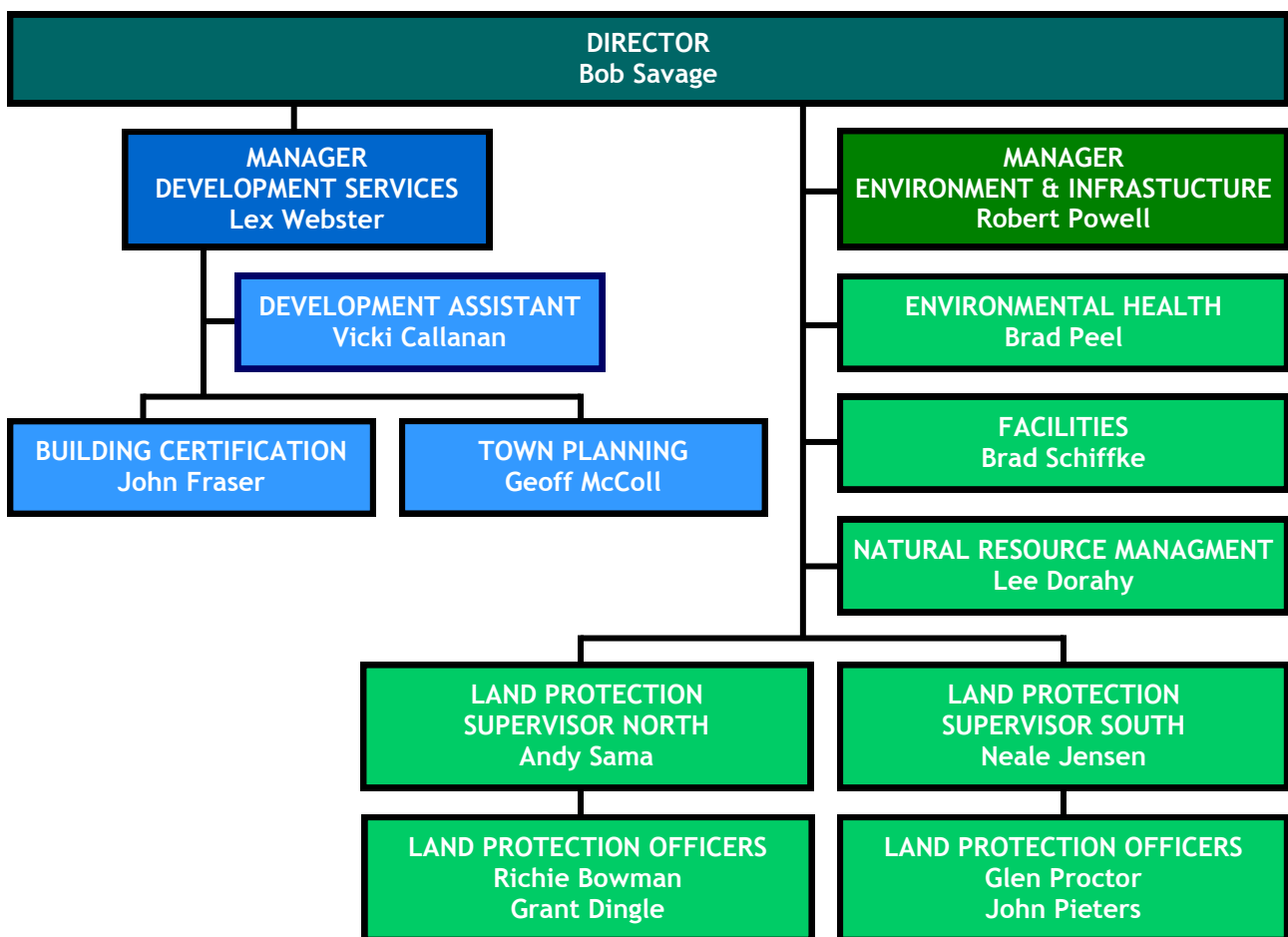
A major part of the year has been taken up with bringing together the development and environment sections of the previous six (6) Councils into one (1) cohesive Department. Obviously the staff have had to standardize both the processing and reporting of different functions. Also, staff have had to appreciate the attitude of a new Council towards development.

In terms of the Environment, the goal enunciated in the Corporate Plan is that Council will be responsible in the regions ongoing development by improving and managing the natural and built environment.

In an attempt to bring some order to the Department in the short term, the following interim organisational structure has been adopted.



Mr Bob Savage
Director
Development & Environment



With Council committed to an organisational review in 2009 this structure may change.

Each of the managers of Development Services and Environment & Infrastructure will report on the major activities within their sections. I will however, highlight some of the other projects completed by our Department as the result of the combined effort of our workforce.



Memorial plaque on siltstone monument

MONTO MEMORIAL PARK

Was provided with a major overhaul partly funded through the State sponsored Community Memorials Restoration Program. The memorial was constructed by Council workforce and DJ Steel and Concrete and heavily features Eidsvold Siltstone in its various forms. Of particular interest is

an etching of the Southern Cross at the centre of the paved area. The memorial was unveiled at 11:00am on 11 November 2008 (Remembrance Day), by Queensland RSL President, Mr. Doug Formby.

MONTO COMBINED SPORTS AMENITY BLOCK

This project was completed at a cost of approximately \$250,000.00 under a grant from the local Sport and Recreation Program (State Government). The facility will assist the operating ability of the Monto Netball, Rugby League and Cricket Clubs and demonstrate to other communities the advantages in clubs joining together to get better utilization of facilities and value for money. The Mundubbera community in the past has benefited from this type of expenditure.

SWIMMING POOLS

During the year, Council sandblasted and painted the pools in Mundubbera, Gayndah and Biggenden. This is a fairly expensive exercise required around every seven (7) to ten (10) years. While a number of the pools in the region have some age, they are all in good condition and are well maintained. During next year Council will upgrade facilities and relocate a kiosk to the Biggenden Pool.



Opening of equipment in Biggenden

EXERCISE EQUIPMENT

During the year, Council was successful in obtaining a grant under the Central Burnett Youth Service (\$24,053) to install exercise equipment in Biggenden, Gayndah and Mundubbera. The community response to this project has been so positive that in 2009/10 Council has budgeted to provide similar equipment in Eidsvold, Monto and Mt Perry.



Exercise equipment in Gayndah

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

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

Development statistics for the 2008/2009 financial year show that Council received and processed 22 building, four (4) planning and seven (7) plumbing applications per month with a combined total for the year of 396. The majority (232) of the applications were for class 1 (dwellings) and 10 (domestic sheds). See table below.



Mr Lex Webster
Manager
Development Services

	JULY	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
Building - 1 & 10	27	26	14	20	24	18	12	25	13	14	17	22	232
Building - 2 & 9	3	3	1	1	2	7	1	0	1	1	5	7	32
Planning	4	12	5	4	0	4	1	7	1	2	3	8	51
Plumbing	9	7	1	5	6	5	4	15	4	2	11	12	81
TOTAL APPLICATIONS													396

Within this twelve (12) month period, the development activity within the six (6) former shires, now the North Burnett Region, has varied markedly with a noticeable reduction in the number of applications received in Monto and Mundubbera, as opposed an increase in activity in Biggenden, Eidsvold, Gayndah and Perry. Generally, the level of overall activity has remained steady with the total number of applications for the Region being slightly higher than the corresponding period in 2007/2008, despite the global financial crisis.

PLANNING

Council has committed itself to the release of a new and single planning scheme to cover the whole of the North Burnett Region. This will involve an amalgamation and upgrade of the existing six (6) planning schemes. State Government has also flagged an overhaul and replacement of the Integrated Planning Act with the Sustainable Planning Act by the end of 2009.

BUILDING

Changes in building legislation this year now require the equivalent of five star energy rating for housing across Queensland (BCA 2009). The Queensland Development Code (QDC) also introduced increased energy efficient measure for toilets, internal lighting, tap ware and air conditioners.

FOOD LICENSING

A major effort was undertaken during the year to carry out inspections of all premises at which food is prepared, and issue licenses. There were 81 food licences issued by Council.

REFUSE COLLECTION

The region is serviced by a combination of refuse contractors and day labour. The biggest contract is with Allied Waste, involving around 4,500 bins per week and services the towns of Gayndah, Mundubbera, Eidsvold and Monto. Steelburn lifts approximately 700 bins in the Biggenden area. Mt Perry is serviced by Council's day labour.

Council is pleased to report that a cleaning service is provided to all residential areas and in rural residential areas where practical. To date there is no intention to extend the service to the rural areas.



Mr Robert Powell
*Manager
Environment & Infrastructure*

WASTE DISPOSAL

One of the legacies inherited from the previous six (6) Councils was multiple refuse dumps. Accordingly, the region has continued to operate manned dumps at Monto, Eidsvold, Mundubbera and Gayndah. Unmanned facilities operate at Mt Perry, Biggenden and Binjour. In the short term, Council may look at converting the two (2) latter facilities to transfer stations. However, in the long term, Council may revisit previous studies, and consider waste disposal on a regional level through the establishment of a centrally located dump.

RECYCLING

Council took the initiative early in its life to embrace recycling and in March 2009 adopted the North Burnett Regional Council Recycling Program. This program was adopted in alliance with the National Packaging Covenant, Environmental Protection Agency and Impact Recycling and in its first 13 months of operation resulted in a diversion from landfill of 354.72 tonnes of recycled cardboard/paper and plastics alone. Council also recycles green waste at Monto, Eidsvold, Mundubbera and Gayndah landfills. No recycling of green waste is currently carried out at Mt Perry or Biggenden landfills or at the waste transfer station at Binjour. The recycling initiative has also been extended beyond the refuse collection to Monogorilby, where in consultation and partnership with the school and hall committees, recycling bale stands and signage have been erected, which together with an education program is proving very successful in promoting recycling.

GAYNDAH CEMETERY

Restoration to the Gayndah Cemetery, caused as a result of the severe storms in 2007, was completed during the year and funded in part by insurance monies that were claimable. Council took this opportunity however, to undertake other improvements to the facility.

All our major projects this year were funded with the assistance of the Burnett Mary Regional Group for Natural Resource Management and Council takes this opportunity to acknowledge their funding and assistance in improving the natural environment of our region.

KILLALA CREEK REVEGETATION PROJECT



The Killala Creek (Red Gully) revegetation planting project at the southern entrance to Mundubbera involved the planting of ground covers and shrubs. The tree size was restricted by the presence in the area of utilities such as electricity. Children from Mundubbera State School were involved in the

plantings undertaken in May 2009. The project cost \$7,000 (est.) in materials. Council has assumed responsibility for future maintenance of the area. Stage two (2) of this project, on the opposite side of the road, will continue soon.



