

NORTH BURNETT REGIONAL COUNCIL
ANNUAL REPORT
2020/21



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This document was adopted by Council
on 15 December 2021.



MAYOR'S MESSAGE

When asked to write this annual summary, last year I chose the word "transition" to describe the years events.



Given the events of 2020-2021, I don't think one word is going to cut it and as such this year, I choose the phrase, "the great realisation".

I first heard this phrase when Tomos Roberts, a poet, wrote a poem in response to the Covid-19 pandemic. Written in the form of a bedtime story, it suggests that the world, "a world of waste and wonder, of poverty and plenty" needed a wake-up call to move us all from the trajectory we were on. It views the pandemic as a blessing in disguise as it helped people reconsider what was important in life. It finishes on an optimistic note as it tells the child to dream bigger and brighter, as tomorrow is going to be much better than it was.

This last twelve months has been a huge journey for all of us individually, in our businesses, industries and communities. It's been a journey where we have all looked after ourselves, each other and our businesses and I am extremely proud of how everyone has managed during this difficult time.

In early July, Covid restrictions began to ease with students going back to school much to the delight of many parents and children alike. During this time, I think many parents realised the crucial role teachers play in caring for our children. Our teachers across the region did a phenomenal job of making learning from home happen under extremely challenging circumstances. Thank you to our children, parents, and teachers for coming together to make this work.

At the same time, although our community's health was well protected (potentially a benefit of living regionally), many of our businesses struggled under the weight of extensive paperwork, work interruption and a lack of available information and foresight needed to forward plan. The way our businesses and industry changed the way they did things to continue providing a service to community or to keep staff employed was remarkable. Thank you, community, for keeping yourselves safe and to our small businesses and industry for keeping our towns alive.

October began council's community consultation on our new corporate plan, "A Plan for Generations", with town-by-town meetings, phone calls and surveys to gather the thoughts of our community and listen to the vision that community had for future generations to come. Thank you to all those who gave input.

We then moved into drafting our budget, taking into consideration legislation, risk and of course the first round of community input. For a council running six individual communities this budget balancing act is always a tough gig. Thank you to all staff who worked tirelessly on this year's budgeting process and to councillors for respectful debate.

However, that wasn't the end of this year's budget, for the first time we then went back out to community through our "Between a Rock and a Hard Place" tour. We did this as we didn't feel we had enough information from community on which to base our decisions. Knowing they were going to have to be tough decisions we wanted to get as much input as possible and by the end of April, we had spoken face to face with over 1,000 members of community and had a great deal of insight into community sentiment. Councillors then thrashed out the good, bad and the ugly of the budget, assisted by the community feedback provided.

By June we delivered a budget that made progress towards financial sustainability while continuing to deliver essential services to sustain our community. Our community had told us loud and clear to get the basics right.

In 2020-2021 council's main role has been to bring our community along on its own "great realisation" journey. It's been a tough year in many ways, but there is light at the end of the tunnel. Council and Community have come together to be a formidable voice in Queensland for the sake of our community's future generations and I have great faith that this wake-up call has given us the motivation, external resources, and a short time frame to work as one into the future. The region will emerge from this better in the long run.

Finally, as I end my tenure at the end of 2021, I'd like to say it has been the honour and privilege of my life to represent the North Burnett community. Thank you from the bottom of my heart for entrusting me with such a huge responsibility. I have given the role everything I had as I've aspired to serve you with passion, kindness, and strength always.

All the very best North Burnett, I'll be cheering loudly from the sidelines.

Rachel Chambers

Mayor

CEO'S MESSAGE

The past twelve months have seen important changes across all areas of Council as we embark on transforming our organisation.



Underpinning this, we have strived to be more transparent, more collaborative in our information sharing, and more effective in our provision of key services.

With a shared vision and purpose, our Executive Leadership Team has expertly guided staff through the new Service Delivery Review (SDR) process. Commencing in 2019, the SDR is designed to help us carefully balance the cost of delivering services as efficiently as possible against the risk of keeping things as they are. Ultimately, the SDR aims to create a financially sustainable Council that can meet the challenges of today, and the future.

Change, although inevitable, can be difficult, and I must thank our Leadership Team for collaborating across the organisation to help ease concerns while also helping to find better ways of delivering services and constructively working towards a sustainable future.

This has all been against a backdrop of sustained drought throughout the region, and managing the impacts of COVID. But despite these and other challenges, I have never before seen a team of Councillors so bravely address the difficult decisions this region faces. Much of this success is due to the focused and inspiring leadership of our Mayor, Rachel Chambers. Although this report is a reflection on our achievement until 30 June 2021, I must take this time to thank Rachel for her passionate, enthusiastic, and tireless work for this Council and this community over the years.

While 2020/21 saw many changes, some things remain constant and, once again, the workplace health and safety of our staff remains a key priority. All of us want to work in a safe environment and to be able to go home safely each day. In February, former rugby league professional and now

workplace safety advocate Shane Webcke spoke with our team on the importance of being responsible for our own safety at work. Behind the scenes, we have been working hard to improve the effectiveness of our Workplace Health and Safety training, culminating in the roll-out of the 'NBRC Ed' online training platform. North Burnett Regional Council will continue to invest in ways to create the safest workplace possible and foster a culture of safety in everything we do.

Good governance, procedures and policies continued to be vital in our organisation, ensuring we are working legally, safely, and ethically, and numerous policies and procedures were updated this year to help deliver that.

With Council responsible for so many projects across the region, our Project Management Framework has seen improvements in efficiency and accountability. We use this framework for understanding, planning, and monitoring our projects, operational plans, and budgets.

Council is a busy and complex business and the work our team undertakes every day is too vast to list on one page, however, some of our most notable achievements include:

- **All Abilities Playground Project**
Council undertook a range of infrastructure-related projects funded by the Federal Government's Drought Communities Program with the aim to increase accessibility and improve the liveability of the North Burnett. The townships of Biggenden, Eidsvold, Gayndah, Monto, and Mundubbera received upgrades to ensure access for all abilities to parks, facilities and play equipment was available at our regional-level parks. Improvements included: disability car parks, wheelchair accessible seat benches, new shelters, new playground equipment (some being wheelchair accessible), fencing, new soft-fall, and shade sails and footpaths.
- **Gayndah River Walk Project**
Two decades in the planning, this community project provides easy and safe access to the river and promotes healthier living. The Riverwalk maintains the biodiversity and raises awareness and protection of the Queensland lungfish and platypus that inhabit this area, while local Wakka Wakka people assisted in the development of bush tucker and medicine trails. The project won the annual Australian Institute of Horticulture Green Space Regional Award.
- **Mundubbera Water Treatment Plant Upgrade**
Council's Parks and Gardens and Waste Water teams worked together to install a pivot irrigator in the Mundubbera Wastewater Treatment Plant. The irrigator uses treated effluent to water Rhodes grass pastures.

Through the 'Between a Rock and a Hard Place' community engagement tour, Council met with more than 1000 residents and collected over 400 individual submissions on what was important to the North Burnett community. I am proud that we have directly engaged with such a large proportion of our region's residents and open up the lines of communication, so we can all work together for a socially, environmentally and financially sustainable future.

In closing, I'd like to once again thank every member of the North Burnett Regional Council team. It has been a tough and challenging year, but I genuinely believe that every person

within our organisation has stepped up to address those challenges and helped create a more solid foundation for a sustainable and responsible Council and, most importantly, a resilient and future-focused region.

Rachel Cooper

Chief Executive Officer

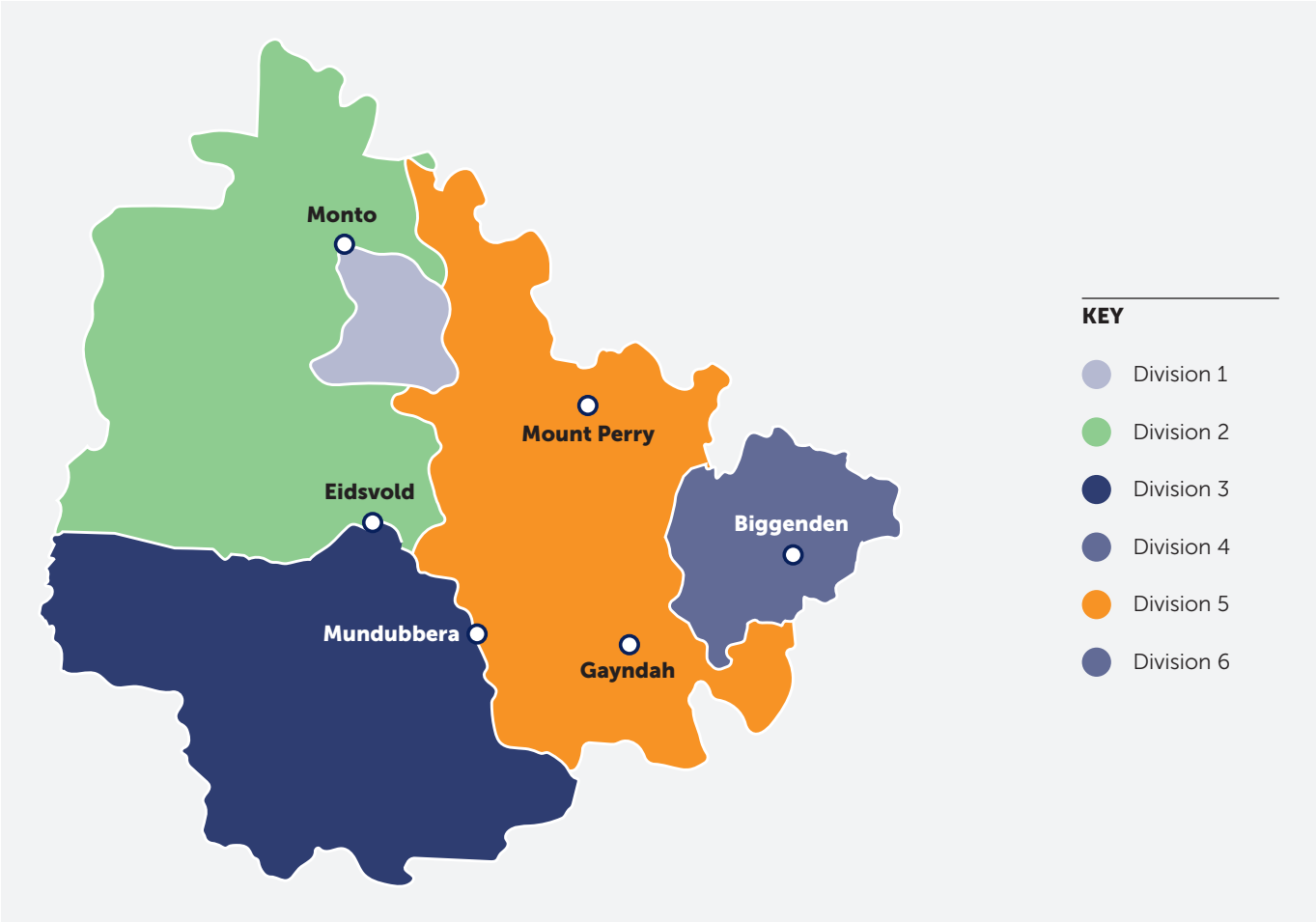


OUR COUNCILLORS

The North Burnett Local Government Area is a divided Council area, comprising of 6 divisions.

To find out which division you live in, you can use the Queensland Electoral Commissions interactive map available on their website ecq.qld.gov.au.

DIVISIONAL MAP



COUNCILLORS



Above left to right: Cr Susan Payne (Division 3), Cr Les Hotz (Division 2), Cr Robbie Radel (Division 6), Cr Rachel Chambers (Mayor), Cr Melinda Jones (Division 1), Cr Michael Dingle (Division 5) and Cr Dael Giddins (Division 4).

REGION OVERVIEW

Just over four hours drive north-west of Brisbane lies the North Burnett region covering 19,700 square kilometres of diverse Australian landscape. This picturesque countryside is home to six main townships and 25 villages and farming catchments.

6

Aging Customer Service and Library Centres

No major centre



\$165M

GRP



5

Aging Community Pools



10,599

Population



5TH

Longest Road Network in Queensland (excludes Brisbane)



12TH

Longest Road Network in Australia



31%

Regional Workforce employed in agriculture



6

Weather Events and Drought in last decade

High susceptibility to Natural Disasters



\$33,941_{P.A}

Lowest Disposable Income per capita in Australia



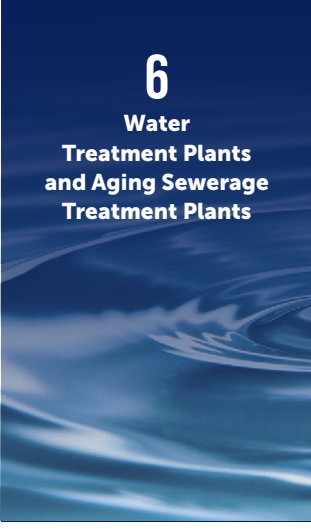
55+

Aging Population




6

Water Treatment Plants and Aging Sewerage Treatment Plants



1

Landfill and 5 Waste Transfer Stations



SERVICE DELIVERY REVIEW

North Burnett Regional Council is facing financial sustainability issues, along with one third of local governments across Queensland (Queensland Audit Office Report 19/20).

At its general meeting of 30 October 2019, Council resolved to commence a Business Improvement Optimisation Program (BIOP) with the Queensland Treasury Corporation (QTC) to begin addressing its financial sustainability.

We went to the community in October 2020 to better understand the key services that the community values to help inform a new Corporate Plan, A Plan for Generations. It was important to test this and have firm data to back it up. We collected this through face-to-face engagement, hard copy and online surveys and phone interviews of more than 500 people.

In April and May 2021, we launched the Between a Rock and a Hard Place regional tour to lay it bare for community and state the facts of what challenges we are facing as a region. We also discussed some proposed changes to service levels and how any changes may impact on Council's financial sustainability.

It was encouraging to see that over 10% of the North Burnett community attended one of the community meetings with many more accessing a recorded version online. We received over 430 submissions of feedback as part of the engagement which greatly informed Council's decision making. This Council has committed to balanced, transparent and evidenced-based decision making to discharge our responsibilities in line with the Local Government principles set out in the Act.

Council considered the collated data and scenarios targeting road maintenance, waste management, customer service and libraries, swimming pools, mowing of land and showground management at the General Meeting held 30 June 2021.

Council will continue to implement the recommendations of these reports in the 2021-2022 financial year.



Above: Mayor Rachel Chambers presenting the Rock and a Hard Place presentation to a full house at the Monto Community Hall in May 2021.

OUR ADVOCACY

As a Local Government, it is our responsibility to deliver our core community services, however over many years we have also filled gaps in essential services at a grassroots level.

It is a wide-ranging and holistic approach which extends far beyond the traditional view of "roads, rates, and rubbish." This is easier said than done, but this is not a Council which sticks its head in the sand. Our united and brave Council isn't afraid to get the job done and have the difficult conversations.

The latest Queensland Audit Office Report on Local Government shows that one third of Queensland Councils are at a high risk of being financially unsustainable.

We are one of a handful of Councils which are falling through the cracks, with sustainability issues stemming from:

- A small, stagnant, and aging population base – 10,599.
- Low number of ratepayers – 6,291.
- No readily available ability to generate income.
- No regional centre in our area.
- A lack of economies of scale.
- A non-diversified industry (mainly agriculture).

In a concerted effort to make our challenges clear to community and all levels of Government, we launched our Between a Rock and a Hard Place initiative. Our Council is leading the way in having the difficult conversations with our community and all levels of government around the financial sustainability challenges facing local government across Queensland.

This year has been massive and here is just a snippet of what we have done:

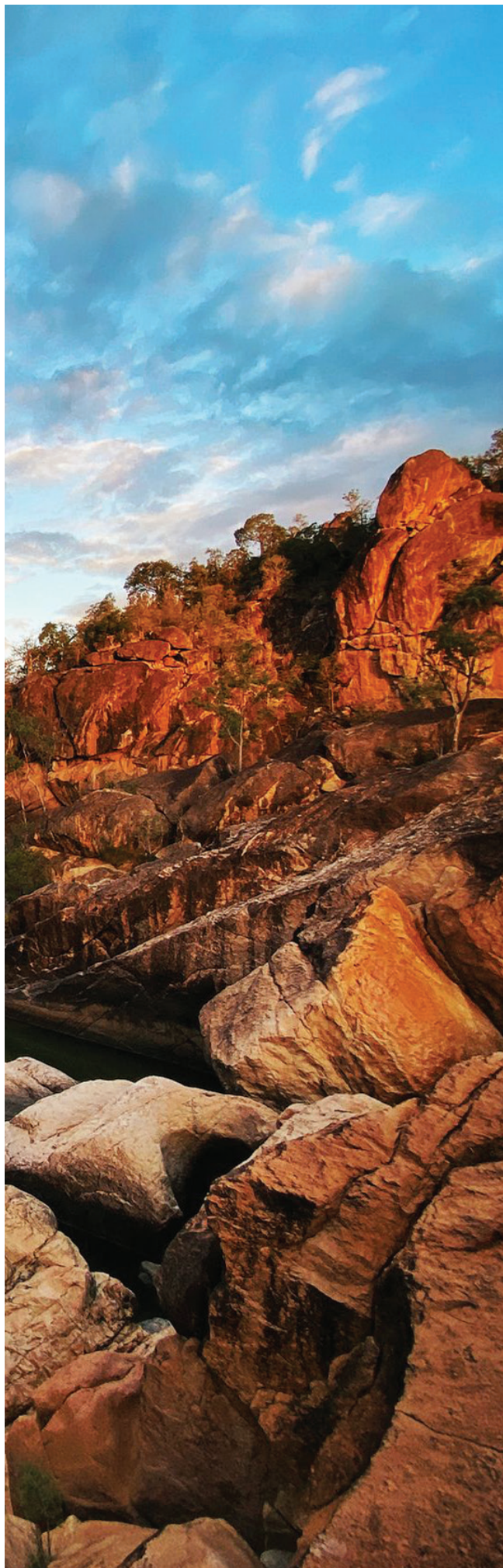
- Between a Rock and a Hard Place Regional Tour – April 20 to May 6, 2021.
- Petition to State Parliament asking them to make the financial sustainability of QLD Local Government a priority – tabled 25 May 2021.
- Letters sent to our State Ministers regarding support to achieve a sustainable community, North Burnett water safety and swimming pools and asking to increase to the Federal Assistance Grants to name a few.
- Welcoming Opposition Leader David Crisafulli MP to our region in May 2021 and Assistant Minister for Local Government Nikki Boyd MP in July 2021.
- Deputy Mayor Radel presenting our Between a Rock and a Hard Place initiative at the Australian Local Government Association conference in Canberra in June 2021.