Miss Lee Dorahy
Natural Resource Management Officer

AFRICAN LOVEGRASS

The African Lovegrass is not a declared pest plant, however it has been locally declared in Eidsvold, Mundubbera and Gayndah. This pest is prolific and unpalatable for grazing. Council, Australian Agricultural College and Burnett Catchment Care Association have been trialing various management techniques on Narayen Station. These trials have included fire, chemicals, cultivation and feed supplement. Field days were held in October 2008 and 2009.



GLOSSY BLACK-COCKATOO



This project commenced in 2005 with awareness and identification training of this threatened species which is native to our area. The birds are more prevalent in the northern part of the Region. Council is also a partner with the Glossy Black Conservancy that

undertakes a similar program across southeast Queensland and northeast New South Wales. This program is continuing so look out for more field days and information sessions. (Photo courtesy of Eric Zillmann)

required for any NRM event. On Australia Day weekend 2009, the Trailer was launched at the Wildlife Workshops held at Paradise Dam. The Trailer has since travelled the Agricultural Show circuit. The NRM Awareness trailer attended all nine (9) local shows in 2009 as well as other events to provide information on anything from pests to healthy waterways.



Trailer set up at an NRM event.

NRM AWARENESS TRAILER



In 2008, North Burnett Regional Council and Bundaberg Regional Council committed to the construction of a NRM Awareness Trailer that could be used across the two regions for various events including field days, community workshops and Annual Agricultural Show displays. With funding assistance from BMRG, the two (2) Councils were able to purchase a purpose built box trailer fitted out with all the equipment

OLIVE HYMENACHNE

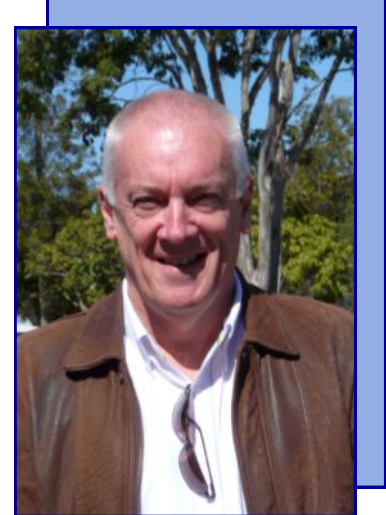
Olive Hymenachne was discovered earlier this year to be prolific in the Burnett River between Ideraway and Mingo Crossing and also in various private water storages. With funding assistance Council did two initial sprays of all known Hymenachne. This initial spray was very effective and all follow up work is required to be completed by relevant landholders. A field day to provide the community with information on Hymenachne was held in March at Grey's Waterhole.



The main outcome of the Works and Services Department is to provide community infrastructure and disaster management through the efficient provision of asset management, infrastructure costing and delivery, infrastructure funding and disaster management.

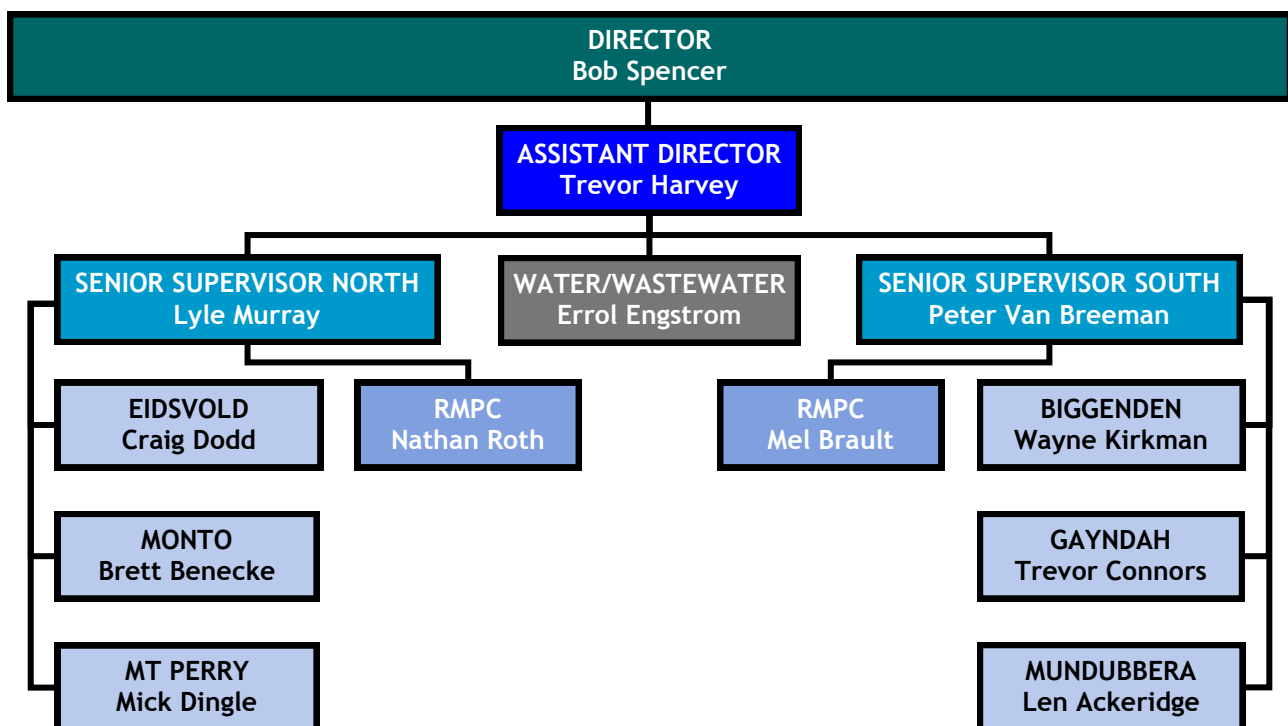
A large proportion of our first year of operation has been involved in bringing together the processes, personalities and plant of the previous six (6) Councils into one (1).

The Government's decision to bring together six (6) workforces resulted in a lot of time and energy being expended in getting to know each other and how each gang operated. It also required combining six (6) relatively small works programs previously undertaken independent of each other and, to varying degrees, dependant on outside consultants and contractors. Thankfully it is a one off expenditure and will result in cost savings and better delivery of services to our customers.



Mr Bob Spencer
Director Works & Services

INTERIM ORGANISATIONAL STRUCTURE



Council intends to review its overall organisational structure next year which may result in amendments to this interim structure.

In adopting this interim structure, Council had two main priorities, being to:

1. Avoid a top heavy hierarchy and
2. Reduce Council's reliance on outside consultancy services

Without pre-empting an organisational review, I believe Council has partially achieved these objectives to date.

I refer you to the reports from each of the work sections for an update on objectives achieved during the year and direction for the ensuing twelve (12) months.

In a strategic sense however, and in pursuing the goals adopted in its Corporate Plan, Council has identified and prioritised that the following areas be addressed.

- ♦ B-Double Access
- ♦ Bridge Improvement Program
- ♦ Asset management

B-DOUBLE ACCESS

Council recognises that transport is the lifeblood of the nation and particularly in relatively isolated areas like ours. The most economic and efficient means of transport of product to and from our region is by B-Double configured vehicles. Unfortunately, many of the roads in our region are not suitable to safely accommodate these heavy vehicles and many of Council's bridges are not capable of taking these vehicle configurations or weights. Accordingly, Council has directed that over this year and next, Council's road network will be assessed for B-Double transport with a view to establishing a network of roads to be progressively upgraded to a B-Double standard.

BRIDGE IMPROVEMENT PROGRAM

An integral part of the B-Double route assessment is of course the suitability of bridges to accommodate these vehicles. With over 60 bridges in the region, all different specifications and standards and with a collective repair bill of many millions, Council will in the coming year need to make hard decisions in relation to what bridges will be replaced, repaired, reduced to lower standard hydraulic structures and those that need to be closed to heavy transport. In the meantime of course, officers will continue to pursue funds outside Council to finance the overall upgrading of these assets.

ASSET MANAGEMENT

In a strategic sense, Council has committed in its Corporate Plan to outcomes for asset management across all facets of its operations, and while work has started on water and sewerage functions, management plans will need to be developed for buildings, recreational facilities etc.

While I am pleased with what has been achieved in pursuing our goals to date, we all recognise that there is a lot of work still to do to establish and maintain management plans for all of Council's assets. The progress made to date is a credit to the personnel within the Works and Services directorate and while there is much to do, I believe that we can work together to achieve the goals set for us and in doing so, serve the community of the North Burnett.

The Government's decision to bring together six workforces resulted in a lot of time, energy and anxiety being expended in getting to know each other. It also required combining six (6) relatively small works programs previously undertaken independent of each other and to varying degrees, dependant on outside consultants.

Even at this early stage, I am confident the Works and Services Department has been able to claim success in attaining the corporate goals set by Council. By way of example of the efficiencies attained, I cite the following:

GRAVEL CRUSHING

In terms of gravel supply, each of the previous councils employed different strategies in relation to winning and manufacturing road making materials from numerous gravel pits that were as diverse geographically as the quality of the product produced. As a Regional Council we were able to call tenders to stockpile approximately 30,000m³ of the best quality gravel at 10 strategically located pits and have on site an estimated 9 months gravel requirements. As gravel alone represents some 10% of our road works budget, the savings in this instance are significant. What is far more significant is the quality control this exercise brings to our work and these savings will be reflected in future maintenance costs and higher levels of service.

RESEAL PROGRAM

Our bitumen road network is valued at around \$ 7,256,596 and in terms of asset management, should all be resealed every 10 years. Council is heading in the right direction by allocating \$0.87M or 15 % of its



Mr Trevor Harvey
Assistant Director Works & Services

road works budget to this item. This year we have gained increased efficiencies in this expenditure by largely combining the six (6) previous reseal programs to reduce expenses by between 15-20% on previous shire numbers. More importantly, and in terms of gaining greater efficiencies, we are talking to a neighbouring Council with a view to letting a combined reseal tender which should provide even better efficiencies next year. Watch this space.

OPERATIONAL ASPECTS

Some of the more obvious efficiencies gained from combining workforces include better utilisation of equipment. In some cases, Council has even reduced plant, for example garbage collection unit, trash handler and two tractors. Dog trailer rationalisation is also being investigated. Overall, the ability to move equipment on a needs basis, rather than a geographic location, has resulted in far better utilisation of plant and a reduction in outside hiring costs. These same efficiencies apply to personnel.

PLANT PURCHASE

Fortunately, Council adopted a plant replacement policy early in its life and consequently this year budgeted some \$3.5M (plus trades) toward replacing plant in accordance with that policy. Using a large budget to purchase multiple plant units (utes, graders loaders etc) gave the Council purchasing power which resulted in financial savings / unit. Our standard of plant is good and Council recognises the importance of maintaining/improving the same.