What has our advocacy achieved?

- Continuation of the QLD Governments W4Q Funding Program.
- A partnership with NBN Co Ltd to work on projects to improve NBN connectivity in Biggenden and Eidsvold
- \$16 million in State and Federal funding to seal the Monto-Mt Perry Road.
- Confirmed construction commencing on the John Peterson Bridge on the Mundubbera-Durong Road in 2021-2022.
- Three Moon Bridge replaced on the Burnett Highway – an investment of \$16 million by the State Government.
- Funding of over \$5.5 million under the Federal Governments Building Better Regions Fund for a new Biggenden Water Treatment Plant.
- Wide Bay Burnett Minerals Regional Investment Prospectus launched by the Queensland Minister of Resources, Scott Steward MP in September 2021.

Above: Acting Mayor Radel presented to a delegation of Federal Government members and Local Government peers at a Queensland Delegates breakfast in Canberra, sharing the challenges faced in the North Burnett.



BETWEEN A ROCK AND A HARD PLACE

*The role of being an open
and transparent Council.*

Dear Community,

Last one out, please turn off the lights.

Growing up in Brisbane I never dreamed that I would one day be forced to regard adequate road maintenance, drinking water, recycling, sewerage and community swimming pools as luxury items.

Yet through April and May, as Mayor, I stood in front of my community, and shared the shocking news that due to the uncertainty of future funding, their council must consider restricting service delivery with such severity that all these essential services would be affected.

Imagine that, essential services which are only essential if you have the money within a geographic boundary to regard them as such. This is not the Queensland we want.

One third of local governments in Queensland are now at high risk of becoming financially unsustainable.

And I don't know why no one is talking about it.

Well no one, except everyone in local government, and many parliamentary reports and papers dating back more than a decade. Given local governments' role as the foundation on which all communities are built, the fact so many of these foundations are unstable, and crumbling, should sound deafening alarm bells at One William Street.

Right now, local government is concerned. State and federal governments have heavily relied on borrowings, to stimulate the Queensland and Australian economies. The grants which so many councils rely on are at risk. Councils have already been told to consider how to continue providing essential services in a "cost affordable manner" and are bracing themselves for more uncertainty to come.

But recent data tells a different story – the exact opposite is needed, and more funding secured as a vital piece of the local government puzzle.

The ability of local governments in Queensland to source their own revenue is vastly different based on location, population size, rate base and the ability to levy user charges. On the surface, spending less than you earn is a sound financial approach. Dig a bit deeper and this unrealistic and unfair demand on some Queensland communities begins to unravel.

The system of financial sustainability as it stands draws a 'line' around a geographic area (council) and implies a closed system where ratepayers must pay for the assets and services within this 'area'. The folly in this, lies in the fact that as Queenslanders we all use each other's infrastructure and even let people from other states, territories and countries use it on occasion.

When the ratepayers of a "geographic area" are unable to afford to maintain the shared assets within this "council area" alone, they are expected to cut costs by reducing maintenance and lowering service levels. This results in job losses and loss of liveability. Once on this roundabout, there's no getting off.

Financial sustainability of councils has long been touted as a 'challenge'. For councils like the North Burnett, just three hours northwest of Brisbane CBD, it's more like hiking barefoot up Everest, with the hopes and dreams of the community on your back.

With over a billion dollars in assets (including the 12th longest road network in Australian councils) and only 6291 ratepayers, the ability for this council to fund its own way has never been an option and will never be an option unless of course, the community can live without roads and water.

As Queenslanders living in 2021, our expectations are similar regardless of our home address. The difference is, as Queenslanders our home address dictates the level of services provided.

The system is broken. And there's work to do on all sides. The future of Queenslanders depends on it.

Councils have work to do, to get their long-term planning and asset management in order. I have confidence the sector can do that.

State Government must harness a better understanding and appreciation of the work councils do on behalf of Queenslanders. It's a glaring omission the Premier's charter letter to Local Government Minister, Steven Miles does not contain one word about local Government financial sustainability.

And the Federal Government must learn how to share the "Common wealth" starting with restoring Federal Assistance Grants to 1%.



In this era of buy now, pay later and instant gratification, communities also have a role to play. People have forgotten what it is like to wait for things, to plan for things. This in turn encourages political decision making where data and evidence is ignored in exchange for uninformed votes. Not a great way to make decisions affecting future generations.

The gap between community expectations and governments' ability to deliver them is ever widening

Covid has given us all an opportunity to reimagine how communities and government sectors can work together for the benefit of future generations. It's time to shine a light on these challenges, not leave them, and Queenslanders, in the dark.



2021-2026 CORPORATE PLAN: "A PLAN FOR GENERATIONS"

At the June 2021 meeting, Council adopted the 2021-2026 Corporate Plan – A Plan for Generations which reflects the work that must be done to continue to deliver essential services, retain population, promote investment opportunities and ensure economic growth for future generations.

This Corporate Plan was developed following extensive community consultation and sets the strategic direction that Council's decisions and operations will follow for the next 5 years. The community spoke, and we've listened. Driving the plan is a mission to secure a bright future which the North Burnett deserves. This Corporate Plan took effect from 1 July 2021 and will be reported on in next years Annual Report.

A PLAN FOR GENERATIONS

A prosperous future for generations built on a solid foundation of customer focused, efficient, and effective service delivery.

COURAGEOUS LEADERSHIP

COMMUNITY EMPOWERMENT

CONTINUOUS IMPROVEMENT

1. ESSENTIAL SERVICE DELIVERY - GETTING THE BASICS RIGHT

Objectives	Success looks like
1.1 Deliver services deemed essential by the Queensland Audit Office.	1.1.1 All essential services are delivered within Australian or Queensland guidelines, standards and legislation.
1.2 Deliver services legislatively required of Council.	1.1.2 Asset management plans are fully funded to deliver core services. In the case of insufficient funding, a fit for purpose solution is utilised. 1.2.1 Services are delivered within legislative requirements. In the case of unreasonable costs associated with delivering these services, advocacy is initiated to seek an alternate solution for the benefit of community.
1.3 Deliver services deemed to be a community service obligation, that without, would leave the community disadvantaged (The service is not commercially viable or able to be provided by another entity).	1.3.1 Services are delivered to an acceptable standard.
1.4 Support the delivery of essential services.	1.4.1 Robust governance, processes and support to ensure the effective delivery of essential services.

2. SUSTAINABLE COMMUNITIES - TO RETAIN POPULATION AND ATTRACT INVESTMENT

Objectives	Success looks like
2.1 Deliver community service obligations that retain population, contribute to liveability and attract investment.	2.1.1 Community services, facilities and spaces are well maintained and utilised.
2.2 Deliver services which contribute to community empowerment.	2.2.1 Strong and sustainable organisations and events supported by volunteers. 2.2.2 Inclusive communities which are enriched by our multicultural community. 2.2.3 Effective and timely communication with community.

3. PROSPEROUS FUTURE - TO ENSURE ECONOMIC GROWTH FOR FUTURE GENERATIONS

Objectives	Success looks like
3.1 Encourage, enable and ensure economic growth for future generations.	3.1.1 Development and diversification of our region's business and industry where able. 3.1.2 New business or industries emerge in the region. 3.1.3 Urban and agricultural regional water security for future generations. 3.1.4 A planning scheme for the future which enables growth. 3.1.5 Political advocacy to achieve a prosperous and sustainable community for future generations

OUR PRODUCTIVE REGION

*Providing the region with lobbying support, regional policy, regional infrastructure and planning and a strong regional identity that shapes a robust, diverse economy into the future.
~ NBRC Corporate Plan 2017-2022.*

SAFE, WELL MAINTAINED AND EFFECTIVE ROAD NETWORKS

The 2020-21 financial year was once again a busy period for the Civil Works department, which has responsibility for the management of capital and maintenance work for all Council roads (sealed and unsealed), bridges, drainage, footpaths, parks and open spaces, cemeteries, aerodromes, plant and fleet.

Council has a rural road network of almost 4,000km, which is serviced by crews based across a 20,000 square km area. Under a road maintenance contract (RMPC), Council is also responsible for undertaking maintenance on components of the state road network, across the region.

Roads Network

52km (326,667 square metres*) of bitumen roads were resealed at a cost of \$900,000 around the region using S45R, a modern blend of traditional bitumen and recycled tyres. As part of this program, over 6,000 tyres were recycled into our roads.

Rehabilitation of 8.3km (93,765 square metres*) of bitumen roads was undertaken around the region. Valued at \$1.9 million, this rehabilitation used an in-situ stabilisation process that effectively recycles the existing pavement material to extend the asset life and vastly improve ride quality.

**As different roads have a varying width, it can be hard to compare costs and distances. Square metres provides the most accurate and quantifiable measurement.*

Transport Infrastructure Development Scheme (TIDS) Project – Bania Road

Bania Road received an upgrade from its original sealed, single lane state to a 7 metre wide sealed double lane road. This project also cleared dangerous trees, and improved: road drainage, horizontal curves for increased safety and sight distances and pavement strength. All clearing and formation work was completed by the Monto Construction Crew with support from Mount Perry and Eidsvold Maintenance Crews, sealing and line marking was completed by a contractor. This \$355,000 project, of which 50% was contributed by Council, was delivered on time and within budget.



Top: Council continues to improve road networks.

Centre: Bania Road before.

Bottom: Bania Road after.

BRIDGES

Council's Civil Works team have undertaken many Bridge load capacity upgrades and large maintenance programs to ensure bridges throughout the region remain in service for many decades to come.

Council has utilised a modern approach to cost-effectively repairing and maintaining timber bridges. 5 bridges received maintenance and remediation works valued to around \$966,500.

Elliotts Creek Bridge on Elliotts Creek Road, Mt Perry

The structure was built in 1962 and consisted of a concrete substructure with a spotted gum timber superstructure. Recent inspections found the bridge to be in deplorable condition structurally with several defects resulting in an inferior ability to sustain traffic loads exceeding 10T gross. Specialist contractors were engaged to carry out many repairs using high strength fibre composite and resins to successfully restore the timber and increase the load capacity to 44T gross. These repairs are highly specialised and significantly more cost-effective than traditional treatments, which would have seen the bridge closed for many months while a new timber superstructure was constructed. Timber Restoration Systems carried out all repairs under traffic which the residents along Elliotts Creek Rd greatly appreciated.

Dunolly Bridge on Boondooma Road

Dunolly Bridge is a complete timber bridge, both super and substructure. Council engaged the same specialist contractors to carry out repairs using the same method as Elliotts Creek Bridge.

Scrubby Creek #1, Binjour Branch Creek Road, Binjour

This was a complete bridge replacement due to the original structure being at the end of its useful life and not up to carrying the traffic loads expected of the present day. The original bridge was removed and replaced with a brand new timber structure with a design life of 80 years. It should serve the next few generations very well.

Jack Parr Bridge, Mundubbera and Hawkwood Bridge, Hawkwood Road, Mundubbera

Maintenance and minor component repairs were carried out to ensure the structure remains in a safe and serviceable condition for many years to come.



Top: Dunolly Bridge on Boondooma Road had high strength fibre composite and resins used to restore the timber.

Centre: Jack Parr Bridge.

Bottom: Hawkwood Bridge.

PARKS AND OPEN SPACES

Drainage Infrastructure

Major erosion repairs were carried out to ensure the safety of visitors and community members at Zonhoven Park in Gayndah.

Gayndah Burnett Riverwalk Project

The Burnett Riverwalk was a community project to connect people with easy and safe access to enjoy the river from a different perspective and promote a healthy lifestyle. This project has been deeply embedded in, and helped in its implementation, by the local community for over two decades. Recent funding by North Burnett Regional Council, and the Department of Transport and Main Roads Queensland enabled a substantial stage of design and construction to be completed.

A key component of the project has been maintaining this region's special biodiversity. This includes a focus on raising the awareness and protection of the habitat of iconic indigenous species such as the Queensland Lungfish (*Neoceratodus* spp.) and the Platypus along with the local and transitory bird life. The local indigenous claim group, the Wakka Wakka, checked for cultural sites and assisted in the development of Bush Tucker and Bush Medicine Trails.

The Gayndah Riverwalk is home to the weekly Gayndah Parkrun which has been supported greatly by locals and visitors to the region.

The magnitude of community spirit this project brought together caught the attention of the contracted Arborist. This prompted their nomination to the highly respected Australian Institute of Horticulture Annual Awards, recognising exceptional environmental and horticultural projects. The Councillors, staff and community were thrilled to receive national recognition and win the "Green Space Regional Award" this year.



Top: Zonhoven Park works in progress.

Third: Gayndah Riverwalk.

Bottom left to right: Parkrun in Gayndah. Presentation of the Australian Institute of Horticulture Annual Green Space Regional Award.

OUR HAPPY, HEALTHY AND SAFE REGION

Ensuring the region is provided with access to adequate products and services to secure our community's health and wellbeing. ~ NBRC Corporate Plan 2017-2022.

SUPPORTING OUR COMMUNITIES

Council's Communities team have supported community organisations and Council to deliver a range of projects and initiatives including:

- Biggenden Wall of Fame Project
- Rural Aid Ten Town Makeover projects in Monto and Gayndah
- Seniors Week Movie Events in Mt Perry and Mundubbera with feature film 'A Beautiful Day in the Neighbourhood'.
- Eidsvold NAIDOC Event
- Anzac Day services across the region
- Aged Care Forum in Biggenden
- Christmas decorations and Light competitions
- Youth Week activities included Flipside Circus, LEGO Robotics, Professor Stupendous, and Skateboarding workshops across the region.
- Australia Day events across the region
- "Bugger the Drought" Comedy Nights in Mundubbera, Monto and Biggenden, through funding from the Drought Communities Programme
- Town Entrance Signs for Biggenden, Eidsvold, Gayndah, Mt Perry and Monto, to match those already installed in Mundubbera, through funding from the Drought Communities Programme

The team were also involved in a range of community engagement activities, including the Biggenden Streetscape Renewal Plan, Between a Rock and a Hard Place community consultation, North Burnett Show Tour and supporting groups with ever-changing COVID restrictions and meeting compliance obligations with COVID safe events.

This year the team focus was on increasing the capacity of the region's community groups and organisations through the promotion of funding and training opportunities and facilitating Council letters of support for grant applications and community projects. Furthermore, building various community organisation's skills and knowledge in grant writing and securing funding, they gained confidence in managing events, retaining volunteers and improving their financial sustainability, thus reducing their reliance on Council resources.

Council's community grant funding program, administered by the Communities team, assessed 115 funding applications and awarded \$117,000 of grant funding to groups across the region.

Funding Program	Applications	Funding Awarded
In-kind Assistance Grants	68	\$17,900
Streetscape Funding	13	\$3,588
RADF	10	\$52,946
Lifelong Grants and School Bursary's	21	\$23,291
Small Halls	1	\$18,544
Cultural and Sports Performance Grants	2	\$1,000
Totals	115	\$117,270



Images: Bugger the Drought Comedy Tour and Seniors Week Movie event in Mt Perry.

NORTH BURNETT TRANSPORT SERVICE

The North Burnett Transport Service (NBTS) provides safe and comfortable transport for residents and visitors, between the North Burnett and Bundaberg on Tuesday to Thursday, and Maryborough on Friday.

Concession Card holders continued to be the key users of the service. The ongoing impact of Covid-19 has continued to see passenger numbers lower than previous years. A key factor is the loss of seasonal workers in our region. We have started to see a slight increase in passenger numbers at the end of the period as community and visitors start to travel more. We hope to continue to see a boost in passenger numbers in the years ahead.

This year funding was allocated to promote the service throughout the North Burnett and Fraser Coast regions including Bundaberg and Maryborough. The current campaign is titled 'Pick Us!' to encourage locals and visitors to choose our service and to travel to the North Burnett. Our first ever billboard sign was installed on a large electronic billboard in Bundaberg with additional promotional items to come.

Month	Total Passenger Numbers
2020	
July	165
August	165
September	188
October	162
November	187
December	195
2021	
January	189
February	175
March	187
April	215
May	176
Total	2,004



DISASTER MANAGEMENT

Get Ready Queensland Program

Get Ready Queensland is a year-round program helping all Queenslanders prepare for natural disasters and is funded by the Queensland Government.

During 2020-21 Bundaberg, Fraser Coast and North Burnett teamed up to deliver television advertising for the Emergency Management Dashboards and to spread the preparedness message to our communities leading into storm season.

Council also enhanced the Emergency Management Dashboard with the addition of the Opt-In feature. This feature allows the community to subscribe to river station height data to trigger a SMS or email when river rises occur. This feature will assist the agriculture industry with early warning to elevate orchard pumps and infrastructure before flood waters rise.

The development of the Itinerant Traveller Guide provided information about disaster hazards and how to respond when visiting the Burnett Catchment. The guide was prepared in 8 different languages and circulated to farms, employment agencies and accommodation providers to help travellers understand the hazards within our region. This project was jointly prepared by Bundaberg and North Burnett Regional Councils.

Paradise Dam Preparedness

During this year Sunwater undertook extensive essential works to make Paradise Dam safe. Sunwater, Bundaberg and North Burnett Regional Councils worked extensively with downstream residents to ensure adequate evacuation procedures were prepared to ensure their safety. These preparations included the review of the Dam Failure Sub Plan within the North Burnett Local Disaster Management Plan.

Left: North Burnett Transport Services advertised it's 'Pick Us' campaign on an electronic billboard in the Bundaberg CBD.

Top: Itinerant Worker Get Ready Guides were translated into 9 languages and distributed to farms across the region.

BRANDING, COMMUNICATIONS AND MEDIA

In 2020-21, Council took the opportunity to continue to grow our connection with our community and improve the way in which we communicate important messages to our residents and ratepayers.

Social Media

Council's social media engagement has increased by 39% compared to last financial year, across Facebook, Twitter, LinkedIn and Instagram. Social Media has been a great tool to share public notices, emergency information, career opportunities, and interact and engage with our followers on topics that are important to them. Residents can continue to connect with us on these platforms as well as following #VisitNorthBurnett and #NorthBurnett.

Community Updates

Council has a fortnightly advert in our local newspaper. This advert remains an important element in our external communications, ensuring that the organisation reaches those who do not access social media, email, or do not readily access the internet in general.

For certain information, we have also utilised a region wide mailout which is delivered to 4,500 mailboxes throughout the North Burnett.

Council's eNewsletter continues to evolve, and our readership base has increased by 47% since its introduction in 2019. The monthly Community eNews continues to house Council's latest news, public events, and other important information for the community.

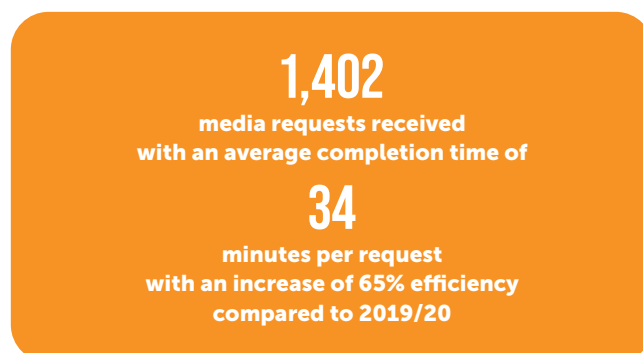
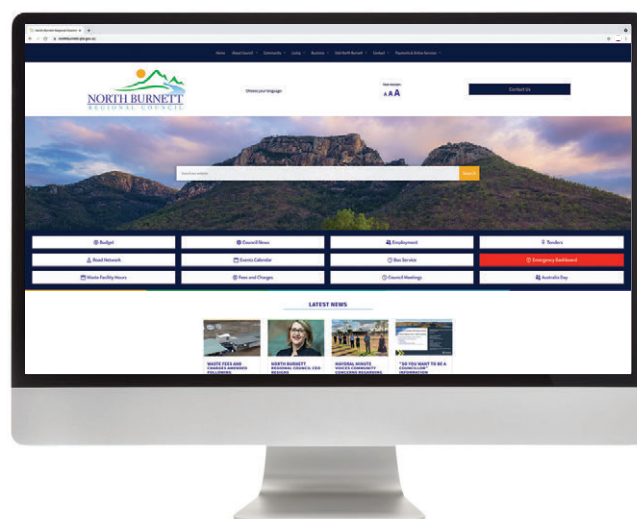
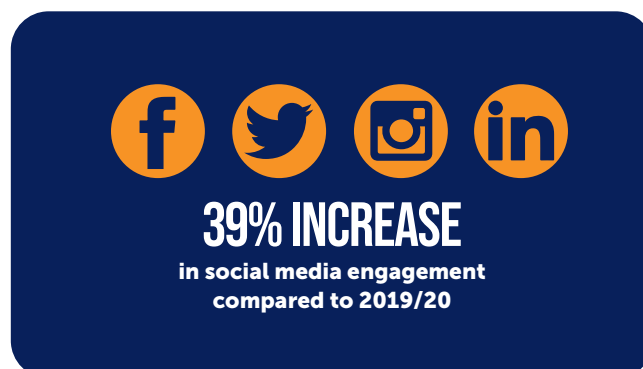
The major project for the Media team this financial year was the completion of a new look for Council's website, improving the user experience for customers and enabling more self-service. Online payments and services will be made available in the new financial year.

Internal Communications

The Media Team introduced an electronic staff newsletter as part of our internal communications strategy. The Staff Newsletter is an important communication tool which has been well received by the organisation.

During 2020-21 the Media Team received 1,402 internal requests, with an average completion time of 34 minutes per request. This is an efficiency increase of approximately 65% compared to last financial year.

Image: Council's new look website was updated to provide a better user experience.



OUR UNITED REGION

Ensuring the North Burnett will be a region where everyone is made to feel part of the community. A community where everyone will love to work, live and visit. A united region is a strong region - we are six main townships and multiple villages who all have their own histories and futures, however, together we are one dynamic region.
~ NBRC Corporate Plan 2017-2022.

A REGION FOR ALL ABILITIES

Council undertook a range of infrastructure related projects across the townships of Biggenden, Eidsvold, Gayndah, Monto, and Mundubbera to ensure all abilities access to parks, facilities and play equipment were available at our regional level parks. Works included:

- Disability car parks
- Wheelchair access seat benches
- New shelters
- New playground equipment, some also being wheelchair accessible
- Fencing around the parks for safety
- New soft fall and shade sails
- Footpaths

The projects were funded by the Federal Government's Drought Communities Program with the aim to increase accessibility, the project was to build and improve the liveability of the North Burnett by making regional-level parks all-abilities friendly and accessible.



Top: Half Penny Park in Mundubbera received new shade sails and soft fall.
Bottom: Biggenden Playground's new installations.

A REGION FOR ALL INTERESTS

Sport and Recreation

The 2020/21 financial year has been a successful year for Sport and Recreation within the North Burnett Region, even with COVID restrictions in place. All sports across the region were back up and running, including Rugby League, Soccer, Netball, Cricket, Golf, Tennis, Swimming, Pony Club and Bowls, to name a few.

In partnership with LiveBetter and Stepping Black, Council supported a Volleyball event in Eidsvold to raise awareness of mental health. Special guest Teliqua Clancy, Olympic Volleyball Player, attended the event to network with attendees and give handy tips to the local teams who participated.

This year, our Sport and Recreation Officer has focused on increasing the capacity of our sport and recreation clubs to access grant funding opportunities. This was particularly important due to the increase in grant funding as part of the Queensland Government's COVID economic recovery plan. Over 20 North Burnett clubs were successful in receiving Sport Recovery Grant Funding from Sport and Recreation Queensland, totalling an incredible \$107,000. This funding assisted clubs with the increased cost associated with delivering COVID-SAFE sport and recreation activities. A number of clubs were also successful with COVID Safe Active Club Kickstart and Community Benefit Grant funding for equipment and infrastructure improvements.

The Eidsvold and Mundubbera Gyms reopened after COVID shutdown with increased safety measures in place. Gym memberships remained steady even though fewer itinerant workers were in our region, thanks to community members continuing to support our gyms. Each gym received new equipment for members to enjoy: a box jump and medicine balls.

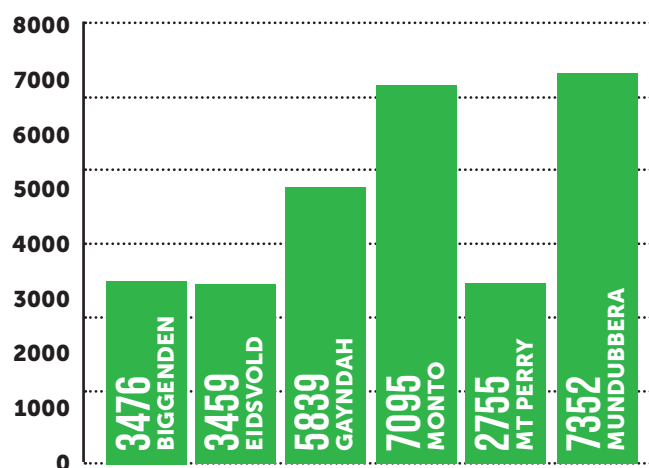


Image: Eidsvold Volleyball Carnival was well supported by local teams and had an Olympian attend as a special guest.

Customer Experience and Communities

Our Customer Service Centres reopened to the public on 19 May 2020 following an eight-week mandatory closure due to the covid-19 pandemic. A considerable drop in customer enquiries and customers visiting our centres was noticed during the start of the financial year, slowly increasing to a new normal.

TOTAL VISITS ESTIMATED PER COMMUNITY 2020-21



North Burnett Libraries deliver a range of programs for our community to encourage life-long learning, share knowledge and stories, build community connection and skill development.

This year, our Library Service continued to recover from the impact of COVID19, with reduced services on offer and reduction in library programming. A small range of programs were offered for children, youth and adults including:

- First 5 Forever Storytime (limited offerings)
- Summer Reading Club (online)
- School holiday workshops
- Technology support
- Book clubs
- Reader Advisory services

We are looking forward to re-starting our Library programming in 2022.

14,833
Contact
Centre Calls

2,929
QGAP
Enquiries

862
Services
Australia
Enquiries



Interactive Touch Screen Panels

Council's Library service was awarded a \$30,000 Strategic Priorities Grant to purchase 6 interactive touch screen panels, proudly funded and supported by the Queensland Government and State Library of Queensland. The interactive panels were purchased to improve our Libraries capacity to function as a modern 21st century library and for community to access, explore and improve digital capabilities.

The interactive panels are a valuable addition to each of our libraries and are a tool to enrich educational outcomes of life-long learning, literacy, numeracy, communication, and problem-solving skills. The panels are currently being used to explore a variety of educational games, to draw using the touchscreen features, browse the internet, attend webinars, search the online library catalogue and much more.

The generous funding from the State Library of Queensland has allowed us to fund equipment that is new and innovative for our library services. We are so grateful for this support and can't wait to introduce more children, youth and adults to this technology.

Your Council Experience

Council strives to provide a brilliant experience every time you contact us. We reviewed our existing Customer Service Charter, adopting the revised 'Your Council Experience' charter at the General Meeting in December 2020.

This document outlines the level of service we aim to provide when you interact with our team.

Implementation of the "Your Council Experience" charter will occur in the 2021-2022 financial year.

Biggenden Library Enhancement Projects

Our Council Library Service was fortunate to be awarded two First 5 Forever Innovation Grants, proudly funded and supported by the Queensland Government and the State Library of Queensland (SLQ). The grants enabled our Library service to enhance and improve the aesthetics of the children's zone at the Biggenden Library and incorporate key First 5 Forever (F5F) messaging. The key messaging incorporated F5F 2020 market research findings and the top 5 most appealing key messages to families.

Our overall goal saw the creation of a children's zone that is family friendly, aesthetically pleasing and a space where children and families spend time talking, reading, singing and playing. The First 5 Forever decal exceeded our expectations in Biggenden and we are excited to transform the children's zones in our remaining libraries.



35,246

Physical items borrowed across the region.

6,941

eResource transactions e.g. eBook and Audiobooks, music and video streaming.

This is an increase of 9% from the previous financial year.

3,783

Library members. Increase of 5% from the previous financial year.

Top left: Councillors with one of the new Interactive Touch Screen Panels.

Above: Biggenden Library's Enhancement Project included bright and colourful wall decals in the children's zones.

Arts and Culture

Council continued to support creative initiatives across our region through the Regional Arts Development Fund (RADF) program. Eight projects, covering a wide range of art genres, were funded to the value of \$52,946 and involved over 1267 people as either participants or audience members.

The RADF Outdoor Artworks Project, funded by Arts Queensland, has gone full steam ahead with local artists or art groups from each North Burnett town creating artwork for display in a local park or outside public area. The installation of the artwork has been completed in Biggenden, Eidsvold and Monto, with the other towns to follow in 2022.

The Communities team collaborate with our region's art galleries and museums by providing guidance and support to a broad range of community stakeholders.

RADF projects funded in 2020-21 included:

- Photography workshops in Eidsvold.
- Stand-up comedy workshops in Monto.
- Interactive 3D Cartoon Room presentation of Gayndah's historical past.
- Masonry workshops in Monto.
- "Herstory" - a writing project documenting stories of region's womenfolk.
- Film Makers' Workshop and Screening Event - coming to Gayndah.
- Community presentation and video to commemorate Coalstoun Lakes' Church.
- School holiday program to hold leatherwork and photography workshops for youth throughout the region.



Top: Biggenden artist, Karen Edwards and Cr Robbie Radel unveil "Bush Birds" as part of the RADF Outdoor Artworks Project.

Bottom: The RADF Program funded an opportunity for 18 youth in Monto to learn Stand Up Comedy from professional comedian, Anthony Lamond. Participants wrote their own scripts and performed to a crowd of over 80 people at the comedy night in Monto.

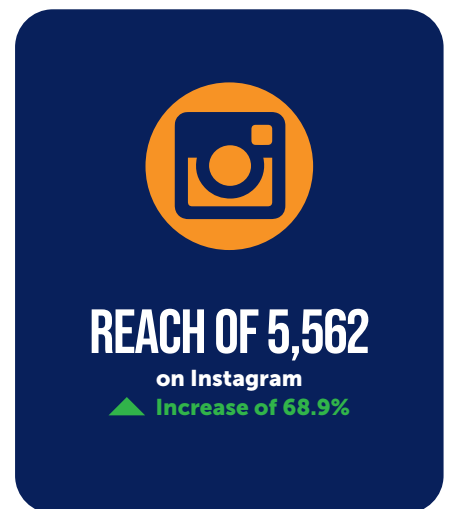
OUR VIBRANT AND NATURALLY BEAUTIFUL REGION

*Developing a sense of place where the region's culture, aesthetics, environment, infrastructure, recreation, and entertainment improve the liveability of the community.
~ NBRC Corporate Plan 2017-2022.*

TOURISM

Maintaining important links to the broader tourism community, Council continued its membership of Bundaberg Tourism as the Regional Tourism Organisation, as well as the Drive Inland Promotions Association. Both organisations provide valuable marketing for the North Burnett tourism sector through a variety of channels including print and online mediums, and the additional opportunity to supply articles and images that feature on blogs, websites and social media accounts.

Social media has been an important part of regional promotion, with articles and imagery creating conversation and allowing the region to build its brand and trust with our audience. The Facebook page, 'Visit North Burnett: Home of the RM Williams Australian Bush Learning Centre', shared engaging content designed to inspire residents and visitors to explore our diverse and beautiful region. The level of following and engagement on the page grew through organic and paid posts, with content showcasing our unique natural locations, interesting history, must-see attractions and diverse events all proving popular. The @NorthBurnettRC Instagram page developed into the North Burnett tourism destination account, sharing predominately user-generated content captured in the North Burnett region and promoted by the #visitnorthburnett hashtag.



*Top: High quality, user generated content featured regularly on our social platforms.
Above left: This post had more than 40,000 post impressions, a post reach of 34,500 and engagement of 2,455.*



RM Williams Australian Bush Learning Centre

During the 2020/21 year the RMWABLC welcomed a record number of visitors, 8545 and hosted 777 self-contained overnight campers.

COVID's impact and marketing by industry bodies, encouraged Australian's to "holiday here this year" and undertake drive holidays. Given our location, the North Burnett is conveniently positioned along Australia's Country Way and can connect visitors from the coast to the outback.

The Son et Lumiere extended show was released in October 2020. The show now plays for 30 minutes and shares local stories from drovers, bush poets, and the legendary RM Williams. The show is projected onto the 'Language of the Land' sculpture, which took out the "Australian Street Art Awards" for Best Signature Landmark. This award brings recognition of this important tourist attraction in the region that honours local people, places and culture.

The vital road safety initiative, Drive Reviver, has continued this year at the Centre. The service aligns well with the Visitor Information services already offered and provided travellers with a chance to take a break from driving and refresh with a drink, biscuits, chat and gain information on the region. During their travel pause, many tourists took the opportunity to visit the centre, while children expend built-up energy on the adventure playground.

The Centre hosted multiple leathercraft workshops facilitated by talented local craftsman, Marshall Langston. These workshops have been well supported by local and visiting children and adults.

RM WILLIAMS AUSTRALIAN BUSH LEARNING CENTRE VISITOR ORIGIN 2020-21

Queensland	Interstate	International	Other
7,476 ▲ 142%*	779 ▼ 15%*	16 ▼ 78%*	304 ▲ 135%*

*Percentage comparison from 2019-20

Above: The volunteers at the RM Williams Australian Bush Learning Centre share local information to the region's visitors.

Right: *Bertya pedicellata*, *Pomaderris clivicola*

ENVIRONMENT

Gurgeena Vegetation Offset

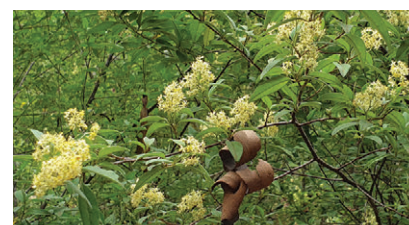
In 2014 a vegetation offset site was established to meet the conditions of clearing permits required to conduct restoration work on the landslip site on Humphrey Binjour Road. The permits required Council to establish an offset site for two threatened plant species.

The aim was to establish a sub-population of both species. Over 100 seedlings of both *Pomaderris clivicola* and *Bertya pedicellata* have been propagated and established at the Offset site.

An additional 60 *Pomaderris clivicola* seedlings were established at the offset site in 2020. Unfortunately, drought conditions during the project have made establishment of seedlings challenging. Seedlings were propagated from vegetative cuttings taken from adult plants. Propagation of both species throughout this site was undertaken by University of the Sunshine Coast.

Bertya pedicellata is successfully regenerating onsite with over 40 seedlings found.

The site, having now met its permit conditions, will be returning to the management of the Queensland Government Department of Environment and Science.



OUR EFFICIENT AND EFFECTIVE COUNCIL

Local Government is more than a provider of municipal services. It is the level of government charged with creating vibrant, diverse, supportive and sustainable communities.

~ NBRC Corporate Plan 2017-2022.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

2020-21 was another year of technology transformation for the ICT team. The foundations set in previous years was built upon to continue to modernise systems and work practices with the goal to optimise processes and provide flexibility in access to systems.