REGIONAL ROAD GROUP

As part of its strategy to engage in the bigger region and from a planning perspective, Council is heavily involved in the Regional Road Group. This combined with Council's priority on bridgeworks and asset preservation led to a larger share of Government Funding than previously achieved by the six (6) individual Shires. Council's priority is not only to this work but any jobs which are funded from external sources. To do this Council must, in a relative sense, be more organised than its peers and that is certainly an objective of this Department.



The Northern Work Gang was formed by joining previous workforces of Eidsvold, Monto and Mt Perry Shires. It's been a busy year getting to know the personalities and capabilities of two (2) additional work gangs. However, despite the teething problems, the Northern Region Work Gang has done well in its first year.

Some of our major achievements in this period include:

MAIN ROADS - ROADS TO RECOVERY

Cheltenham Road, Eidsvold - \$122,222
(gravel re-sheeting of sections of road)

Kerwee Road, Eidsvold - \$63,204
(bitumen reseal)

Sandy Camp Road, Mt Perry - \$101,446
(widen and lower crest and seal steep section)

Town Street, Mt Perry - \$112,785
(construct and seal town streets)

MAIN ROADS - AUSLINK

Gladstone-Monto Road, Monto - \$1,721,430
(construct sections to 8m sealed standard)

MAIN ROADS - TIDS

Kerwee Road, Eidsvold - \$200,00
(widen existing single lane bitumen to 7m wide bitumen seal)

Kalliwa Connection Road, Mt Perry - \$80,480
(widen shoulders and gravel)

Airport Road, Monto - \$831,779
(reconstruct to 7m sealed standard)

MAIN ROADS - RPC

Church Gully, Mt Perry - \$427,464
(realignment including drainage, earthworks to running course gravel)

Eight Mile Road, Mt Perry - \$15,000
(lower crest and widen)

Harkness Bridge, Eidsvold - \$676,817
(replacement of existing timber bridge with 7 cell slab box culverts)

Coominglah Range, Monto - \$181,314
(shoulder widening and sealing)

COUNCIL

Scrub Road, Mt Perry - \$37,000
(widen, gravel and bitumen seal)



*Mr Lyle Murray
Senior Supervisor North*

Monto - \$304,898
(gravel re-sheeting shire roads)

Macks Road, Monto - \$59,252
(pavement rehabilitation)

In keeping with Council's objective of preserving our assets, the Northern Works Region has carried out reseal works on sections of the following roads: Kerwee, Hollywell, Grosvenor Creek, Malmoe, Smokers Gully, Mt Rose Street and Moreton Street. The gang also resurfaced the Abercorn tennis court.

While the above represents major works, the bulk of our time and effort is spent on maintenance and smaller jobs. This includes mowing roadsides, patching roads, maintaining facilities and others far too numerous to mention. I believe these very important jobs have been completed to a high standard.

Next year, Council intends to upgrade facilities at the Eidsvold Depot which will improve operations out of that facility. To maintain these high standards of services, the workforce needs good machinery and I'm pleased to report that in 2009, the Northern Works Region received the following equipment:

3 x Cat 140 M graders (2 with laser levels)

1 x 24ton Hitachi excavator

1 x case 590SR backhoes together with numerous plant equipment of a small nature. I believe these purchases will reduce downtime and hence increase both morale and efficiency going forward.

The Southern Works Region was created by bringing together the workforces of the previous Gayndah, Mundubbera and Biggenden Councils. The workforce in this region exceeds 30 persons and is responsible for all road construction, maintenance, parks, gardens, facilities such as swimming pools and showgrounds and refuse tips etc.

The gang has worked well during our first year and I believe the beefing up of the workforce and better utilisation of plant is improving productively and also the attitude of the workers involved.

Some of our major achievements during the year include:

MAIN ROADS - ROADS TO RECOVERY

Red Hill Road, Biggenden - \$171,800
(widen formation to 7m, spot gravelling, 2 coat bitumen seal to 6m)

Bon Accord Bridge, Gayndah - \$210,371
(reconstruct bridge and widen approaches)

Wigton Road, Gayndah - \$116,452
(bitumen reseal 7km section)

Boondooma Road, Mundubbera - \$151,415
(reconstruct crossing, approaches to Coongoobah Creek)

Monogorilby Road, Mundubbera - \$163,698
(realign and bitumen seal 1.2km extension)

MAIN ROADS - TIDS

Coringa Road, Biggenden - \$171,800
(widen formation to 8m, place 150mm overlay gravel, 2 coat bitumen seal)

Mt Steadman Road, Gayndah - \$209,599
(6m bitumen seal on 7m formation 500m section)

Gayndah-Mundubbera Road, Mundubbera - \$130,308
(7m bitumen seal on 8m formation 1km section)

MAIN ROADS - RPC

Gooroolba-Biggenden Road, Biggenden - \$99,259
(install RCBC and widen pavement)

Mundubbera-Durong Road, Mundubbera - \$330,605
(widen 4km of single lane bitumen to 9m sealed surface)



Mr Peter Van Breeman
Senior Supervisor South

Mt Perry Road, Gayndah - \$84,242
(replace culverts)

Murphy's Flat, Gayndah - \$105,357
(shoulder widening, new culvert headwalls, pavement repairs, 1 coat bitumen seal shoulders)

During the year we carried out reseals on numerous roads over the southern region to a value exceeding \$270,000. The most pleasing aspect of this program was the ability of the gang to reduce the reseal rate per metre from \$2.70 to \$2.10.

The gangs also completed their road maintenance and associated work to a high standard. Other work included the relocation of the Driver Reviver to Jaycee Park in Mundubbera and the construction of exercise equipment in Biggenden, Gayndah and Mundubbera. Work also started on the construction of the *Welcome to Mundubbera* wall.

Plant purchase is an important issue for the works section and I'm pleased to report this year we took delivery of:

1 x Hino 1527 tipper with crane
1 x Bomag BW25RH multi-tyre roller
1 x Hitachi 2W180 4WD loader, and sundry other plant and equipment.

While our collective plant and equipment was in good order, new purchases are required each year to maintain this high standard.

When the new Council formed in March 2008, not only six (6) workforces came together but also six (6) different processes for such things as connecting water, fixing repairs, standards of construction and up to 15 different pipe sizes and types.

At the end of our first year of operation the water and sewerage section has melded into a good working unit. For your information, I list hereunder some of the major achievements in the year.



Mr Errol Engstrom
Manager Water/Waste Water

PERSONNEL

The gang is located in the six (6) depots across the region and comprises some 20 persons including six (6) new apprentices. This demonstrates Council's commitment to developing its workforce. Also, personnel rotate between various townships to familiarise themselves with the location of pipe work and operating different types of water equipment. Council is also seeking to improve the skills base of its employees and has agreed to employ an additional licensed plumber next year.

We have also adopted a continuous training program where employees receive current training in areas such as:

- ♦ Confined spaces
- ♦ Asbestos removal (AC pipes)
- ♦ Qld Rail - Track side tickets

RECORDKEEPING

Council has introduced a recording system for main breaks, repairs etc. This system will assist in managing our water and sewerage assets and already has provided sufficient information for Council to prioritise new capital works in Gayndah next year.

CAPITAL WORKS

The major job this year was Stage 1 Water Main Augmentation in Mill Road, Monto. The work was designed by Cardno and will be completed in November 2009. The work is estimated to cost \$773,000 and involves 2200m of 200mm Bluebrute pipe water main installation. Approximately 8 persons will be employed on the job.



Installing pipe work along Mill Road, Monto.

TELEMETRY SYSTEM

Council continued installation of the Radtel Telemetry System in both its water and sewerage systems. This involved Eidsvold and Gayndah and towards the end of 2009 will concentrate on Mundubbera and Biggenden. While installation of Telemetry is a requirement under the Councils Environment Protection License (pump stations, wells etc), it is also a very efficient management tool, and hence Council's program to continue the network over all centres in coming years.

RECYCLED WATER

Council progressed the recycling of sewerage effluent in Monto by supplying water to the Golf Club and as a dust suppressant in the private sector. During next year we intend to formalise arrangements in Mundubbera, Biggenden and Gayndah.

TOTAL MANAGEMENT PLAN (TMP)

In the year, Council commenced to bring together the previous six (6) Management Plans for the respective water and wastewater operations. The creation of the TMP will set the objectives for improving our service supply over the coming years.

FLUORIDATION

Recent government legislation in relation to the fluoridation of water will necessitate that work be undertaken in Mundubbera, Gayndah and Monto. This is an expensive exercise which will eventually be funded by the State and Council has directed the installation be given some priority.

Probably one of the most interesting jobs commenced this year was the replacement of the old air-driven sewerage pumps in Mundubbera. Best guess is these pumps were installed around 1964 and served the community extremely well. Unfortunately, it is now almost impossible to source parts and accordingly they will be replaced by new electric pumps.



Mundubbera sewerage pumps.



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

INTRODUCTION:

Legislative Requirements

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

OBJECTIVES:

Application of the Policy

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

Background and Considerations

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

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

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

OBJECTIVES (CONTINUED):

Background and Considerations (continued)

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

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

PRINCIPLES:

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

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

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

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

PRINCIPLES (CONTINUED):

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

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

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

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

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

INTRODUCTION:

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

OBJECTIVES:

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

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

PRINCIPLES:

Legislative Requirements

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

513A Preparation and adoption of revenue policy

A local government must, for each financial year, prepare and, by resolution, adopt a revenue policy.

The local government must ensure each revenue policy is prepared and adopted in enough time, before the start of the financial year for which it is prepared, to allow preparation and adoption of a budget for the financial year consistent with the policy.

When the policy is adopted by the local government, it becomes the local government's revenue policy for the financial year for which it is prepared.

513B Requirements and content of revenue policy

A local government's revenue policy, or an amendment of its revenue policy, must comply with the *Local Government Finance Standard 2005*.

The revenue policy must, if, under 109 section 1035A, the local government intends to remit rates or defer payment of rates for the financial year, state the purpose of the remittance or deferral. 109 Section 1035A (Local government may grant concessions to classes of land owners)

A local government may, by resolution, amend its revenue policy for a financial year at any time before the financial year ends.

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

A local government must -

Ensure its revenue policy is open to inspection; and

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

PRINCIPLES (CONTINUED):

Legislative Requirements (continued)

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

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

Making and levying rates and charges;

Exercising its powers to grant rebates and concessions;

Recovery of unpaid amounts of rates and charges.

Policy Period

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

Policy Principles

Making and Levying Rates and Charges

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

Council will also have regard to the principles of:

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

In levying rates Council will apply the principles of:

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

PRINCIPLES (CONTINUED):

Exercising Its Powers to Grant Rebates and Concessions

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

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

Recovery of Unpaid Amounts of Rates and Charges

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

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

Operating Capability

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

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

Depreciation Funding

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

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

TENDERS

All purchasing is conducted in accordance with Part 3 of Chapter 6 of the Local Government Act. No action was taken under Sections 488 or 489 of the Local Government Act during 2008/2009.

REGISTERS AND PUBLIC DOCUMENTS

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

REGISTERS

- ♦ Register of Charges (S975) of the Local Government Act
- ♦ Delegations by Council (S472)
- ♦ Delegations by Chief Executive Officer (S1201)
- ♦ Register of Enterprises (S501)
- ♦ Register of Interests (S247) - Access is subject to the provisions of (S248)
- ♦ Register of Lands (S995)
- ♦ Register of Policies (S895)
- ♦ Register of Roads (S921)
- ♦ Register of Local Laws (S895)

PUBLIC DOCUMENTS

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

EQUAL EMPLOYMENT OPPORTUNITY

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

Council also has an Equal Employment Opportunity and Workplace Harassment Policy to eliminate unlawful discrimination, sexual and general harassment in the workplace, to ensure employees are treated fairly and policies and procedures are consistent with EEO principles. The policy is designed to increase employee morale and motivation by increasing staff confidence in Council's human resource management practices and providing an environment where all employees can enjoy their work and relationships with colleagues. This policy was adopted on the 6 May 2009 and is due for review on the 6 May 2010.

CODE OF CONDUCT - EMPLOYEES

As required by the Public Sector Ethics Act 1994, North Burnett Regional Council developed and implemented a Code of Conduct. The Code of Conduct provides common guiding principles and the standards of ethical behaviour and conduct expected of employees as they perform their official duties. Contractors and consultants are also bound by this code whilst undertaking work for Council. The Code of Conduct has strong links to customer service, professionalism and good management practices and will positively shape the culture and reputation of the Council. It promotes core public sector values i.e. respect for the law and system of government, respect for persons, integrity, diligence and economy and efficiency. The Code was adopted on the 21 April 2008 and amended (pg6) on the 13 October 2008.

CODE OF CONDUCT - COUNCILLORS

A similar code of conduct has been introduced for councillors.

BREACHES AND COMPLAINTS OF EMPLOYEE/ COUNCILLOR CODE OF CONDUCT

During the year Council received no complaints in relation breaches of the Councillor or Employee Codes of Conduct.

EXPENDITURE ON CONSULTANTS

During the year, \$1,250,185 was expended on the following categories for consultancy services.

	June 2008	2008/09
Building		\$1,575
Corporate Services	\$10,160	\$52,527.29
Development	\$21,725.92	\$164,233.94
Engineering		\$185,016.71
Environment		\$25,392.47
Finance	\$76,190.46	\$192,617.90
Planning	\$102,992	\$311,490.83
Culture		\$317,330.41
TOTAL	\$211,068	\$1,250,185

EXPENDITURE ON HOSPITALITY SERVICES

During the year, a nominal amount of money was expended on hospitality services. This amount included refreshments for community meetings, community functions, councillors and visitor luncheons and morning teas, staff functions, civic receptions and conference meals.

EXPENDITURE ON ADVERTISING

During the year, \$5,378.75 was expended on corporate governance advertising in respect of Local Laws, Statutory Meeting Notices and Australia Day Awards etc.

LAND AND RESERVES

North Burnett Regional Council has control of:
(a) land under infrastructure - 4261km of roads (excluding main roads of 763.253km)
(b) There are 285 Assessments which are designated reserves under the Land Act 1994. This land does not have a value for the Council's financial statements.

COMPLAINTS RESOLVED UNDER GENERAL COMPLAINTS PROCESS

During the year Council received no complaints under the General Complaints Process.

NUMBER OF COMPLAINTS MADE TO OMBUDSMAN AND NOTIFIED TO COUNCIL

During the year two (2) complaints were made to the Ombudsman and notified to Council. Both matters were dealt with satisfactorily.

COMPLAINTS AND INVESTIGATIONS INTO BUSINESS ACTIVITIES

During the year Council received no complaints in relation to its nominated business activities.

BUSINESS ACTIVITIES

The principle of competitive neutrality is based on the concept of a 'level playing field' between the private and public sector. Essentially, the principle is that government business should operate without net competitive advantages over other businesses as a result of public ownership. The process involves fully costing activities and accounting for the advantages and disadvantages of public ownership. Each of the previous six (6) Councils has adopted this principle and it is anticipated the Regional Council will formally address this matter in the coming year.

COUNCIL MEETING AND MINUTES

General meetings of Council are held on the third Tuesday of each month unless otherwise advertised. Policy and Strategy, Works and Finance Standing Committee Meeting comprising all Councillors, meets on the first Tuesday of each month. Unconfirmed minutes are available for inspection no later than ten (10) days after each meeting and copies of confirmed minutes are available for purchase at applicable photocopying charges. Council minutes may also be accessed via Council's website www.northburnett.qld.gov.au.

EXPENDITURE ON GRANTS TO COMMUNITY ORGANISATIONS

BIGGENDEN DONATIONS

Organisation	Total Financial Year Ending 2009
Donation - Biggenden A & P Society	\$ 3119.7
Donation - Dallarnil Sports Association	\$ 6111
Biggenden Anglican Church	\$ 300
Blue Care Biggenden Donation	\$ 118.81
Uniting Church Biggenden Donation	\$ 95.56
Catholic Church Biggenden Donation	\$ 67.22
Anglican Church Biggenden Donation	\$ 100.94
Biggenden Show Society 1.08.08	\$ 157.61
Biggenden Auto Spectacular	\$ 570.3
Biggenden State School	\$ 75
Leukemia Foundation	\$ 375
Biggenden Bowls Club	\$ 68.77
Biggenden & District Pony Club	\$ 5035.16
Biggenden Historical Society	\$ 300
Biggenden Community. Heritage Society. Donation	\$ 23.25
Biggenden Swimming Club	\$ 490
Biggenden Branch CWA	\$ 866
Biggenden & District Kindy/Daycare	\$ 332
Biggenden Amateur Fishing Club	\$ 983
Dallarnil State School P & C	\$ 2000
Community Organisation	\$ 50
St Johns Ambulance	\$ 167.49
Life Education Caravan	\$ 669.16
Rotary - Swap Meet Bins	\$ 29.24
TOTAL	\$ 22105.21
District	
Donation - Biggenden A & P Society	\$ 41.44
Donation - Dallarnil Sports Association	\$ 104.92
Community Organisations	\$ 659.9
South Burnett Times Pty	\$ 698.96
TOTAL	\$ 1505.22

EIDSVOLD DONATIONS

Organisation	Total Financial Year Ending 2009
Eidsvold Show Society Inc	\$ 5001.38
Eidsvold Race Club	\$ 184.75
Eidsvold Bowls Club	\$ 13.64
Eidsvold State School ANZAC	\$ 425.27
Eidsvold Musicians Muster	\$ 3000
Eidsvold Aboriginal Housing	\$ 5000
TOTAL	\$ 13625.04
District	
TOTAL	0

GAYNDAH DONATIONS

Organisation	Total Financial Year Ending 2009
Gayndah Show Soc (AWCDChamp)	\$ 1178.18
Gayndah Golf Club Challenge	\$ 250
Orange Festival (Leah Arnold)	\$ 2081.54
Gayndah Develop Assn (Notice B	\$ 3765
Gayndah Kindergarten Assn	\$ 1000
Cent Burnett Community Radio	\$ 6000
Gayndah Swim Club Merch Relay	\$ 500
Australian Red Cross (Gayndah	\$ 100
Gayndah Masonic Lodge (Rates)	\$ 425
QCWA (Gayndah) (Rates)	\$ 593.09
Gayndah Show Society Rates	\$ 2735.34
Central Burnett Youth Services	\$ 1000
Binjour Bowls Club	\$ 550
Gayndah Family History Society	\$ 979
Gayndah Orange Festival Committee	\$ 8365.77
Gayndah Junior Rugby League	\$ 2500
Gayndah Girl Guides	\$ 2000
TOTAL	\$ 34022.92
District	
TOTAL	0

MONTO DONATIONS

Organisation	Total Financial Year Ending 2009
State Landcare Conference	\$ 5531.75
Monto State Primary School	\$ 937.33
Monto Hospital	\$ 139.34
Monto 5th Light Horse Reunion	\$ 69.05
Monto & District Show Society	\$ 2756.94
S Steley	\$ 81.53
Monto Cultural & Historical	\$ 136.82
Monto Festival	\$ 342.54
Monto High School	\$ 300
QCWA Port Curtis Division	\$ 1000
Bancroft Campdraft	\$ 1280.97
Shave for a Cure	\$ 40.83
Monto Race Club Inc	\$ 122.02
Monto Polo Cross	\$ 316.76
Cania Dam Fish Stocking Association	\$ 425
Monto State Primary School P &C	\$ 1000
Monto Amateur Swimming Club	\$ 800
Monto & District Show Society	\$ 250
Funerals - Photocopying	\$ 430.68
Monto Rotary Club	\$ 100
Monto Garden and Trade Expo	\$ 86.36
Waruma Dam Fishing Club	\$ 132.15
Eastern Star	\$ 319.77
Monto Community Development Council	\$ 82.02
Monto Football Wheelie Bins	\$ 50.35
C&NB Aust. Stock Horse Association	\$ 394.84
Monto Magic Tour Action Group	\$ 3025
TOTAL	\$ 20152.05
District	
Monto & District Show Society	\$ 1089.91
S Steley	\$ 500
Monto Cultural & Historical	\$ 2000
Monto Festival	\$ 2013.01
Montonian Dinners	\$ 120
Monto Race Club	\$ 120
Polocrosse Wheelie Bins	\$ 1083.59
Bancroft Campdraft	\$ 632.34
TOTAL	\$ 7558.85

MT PERRY DONATIONS

Organisation	Total Financial Year Ending 2009
Gin Gin High School Bursary	\$ 120
Mt Perry Fine Arts	\$ 200
Mt Perry Sport & Recreation (Wolca)	\$ 1758
Mt Perry Race Club	\$ 1000
Mt Perry Axemen and Sawyers	\$ 1000
Mt Perry RSL	\$ 332
Mt Perry Show Society	\$ 1000
Perry Shire Heritage/Tourist A	\$ 717
TOTAL	\$ 6127
District	
TOTAL	0