During the year, we transitioned from to what was often described as 'a clunky' Citrix environment to the modern and cloud based Microsoft 365 products for all staff workstations. By updating staff workstations which this software allows greater collaboration, secure cloud based storage and it also allows our staff to work from anywhere where they have an internet connection.

Along with this change, an enhanced email security solution has been implemented to ensure the safety of our data and information.

The software as a service product called Smartsheet was implemented to enhance Council's project management framework. Smartsheet allows simple project monitoring, and increased reporting capabilities. Smartsheet provides the capability to demonstrate transparency when it comes to project reporting, for example; community members can now view a live Works Maintenance Program on our website.

The ICT team and staff from the Planning and Environment team obtained certification for use of Drones. This allows safer and quicker inspections of infrastructure such as communications towers.



Above: Drone image of the RM Williams Australian Bush Learning Centre taken by the ICT team whilst completing their drone certifications.



1,362

Animals Registered

25%

**Pound operations
showed a 25% decrease
of impoundments for this year
compared to 2019/20**

68

**Total animals impounded
25 cats and 43 dogs**

ANIMAL CONTROL

This year, the compliance team conducted an internal audit of the region's Animal Registration Database. This ensures that the data we keep is accurate, and therefore streamlines both Compliance and Customer Service staff's processes come Animal Registration time.

This year, Council is introducing life-time registration tags. A life-time tag will be provided to New Registrations and existing registrations will continue to use last year's tag and registration number. This process is practiced in other regions and aims to improve the customer experience when renewing animal registrations.

WATER AND WASTEWATER

Providing safe drinking water is paramount and every effort should be made to ensure that safe water is supplied to North Burnett residents. When it comes managing the risks and the methodology of providing safe drinking water, Council is directed by the Drinking Water Quality Management Plan (DWQMP), which sets the standard for drinking water services for the region.

Council is continually improving our efforts to keep our drinking water safe for residents. This year amendments were made to the DWQMP based on a reassessment of Council's risks in relation to potable water systems. Council also included a new set of priorities to assist in future planning and pending funding applications.

One of the main priorities of the update that Council focused on was how to better collect data to make Council aware of any developing issues before these become major problems.

The State Wide Information Management System (SWIMLocal) was introduced to Council's Water and Waste Water operations in 2020. This system improves the quality of data that we collect, which will enable us to be better prepared to access available funding for meaningful upgrades and improvements to our water and sewer schemes into the future.

Mundubbera Wastewater Treatment Plant Upgrade

Council's environmental compliance was markedly improved by the installation of a pivot irrigator to the Mundubbera Wastewater Treatment Plant as part of the recent upgrade. The irrigator will dispose of effluent by watering Rhodes' grass pastures which may be able to be harvested for reuse as mulch hay or drought feed.

Upgrades to Potable Water Supply Network

More than \$1 million in funding was invested in the replacement of unreliable water mains throughout the region to reduce risks in potential pipe bursts in the potable water supply network. Regional valves and hydrants were replaced as part of the annual water main replacement program. The replacement of aging valve and hydrants ensures the reliability of potable water to the community.

Six towns in the region were provided with bulk water dispensers so people on rainwater tanks and caravaners can access safe drinking water. These will come online in early 2022.

Mt Perry Sewage Treatment Plant Replacement

Due to aging equipment and technology, the Mt Perry Sewage Treatment plant was replaced as part of Council's annual program to upgrade Sewerage Pump Stations throughout the region to ensure continued reliability of the sewerage network, as well as the health and safety of NBRC personnel. In addition to this replacement, Council also monitors and repairs regional sewer mains, manholes, pumps, and pump stations is part of the annual program.

Sewer Relining Program

To maximise cost savings, Council joined with Wide Bay Burnett Regional Organisation of Councils in the next stage of the award-winning, regionwide Sewer Relining Program. The need for this project was identified from previous sewer CCTV inspections, damaged sections have been repaired, manholes rehabilitated, and sewers cleaned. The Sewer Relining Program helps protect the environment and community health by preventing groundwater from entering and overloading the sewer system during rain events, and sewerage seeping into groundwater when times are dry.

Future Water and Wastewater Upgrades

Council's Water and Wastewater team commissioned designs for future years' works in both water and wastewater. This will enable Council to be best placed to seek funding to assist in infrastructure upgrades.

This led to the development of a major funding application for the Biggenden Water Treatment Plant Replacement and Upgrade which was submitted to the Federal Government's Building the Regions funding round. Council was notified that the application for funding was successful in October 2021!



Above left to right: Mundubbera Water Treatment Plant effluent irrigator in action. Water mains being replaced.

NATURAL RESOURCE MANAGEMENT

Wide Bay Burnett Fighting Back Project

Alongside Bundaberg and South Burnett Regional Councils, Council received Commonwealth Funding under the Communities Combating Pest and Weed Impacts During Drought Program.

The program aims to reduce infestations of Prickly Acacia, African Boxthorn and Honey Locust across the region, as well as manage infestations of feral pigs and wild dogs.

Through this project, Council has completed the following activities:

- 1 1080 Baiting Program
- 2 Surveys and Control of Prickly Acacia and African Boxthorn
- 6 beginner pest animal trapping workshops
- 3 two day advanced pest animal trapping workshops
- Developed landholder led pest animal working groups.
3 x Feral Pig and 1 x Wild Dog.



Halting the March Down the Burnett Project

Council's Land Protection Officers targeted Rubbervine and Hymenachne in the Barambah Creek and Burnett River as part of the Halting the March Down the Burnett Project.

Round one of the survey and control has been completed for both target species with a draft management plan being developed with Bundaberg Regional Council and Sunwater.

This project will continue in the 2021/2022 financial year with the finalisation of the management plan and education days with school students.

Left: African Boxthorn, Honey Locust, Trapping Workshops.

Above: Hymenachne being treated in the Burnett River.

RECORDS MANAGEMENT

Local government is often considered the tier of government 'closest to the people' and is involved in many activities that affect the everyday lives of the community. With such a broad scope of responsibilities, effective records management by Council is critical to protect and preserve records that provide evidence of business activities, decisions, and actions.

Council sent 19 Archive Boxes of Minutes and Agendas with dates ranging from 1951-1998 to be digitised. Searching the physical documents was the only way to source information before the digitisation process. Digitised copies means that anyone can search these records online – making it a more efficient and user-friendly process.

4,279

documents were received,
over the counter or in the mail

15,624

emails received via
admin@northburnett.qld.gov.au

2,246

Customer Service Requests
were received from ratepayers
throughout 2019-2020

A customer service request is
the initial piece of information
that a customer provides
Council when reporting
a problem or making an enquiry

Top right: Project Manager, Trevor Harvey, Cr Dael Giddins, and Mayor Rachel Chambers check in with CMC Contractors on the construction of the Gayndah Waste Transfer Station.



WASTE MANAGEMENT

Waste Reduction and Recycling

Amendments to the Waste Reduction and Recycling Act in 2019 not only introduced the waste levy but placed a requirement on Council to install weighbridges at small landfills by 2024. In response, Council brought forward actions in its Waste Strategy to install waste transfer stations in its townships and to transport waste to a regional landfill facility in Mundubbera. Mundubbera was identified as candidate site in the Strategy because it best complied to the required regulations in the region and its available space.

Mundubbera Waste Management Facility currently receives all kerbside collection services in the North Burnett.

Funds were contributed by the Queensland Government under the Local Government Grants and Subsidies Program to assist Council in this \$1.2 million development. This initiative will reduce the risk and cost of maintaining several landfills across the area. Already, it has reduced the amount of waste levy payable to the State as all waste is accurately weighed and data recorded at the Mundubbera facility.

Mundubbera Landfill

The Queensland Waste and Resource Recovery Strategy released in 2019 provided several actions for local government including the closure of redundant landfills and the environmental improvement of existing sites. Council in alignment with its Waste Strategy, made application to the Queensland Government for a lateral expansion of the existing Mundubbera Landfill Site. An Environmental Authority has been approved for the expansion that will incorporate lined landfill cells to collect and treat leachate (waste product). Landfill gas management will also be required if methane levels exceed 500 parts per million. It is important for Council to measure methane as it is a highly flammable gas and can form explosive mixtures with air if it concentrates in an enclosed space with poor ventilation.

A concept design will provide landfill as an option for Council over the next forty years. The design incorporates flexibility to enable early closure in favour of a bulk waste handling and transport facility if an energy from waste option becomes available to Council in the coming decades.

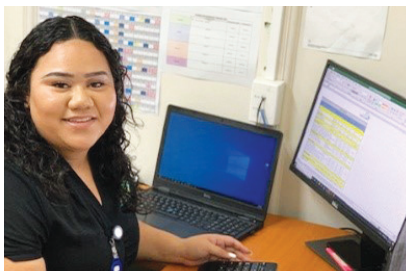
EMPLOYER OF CHOICE

In 2020-21 Council focussed on getting the right people in the right jobs and working as effectively as possible.

Trainee and Apprenticeship Program

Council successfully secured funding from the state government's 'Skilling Queenslanders for Work' program to fund five new trainees. These roles were identified as providing the best ways of growing local capabilities in skills shortage professions.

Meet our Trainees!



Failelei Fokilelei **Administration Officer** **(People and Performance)**

I have been very fortunate enough to gain experience in a few different areas in Council. I have been able to gain some experience and knowledge in the People and Performance team and as the Acting Executive Assistant to the General Manager Corporate and Community which has been one very exciting learning journey. The things I enjoy about my role and working with Council is the endless learning venture. I learn something new every day and being able to improve on my skills has been a great benefit of the Traineeship. All the staff have been absolutely amazing in helping me in areas I require improvements in. I have always had a passion for helping people and being able to serve the community. Being in the role that I am currently in I have been able to serve the community in different ways through the managers, Councillors as well as in person.



Ciara Battle **Trainee Water and** **Wastewater Operator**

I test water daily, record data, help repair water leaks. I am learning how water is treated for drinking purposes and how to maintain water and wastewater distribution. I like the variety of the job and opportunities working on the council gives me. My role serves the community by providing quality drinking water.



Sebastian Smith **Water and Waste Water** **Treatment Operator Trainee**

I test the town's water supply to make sure that it is safe for consumption and take care of the sewage, I repair any water related issues such as main breaks/service repairs. I enjoy working with my colleagues and being able to provide a service for the town that is important. My role in the council helps the community by providing safe water for all to use and to repair any water related problems that may occur within.



Brittany Parr **Community Development**

Communities activities, grants/funding, continually helping the community to reach their goals individually and groups. This has included scheduling appointments, attending meetings with community and undertaking a range of administrative tasks. The best part about my role in council is helping people, I love that I can listen and try and help the community. Another great part is the education around administration and how working with Tania and the team has benefited me with life skills. I am part of a team that guides and supports community to achieve their goals and build their capacity. We listen to the ideas of the community and provide support and advice such as matching project ideas with available funding.



Ashleigh Accornero **Land Protection Officer**

I spray invasive plant species along council roads, help conduct property inspections, deal with wandering livestock and help with coordinated 1080 baiting of feral pigs and dogs. I enjoy the variety of the work and the constant opportunities to learn. We reduce the spread of invasive plants onto peoples properties.

Workplace Health and Safety

In January all Council staff attended a mandatory safety day in Mundubbera. The day provided an opportunity for all Council employees to come together as a team and strengthen their safety focus, to ensure that all staff return home from work safe and well every day. Council staff were fortunate enough to have former professional rugby league footballer, and Safety Ambassador for Workplace Health and Safety Queensland, Shane Webke, present a Safety Matters presentation. Shane's compelling discussion with staff highlighted the importance of staying safe at work and creating a strong safety culture in the workplace. North Burnett Regional Council will continue to invest in ways to create the safest workplace and foster a culture of safety in everything we do.

NBRC Ed

The online learning and development platform called 'NBRC Ed' was rolled out to staff this year. This platform is used to deliver Inductions, WH&S training, and updated policy, procedure, and governance training. The platform content is maintained by Council and provides flexibility for tailored training across a diverse workforce, reduces training expenses and reliance on printed materials, and delivery is more time efficient.



Above: Staff Safety Day with Safety Ambassador for Workplace Health and Safety QLD, Shane Webke.

Top right: Amanda and Haille from Council's Assets team provided administration assistance at the Fleet Auction which Council held in March 2021; one of the Council fleet items.



FLEET

This financial year saw the Fleet Section consolidate several new operational procedures and workflows to achieve significant efficiencies and savings. Notable of these was fuel management resulting in savings of over \$150,000.

Council achieved this result by introducing a disciplined accounting process which is carefully monitored and managed. Every litre of fuel dispensed is now accounted for and assigned to a plant item. This updated process now provides accountability but also consumption data to assist in the proper maintenance of our plant.

A comprehensive rationalisation of fleet assets was undertaken to identify unused, under-utilised, and fleet items that were excess to requirements. Council held an auction in March 2021 to sell these and other items being upgraded, which returned \$1.27 million to Council's budget.

Council has Fleet Assets with a replacement value of \$26 million. A much-needed allocation of \$2,030,500 was made in this financial year for plant replacement.

Council manages the efficient replacement of its Fleet Assets to ensure the safety of our personnel and to make sure that we have modern and appropriate plant and equipment that can get tasks completed. Being such a large region, Council vehicles are required to travel lots of kilometres during their period of use. It may appear that Council has a high turnover of vehicles at times, however proper management of the replacement of fleet allows Council to procure replacements whilst the existing fleet maintains significant value.





Images: North Burnett Region Australia Day Celebrations.

STATUTORY INFORMATION



LOCAL GOVERNMENT ACT 2009

Identifying beneficial enterprises (s41)

A local government's annual report for each financial year must contain a list of all the beneficial enterprises that the local government conducted during the financial year.

Identifying significant business activities (s45)

A local government's annual report for each financial year must:

Legislative Requirement	Compliance
(a) contain a list of all the business activities that the local government conducted during the financial year; and	Refer to section: Financial Statements, Note 2
(b) identify the business activities that are significant business activities; and	Refer to section: Financial Statements, Note 2
(c) state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied; and	
(d) state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities.	

Annual report must detail remuneration (s201)

The annual report of a local government must state:

Legislative Requirement	Compliance				
(a) the total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government; and	<p>Council is required to report remuneration packages payable to the Chief Executive Officer and senior contract employees in bands. Senior contract employees are employees that report directly to the Chief Executive Officer and are considered to be in a senior position e.g. General Managers.</p> <p>In 2020-21 there were three (3) senior contract employee positions.</p> <p>The total remuneration packages payable in 2020-21 to senior management - \$700,747.78</p> <table><tr><th>Package Range</th><th>No. of senior contract employees</th></tr><tr><td>200,000 to 300,000</td><td>3</td></tr></table>	Package Range	No. of senior contract employees	200,000 to 300,000	3
Package Range		No. of senior contract employees			
200,000 to 300,000		3			
(b) the number of employees in senior management who are being paid each band of remuneration.					
(2) The senior management of a local government, consists of the chief executive officer and all senior executive employees of the local government.					
(3) Each band of remuneration is an increment of \$100,000.00					
(4) To remove any doubt, it is declared that nothing in this section requires the exact salary of any employee in senior management to be separately stated in the annual report.					

LOCAL GOVERNMENT REGULATION 2012 - CHAPTER 5 - PART 3 - DIVISION 3

Preparation of annual report (s182)

- (1) A local government must prepare an annual report for each financial year.
- (2) The local government must adopt its annual report within 1 month after the day the auditor-general gives the auditor-general's audit report about the local government's financial statements for the financial year to the local government.
- (3) However, the Minister may, by notice to the local government, extend the time by which the annual report must be adopted.
- (4) The local government must publish its annual report on its website within 2 weeks of adopting the annual report.

Financial statements (s183)

The annual report for a financial year must contain:

Legislative Requirement	Compliance
(a) the general purpose financial statement for the financial year, audited by the auditor-general; and	Refer to section: Financial Statements
(b) the current-year financial sustainability statement for the financial year, audited by the auditor general; and	
(c) the long term financial sustainability statement for the financial year; and	
(d) the auditor-general's audit reports about the general purpose financial statement and the current-year financial sustainability statement.	

Community financial report (s184)

The annual report for a financial year must contain:

Legislative Requirement	Compliance
(a) the community financial report for the financial year.	Refer to section: Community Financial Report

Particular resolutions (s185)

The annual report for the financial year must contain:

Legislative Requirement	Compliance
(a) a copy of the resolutions made during the financial year under section 250(1); and	This Policy was last adopted on 1 March 2017. A revised Policy was tabled on 22 September 2021, Policy was to lay on the table as Council sought further clarity and the Policy is now scheduled to be lifted from the table in November 2021.
(b) a list of any resolutions made during the financial year under section 206(2).	Nil

Councillors (s186)

(1) The annual report for a financial year must contain particulars of:

Legislative Requirement	Compliance
(a) for each councillor, the total remuneration, including superannuation contributions, paid to the councillor during the financial year; and	Council pays the following remuneration rates based on the Local Government Remuneration and Discipline Tribunal 2017 Report. In addition the total remuneration, superannuation and expenses incurred by each Councillor during the financial year is as follows. A full copy of Council's Reimbursement of Expenses and Provision of Facilities for Mayor and Councillors–Policy is available at Council's website (Policy 103). This policy was reviewed and amendments were made and adopted by Council on 1 March 2017.
(b) the expenses incurred by, and the facilities provided to each councillor during the financial year under the local government's expenses reimbursement policy; and	Refer to Table 1: Page 36
(c) the number of local government meetings that each councillor attended during the financial year; and	Refer to Table 2: Page 36
(d) the total number of the following during the financial year -	
(i) orders and recommendations made under 150I(2) of the Act;	Nil
(ii) orders made under s 150AH(1) of the Act;	Nil
(iii) decisions, orders and recommendations made under section 150AR(1) of the Act; and	Nil
(e) each of the following during the financial year-	
(i) complaints referred to the assessor under section 150P(2)(a) of the Act by local government entities for the local government;	6
(ii) matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission;	Nil
(iii) notices given under section 150R(2) of the Act;	2
(iv) notices given under section 150(s)(a) of the Act;	Nil
(v) decisions made under section 150W(1)(a), (b) and (d) of the Act;	Nil
(vi) Decisions made under section 150W(1)(a),(b) and (e) of the Act.	2
(vii) referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act;	1
(viii) occasions information was given under section 150AF(4)(a) of the Act	Nil
(ix) occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a councillor;	2
(x) applications heard by the conduct tribunal about the alleged misconduct of a councillor.	Nil
(xi) under chapter 5A, part 3, division 6 of the Act about whether a Councillor engaged in misconduct or inappropriate conduct.	Nil

Table 1: Councillor's Remuneration and Expenses

Councillor	Gross Remuneration	Super Contributions	Incidentals	Facilities
Cr Rachel Chambers	\$108,222	\$12,986		\$13,027
Cr Robbie Radel	\$62,435	\$7,492		\$12,918
Cr Melinda Jones	\$54,110	\$5,140		\$12,438
Cr Les Hotz	\$54,110	\$5,140		\$11,181
Cr Susan Payne	\$54,110	\$6,493	\$70	\$13,392
Cr Dael Giddins	\$54,110	\$6,493		\$11,558
Cr Michael Dingle	\$54,110	\$6,493		\$11,520
TOTAL	\$441,207	\$50,237	\$70	\$86,034

Council provides vehicles for Council related travel to all Councillors.