MUNDUBBERA DONATIONS

Organisation	Total Financial Year Ending 2009
Donations	\$ 5629.17
Bat-Bull Festival	\$ 333.52
Rotary	\$ 810.78
Motocross	\$ 560
Show Society	\$ 1801.89
Mundubbera Enterprise Assn	\$ 628.26
7 a-side Cricket	\$ 2814.93
Cultural Heritage	\$ 322.49
Mundubbera Home Units	\$ 809.41
Baptist Church Mundubbera	\$ 350
Mundubbera Uniting Church Cong	\$ 499
Mundubbera Rugby League Club	\$ 1000
RSL Mundubbera	\$ 750
Mundubbera Gun Club	\$ 784.04
Narelle Pope	\$ 150
TOTAL	\$ 17243.49
District	
Donations	\$ 1783.24
TOTAL	\$ 1783.24

Community	Total Financial Year Ending 2009
Total Donations Biggenden	\$ 22105.21
Total Donations Eidsvold	\$ 13625.04
Total Donations Gayndah	\$ 34022.92
Total Donations Monto	\$ 20152.05
Total Donations Mt Perry	\$ 6127
Total Donations Mundubbera	\$ 17243.49
Other Donations	
Victoria's Bushfire Appeal	\$ 3,000
Premier's Disaster Appeal	\$ 2,000
Fruit Fly Mat Cup Program	\$ 400
Community in Control Conference	\$ 1,124.84
Triathlon - Eatwell	\$ 1,797.04
Total Donations NBRC 2008-2009	\$ 121597.59
District	
Total DONATIONS Biggenden	\$ 1505.22
Total DONATIONS Eidsvold	0
Total DONATIONS Gayndah	0
Total DONATIONS Monto	\$ 7558.85
Total DONATIONS Mt Perry	0
Total DONATIONS Mundubbera	\$ 1783.24
Total Donations NBRC 2008	\$ 10847.31
OVERALL TOTAL	\$ 132,444.90

NORTH BURNETT REGIONAL COUNCIL FINANCIAL REPORT

FOR THE PERIOD 15 MARCH 2008 TO 30 JUNE 2009

NORTH BURNETT REGIONAL COUNCIL

FINANCIAL REPORT

For the period 15 March 2008 to 30 June 2009

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NORTH BURNETT REGIONAL COUNCIL

Income Statement

For the period 15 March 2008 to 30 June 2009

		2009
	Note	\$
Income		
Revenue		
Recurrent Revenue		
Net rate and utility charges	3(a)	9,163,478
Fees and Charges	3(b)	1,344,622
Rental income	3(c)	120,290
Interest received	3(d)	1,116,765
Sales - Contract and recoverable works	3(e)	7,673,854
Other recurrent Revenue	3(f)	1,917,451
Grants, subsidies, contributions and donations	4(a)	17,709,183
Total recurrent revenue		<u>39,045,643</u>
Capital revenue		
Grants, subsidies, contributions and donations	4(b)	5,778,311
Total revenue		<u>44,823,954</u>
Other Income	5	279,855
Gain on restructure of local government		
Assets and liabilities transferred from abolished Councils	13	654,869,905
Adjustments due to Restructure	13	<u>48,275</u>
		<u>654,918,180</u>
Total income		<u>700,021,989</u>
Expenses		
Employee benefits	6	(16,471,487)
Materials and services	7	(16,324,594)
Finance costs	8	(136,184)
Depreciation and amortisation	9	<u>(12,048,440)</u>
Total recurrent expenses		<u>(44,980,705)</u>
Capital expenses		
Adjustment for Revaluation decrements	14	<u>(8,485,706)</u>
		<u>(8,485,706)</u>
Total expenses		<u>(53,466,411)</u>
Net result attributable to Council		<u>646,555,578</u>

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

NORTH BURNETT REGIONAL COUNCIL

Balance Sheet

as at 30 June 2009

		2009
	Note	\$
ASSETS		
Current Assets		
Cash and cash equivalents	10	15,550,100
Trade and other receivables	11	2,575,264
Inventories	12	1,432,819
Total current assets		<u>19,558,183</u>
Non-current Assets		
Trade and other receivables	11	15,248
Property, plant and equipment	14	837,806,279
Intangible assets	15	163,426
Total non-current assets		<u>837,984,954</u>
TOTAL ASSETS		<u>857,543,137</u>
LIABILITIES		
Current Liabilities		
Trade and other payables	16	3,744,174
Borrowings	17	137,147
Provisions	18	1,021,354
Total current liabilities		<u>4,902,675</u>
Non-current Liabilities		
Trade and other payables	16	415,388
Borrowings	17	1,138,969
Provisions	18	426,159
Total non-current liabilities		<u>1,980,516</u>
TOTAL LIABILITIES		<u>6,883,191</u>
NET COMMUNITY ASSETS		<u>850,659,945</u>
Community Equity		
Shire capital	19	654,869,905
Asset revaluation reserve	20	204,104,367
Retained surplus/(deficiency)	21	(8,314,327)
TOTAL COMMUNITY EQUITY		<u>850,659,945</u>

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

NORTH BURNETT REGIONAL COUNCIL

Statement of Changes in Equity

For the period 15 March 2008 to 30 June 2009

	Notes	Shire Capital 19 2009 \$	Asset revaluation reserve 20 2009 \$	Retained surplus /deficiency 21 2009 \$	Total 2009 \$
15 March 2008 to 30 June 2009					
Opening Balance		-	-	-	-
Revaluations of Property, Plant and Equipment	14	-	204,104,367	-	204,104,367
Net income recognised directly in equity		-	204,104,367	-	204,104,367
Net Result attributable to Council		-	-	646,555,578	646,555,578
Total recognised income and expense		-	204,104,367	646,555,578	850,659,945
Transfers to and from reserves					
Transfers to/from capital		654,869,905	-	(654,869,905)	-
Total transfers to and from reserves		654,869,905	-	(654,869,905)	-
Balance at 30 June 2009		654,869,905	204,104,367	(8,314,327)	850,659,945

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

NORTH BURNETT REGIONAL COUNCIL

Cash Flow Statement

For the period 15 March 2008 to 30 June 2009

		2009
	Note	\$
Cash flows from operating activities :		
Receipts from customers		22,897,194
Payments to suppliers and employees		<u>(35,023,439)</u>
		(12,126,245)
Interest received		1,116,765
Rental income		120,290
Non capital grants and contributions		17,709,183
Borrowing costs		<u>(136,184)</u>
Net cash inflow (outflow) from operating activities	27	<u>6,683,809</u>
 Cash flows from investing activities:		
Cash received from restructure of local government	13	17,522,529
Payments for property, plant and equipment		(15,348,203)
Payments for intangible assets		(71,485)
Proceeds from sale of property plant and equipment		1,295,064
Grants, subsidies, contributions and donations		<u>5,778,311</u>
Net cash inflow (outflow) from investing activities		<u>9,176,216</u>
 Cash flows from financing activities:		
Repayment of borrowings (Principal)		(185,948)
Repayment of borrowings (Interest)		(123,977)
Repayments made on finance leases		<u>-</u>
Net cash inflow (outflow) from financing activities		<u>(309,925)</u>
 Net increase (decrease) in cash held		<u>15,550,100</u>
 Cash at beginning of reporting period		<u>-</u>
 Cash at end of reporting period		<u><u>15,550,100</u></u>

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

NORTH BURNETT REGIONAL COUNCIL
Notes to the Financial Statements
For the period 15 March 2008 to 30 June 2009

1 Summary of Significant Accounting Policies

1.A Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and complies with the requirements of the Local Government Act 1993, the Local Government Reform Implementation Regulation 2008 and the Local Government Finance Standard 2005.

The Local Government Reform Commission report to the Minister for Local Government, Planning and Sport on 1 August 2007 recommended that the former Biggenden, Eidsvold, Gayndah, Monto, Perry & Mundubbera Shire Councils be amalgamated to form the North Burnett Regional Council. Pursuant to Chapter 3 Part 1B of the Local Government Act 1993 and in accordance with the Local Government Reform Implementation Regulation 2008, the North Burnett Regional Council was formed on 15 March 2008.

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

Pursuant to section 159YQ of the *Local Government Act 1993* and sections 26 and 35 of the *Local Government Reform Implementation Regulation 2008*, financial statements have been prepared for the period starting on 15 March 2008 and ending on 30 June 2009. Future periods will be for twelve month periods starting 1 July and ending on 30 June.

Assets and liabilities of the former councils have been recognised by North Burnett Regional Council on 15 March 2008 at the previous book values of the transferor local governments. This is shown as income in the Income Statement and details are disclosed in note 13.

This financial report has been prepared under the historical cost convention except for the revaluation of certain non-current assets.

1.B Statement of Compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, this Report does not comply with IFRS. The main impact is in:

- the offsetting of revaluation and impairment gains and losses within a class of assets
- the recognition of assets and liabilities of the former councils at the amounts at which they were recognised by the transferor local governments.
- the recognition of Grants Revenue

1 Summary of Significant Accounting Policies

1.C Adoption of new Accounting Standards.

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the period ending 30 June 2009 but, as permitted, have been applied in preparing this report where applicable:

AASB 1004 Contributions (December 2007)
AASB 1051 Land Under Roads (December 2007)
AASB 1052 Disaggregated Disclosures (December 2007)
AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31
AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.

The following Australian Accounting Standards, issued on the dates shown, are not mandatory for the period ending 30 June 2009 and have not been applied.

AASB3 Business Combinations (March 2008)
AASB8 Operating Segments (Feb 2007)
AASB101 Presentation of Financial Statements (September 2007)
AASB123 Borrowing Costs (June 2007)
AASB127 Consolidated and Separate Financial Statements (March 2008)
AASB 1039 Concise Financial Reports (August 2008)
AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB8 (February 2007)
AASB2007-6 Amendments to Australian Accounting Standards arising from AASB123 (June 2007)
AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB101 (September 2007)
AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101
AASB 2008-1 Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations (February 2008)
AASB2008-2 Amendments to Accounting Standards - Puttable Financial Instruments and Obligations arising on Liquidation (March 2008)
AASB2008-3 Amendments to Accounting Standards arising from AASB3 and AASB127 (March 2008)
AASB2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project (July 2008)
AASB2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project
AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (July 2008)
AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101 (September 2008)
AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities [AASB 3] (November 2008)

NORTH BURNETT REGIONAL COUNCIL
Notes to the Financial Statements
For the period 15 March 2008 to 30 June 2009

1 Summary of Significant Accounting Policies

AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 15 - Agreements for the Construction of Real Estate (August 2008)

It is not expected that the new standards would have made a substantial difference to the results if they had applied to this accounting period. Most of the changes are matters of presentation.

1.D Critical accounting estimates & Judgements

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

The council evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

(i) Depreciation and Amortisation

The useful lives of Council's assets have been determined based on expected useful lives determined based on industry norms and historical experience. Residual values have been determined with the assistance of independent valuer's reflecting industry experience.

(ii) Employee Benefits

Liabilities for employee benefits have been determined based on the expected timing of employee benefits will be consumed and at remuneration levels anticipated at the time leave is taken.