Table 2: Record of Meeting Attendance

	Mayor Rachel Chambers	Deputy Mayor Robert Radel	Cr Michael Dingle	Cr Dael Giddins	Cr Susan Payne	Cr Melinda Jones	Cr Les Hotz
General Meeting 22/07/20	✓	✓	✓	✓	✓	✓	✓
General Meeting 26/08/20	✓	✓	✓	✓	✓	✓	✓
General Meeting 23/09/20	–	✓	✓	✓	✓	✓	✓
General Meeting 28/10/20	✓	✓	✓	✓	✓	✓	✓
General Meeting 25/11/20	✓	✓	✓	✓	✓	✓	✓
General Meeting 16/12/20	✓	✓	✓	✓	✓	✓	✓
General Meeting 27/01/21	✓	✓	✓	✓	✓	✓	✓
General Meeting 24/02/21	✓	✓	✓	✓	✓	✓	✓
General Meeting 24/03/21	✓	(Absent for opening of meeting and then joined at 10.39am)	✓	✓	✓	✓	✓
General Meeting 28/04/21	✓	✓	✓	✓	✓	✓	✓
General Meeting 26/05/21	✓	✓	✓	✓	✓	✓	✓
General Meeting Budget Meeting 23/06/21	–	✓	✓	✓	✓	✓	✓
TOTAL	10/12	12/12	12/12	12/12	12/12	12/12	12/12

Administrative action complaints (s187)**(1)** The annual report for a financial year must contain:

Legislative Requirement	Compliance
(a) a statement about the local government's commitment to dealing fairly with administrative action complaints; and	Council is committed to delivering high quality customer service, whilst acting fairly, ethically, responsibly, and lawfully. Council welcomes complaints as a form of feedback and will respond to complaints appropriately and use them as a means to improve our services, systems, procedures and policies.
(b) a statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process.	<p>Please refer to Policy 116 - Administrative Action Complaints.</p> <p>Council recognises every person's right to complain and is committed to resolving all complaints received. Having a consistent, fair and equitable approach to the way Council manages complaints will help to ensure a positive outcome for all parties. Efficient and effective complaints management increases customer satisfaction and community confidence in Council.</p> <p>Therefore, Council is committed to:</p> <ul style="list-style-type: none"> • Creating a positive complaint management environment by encouraging feedback and viewing complaints as an opportunity for continuous improvement; • Providing a clear and simple process outlining how complaints will be managed, who will be involved in the process, their roles and responsibilities; • Ensuring employees are empowered to address the majority of complaints at the frontline or first point of contact with Council; • Providing options for internal review and escalation relative to the seriousness of the complaint and previous contact with Council; and • Maintaining a complaints management system that provides a practicable and systematic approach for receiving, recording, analysing and reporting complaints information.

(2) The annual report must also contain particulars of:

Legislative Requirement	Compliance
(a) the number of the following during the financial year:	
(i) administrative action complaints made to the local government;	4
(ii) administrative action complaints resolved by the local government under the complaints management process;	4
(iii) administrative action complaints not resolved by the local government under the complaints management process; and	Nil
(b) the number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year.	Nil

Overseas travel (s188)

(1) The annual report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year:

Legislative Requirement	Compliance
(a) for a councillor - the name of the councillor;	Nil
(b) for a local government employee - the name of, and position held by, the local government employee;	Nil
(c) the destination of the overseas travel;	N/A
(d) the purpose of the overseas travel;	N/A
(e) the cost of the overseas travel;	N/A

(2) The annual report may also contain any other information about the overseas travel the local government considers relevant. N/A

Expenditure on grants to community organisations (s189)

The annual report for a financial year must contain a summary of:

Legislative Requirement	Compliance
(a) the local government's expenditure for the financial year on grants to community organisations; and	Refer to Table 3, Page 38
(b) expenditure from each councillor's discretionary fund, including -	
(i) the name of each community organisation to which an amount was allocated from the fund; and	Nil
(ii) the amount and purpose of the allocation;	

Table 3: Summary of Grants to Community Organisations

Program	#	Amount Funded
Cultural and Sports Performance Grants	2	\$1,00
In-kind Assistance Grants	68	\$17,900
Lifelong Grants	21	\$23,291
Major Events	2	\$10,000
Small Halls	1	\$18,544
RADF	10	\$52,946
Streetscape Funding	13	\$3,588

Other contents (s190)

(1) The annual report for a financial year must contain the following information:

Legislative Requirement	Compliance
(a) the chief executive officer's assessment of the local government's progress towards implementing its 5 year corporate plan and annual operational plan.	7.1 2019-20 OPERATIONAL PLAN - Q4 PROGRESS REPORT RESOLUTION 2020/97 Moved: Deputy Mayor Cr Robert Radel Seconded: Cr Susan Payne That in accordance with section 174(3) of the Local Government Regulation 2012, Council receives the 2019-20 Operational Plan – Q4 Progress Report for the period 1 April 2020 through to 30 June 2020.
(b) particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year;	Refer to section: Financial Statements
(c) an annual operations report for each commercial business unit;	N/A
(d) details of any action taken for, and expenditure on, a service, facility or activity-	
(i) supplied by another local government under an agreement for conducting a joint government activity; and	Nil
(ii) for which the local government levied special rates or charges for the financial year;	Refer to Figure 1, Page 40
(e) the number of invitations to change tenders under section 228(7) during the financial year;	Nil
(f) a list of the registers kept by the local government;	Refer Table 4, Page 40
(i) a summary of investigation notices given in the financial year under section 49 for competitive neutrality complaints;	Nil
(j) the local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under section 52 (3)	Nil

Figure 1: Council levies

In line with Council's ongoing commitment to accountability and transparency and in accordance with the Local Government Act 2009 (the Act) and Section 190(1)(d)(ii) of the Local Government Regulation 2012 (the Regulation) details of Council levies and charges are presented below.

This section also details organisational information regarding staff policies and other information considered of interest in an Annual Report.

All special and separate levies and charges listed apply for the 2019-20 financial year.

Separate Charge - Natural Resource Management Levy

That in accordance with Section 92(5) of the Act and Chapter 4 Part 8 of the Regulation and on the basis of the principles set out in Council's Revenue Statement, Council make and levy a Separate Charge – Natural Resources Management Levy of \$55.00 for the year ended 30 June 2020 to be levied equally on all rateable properties within the Council area for the purpose of offsetting the weed and animal pest control measures combined with other Natural Resource functions within the region.

Separate Charge - Local Disaster Management Levy

That in accordance with Section 92(5) of the Act and Chapter 4 Part 8 of the Regulation and on the basis of the principles set out in Council's Revenue Statement and Policy 261 – Local Disaster Management Levy, Council make and levy a Separate Charge – Local Disaster Management Levy of \$6.00 for the year ended 30 June 2020 to be levied equally on all rateable properties within the Council area to assist in Councils capability to meet its obligations in times of a disaster and contribute toward the ongoing operation of disaster preparedness facilities.

Separate Charge - Landfill Management Levy

That in accordance with Section 92(5) of the Act and Chapter 4 Part 8 of the Regulation and on the basis of the principles set out in Council's Revenue Statement, Council make and levy a Separate Charge – Landfill Management Levy of \$150.00 for the year ended 30 June 2020 to be levied equally on all rateable properties within the Council area for the purpose of offsetting the costs of Landfill Management, compliance and future close out provisions

Special Charge - Road & Drainage Works Shand Street Subdivision, Mt Perry (Shand, Hunter and Mason Streets)

That in accordance with Section 92(3) of the Act and Chapter 4 Part 6 of the Regulation, Council will make and levy a special charge on each parcel of land to recoup the cost of the works and the finance costs incurred by Council borrowing funds over ten (10) years to complete the associated project, to provide road infrastructure and/or stormwater drainage infrastructure to the unfinished Shand Street Subdivision.

Table 4: List of registers

Register	Register	Register
Local Law Register <ul style="list-style-type: none">Doc ID 720210 Roads Register <ul style="list-style-type: none">Doc ID 787908 Councillor Conduct Register <ul style="list-style-type: none">Doc ID 999840 Register of Interests of Councillors, Councillor Advisors, Chief Executive Officers and Related Persons <ul style="list-style-type: none">Folder ID 121205Folder ID 196362 Administrative Action Complainants Register <ul style="list-style-type: none">Doc ID 792115 Register of Contact with Lobbyists <ul style="list-style-type: none">Doc ID 1056506 Gift Register <ul style="list-style-type: none">Doc ID 1044357 Delegations Register <ul style="list-style-type: none">Doc ID 1027444 CEO to Employee <ul style="list-style-type: none">Doc ID 945905 Council to CEO Policy and Procedures Register <ul style="list-style-type: none">Doc ID 1019541	Election Gift Register <ul style="list-style-type: none">Folder ID 121234 Significant Business Register (s56 LG Regs) <ul style="list-style-type: none">Doc ID 97796Doc ID 108123Doc ID 157401Doc ID 157402Doc ID 194407 Asset Register <ul style="list-style-type: none">Doc ID 318490Doc ID 588257 (Workspace) Beneficial Enterprises Register <ul style="list-style-type: none">NIL Cost-Recovery Fees Register (s98 LGA) <ul style="list-style-type: none">Folder ID 120776 Contract with Lobbyists Register <ul style="list-style-type: none">875752962655105250 & 105252 (General Policy)441410 Road Map Register (s74 LGA) <ul style="list-style-type: none">7026070262	Local Heritage Register <ul style="list-style-type: none">Folder ID 117084Folder ID 155951Folder ID 117637 Statement of Interest – Related Parties Register <ul style="list-style-type: none">Folder ID 121205 Conflict of Interest Register <ul style="list-style-type: none">Folder ID 775449 Development Application Register/Development Application Register <ul style="list-style-type: none">NIL Designations Register <ul style="list-style-type: none">NIL Infrastructure Chargers Register <ul style="list-style-type: none">Folder ID 133148Folder ID 183247 Private Certifier Application Register <ul style="list-style-type: none">Folder ID 207170 Register of Cost Recovery Fees Asset Register

(2) In this section - annual operations report, for a commercial business unit, means a document that contains the following information for the previous financial year:

Legislative Requirement	Compliance
(a) information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan;	N/A
(b) particulars of any changes made to the unit's annual performance plan for the previous financial year;	N/A
(c) particulars of the impact the changes had on the unit's;	
(i) financial position; and	N/A
(ii) operating surplus and deficit; and	
(iii) prospects.	
(d) particulars of any directions the local government gave the unit.	N/A



COMMUNITY FINANCIAL REPORT

This Community Financial Report aims to simplify and provide a summary of the financial statements into a plain English explanation for our residents, businesses and other stakeholders.



FINANCIAL STATEMENTS

Financial statements are formal records of the financial performance and position of Council.

There are four financial statements that assist in providing a high-level picture of council finances - These include:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

These statements are accompanied by supporting notes which provided details on the transactions which are included in the line item balances in the four statements.

STATEMENT OF COMPREHENSIVE INCOME

Purpose: Often referred to as the Profit & Loss or income statement. Shows all revenue the Council has earned, and the expenses incurred for the financial year.

Operational Revenue

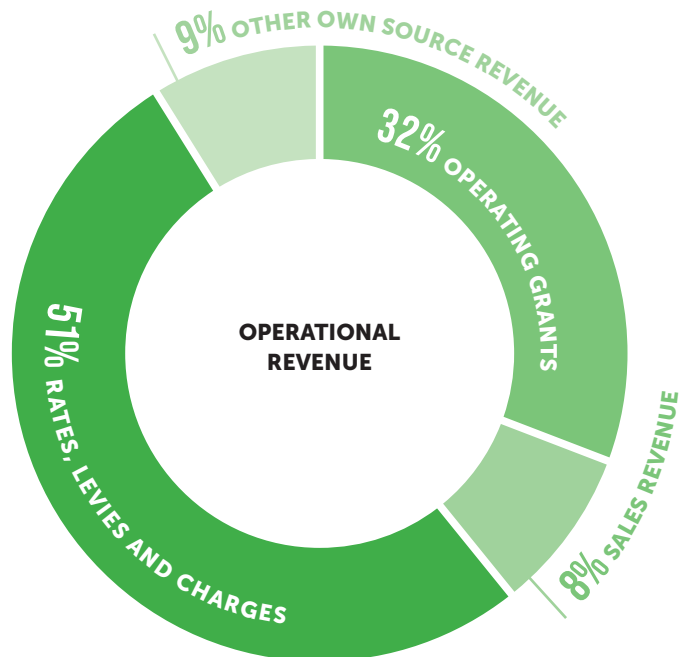
Council's operational income in 2020-21 was \$35.774 million. Grant income represents 32% of total income, with the remaining 68% of the operating income classed as own sourced income.

Total rates and charges levied (less discount) totalled \$18.274 million. This equates to 51% of council's operating income.

Operational Expenditure

Council spent \$31.525 million during the year on employee costs, materials and services. These items represent a cost to Council of providing services, operating facilities and maintaining assets.

Depreciation expenditure of \$15.126 million records the consumption of assets controlled by Council over their useful lives and provides an indication of what the level of expenditure on rehabilitation and renewal of existing assets is required annually.



STATEMENT OF FINANCIAL POSITION

Purpose: shows the assets and liabilities which make up community equity as at 30 June 2021.

Net Current Assets

Council's net current assets (that is current assets less current liabilities) are \$24.239 million for 2020-21. Current assets and liabilities are those which are likely to be turned over during the next financial year.

Total Assets

Council's total assets are made up of current assets of \$33.362 million and non-current assets of \$1.079 billion. The non-current assets are infrastructure assets such as roads, bridges, water and wastewater facilities.

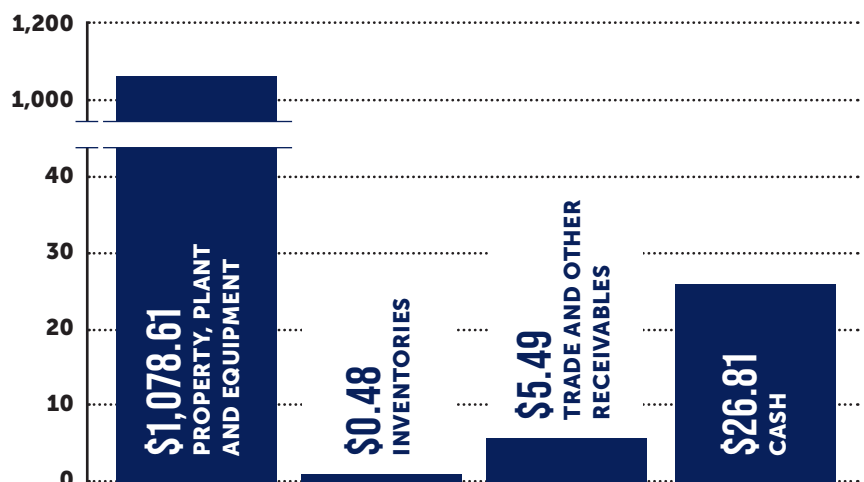
Total Liabilities

Council's total liabilities are made up of current liabilities of \$9.123 million and non-current liabilities of \$14.877 million.

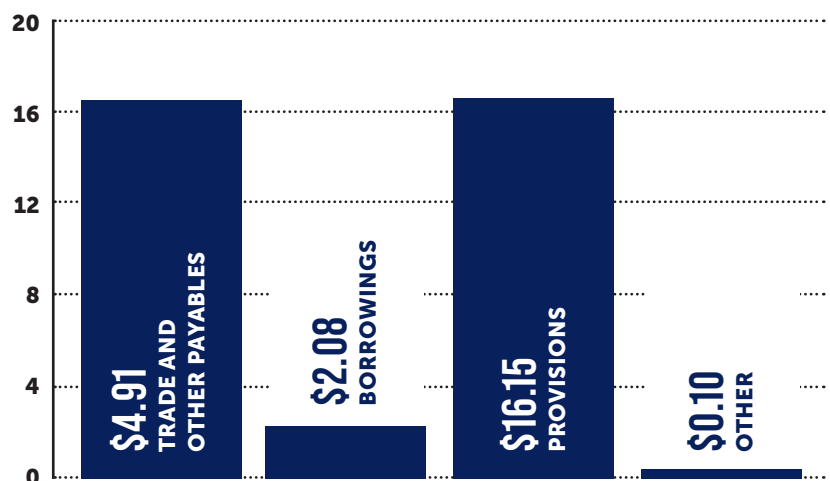
Borrowings are made up of \$255k in current obligations and \$1.825 million in non-current obligations. Similarly, provisions are made up of \$4.295 million current and \$13.053 million non-current. The non-current provisions are primarily allocated to the future restoration of Council's waste management facilities and gravel quarries.

Council, despite a decrease in cash reserves, still has a strong cash position at the end of 2020-21. The reduced amount of cash at bank at 30 June 2021 can be attributed to the timing of Federal Assistance Grants being paid to Council, which varies year on year.

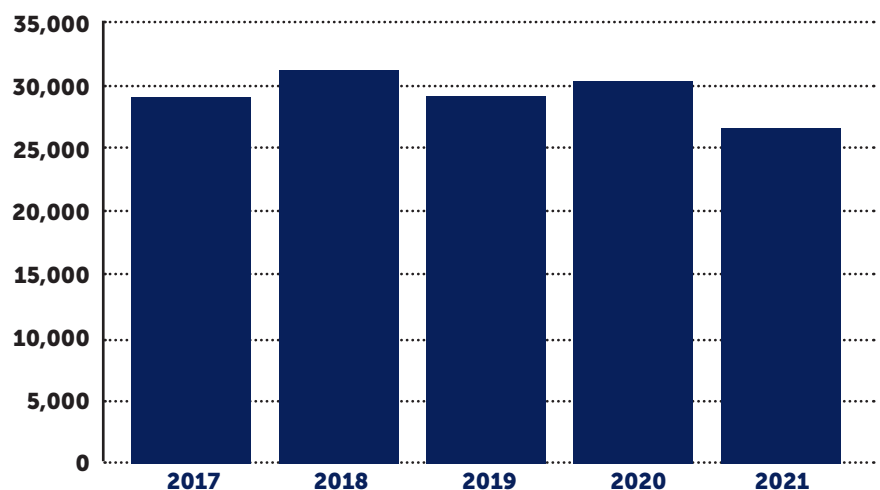
2020-21 ASSET TYPES (\$M)



2020-21 LIABILITIES (\$M)



CASH POSITION BY YEAR: FIVE-YEAR TREND (\$M)

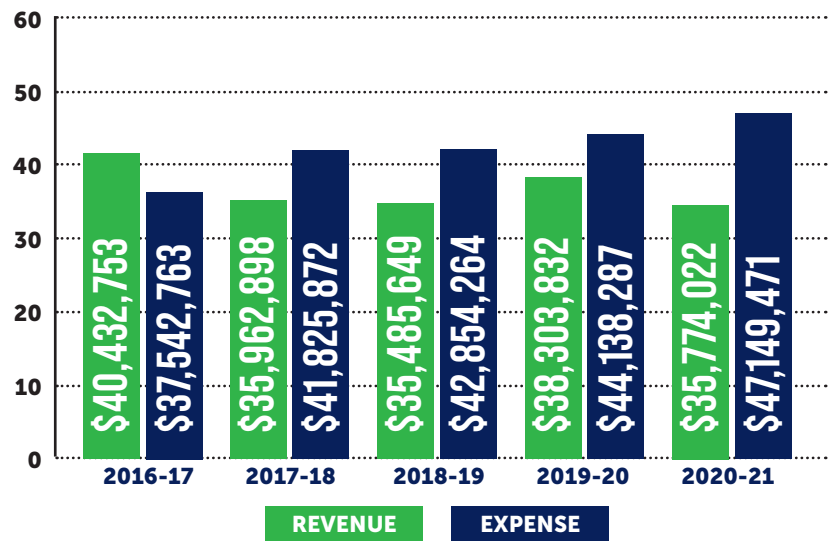


COMPARATIVE TREND ANALYSIS: REVENUE AND EXPENSES

The below chart depicts Council's operational revenues and expenditure performance over the last five years. This comparative information has been provided to assist stakeholders to gain a more comprehensive understanding of how Council is performing over a longer period of time. It provides a better oversight rather than what can be seen in a one year snap shot.

It should be noted that on an operational basis Council is generally making a loss, where our expenses are exceeding our income. The income figures do not include capital income received as grants nor does it include any gain/(loss) on disposal of assets.

EXPENSES AGAINST REVENUE: FIVE-YEAR TREND



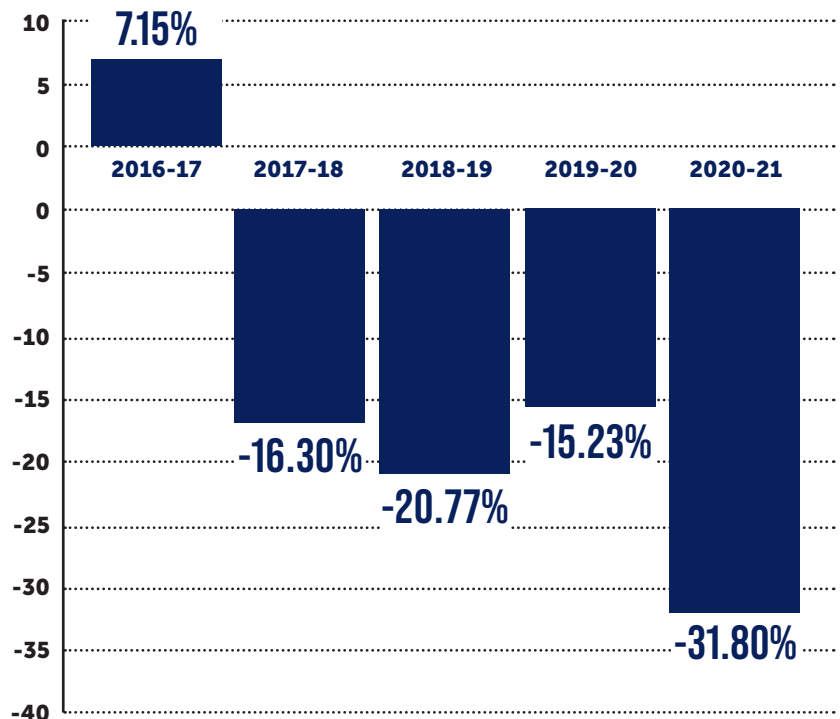
2020-21 FINANCIAL RATIO SUMMARY

Operating Surplus Ratio

Target between 0 and 10%

The operating surplus ratio measures the extent to which revenues raised (to cover operating expenses) are available for capital funding and other purposes. It is calculated as net operating result (presented in the income statement) divided by operating revenue. A positive ratio indicates that surplus revenue is available. A negative ratio indicates an operating deficit. 2020-2021's ratio is heavily impacted by the timing of Federal Assistance Grants being paid to Council, which varies year on year.

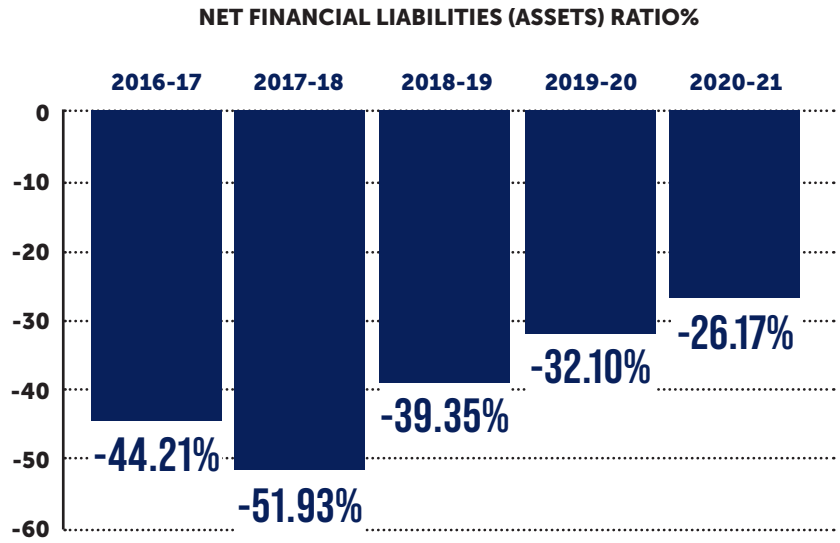
OPERATING SURPLUS (DEFICIT) RATIO%



NET FINANCIAL LIABILITIES RATIO

Target is not greater than 60%

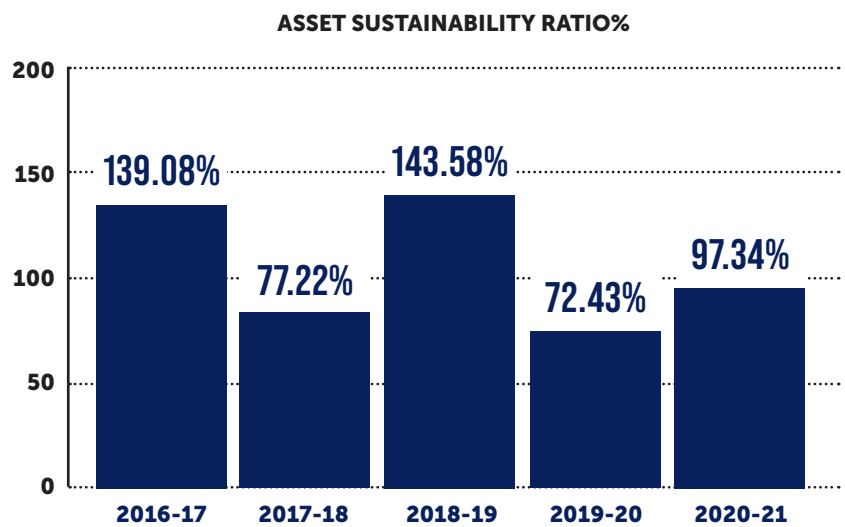
The net financial liabilities ratio measures the extent to which net financial liabilities can be serviced by operating revenues and is a short-term liquidity measure. The ratio determines how well placed we are to pay our liabilities out of current operating revenue and is calculated as the value of net financial liabilities (assets) divided by operating revenue. Net financial liabilities (assets) are calculated as total liabilities minus current assets, and a negative measure means that our current assets exceed total liabilities.



ASSET SUSTAINABILITY RATIO

Target is greater than 90%

The asset sustainability ratio is an approximation of the extent to which the property, plant and equipment (PPE) assets that we manage are being replaced as they reach the end of their useful lives. In previous years there has been a significant increase in capital outlays as a result of natural disasters. In 2020-2021 Council invested millions of Council and external funding directly back into community assets like roads and bridges.



FINANCIAL STATEMENTS



North Burnett Regional Council

Financial statements

For the year ended 30 June 2021

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North Burnett Regional Council
Statement of Comprehensive Income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	18,273,572	17,855,222
Fees and charges	3(b)	1,382,218	1,149,138
Sales revenue	3(c)	3,046,195	4,017,833
Grants, subsidies, contributions and donations	3(d)	11,315,869	13,351,811
Total recurrent revenue		34,017,854	36,374,004
Capital revenue			
Grants, subsidies, contributions and donations	3(d)	8,995,534	6,514,065
		8,995,534	6,514,065
Interest received	4(a)	352,037	549,040
Other income	4(b)	1,404,131	1,380,788
Total income		44,769,556	44,817,897
Expenses			
Recurrent expenses			
Employee benefits	5	(15,970,297)	(15,161,264)
Materials and services	6	(15,555,091)	(14,276,531)
Finance costs	7	(497,972)	(311,254)
Depreciation expense	13	(15,126,111)	(14,389,238)
		(47,149,471)	(44,138,287)
Capital expenses			
Loss on disposal of non-current assets	8	(3,688,991)	(4,525,673)
Provision for landfill and quarry restoration	8	(2,639,091)	(3,048,507)
		(6,328,082)	(7,574,180)
Total expenses		(53,477,553)	(51,712,467)
Net result		(8,707,997)	(6,894,570)
Other comprehensive income			
Items that will not be reclassified to net results			
Increase / (decrease) in asset revaluation surplus	19	21,103,593	16,075,975
Total other comprehensive income for the year		21,103,593	16,075,975
Total comprehensive income for the year		12,395,596	9,181,405

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

North Burnett Regional Council
Statement of Financial Position
As at 30 June 2021

		2021	2020
	Note	\$	\$
Current assets			
Cash and cash equivalents	9 (a)	22,806,292	26,556,646
Other financial assets	9 (b)	4,000,000	4,000,000
Receivables	10	3,080,162	2,642,540
Inventories	11	481,826	490,665
Contract assets	14	1,525,851	1,912,159
Other assets	12	1,467,785	1,422,703
Total current assets		33,361,916	37,024,713
Non-current assets			
Property, plant and equipment	13	1,078,731,394	1,063,268,391
Total non-current assets		1,078,731,394	1,063,268,391
Total assets		1,112,093,310	1,100,293,104
Current liabilities			
Payables	15	2,979,676	4,903,510
Contract liabilities	14	1,491,529	2,534,383
Borrowings	16	254,587	246,143
Provisions	17	4,294,759	3,121,139
Other liabilities	18	102,137	773,717
Total current liabilities		9,122,688	11,578,892
Non-current liabilities			
Borrowings	16	1,824,690	2,079,616
Provisions	17	13,052,676	10,936,938
Total non-current liabilities		14,877,366	13,016,554
Total liabilities		24,000,054	24,595,446
Net community assets		1,088,093,256	1,075,697,660
Community equity			
Capital		784,156,442	784,156,442
Asset revaluation surplus	19	345,133,858	324,030,265
Retained deficiency		(41,197,044)	(32,489,047)
Total community equity		1,088,093,256	1,075,697,660

The above statement should be read in conjunction with the accompanying notes and significant accounting policies

North Burnett Regional Council
Statement of Changes in Equity
For the year ended 30 June 2021

		Capital	Asset Revaluation Surplus	Retained Surplus/(Deficiency)	Total
	Note	\$	\$	\$	\$
Balance at 1 July 2020		784,156,442	324,030,265	(32,489,047)	1,075,697,660
Net result		-	-	(8,707,997)	(8,707,997)
Other comprehensive income for the year					
Increase/(decrease) in asset revaluation surplus	19	-	21,103,593	-	21,103,593
Total comprehensive income for the year		-	21,103,593	(8,707,997)	12,395,596
Balances as at 30 June 2021		784,156,442	345,133,858	(41,197,044)	1,088,093,256
Balance at 1 July 2019		785,216,557	307,954,291	(28,120,315)	1,065,050,533
Adjustment on initial application of AASB 15 / AASB 1058		-	-	1,465,723	1,465,723
Restated balance at 1 July 2019		785,216,557	307,954,291	(26,654,592)	1,066,516,256
Net Result				(6,894,570)	(6,894,570)
Other comprehensive Income for the year					
Increase/(decrease) in asset revaluation surplus	19	-	16,075,975	-	16,075,975
Total comprehensive income for the year		-	16,075,975	(6,894,570)	9,181,405
Transfers to and from reserves					
Transfer to/from capital		(1,060,115)	-	1,060,115	-
Total transfers to and from reserves		(1,060,115)	-	1,060,115	-
Balances as at 30 June 2020		784,156,442	324,030,265	(32,489,047)	1,075,697,660

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

North Burnett Regional Council
Statement of Cash Flows
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers		23,195,613	23,901,988
Payments to suppliers and employees		(33,831,000)	(29,836,093)
		(10,635,387)	(5,934,105)
Interest received	4(a)	352,037	549,040
Rental income		298,078	340,374
Non capital grants and contributions		11,357,622	14,112,873
Borrowing costs		(126,664)	(244,593)
Net cash inflow (outflow) from operating activities	23	1,245,686	8,823,589
Cash flows from investing activities			
Payments for property, plant and equipment		(14,371,445)	(15,626,484)
Proceeds from sale of property and equipment	8	1,324,650	607,048
Grants, subsidies, contribution and donations		8,297,236	7,840,950
Net cash inflow (outflow) from investing activities		(4,749,559)	(7,178,486)
Cash flows from financing activities			
Repayment of borrowings	16	(246,481)	(662,349)
Net cash inflow (outflow) from financing activities		(246,481)	(662,349)
Net increase (decrease) in cash and cash equivalents held		(3,750,354)	982,754
Cash and cash equivalents at beginning of the financial year		26,556,646	25,573,892
Cash and cash equivalents at end of the financial year	9(a)	22,806,292	26,556,646

The above statement should be read in conjunction with the accompanying notes and significant accounting policies.

1 Information about these financial statements

a) Basis of Preparation

North Burnett Regional Council (NBRC) is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general-purpose financial statements are for the period 1 July 2020 to 30 June 2021. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment.

b) New and revised accounting standards adopted during the year

NBRC adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020, none of the standards had a material impact on reported position, performance and cash flows.

c) Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a material impact for Council then further information has been provided in this note.

	Effective for reporting periods beginning on or after:
AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards	1 January 2023
AASB 2020-23 Amendments to Australian Accounting Standards - Annual Improvements 2018 - 2020 and Other Amendments	1 January 2022

d) Estimates and judgements

Councils make a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

- Valuation and depreciation of property, plant and equipment (Note 13 (c) & (e))
- Impairment of property, plant and equipment (Note 13(d))
- Provisions (Note 17)
- Contingent liabilities (Note 21)
- Financial instruments and financial liabilities (Note 26)
- Revenue recognition (Note 3)

e) Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard / Comparative information is prepared on the same basis as prior year.

f) Volunteer services

NBRC does not use volunteer services at the cost of existing employees and therefore would not purchase the services had they not been donated.

g) Taxation

Council is exempt from income tax; however council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

h) Impacts from the COVID-19 pandemic

Council operations did not experience any significant financial impacts from the COVID-19 pandemic for the 2020 - 21 financial year and services were not changed as a result of COVID.

Rate payers experiencing difficulties in paying rates when they fell due were assisted with Council's Rates Recovery Policy; this is expected to have minor impact on rating revenue.

Council received grants specifically to assist with COVID to stimulate the economy projects included community halls improvements \$130,000, public amenities at Mt Walsh \$100,000, cemetery registry boards and fencing \$95,000, other expenses relating to COVID include \$22,800 for disaster management fees and the Australia Day COVID safe program of \$12,185.

2. Analysis of results by functions

2(a) Components of NBRC functions

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

Corporate governance

The objective of corporate governance is for NBRC to be open, accountable, transparent and deliver value for money community outcomes. This function includes strategic and operational planning, risk management, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in corporate governance.