The estimates and assumptions that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year are referred to in the appropriate notes to the financial statements.

1.E Currency

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

1.F Constitution

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

1 Summary of Significant Accounting Policies

1.G Date of authorisation

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

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

1.H Changes to Accounting Policies, Estimates and Errors

Unless otherwise stated, accounting policies have been consistently applied throughout the period.

1.I Rates, Grants and Other Revenue

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

(i) Rates

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

(ii) Grants and Subsidies

Where the Council has an obligation to use a grant or subsidy in a particular manner the amount is recognised as revenue on receipt.

(iii) Non-Cash Contributions

Non-cash contributions with a value in excess of the recognition thresholds set out in note 1.Q, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

(iv) Other Revenue Including Contributions

Other Revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt.

1.J Cash and Cash Equivalents

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

1 Summary of Significant Accounting Policies

1.K Receivables

Trade receivables are recognised initially at fair value due at the time of sale or service delivery and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and, if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced with provision being made for impairment. The loss is recognised in other expenses.

The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated cash flows, discounted at the effective interest rate. Increases in the provision for impairment are based on loss events.

All known bad debts were written-off against the provision for impairment at 30 June. Subsequent recoveries of amounts previously written off are credited against other expense in the income statement.

Loans and advances are recognised in the same way as other receivables. Terms are dependent on community needs and interest is not charged on any of Councils Loans and advances. Security is not normally obtained.

1.L Financial Assets and Financial Liabilities

Categorisation

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

Financial Assets	Categorisation
Cash and Cash Equivalents	
Trade & Other Receivables	Loans and receivables (at amortised cost)
Financial Liabilities	
Trade & Other Payables	Financial liability (at amortised cost)
Borrowings	Financial liability (at amortised cost)

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

The fair value of financial assets and liabilities must be estimated for recognition and measurement and for disclosure purposes.

The fair value of financial assets and liabilities 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.

1 Summary of Significant Accounting Policies

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

The fair value of trade receivables and payables are assumed to approximate their nominal value less estimated credit adjustments.

1.M Impairment of Financial Assets

At each reporting date, the council assesses whether there is objective evidence that a financial instrument has been impaired. For financial assets classified as loans and receivables, an allowance is made for impairment where there is objective evidence that the entity will not be able to collect all amounts due according to the original terms. On confirmation that the trade receivable will not be collectible the gross carrying value of the asset is written off against the associated provision.

1.N 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, charge.

These goods are valued at the lower of cost and replacement cost

1.O Land Held for Resale

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 and net realisable value.

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

1.P Investments

Financial institution deposits at call and term deposits with a short maturity of three months or less are treated as cash equivalents.

Interest and dividend revenues are recognised on an accrual basis.

1 Summary of Significant Accounting Policies

1.Q Property, Plant and Equipment

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

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

Land
Buildings & Improvements
Plant & Equipment
Roads, Bridges and Drainage
Water
Sewerage
Other Structures

(i) Acquisition of Assets

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

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

Assets transferred from the former Biggenden, Eidsvold, Gayndah, Monto, Perry & Mundubbera Shire Councils, as a result of a Government restructure, were initially recognised at the amount at which they were recognised by the former councils as at the changeover day as disclosed in Note 1.A and Note 13. Those assets are reflected as net value of assets transferred from abolished Councils in Note 13.

(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 asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

(iii) Valuation

Land, Buildings & Improvements and all infrastructure assets and other structures are measured on the revaluation basis, at fair value, in accordance with AASB116 *Property, Plant and Equipment* and the *Local Government Finance Standard 2005*. Plant & Equipment is measured at cost.

1 Summary of Significant Accounting Policies

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 or other appropriate valuation method, being otherwise performed on an annual basis where there has been a material variation in the index.

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

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

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

Details of valuers and methods of valuations are disclosed in Note 14.

(iv) Depreciation

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

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

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

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

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in Note 14.

1 Summary of Significant Accounting Policies

(v) Unfunded Depreciation

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

(vi) Capital Work in Progress

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

(vii) Land Under Roads

The North Burnett Regional Council does not control any land under roads. All land under the road network within the council area has been dedicated and opened for public use under the Land Act 1994 or the Land Title Act 1994 and 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.R Intangible Assets

Only intangible assets which have a cost exceeding \$10,000 are recognised as intangible assets.

Water allocation rights are stated at cost and are considered to have indefinite useful lives and are not amortised. The useful life is assessed annually to determine whether event or circumstances continue to support an indefinite useful life assessment. The carrying value of water allocation rights are reviewed annually for impairment, and the same time every year.

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

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

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

1 Summary of Significant Accounting Policies

1.S Impairment of Non Current Assets

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

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

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

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

1.T Trade and Other Payables

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

1.U Liabilities - Employee Benefits

Liabilities are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date. Where 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 16 as a payable.

(ii) Annual Leave

A liability for annual leave is recognised. The current portion (based on the expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non current portion is calculated on projected future wage and salary levels and related employee on-costs, discounted to present values. This liability represents an accrued expense and is reported in Note 16 as a payable.

1 Summary of Significant Accounting Policies

(iii) Sick Leave

Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised for this obligation.

(iv) Superannuation

The superannuation expense for the reporting period is the amount of the contribution the local government makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 25

(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 18 as a provision.

1.V Borrowings

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

Borrowing costs, which includes interest calculated using the effective interest method and administration fees, are expensed in the period in which they arise. Costs that are not settled in the period in which they arise are added to the carrying amount of the borrowing. Borrowing costs are treated as an expense, as assets constructed by the council are generally completed within one year and therefore are not considered to be qualifying assets.

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

1 Summary of Significant Accounting Policies

1.W Asset Revaluation Reserve

The asset revaluation reserve 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 this reserve.

Increases and decreases on revaluation are offset within a class of assets.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation reserve in respect of that class. Any excess is treated as an expense.

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

1.X Retained Surplus

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

1.Y National Competition Policy

The Council has reviewed its activities and has identified five activities that are business activities. Details of these activities can be found in Note 29

1.Z Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1.

Comparative figures have not been provided as North Burnett Regional Council commenced operation on 15 March 2008 and the financial statements cover the period 15 March 2008 to 30 June 2009.

1.AA Financial Risk Management

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 and are for a period of less than one year.

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.

Details of financial instruments and the associated risks are shown at Note 28

1 Summary of Significant Accounting Policies

1.AB Trust Funds Held for Outside Parties

Funds held in the Trust Account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the Trust Account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

The monies are disclosed in the notes to the financial statements for information purposes only.

For details see Note 26

1.AC Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

The controlled entity of the Council pays an income tax equivalent to the Council in accordance with the requirements of the *Local Government Act 1993*.

Where an activity of the controlled entity of the Council is subject to the Tax Equivalents Regime, the income tax expense is calculated on the operating surplus adjusted for permanent differences between taxable and accounting income. These transactions are eliminated upon consolidation.

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

2 Analysis of results by function

(a) Income and expenses defined between recurring and capital are attributed to the following functions :

Period ended 30 June 2009

Functions	Gross program income		Total income	Gross program expenses		Total expenses	Net result attributable to council	Assets
	Recurrent	Capital		Recurrent	Capital			
	2009	2009	2009	2009	2009	2009	2009	2009
	\$	\$	\$	\$	\$	\$	\$	\$
Corporate Governance	1,844,781	654,958,861	656,803,642	6,795,935	-	6,795,935	650,007,707	46,844,535
Finance & Information Technology	17,923,591	259,855	18,183,446	2,969,985	8,509,406	11,479,391	6,704,055	18,785,894
Community Services	881,717	36,882	918,599	4,046,756	-	4,046,756	(3,128,157)	-
Development Services	5,040,391	1,975,846	7,016,237	9,038,533	-	9,038,533	(2,022,296)	10,172,610
Works & Services	13,355,164	3,744,901	17,100,065	22,105,795	-	22,105,795	(5,005,730)	781,740,097
Total Council	39,045,644	660,976,345	700,021,989	44,957,005	8,509,406	53,466,411	646,555,578	857,543,136

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

2

(b) Components of Council functions

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

Corporate Governance

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

Finance & Information Technology

The support functions of Management of the Council's Finance, Information technology.

Community Services

Community services including cultural, health, welfare, area promotion and community support.

This function includes:

- Libraries

- Aged care facilities

- Economic development strategy

Development Services

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

Works and Services

Maintain the Roads & Drainage Network Combined with providing the community with Water, Waste Water and Solid Waste services.

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	2009
	\$
Notes on the Income Statement	
3 Revenue analysis	
(a) Rates and charges	
General rates	5,981,708
Environment Levy	249,354
Water	2,402,117
Sewerage	1,217,415
Fire Brigade Levy	16,703
Garbage charges	660,567
Total rates and utility charge revenue	10,527,864
Less: Discounts	(1,365,918)
Less: Pensioner remissions	1,532
Net rates and utility charges	9,163,478
(b) Fees and charges	
Fees and Charges	1,344,622
	1,344,622
(c) Rental income	
Property rentals	120,290
	120,290
(d) Interest received	
Interest received from term deposits	1,063,254
Interest from overdue rates and utility charges	53,511
	1,116,765
(e) Sales - Contract and recoverable works	
Sales - Contract and recoverable works	7,673,854
	7,673,854
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	
(f) Other recurrent Revenue	
Other Revenue	1,917,451
	1,917,451
4 Grants, subsidies, contributions and donations	
(a) Recurrent grants and subsidies, other contributions and donations are analysed as follows:	
General purpose grants	11,425,865
State Government subsidies & grants	6,168,234
Donations	-
Contributions	115,084
Total recurrent revenue	17,709,183
(b) Capital government grants and subsidies, and other contributions are analysed as follows:	
State Government subsidies & grants	5,778,311
Contributions	-
Total capital revenue	5,778,311

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	2009
	\$
Note	
(c) Conditions over contributions	
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.	
5 Other income	
(a) Gain on the disposal of non-current assets	
Proceeds from the sale of plant & equipment	279,855
Less: Book value of plant & equipment disposed of	-
Total capital income	<u>279,855</u>
6 Employee benefits	
Total staff wages and salaries	11,348,869
Councillors' remuneration	635,793
Annual, sick and long service leave entitlements	2,157,966
Superannuation	25 <u>1,483,089</u>
	15,625,717
Other employee related expenses	<u>845,770</u>
	<u>16,471,487</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties	
Total Council employees at the reporting date:	2009 Number
Elected members	<u>6</u>
Administration staff	83
Depot and outdoors staff	175
Total full time equivalent employees	<u>264</u>
7 Materials and services	2009 \$
Audit services	330,623
Communications and IT	773,784
Donations paid	120,423
Property Expenses	191,435
Recoverable Works	4,766,367
Road Maintenance Costs	4,221,736
Sewerage Waste Services	371,886
Solid Waste Services	950,300
Water Services	1,511,759
Other material and services	<u>3,086,281</u>
	<u>16,324,594</u>
8 Finance costs	
Finance costs charged by the Queensland Treasury Corporation	110,861
Finance costs relating to other bank loans	-
Bank charges	<u>25,323</u>
	<u>136,184</u>

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	2009
	\$
9 Depreciation and Amortisation	
(a) Depreciation of non-current assets	
Land	-
Buildings and Improvements	1,132,244
Plant & Equipment	1,923,804
Roads, Bridges and Drainage	7,254,629
Water	688,081
Sewerage	483,018
Other Structures	566,663
Total depreciation	<u>12,048,440</u>

Unfunded Depreciation

(b) Accumulated Unfunded Depreciation

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

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

Net adjusted unfunded depreciation is calculated by taking the gross unfunded depreciation and deducting the amount of depreciation that will not require funding due to either non-replacement of the asset, contributions becoming available for funding the replacement, the replacement asset will cost less than the existing asset, or the engineers assessment of depreciation funding is less than the depreciation expense in the period.