Business services and finance

Council's Business Services and Finance teams provides professional finance and other information services across all of Council. This function includes internal audit, budget support, financial accounting, the taxation unit, marketing and communication and information technology services. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

Construction and maintenance

Construction and maintenance is responsible for constructing new and maintaining existing infrastructure across a diverse range of assets that underpin the wellbeing of the NBRC community. These assets include roads, drains, stormwater, boat ramps, cemeteries, parks and open spaces and coastal areas.

Community services

The goal of community services is to ensure NBRC is a healthy, vibrant, contemporary, and connected community. Community services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, health, welfare, cemeteries, environmental, art galleries and museums, community centres and halls.

This function includes:

- Libraries
- Environmental licences and approvals.

Planning and development

This function facilitates the Region's growth and prosperity through well planned and quality development. The objective of planning and development is to ensure the North Burnett Region is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the region. This function includes activities and services related to city, neighbourhood and regional planning, and management of development approval processes.

Recreation

These assets include sporting grounds and venues, parks and gardens and other sporting recreational services; including caravan parks.

Transport infrastructure

The objective of the transport infrastructure program is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including footpaths and the maintenance and provision of the drainage network.

Waste management

The goal of this function is to protect and support our community and natural environment by sustainably managing refuse. The function provides refuse collection and disposal services, mosquito, and other pest management programs.

Water infrastructure

The goal of this program is to support a healthy, safe community through sustainable water services. This function includes all activities relating to water including flood and waterways management.

Sewerage infrastructure

This function protects and supports the health of our community by sustainably managing sewerage infrastructure.

2. Analysis of Results by Functions

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

Year ended 30 June 2021

Functions	Gross program income					Gross program expenses			Net result from recurring operations	Net result	Assets	
	Recurrent		Capital			Total income	Recurring	Capital				Total expenses
	Grants	Other	Grants	Other	Total income							
Corporate governance	8,028,835	10,199,869	-	\$	\$	18,228,704	7,458,615	-	7,458,615	10,770,089	10,770,089	25,038,980
Business services & finance	-	809	-	-	-	809	2,722,760	-	2,722,760	(2,721,951)	(2,721,951)	2,828,030
Community services	60,325	959,541	2,410,017	-	-	3,429,883	4,883,814	-	4,883,814	(3,863,948)	(1,453,931)	27,009,782
Construction and maintenance	-	111,490	1,319,580	-	-	1,431,070	2,176,765	3,688,991	5,865,756	(2,065,275)	(4,434,686)	17,752,302
Planning & development	-	267,871	-	-	-	267,871	812,511	-	812,511	(544,640)	(544,640)	-
Transport infrastructure	3,226,709	3,421,288	4,919,245	75,769	-	11,643,011	19,154,076	18,408	19,172,484	(12,506,079)	(7,529,473)	972,062,979
Waste management	-	3,308,473	452,134	-	-	3,760,607	4,077,954	2,620,683	6,698,637	(769,481)	(2,938,030)	1,894,940
Water infrastructure	-	4,031,950	(214,901)	-	-	3,817,049	4,251,495	-	4,251,495	(219,545)	(434,446)	38,039,407
Sewerage infrastructure	-	2,156,862	33,690	-	-	2,190,552	1,611,481	-	1,611,481	545,381	579,071	27,466,890
Total Council	11,315,869	24,458,153	8,919,765	75,769	-	44,769,556	47,149,471	6,328,082	53,477,553	(11,375,449)	(8,707,997)	1,112,093,310

Year ended 30 June 2020

Functions	Gross program income					Gross program expenses			Net result from recurring operations	Net result	Assets	
	Recurrent		Capital			Total income	Recurring	Capital				Total expenses
	Grants	Other	Grants	Other	Other							
Corporate governance	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
	10,164,676	10,195,419	23,348	-	20,437,630	6,555,892	-	13,965,020	13,804,203	6,472,610	24,773,296	
Business services & finance	-	-	-	-	-	2,843,662	-	-	(2,843,662)	-	2,798,022	
Community services	73,867	901,822	1,479,102	-	2,546,917	4,790,843	-	5,287,956	(3,815,154)	(2,741,039)	26,723,186	
Construction and maintenance	-	146,313	534,270	-	-	2,110,315	4,525,673	-	(1,964,002)	-	17,563,935	
Planning & development	7,024	223,652	-	-	230,676	850,728	-	850,728	(620,052)	(620,052)	-	
Transport infrastructure	3,097,451	4,335,874	4,159,494	32,966	12,160,055	18,338,805	-	19,912,214	(10,905,480)	(7,752,159)	961,748,608	
Waste management	8,793	3,005,726	119,367	-	3,180,037	3,735,597	3,048,507	6,784,104	(721,078)	(3,604,067)	1,874,834	
Water infrastructure	-	4,022,567	165,518	-	4,141,934	3,494,052	-	3,494,052	528,515	647,882	37,635,779	
Sewerage infrastructure	-	2,120,648	-	-	2,120,648	1,418,392	-	1,418,392	702,256	702,255	27,175,444	
Total Council	13,351,811	24,952,021	6,481,099	32,966	44,817,896	44,138,286	7,574,180	51,712,466	(5,834,454)	(6,894,570)	1,100,293,104	

3 Revenue

(a) Rates, levies and charges

Rates and annual charges are recognised at the beginning of the rating period to which they relate. Pepaid rates are recognised as a financial liability until the beginning of the rating period.

	2021	2020
Note	\$	\$
General rates	10,364,423	10,151,095
Water supply services	2,202,608	2,150,727
Water consumption	1,879,989	1,963,070
Sewerage services	2,332,871	2,288,256
Waste management services	2,594,459	2,365,336
Local disaster management levy	41,063	40,982
Natural resource management levy	384,741	377,075
Special levy Mt. Perry	49,416	40,644
Total rates and utility charge revenue	19,849,570	19,377,185
Less: Discounts	(1,575,998)	(1,521,963)
Net rates, levies and charges	18,273,572	17,855,222

(b) Fees and charges

Revenue arising from fees and charges is recognised at the point in time when the performance obligation is completed, and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.

	2021	2020
	\$	\$
Community service fees	165,423	193,127
Building & development fees	226,608	187,247
Licences & registrations	63,841	59,848
Caravan parks	519,996	423,404
Water & sewer fees	98,141	50,605
Trade waste & recycling	126,789	85,422
Other fees and charges	181,420	149,485
	1,382,218	1,149,138

(c) Sales revenue

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods, generally at delivery.

Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

	2021	2020
Note	\$	\$
Rendering of services		
Contract and Recoverable Works		
- Transport & Main Roads	3,010,131	3,913,361
- Private works	36,064	104,472
Total sales revenue	3,046,195	4,017,833

Note 3 Revenue (continued)

(d) Grants, subsidies, contributions and donations

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

Performance obligations vary in each agreement but include identifiable milestones which result in the completion of a designated activity. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Where Council receives funding under an enforceable contract to acquire or construct a specific item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progress in accordance with costs incurred.

Donations and contributions

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council.

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

	2021	2020
	\$	\$
(i) Operating		
General purpose grants	10,539,134	12,703,085
State government subsidies and grants	209,557	250,660
Commonwealth government subsidies and grants	524,608	373,654
Contributions	42,570	24,412
	11,315,869	13,351,811

(ii) Capital

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

	2021	2020
	\$	\$
State government subsidies and grants	1,710,593	3,703,942
Commonwealth government subsidies and grants	7,209,172	2,777,157
Flood damage claims	75,769	32,966
Total capital grants, subsidies, contributions and claims	8,995,534	6,514,065

Note 3 Revenue (continued)

(iii) Timing of revenue recognition for grants, subsidies, contributions and donations

	Note	2021		2020	
		Revenue recognised at a point in time \$	Revenue recognised over time \$	Revenue recognised at a point in time \$	Revenue recognised over time \$
Grants and subsidies	3(d)	10,839,051	9,429,782	13,046,377	6,795,087
Contributions	3(d)	42,570	-	24,412	-
		<u>10,881,621</u>	<u>9,429,782</u>	<u>13,070,789</u>	<u>6,795,087</u>

		2021 \$	2020 \$
4 Interest and other income			
(a) Interest received			
Interest received from bank and term deposits is accrued over the term of the investment.			
Interest received from term deposits		182,656	371,165
Interest from overdue rates and utility charges		169,381	177,875
		<u>352,037</u>	<u>549,040</u>
(b) Other Income			
RMW Sales, levies, other sundry income		1,404,131	1,380,788
		<u>1,404,131</u>	<u>1,380,788</u>

North Burnett Regional Council
Notes to the Financial Statements
For the year ended 30 June 2021

		2021	2020
	Note	\$	\$
5 Employee benefits			
Employee benefit expenses are recorded when the service has been provided by the employee.			
Staff wages and salaries		11,581,423	12,163,068
Councillors' remuneration		441,278	435,394
Annual, sick and long service leave entitlements		2,559,078	1,782,421
Termination benefits		29,025	-
Superannuation	22	1,552,386	1,549,941
		16,163,190	15,930,824
Other employee related expenses		610,695	589,957
		16,773,885	16,520,781
Less: Capitalised employee expenses		(803,587)	(1,359,517)
		15,970,297	15,161,264

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

	2021	2020
	Number	Number
Total NBRC employees at the reporting date:		
Elected members	7	7
Administration staff	85	83
Depot and outdoors staff	94	97
Trainee staff	6	10
Total full-time equivalent employees	192	197

North Burnett Regional Council
Notes to the Financial Statements
For the year ended 30 June 2021

		2021	2020
	Note	\$	\$
6 Materials and services			
Audit of annual financial statements by the Auditor-General of Queensland		140,950	127,381
Community services		2,379,449	2,256,378
Corporate governance		3,837,916	3,856,966
Planning & development		178,946	223,628
Sewerage infrastructure		516,417	443,019
Transport infrastructure		4,126,100	3,348,404
Waste management		2,405,562	2,206,981
Water infrastructure		1,969,751	1,813,774
		15,555,091	14,276,531

Total audit fee quoted by the Queensland Audit Office relating to the 2020-21 financial statements \$131,500
(2020: \$140,760)

7 Finance Costs			
Finance costs charged by the Queensland Treasury Corporation		84,055	109,282
Bank charges		34,876	32,904
Impairment of receivables		174,804	33,746
Unwinding of discount on provisions		204,237	135,322
		497,972	311,254

8 Capital expenses			
Loss on disposal of non-current assets			
Proceeds from sale of property, plant and equipment		1,324,650	607,048
Less: Carrying value of property, plant and equipment disposed of	13	(5,013,641)	(5,132,721)
		(3,688,991)	(4,525,673)
Provision for restoration of land			
Landfill Waste Restoration		1,837,069	3,048,507
Gravel Quarry Rehabilitation		802,022	
		2,639,091	3,048,507

The discount rate adjustments to the quarry rehabilitation liability is recorded in expenses due to an insufficient asset revaluation surplus for that class.

		2021	2020
	Note	\$	\$
9 (a) Cash and cash equivalents			
Cash and cash equivalents in the statement of cash flows include cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with Cash at bank and on hand.			
Current			
Cash on hand		6,200	6,200
Cash at bank		2,266,723	1,312,664
Deposits at call		20,533,369	25,237,782
Balance per Statement of Financial Position		22,806,292	26,556,646
Less bank overdraft		-	-
Balance per Statement of Cash Flows		22,806,292	26,556,646

Council is exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", the likelihood of the counterparty not having capacity to meet its financial commitments is low.

Cash and cash equivalents		22,806,292	26,556,646
Less: Externally imposed restrictions on cash	(i)	(1,491,529)	(2,552,326)
Unrestricted cash		21,314,763	24,004,320

Council's cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use. These include:

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

Unspent recurrent government grants and subsidies		68,100	785,343
Unspent capital government grants and subsidies		1,423,429	1,766,983
Total externally imposed expenditure restrictions on cash assets		1,491,529	2,552,326

Cash is held in the National Australia Bank in the business cheque account. Deposits at call are held with Queensland Treasury Corporation.

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account 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). 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 since Council has no control over the assets.

		2021	2020
	Note	\$	\$
Trust funds held for outside parties			
Monies collected or held on behalf of other entities yet to be paid out	18	102,137	773,717
		102,137	773,717
9 (b) Other financial assets			
Term deposits with a maturity greater than 3 months are recognised as other financial assets.			
Term Deposits		4,000,000	4,000,000
		4,000,000	4,000,000

10 Receivables

Receivables are amounts owed to Council at year end and are recognised at the amount due at the time of sale or service delivery or advance. Settlement of receivables is required within 30 days after the invoice is issued.

Receivables are measured at amortised cost which approximates fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts are written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

	2021 \$	2020 \$
Current		
Rates and charges	2,133,972	1,927,672
Grants	-	-
Other debtors	1,246,548	855,749
	3,380,520	2,783,421
<i>Less: Loss allowance</i>	(300,358)	(140,881)
	3,080,162	2,642,540

Council applies normal business credit protection procedures prior to providing goods or services to minimise credit risk.

There is a geographical concentration of risk in the Council's jurisdiction, and since the area is largely agricultural and timber, there is also a concentration in the agricultural and timber sector.

The council does not require collateral in respect of trade and other receivables.

Accounting policies - grouping

When NBRC has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment.

NBRC has identified 3 distinctive groupings of its receivables: Rates & charges, Grants and Other debtors.

Rates and charges: Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

10 Receivables (continued)

Grants: payable by State and Commonwealth governments and their agencies. A credit enhancement exists as these payments are effectively government guaranteed and both the state and Commonwealth governments have high credit ratings, accordingly NBRC determines the level of credit risk exposure to be immaterial and therefore does not record an Expected Credit Loss for these counterparties.

Other debtors: NBRC identifies other debtors as receivables which are not rates and charges; statutory charges; lease receivables; or grants.

The exposure to credit risk for receivables was as follows:

	2021 \$	2020 \$
Movement in accumulated impairment losses is as follows:		
Opening balance at 1 July	(140,881)	(107,135)
Less: Debts written off during the year	15,327	-
Additional impairments recognised	(174,804)	(33,746)
Closing balance at 30 June	(300,358)	(140,881)
Impairment loss relates to rates and charges receivables		

Expected credit loss assessment

The Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers, which comprise a very large number of small balances.

In NBRC's statements after reviewing macro economic conditions, NBRC reached the conclusion that forward looking conditions indicated no foreseeable expected deviations from historically calculated ratios, thus no forward looking adjustments were made.

Write offs throughout the year and End of Period Expected Credit Losses for Rates Receivables

All amounts that were written off during the reporting period and are no longer subject to enforcement activity.

Interest is charged on outstanding rates. No interest is charged on other debtors.

11 Inventories

Stores, raw materials and water held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads.

Inventories held for distribution are:

- goods to be supplied at nil or nominal charge and
- goods to be used for the provision of services at nil or nominal charge.

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

	2021 \$	2020 \$
Inventories held for distribution		
Quarry and road materials	77,831	83,838
Plant and equipment stores	403,995	406,827
	<u>481,826</u>	<u>490,665</u>
 Total inventories	 <u>481,826</u>	 <u>490,665</u>

12 Other assets

Water charges not yet levied	911,602	896,766
GST recoverable	2,344	785
Prepayments	553,839	525,152
	<u>1,467,785</u>	<u>1,422,703</u>

13 Property, plant and equipment (continued)

(a) Recognition

Purchases of property, plant and equipment are recognised as assets unless they are below the asset recognition threshold or maintenance expenditure.

Individual assets valued below the asset recognition threshold are recognised as an asset if connected to a larger network, for example the components of parks.

Land under roads and reserve land under the *Land Act 1994* or *Land Title Act 1994* is controlled by Queensland State Government and not recognised in the Council financial statements.

(b) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges are recognised as assets and revenue at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against asset revaluation surplus.

(c) Depreciation

Assets are depreciated from the date of acquisition or when an asset is ready for use.

Land, work in progress, certain cultural and heritage assets with heritage listing, road formations and formation work associated with the construction of dams, levee banks and reservoirs are not depreciated.

Land improvements have been recognised for quarry rehabilitation assets on Council owned land. These works relate to restoring this land to a usable condition.

Depreciation, where applicable, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

The useful life of leasehold improvements is the shorter of the useful life of the asset or the remaining life of the lease.

Where assets have separately identifiable components, these components have separately assigned useful lives.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions.

Key judgements and estimates:

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

(d) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, NBRC 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.

(e) Valuation

Key judgements and estimates:

Some of Council's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Council uses market-observable data to the extent it is available and other inputs as necessary.

13 Property, plant and equipment (continued)

(i) Valuation processes

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. Every 3-5 years, council performs a full comprehensive revaluation by engaging an external professionally qualified valuer.

In the intervening years, Council undertakes:

- A management valuation using internal engineers and asset managers to assess the condition and cost assumptions associated with all infrastructure assets and an appropriate cost index for the region.
- A "desktop" valuation for land and improvements, buildings and major plant asset classes which involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Revaluation increases are recognised in the asset revaluation surplus unless they are reversing a previous decrease which was taken through the income statement, in that case the increase is taken to the income statement to the extent of the previous decrease.

Revaluation decreases are recognised in the asset revaluation surplus, where there is sufficient amount available in the asset revaluation surplus relating to that asset class. Where there isn't sufficient amount available in the surplus, the decrease is recognised in the statement of comprehensive income.

Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the statement of comprehensive income.

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

Fair values are classified into three levels as follows:

- Level 1 - Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Fair value based on inputs that are directly or indirectly observable, such as prices for similar assets, for the asset or liability
- Level 3 Fair value based on unobservable inputs for the asset and liability

There were no transfers between levels during the year.