The gross unfunded depreciation across all assets for the period is \$NIL

The net adjusted unfunded depreciation across all assets for the period is \$NIL

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	2009
	\$
Notes on the Balance Sheet	
10 Cash and cash equivalents	
Cash at bank and on hand	4,450,736
Deposits at call	11,099,365
Balance per cash flow statement	<u>15,550,100</u>
Cash and deposits at call are held in the National Australia Bank in normal term deposits and business cheque accounts. The Bank currently has a short term credit rating of A1+ and long term rating of AA-.	
11 Trade and other receivables	
(a) Current	
Rateable revenue and utility charges	637,208
Water charges not yet levied	-
Other debtors	1,649,826
Less provision for Impairment	(20,000)
GST recoverable	194,983
Loans and advances	12,030
Prepayments	101,217
	<u>2,575,264</u>
(b) Non-current	
Loans and advances to community organisations	15,248
	<u>15,248</u>
Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.	
Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.	
12 Inventories	
Current	
Inventories held for distribution:	
Plant and equipment stores	386,602
Total inventories for distribution	<u>386,602</u>
Land purchased for development and sale	1,046,217
Total inventories	<u>1,432,819</u>

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

13 Gain on restructure of local government

The Local Government Reform Commission report to the Minister for Local Government, Planning and Sport on 1 August 2007 recommended that the former Biggenden, Eidsvold, Gayndah, Monto, Perry & Mundubbera Shire Councils be amalgamated to form the North Burnett Regional Council. Pursuant to Chapter 3 Part 1B of the Local Government Act 1993 and in accordance with the Local Government Reform Implementation Regulation 2008, the amalgamation was effective from the changeover date of 15 March 2008.

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

The assets and liabilities of the former councils have been recognised at the amounts at which they were recognised by the transferor local governments as at the changeover date.

North Burnett Regional Council adopted consistent accounting policies from its commencement date of 15 March 2008. In some cases, this resulted in adjustments to the measurement of assets and liabilities transferred from former councils as at 15 March 2008. Details are as follows:

	Biggenden	Eidsvold	Gayndah	Monto	Perry	Mundubbera	Total assets and liabilities recognised by North Burnett Regional Council	Adjustments due to Restructure	Gain on restructure of local government
	14 March 2008	14 March 2008	14 March 2008	14 March 2008	14 March 2008	14 March 2008	15 March 2008	2009	2009
	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS									
Current Assets									
Cash and cash equivalents	4,643,661	1,209,420	2,022,701	2,996,138	4,304,036	2,346,573	17,522,529	-	17,522,529
Trade and other receivables	539,459	215,156	380,327	580,188	110,494	695,739	2,521,363	2,595	2,523,958
Inventories	21,457	118,688	136,328	454,174	73,600	163,850	968,097	-	968,097
Other financial assets	176,242	67,360	42,322	92,765	47,045	17,128	442,862	-	442,862
Total current assets	5,380,819	1,610,624	2,581,678	4,123,265	4,535,175	3,223,280	21,454,851	2,595	21,457,446
Non-current Assets									
Trade and other receivables	-	-	-	-	-	-	10,839	80,000	90,839
Property, plant and equipment	73,033,769	127,365,773	88,064,876	150,665,987	80,417,915	132,680,230	632,231,550	(30,000)	632,201,550
Capital works in progress	1,959,763	369,558	191,513	2,986,494	1,346,612	817,563	7,671,513	-	7,671,513
Intangible assets	-	91,941	-	-	-	-	91,941	30,000	121,941
Total non-current assets	74,993,332	127,827,282	88,256,389	153,655,481	81,764,527	133,508,632	640,005,843	80,000	640,085,843
TOTAL ASSETS	80,374,351	129,437,906	90,838,067	157,778,746	86,299,702	136,731,912	661,460,694	82,595	661,543,289
LIABILITIES									
Current Liabilities									
Trade and other payables	359,282	425,993	874,335	1,354,435	273,046	547,655	3,834,746	34,320	3,869,066
Borrowings	-	-	26,967	74,537	-	48,544	150,048	-	150,048
Provisions	23,228	40,000	12,200	198,504	7,613	141,222	422,767	-	422,767
Total current liabilities	382,510	465,993	913,502	1,627,476	280,659	737,421	4,407,561	34,320	4,441,881
Non-current Liabilities									
Trade and other payables	-	-	62,300	100,821	-	-	163,121	-	163,121
Borrowings	-	-	183,089	706,263	-	422,674	1,312,026	-	1,312,026
Provisions	102,751	257,479	157,400	88,417	45,264	56,770	708,081	-	708,081
Total non-current liabilities	102,751	257,479	402,789	895,501	45,264	479,444	2,183,228	-	2,183,228
TOTAL LIABILITIES	485,261	723,472	1,316,291	2,522,977	325,923	1,216,865	6,590,789	34,320	6,625,109
NET ASSETS TRANSFERRED FROM ABOLISHED COUNCILS	79,889,090	128,714,434	89,521,776	155,255,769	65,973,779	135,515,057	654,869,905	48,275	654,918,180

(b) Adjustments due to Restructure

Adjustments as a result of Restructure of Council.

(c) Net result attributable to Council before net assets transferred from abolished Councils

Net result attributable to Council
Less Gain on restructure of local government
Net result attributable to Council before Gain on restructure of local government

Council	2009
\$	\$48,275
	646,555,578
	(3654,918,180)
	(\$8,362,602)

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

14 Property, plant and equipment

(a) Property, plant and equipment

Basis of measurement

Asset Values

Net Value of assets transferred from abolished Council

Additions at cost

Disposals

Revaluation adjustment to the ARR

Revaluation adjustment to Income

Closing gross value

Land	Buildings & Improvements	Plant and equipment	Roads, Bridges & Drainage	Water	Sewerage	Other Structures	Work in Progress	Total
Revaluation	Revaluation	Cost	Revaluation	Revaluation	Revaluation	Revaluation	Cost	
2009	2009	2009	2009	2009	2009	2009	2009	2009
\$	\$	\$	\$	\$	\$	\$	\$	\$
9,347,483	31,629,845	11,850,688	535,912,012	19,525,996	14,879,327	9,056,196	7,671,513	639,873,061
-	3,674,700	5,282,696	3,653,699	85,174	27,568	532,107	2,202,265	15,458,207
-	-	(2,642,172)	-	-	-	-	-	(2,642,172)
988,803	881,518	-	244,790,595	-	-	289,578	-	246,930,494
-	-	-	-	(2,065,429)	(5,234,942)	-	-	(7,300,371)
10,316,286	36,186,063	14,491,212	784,356,306	17,545,742	9,671,951	9,877,881	9,873,778	892,319,219

Accumulated Depreciation and Impairment

Opening balance

Depreciation provided in period

Depreciation on disposals

Revaluation adjustment to the ARR

Revaluation adjustment to Income

Accumulated depreciation at period end

Total written down value at period end

Range of estimated useful life in years

-	-	-	-	-	-	-	-	-
-	1,132,244	1,923,804	7,254,629	688,081	483,018	566,863	-	12,048,440
-	-	(1,546,962)	-	-	-	-	-	(1,546,962)
-	315,526	-	42,495,240	-	-	15,361	-	42,826,127
-	-	-	-	834,928	350,407	-	-	1,185,335
-	1,447,770	376,842	49,749,869	1,523,010	833,425	582,024	-	54,512,940
10,316,286	34,738,293	14,114,370	734,606,437	16,022,732	8,838,526	9,295,857	9,873,778	837,806,279
Land: Not depreciated	7 - 100	2-50	15-200	10 - 60	10 - 60	10 - 100		

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

2009

Note \$

14 (b) Property, plant and equipment valuations were determined by reference to the following:

Land

Land has been included at their estimated market value as determined by a management valuation based on the RP Data index for the North Burnett Region as at 30 June 2009.

The amounts shown represent fair value at Balance Sheet Date

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

Buildings & Improvements and Other Structures

Building & Improvements and Other Structures have been included at their depreciated replacement cost as determined by a management valuation based on the Non-residential construction index as at 30 June 2009.

The amounts shown represent fair value at Balance Sheet Date.

Plant and Equipment

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

Infrastructure

Water and Sewerage Infrastructure

Included at their depreciated replacement cost as at 30 June 2009 as determined by OPUS QANTEC McWILLIAM Pty Ltd.

The amounts shown represent fair value at Balance Sheet Date.

Roads, Bridges and Drainage

Included at their depreciated replacement cost as at 30 June 2009 as determined by OPUS QANTEC McWILLIAM Pty Ltd.

The amounts shown represent fair value at Balance Sheet Date.

15 Intangible assets

Water Allocation Rights

Transferred from Eidsvold Shire Council as part of Government Restructure	1.A,13	121,941
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Additions		41,485
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Net carrying value at the period end		<u>163,426</u>
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NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

		2009
	Note	\$
16 Trade and other payables		
Current		
Creditors and accruals		2,759,168
Annual leave		824,282
Sick leave		107,019
Other entitlements		53,705
		<u>3,744,174</u>
Non Current		
Annual leave		415,388
		<u>415,388</u>

Sick leave represents entitlement of employees of former Monto & Gayndah Shire Councils. On 23 December 2009 the new North Burnett Regional Council approved its own EBA which provided that sick leave is no longer vesting. Former Monto & Gayndah Shire Council staff have until 23 December 2010 to make a decision if they would like to have their previous Vesting balances paid either as Cash, Super or have their Sick Leave accrual remain.

17 Borrowings

Current

Loans QTC - Unsecured	137,147
Loans - Other	-
	<u>137,147</u>

Non-Current

Loans QTC - Unsecured	1,138,969
Loans - Other	-
	<u>1,138,969</u>

(a) Unsecured Borrowings

Unsecured borrowings are provided by the Queensland Treasury Corporation.

Transferred from Mundubbera, Gayndah & Monto Shire Councils as part of Government restructure	1.A, 13	1,462,064
Loans raised		-
Principal repayments		(185,948)
Book value at period end		<u>1,276,116</u>
Classified as :		
Current		137,147
Non-current		1,138,969
		<u>1,276,116</u>

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 31 December 2009 to 31 December 2014.

There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made *quarterly* in arrears.

The loan market value at the reporting date was \$1,296,317. This represents the value of the debt if the Council repaid it at that date. As it is the intention of the Council to hold the debt for its term, no provision is required to be made in these accounts.

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

		2009
	Note	\$
18 Provisions		
Current		
Long service leave	18(a)	1,021,354
		<u>1,021,354</u>
Non-Current		
Long service leave	18(a)	426,159
		<u>426,159</u>

Details of movements in provisions:

(a) Long Service Leave		
Transferred from Biggenden, Eidsvold, Gayndah, Monto, Perry & Mundubbera Shire Councils as part of Government restructure	1.A, 13	1,130,848
Long service leave entitlement arising		377,990
Long Service entitlement extinguished		(16,190)
Long Service entitlement paid		(45,135)
Balance at the end of period		<u>1,447,513</u>
Current		1,021,354
Non current		426,159
Balance at the end of period		<u>1,447,513</u>

19 Shire Capital

Due to the local government reform process it is necessary to establish a commencing relationship between Shire Capital, Retained Surplus and Other Reserves. The calculation used by North Burnett Regional Council to establish the Shire Capital as at 30 June 2009 is as follows:

Net Result attributable to Council as per the Income Statement	646,555,578
Less portion of total attributable result calculates as Retained surplus	<u>8,314,327</u>
Shire capital as at 30 June 2009	<u>654,869,905</u>

20 Asset revaluation reserve

(a) Movements in the asset revaluation reserve were as follows:

Balance at beginning of period	-
Net adjustment to non-current assets at end of period to reflect a change in current fair value:	
Land	968,803
Buildings	565,992
Roads, Bridges & Drainage	202,295,355
Water	-
Sewerage	-
Other Structures	274,217
Balance at end of period	<u>204,104,367</u>

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	2009
Note	\$
(b) Asset revaluation reserve analysis	
The closing balance of the asset revaluation reserve is comprised of the following asset categories:	
Land	968,803
Buildings	565,992
Roads, Bridges & Drainage	202,295,355
Water	-
Sewerage	-
Other Structures	274,217
	<u>204,104,367</u>
	-

21 Retained surplus/(deficiency)

Due to the various out of the ordinary transactions and entries resulting from the local government reform process it is necessary to calculate the retained surplus/(deficiency) in a different manner. The calculation used by North Burnett Regional Council to establish the Retained Surplus/(deficiency) as at 30 June is as follows:

Net result attributable to Council as per the income statement	646,555,578
Less assets and liabilities transferred from the abolished Councils	<u>(654,869,905)</u>
Retained surplus at the end of the financial year	<u>(8,314,327)</u>

22 Commitments for expenditure

(a) Contractual Commitments

Contractual commitments at balance date but not recognised in the financial statements are as follows:

Garbage Collection Contract expires 4 Sept 2013	
1 year and less	360,240
Greater than 1 year and Less than 5 years	<u>1,140,760</u>
TOTAL GARBAGE COLLECTION CONTRACT	<u>1,501,000</u>
Commander Phone System Contract expires 24 Oct 2012	
1 year and less	3,732
Greater than 1 year and Less than 5 years	<u>12,440</u>
TOTAL COMMANDER PHONE SYSTEM CONTRACT	<u>16,172</u>
	<u>1,517,172</u>

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

23 Contingent liabilities

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

Local Government Mutual

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

As at 30 June 2008 the financial statements reported an accumulated member funds of \$10,053,438 and it is not anticipated any liability will arise.

Local Government Workcare

The North Burnett Regional Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$278,701.

24 Events after balance date

R M Williams Australian Bush learning Centre Ltd was established with the CEO as the sole share holder.

Subsequent to 30 June 2009 Council has resigned its interest in the Company.

Other than above there were no material adjusting events after the balance date.

25 Superannuation

The North Burnett Regional Council contributes to the local government superannuation scheme (the scheme). The scheme has two elements referred to as the defined benefits scheme and the accumulation scheme.

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

Any amount by which either scheme is over or under funded would only affect future benefits and is not an asset or liability of the council.

Accordingly there is no recognition in the financial statements of any over- or under-funding of the scheme.

The audited general purpose financial report of the scheme as at 30 June 2008 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the accrued benefits.

The general purpose financial statements disclose that the most recent actuarial assessment of the scheme was undertaken as at 1 July 2006. The actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

		2009
	Note	\$
25 Superannuation Cont.		
The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.		
The amount of superannuation contributions paid by North Burnett Regional Council to the superannuation scheme in this period for the benefit of employees was:		1,483,089
26 Trust funds		
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		306,407
Security deposits - General		12,024
Security deposits - Building/Planning		184,363
		-
		502,793
The North Burnett Regional Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.		

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

27 Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities

Net Result attributable to Council		<u>646,555,578</u>
Non-cash operating items:		
Depreciation and amortisation		12,048,440
Revaluation down of property, plant and equipment	14	<u>8,485,706</u>
		<u>20,534,146</u>
Investing and development activities :		
Gain on restructure of Local Government	13	(654,869,905)
Net (profit) loss on disposal of non current assets		(279,855)
Capital grants and contributions		<u>(5,778,311)</u>
		<u>(660,928,071)</u>
Changes in operating assets and liabilities :		
(Increase) decrease in trade and other receivables		(58,310)
(Increase) decrease in other operating assets		(21,860)
Increase (decrease) in trade and other payables		692,545
Increase (decrease) in other provisions		(90,219)
Increase (decrease) in other liabilities		
		<u>522,156</u>
Net cash inflow/(outflow) from operating activities		<u><u>6,683,809</u></u>

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

28 Financial Risk Management

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

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

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

Risk exposure	Measurement method
Interest rate risk	Sensitivity analysis
Liquidity risk	Maturity
Credit Risk	Ageing analysis

(i) Credit Risk

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

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of these debts.

In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

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

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely *agricultural*, there is also a concentration in the *agricultural* sector.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

No collateral is held as security relating to the financial assets held by the Council.

The following table represents the Council's maximum exposure to credit risk:

Financial Assets	2009 \$
Cash and cash equivalents - QTC	11,099,365
Cash and cash equivalents - bank	4,308,522
Cash and cash equivalents - other ADI	142,213
Trade & other receivables - rates	637,208
Trade & other receivables - other	1,953,304
Total	18,140,612

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

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.

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

	Note	2009		
		Total	Amount Impaired	Amount Not Impaired
		\$	\$	\$
Not Past Due		1,752,302		1,752,302
Past Due (Less than 30 Days)		332,324		332,324
Past Due (31-60 Days)		38,604		38,604
Past Due (More than 60 Days)		191,082	20,000	171,082
Total	11(b)	2,314,312	20,000	2,294,312

(ii) Liquidity Risk

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

The Corporation 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 17.

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

Financial Liabilities

	0 to 1 year	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$
Trade & other payables	3,744,174	415,388		4,159,562
Borrowings	214,075	848,168	640,616	1,702,859
	3,958,249	1,263,556	640,616	5,862,421

(iii) Interest Rate Risk

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

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

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

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

	<u>Notes</u>	Floating interest rate	Fixed interest rate	Non- interest	Total
		2009 Actual	2009 Actual	2009 Actual	2009 Actual
Financial Assets					
Cash and cash equivalents	10	15,544,440	-	5,660	15,550,100
Receivables	11	-	637,208	1,953,304	2,590,512
		15,544,440	637,208	1,958,964	18,140,612
Weighted average interest rate		3.45%	11.00%	0.00%	
Financial Liabilities					
Trade and Other Payables	16	-	-	4,159,562	4,159,562
Borrowings	17	-	1,276,116	-	1,276,116
		-	1,276,116	4,159,562	5,435,678
Weighted average interest rate		0.00%	6.32%	0.00%	
Net financial assets		15,544,440	-638,908	-2,200,598	12,704,934

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
	2009 \$	2009 \$	2009 \$
Financial Assets	15,544,440	155,444	155,444
Net	15,544,440	155,444	155,444

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

NORTH BURNETT REGIONAL COUNCIL

Notes to the Financial Statements

For the period 15 March 2008 to 30 June 2009

29 National Competition Policy

(a) Activities to which the code of competitive conduct is applied

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

(a) Roads business activity:

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

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

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

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

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

Roads
Water and sewerage
Waste Management
Plant operations

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

	Roads	Plant operations	Waste Management	Water	Sewerage
	2009	2009	2009	2009	2009
	\$	\$	\$	\$	\$
Revenue for services provided to the Council	8,065,612	7,326,574	1,110,975	2,231,985	1,063,757
Revenue for services provided to external customers	-	-	-	-	-
Community service obligations (CSO)	3,632,738	-	1,515,179	498,889	783
Less : Expenditure	11,698,350	5,750,338	2,626,154	2,730,874	1,064,540
Surplus (deficiency)	-	1,576,236	-	-	-

(c) Description of CSO's provided to business activities:

Activities	CSO description	Actual \$
Roads	For providing roads for public use	3,632,738
Plant	For providing council plant for public areas	-
Waste Management	For providing free services to public areas, operation and maintenance of public facilities and control of animals and declared pests	1,515,179
Water	For providing free services to public area	498,889
Sewerage	For providing free services to public area	783

NORTH BURNETT REGIONAL COUNCIL

FINANCIAL STATEMENTS

For the period 15 March 2008 to 30 June 2009

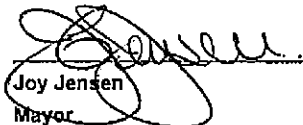
MANAGEMENT CERTIFICATE

For the period 15 March 2008 to 30 June 2009

This general purpose financial report has been prepared pursuant to Section 532 of the Local Government Act 1993, Section 35 of the Local Government Reform Implementation Regulation 2008, the Local Government Finance Standard 2005 (the Standard) and other prescribed requirements.

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

- (i) the relevant recording and reporting procedures have been complied with in the preparation of the financial statements; and
- (ii) the financial statements for the period ended 30 June 2009 and supporting notes as set out on pages 1 to 36 present the Council's income, equity, balances and cash flows as required by the *Local Government Act 1993*.


Joy Jensen
Mayor

Date: 16 / 12 / 2009


Les Hotz
Chief Executive Officer

Date: 16 / 12 / 2009