13 Property Plant & Equipment

30 June 2021

Basis of measurement

Fair value category

Asset values

Opening gross value as at 1 July 2020

Additions

Disposals

Revaluations adjustment to other comprehensive income
(asset revaluation surplus)

Transfers between classes

Closing gross value as at 30 June 2021

Land and Improvements	Landfill cells	Buildings	Plant & equipment	Road, drainage & bridge network	Water	Sewerage	Other infrastructure assets	Work in progress	Total
Fair Value	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Level 2	Level 2	Level 2 & 3		Level 3	Level 3	Level 3	Level 3		\$
\$	\$	\$	\$	\$	\$	\$	\$	\$	
13,229,612	5,586,314	66,813,640	29,245,089	1,087,006,667	63,851,108	50,306,493	52,215,915	1,721,650	1,369,976,488
125,000	-	212,457	1,143,960	6,777,797	1,036,699	901,074	1,273,730	3,028,447	14,499,164
(268,000)	-	(212,458)	(3,992,200)	(5,308,151)	(301,839)	(148,026)	(19,347)	171,480	(10,078,541)
-	-	2,968,510	-	19,125,716	1,879,452	1,485,833	(1,750,472)	-	23,709,039
-	(1,693,364)	4,567,451	-	11,387,764	-	-	(14,184,351)	(77,500)	-
13,086,612	3,892,950	74,349,600	26,396,849	1,118,989,793	66,465,420	52,545,374	37,535,475	4,844,077	1,398,106,150

Accumulated depreciation and impairment

Opening Balance as at 1 July 2020

Depreciation expense

Depreciation on disposals

Revaluation adjustment to asset revaluation surplus

Transfers between classes

Accumulated depreciation as at 30 June 2021

-	3,223,732	37,755,748	14,806,862	180,661,219	28,189,107	24,825,325	17,246,106	-	306,708,099
-	127,765	1,733,331	1,731,460	8,251,960	1,331,532	731,387	1,218,676	-	15,126,111
-	-	(111,846)	(2,764,770)	(1,945,214)	(162,019)	(65,573)	(15,478)	-	(5,064,900)
-	-	(2,673,102)	-	3,266,050	854,335	741,792	416,371	-	2,605,446
-	(779,014)	1,782,129	-	773,223	-	-	(1,776,338)	-	-
-	2,572,483	38,486,260	13,773,552	191,007,238	30,212,955	26,232,931	17,089,337	-	319,374,756

Carrying amount as at June 30 2021

13,086,612	1,320,467	35,863,340	12,623,297	927,982,555	36,252,465	26,312,443	20,446,138	4,844,077	1,078,731,394
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Range of estimated useful life in years

0 - Infinite	1 - 30	20 - 100	2 - 20	3 - 100	15 - 80	10 - 80	10 - 300	N/A	0
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*** Additions:**

Renewals

Other additions

Total additions

-	-	212,457	-	6,777,797	1,036,699	709,411	1,273,730	3,028,447	13,038,541
125,000	-	-	1,143,960	-	-	191,663	-	-	1,460,623
125,000	-	212,457	1,143,960	6,777,797	1,036,699	901,074	1,273,730	3,028,447	14,499,164

* Throughout the current financial period, council additions have been capitalised through WIP and subsequently transferred to appropriate asset class.

13 Property Plant & Equipment (continued)

30 June 2020														Total
Basis of measurement														
Fair value category														
Asset values														
Opening gross value as at 1 July 2019														
Additions														
Disposals														
Revaluations adjustment to other comprehensive income (asset revaluation surplus)														
Transfers between classes														
Closing gross value as at 30 June 2020														
Land	Fair Value	Landfill cells	Buildings	Plant & equipment	Road, drainage & bridge network	Water	Sewerage	Other infrastructure assets	Work in progress		Total			
									Cost	Cost				
Level 2	Level 2	Level 2	Level 2 & 3	Cost	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	\$			
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$			
13,396,200	5,268,470	66,840,870		29,000,982	1,080,718,090	44,832,805	45,886,983	49,693,593		5,653,117	1,341,291,110			
-	317,844	431,951		1,214,165	12,373,687	1,190,255	1,216,603	2,774,201		(3,892,221)	15,626,484			
(166,588)	-	(459,180)		(970,057)	(6,085,110)	(591,044)	(564,134)	(251,879)		(39,246)	(9,127,239)			
-	-	-	-	-	-	18,419,093	3,767,042	-	-	-	22,186,134			
-	-	-	-	-	-	-	-	-	-	-	-			
13,229,612	5,586,314	66,813,640		29,245,089	1,087,006,667	63,851,108	50,306,493	52,215,915		1,721,650	1,369,976,489			

Accumulated depreciation and impairment

Opening balance as at 1 July 2019	-	3,050,934	36,300,368	13,734,988	174,996,653	18,420,088	27,758,312	15,941,876	-	-	-	290,203,219
Depreciation expense	-	172,798	1,643,011	1,773,569	7,996,783	752,073	646,994	1,404,011	-	-	-	14,389,238
Depreciation on disposals	-	-	(187,631)	(701,695)	(2,332,217)	(310,944)	(362,250)	(99,781)	-	-	-	(3,994,519)
Revaluation adjustment to asset revaluation surplus	-	-	-	-	-	9,327,890	(3,217,731)	-	-	-	-	6,110,159
Transfers between classes	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 30 June 2020	-	3,223,732	37,755,748	14,806,862	180,661,219	28,189,107	24,825,325	17,246,105	-	-	-	306,708,098

Carrying amount as at June 30 2020

13,229,612	2,362,582	29,057,893	14,438,227	906,345,448	35,662,001	25,481,168	34,969,810	1,721,650	1,063,268,391
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Range of estimated useful life in years

N/A

Additions:

Renewals	-	317,844	431,951	202,323	6,896,133	1,190,255	1,216,603	2,774,201	(3,892,222)	9,137,088
Other additions	-	-	-	1,011,842	5,477,554	-	-	-	-	6,489,396
Total additions	-	317,844	431,951	1,214,165	12,373,687	1,190,255	1,216,603	2,774,201	(3,892,222)	15,626,484

13 Property, plant and equipment (continued)

(i) Valuation techniques used to derive fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Land and improvements (level 2)	Market value	30/06/2019	APV Valuers & Asset Management	Land fair values were determined by independent qualified valuer effective 30 June 2019. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.	Nil	There has been no change to the valuation during the reporting period.
Landfill cells (level 3)	Cost approach	30/06/2012	Belas and Reitan	Council's waste management facilities are located in Gayndah, Mundubbera, Biggenden, Eidsvold, and Monto. The waste management activities encompasses a landfilling operation as well as a wide range of waste disposal services, resource recovery services, recycled, and waste management educational activities. It has been recognised that there will be costs associated with the closure and post closure management of the landfill sites. Closure of the landfill will involve a wide range of activities including preparation of a landfill closure and management plan, final capping of the landfill waste and site re-vegetation, installation of a final landfill gas management system, revision of the surface water management system and leachate management infrastructure to suit post-closure operation, decommissioning and removing infrastructure and equipment that will not be required post-closure, and fencing sensitive infrastructure. The key unobservable inputs are the discount rate, cost escalation rate, actual timing of costs and future environmental management requirements. The rehabilitation estimates have been included as a provision for the future with a planned closure date of 2026 for current site at Mundubbera and 2021 for other sites. Waste landfill cells fair values were determined by Council engineers effective 30 June 2019. Current replacement cost was calculated by reference to landfill cell area and volume specifications, estimated labour and material inputs, services costs, and overhead allocations. Material and services costs were determined by reference to existing supplier contracts and labour costs by reference to Council's Enterprise Bargaining Agreement (EBA). Site improvements are depreciated over their useful life to the council. The useful life of cells and some other improvements extends until the site becomes available for another use, as they continue to provide benefits over this period (including the monitoring period) by facilitating the safe disposal of waste.	Discounted rate, Discount rates obtained from Indexed bond yield reported by the RBA (Table F16).	There has been no change to the valuation during the reporting period.
Buildings - non-specialised (level 2) 2021: \$ 2,869,840 2020: \$ 2,781,798	Market value	30/06/2021	AssetVal Pty Ltd	The fair value of buildings were also determined by an independent qualified valuer, AssetVal Pty Ltd effective 30 June 2021. Where there is a market for Council building assets, they are categorised as non-specialised buildings and fair value is derived from the sales prices of comparable properties after adjusting for differences in key attributes such as property size (level 2). The most significant inputs into this valuation approach were price per square metre.	Nil	Assets inspected 22-26 March 2021, and review of conditions, and estimated useful life completed.
Buildings - specialised (level 3) 2021: \$ 32,993,500 2020: \$ 26,276,095	Current replacement cost	30/06/2021	AssetVal Pty Ltd	The fair value of buildings were also determined by an independent qualified valuer, AssetVal Pty Ltd effective 30 June 2021. Where NBRC buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential including allowances for preliminaries and professional fees. The gross current values have been derived from reference to market data for recent projects and costing guides issued by the Australian Institute of Quantity Surveyors. Where a depth in market can be identified, the net current value of a building asset is the difference between the market value of the asset as a whole (including land) and the market value of the land component. Where there is no depth of market, the net current value of a building asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset. Recent construction data (observable), Rawlinson's cost data & cost data indices for different regions in Queensland (observable), building size, material, type and structure to derive the unit rate (unobservable), Condition assessment (unobservable), Useful life and remaining useful life (unobservable), Restrictions associated with each site (unobservable), valuer's professional judgement (unobservable).	Rawlinson's Construction Handbook.	Assets inspected 22-26 March 2021, and review of conditions, and estimated useful life completed.

(ii) Valuation techniques used to derive fair values (.../ continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Roads, drainage and bridge network (level 3)	Current replacement cost	30/06/2018	AssetVal Pty Ltd	<p>Roads: NBRC categorises its road infrastructure into urban and rural roads and the further sub-categorises these into sealed and unsealed roads. Urban and rural roads are managed in segments via classification component of asset and hierarchy. All road segments are then componentised into formation, pavement and seal (where applicable). NBRC assumes that environmental factors such as soil type, climate and topography are consistent across each segment. NBRC also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Current replacement cost was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and the last full valuation of road infrastructure was undertaken effective 30 June 2018 by AssetVal Pty Ltd. A full valuation of sealed roads and associated infrastructure is planned in 2022. In determining the level of physical obsolescence, roads were disaggregated into significant components which exhibited different useful lives.</p> <p>Drainage infrastructure: A full valuation of drainage infrastructure was undertaken by independent valuers AssetVal Pty Ltd effective 30 June 2018. Consistent with roads, NBRC assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Where drainage assets are located underground and physical inspection is not possible, the age, size and type of construction material, together with current and planned maintenance records are used to determine the fair value at reporting date. Construction estimates were determined on a similar basis to sewerage. In determining the level of physical obsolescence, drainage assets were disaggregated into significant components which exhibited different useful lives.</p> <p>Estimates of expired service potential and remaining useful lives were determined on a straight line basis based on industry standard practices and past experience supported by maintenance programs.</p> <p>Bridges: A full valuation of bridges assets was undertaken by independent valuers AssetVal Pty Ltd effective 30 June 2018. Each bridge is assessed individually, with the valuation varying according to the material type used for construction, the deck area, condition and size. Construction estimates were determined on a similar basis to roads. In determining the level of physical obsolescence, remaining useful lives were calculated based on condition assessments.</p>	<p>The desktop indexation assessments are based on Australian Bureau of Statistics Catalogues 6427.0 Producer Price Indexes, Australia. Table 17, Index Number 3101, 'Roads and Bridge Construction Queensland'. The estimated index from June 2018 to June 2021 was 1.74%.</p>	<p>There has been no change to the valuation approach during the reporting period.</p>

(ii) Valuation techniques used to derive fair values (.... / continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other interim revaluation adjustment
Water (level 3)	Current replacement cost	30/06/2020	Australis Asset Advisory Group	Assets within this class comprise bores, dams, pipelines & trunk mains, pumping stations, reservoirs, and water treatment plants. Valuations were completed by Australis Asset Advisory Group in June 2020 in accordance with "Fair Valuations" principles. These principles lead to valuations being made on the basis of a depreciated replacement cost. Current replacement cost was calculated based on expected replacement costs. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life. Water assets have been assessed utilising valuation techniques that maximise the use of observable data where possible. Typically, the methodology applied will be determined based on the AASB13 input decision tree. Standard valuation principles dictate that a cost approach method (generally incremental Greenfield) is a suitable primary methodology when assessing infrastructure that has no active market nor has directly applicable income. In determining physical obsolescence, assets were either subject to a site inspection or an assessment to determine remaining useful life. The useful life for asset components under the cost approach was varied based on the asset type (i.e. pumps or pipework), and component type (i.e. concrete, steel and timber). These useful lives were measured in combination with NBRC's existing asset management process, and through collaboration with NBRC representatives as well as observing the pattern of service potential exhibited for equivalent assets within the geographical area (climate, usage, public expectations etc.). Inputs were reviewed by Council for appropriateness and alignment with asset management policies.	The desktop indexation assessments are based on Australian Bureau of Statistics Catalogues 6427.0 Producer Price Indexes, Australia. Table 17, Index Number 30, 'Buildings Construction Queensland'. The estimated index from June 2020 to June 2021 was 2.91%.	There has been no change to the valuation process during the reporting period.
Sewerage (level 3)	Current replacement cost	30/06/2020	Australis Asset Advisory Group	Assets within this class comprise sewer mains, sewage pumping stations, and sewage treatment plants. Valuations were completed by Australis Asset Advisory Group in June 2020 in accordance with "Fair Valuations" principles. These principles lead to valuations being made on the basis of a depreciated replacement cost. Current replacement cost was calculated based on expected replacement costs. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life. Sewerage assets have been assessed utilising valuation techniques that maximise the use of observable data where possible. Typically, the methodology applied will be determined based on the AASB13 input decision tree. Standard valuation principles dictate that a cost approach method (generally incremental Greenfield) is a suitable primary methodology when assessing infrastructure that has no active market nor has directly applicable income. In determining physical obsolescence, assets were either subject to a site inspection or an assessment to determine remaining useful life. The useful life for asset components under the cost approach was varied based on the asset type (i.e. pumps or pipework), and component type (i.e. concrete, steel and timber). These useful lives were measured in combination with NBRC's existing asset management process, and through collaboration with NBRC representatives as well as observing the pattern of service potential exhibited for equivalent assets within the geographical area (climate, usage, public expectations etc.). Inputs were reviewed by Council for appropriateness and alignment with asset management policies.	The desktop indexation assessments are based on Australian Bureau of Statistics Catalogues 6427.0 Producer Price Indexes, Australia. Table 17, Index Number 30, 'Buildings Construction Queensland'. The estimated index from June 2020 to June 2021 was 2.91%.	There has been no change to the valuation process during the reporting period.
Other infrastructure assets (level 3)	Current replacement cost	30/06/2021	AssetVal	Assets within this class comprise tennis courts, cricket nets, synthetic surfaces, BBQ's, swimming pools, regional sporting facilities, park and gardens and playgrounds. The fair value of other infrastructure assets were also determined by an independent qualified valuer, AssetVal Pty Ltd effective 30 June 2021. While some elements of current replacement values could be supported from market evidence (Level 2 input), other inputs such as estimates of pattern of consumption, asset condition and useful life required extensive professional judgement and impacted significantly on the final determination of fair value.	Rawlinson's Construction Handbook.	Assets inspected 22-26 March 2021, and review of conditions, and estimated useful life completed.

13 Property, plant and equipment (continued)

(iii) Changes in fair value measurements using significant unobservable inputs (level 3)

2021: NBRC's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. During the year there were no transfers in or out of the level 3 fair value hierarchy.

14 Contract balances

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that council has invoiced the customer or the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

	2021 \$	2020 \$
a Contract assets	1,525,851	1,912,159
b Contract liabilities		
Funds received upfront to construct Council controlled assets	799,251	767,399
Non-capital performance obligations not yet satisfied	692,278	1,766,984
	<u>1,491,529</u>	<u>2,534,383</u>

Revenue recognised that was included in the contract liability balance at the beginning of the year

	2021 \$	2020 \$
Funds received in advance to construct NBRC controlled assets	985,242	919,750
	<u>985,242</u>	<u>919,750</u>

c Significant changes in contract balances

2021: Significant changes in contract balances relates to the completion of the Percy Hindmarch Bridge replacement with an outstanding liability as at 30 June 2020 of \$1,454,047. Included in contract balances as at 30 June 2021 include funds received for bridge renewal of Aranbanga Creek Bridge of \$535,300.

15 Payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30-day terms.

	2021 \$	2020 \$
Current		
Creditors	1,815,642	4,008,830
Prepaid Rates	868,509	731,954
Accrued wages and salaries	50,917	-
Accrued expenses	188,381	99,691
Other creditors	56,227	63,035
	<u>2,979,676</u>	<u>4,903,510</u>

16 Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost.

Principal and interest repayments are made quarterly in arrears.

All borrowings are in \$A denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 June 2022 to 16 June 2036. There have been no defaults or breaches of the loan agreement during the period.

Council adopts an annual debt policy that sets out council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. NBRC also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

	2021 \$	2020 \$
Current		
Loans – Queensland Treasury Corporation	254,587	246,143
	<u>254,587</u>	<u>246,143</u>
Non-current		
Loans – Queensland Treasury Corporation	1,824,690	2,079,616
	<u>1,824,690</u>	<u>2,079,616</u>
Loans – Queensland Treasury Corporation		
Opening Balance at beginning of financial year	2,325,759	2,988,108
Loans Raised	-	-
Principal Repayments	(246,482)	(662,349)
Book value at end of financial year	<u>2,079,277</u>	<u>2,325,759</u>
Future contractual cash flows		
0 to 1 year	330,537	330,537
1 to 5 years	897,287	1,003,502
Over 5 years	1,344,063	1,568,384
Contractual cash flows	<u>2,571,887</u>	<u>2,902,423</u>
Carrying amount	<u>2,079,277</u>	<u>2,325,759</u>
Fair Value	<u>2,318,868</u>	<u>2,645,253</u>

The QTC loan market value at the reporting date was \$2,318,868 (2020: \$2,645,253). This represents the fair value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by NBRC for any liabilities, however all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2021 or 2020 financial years.

17 Provisions

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

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs and are discounted to present values.

Long Service Leave

The provision for long service leave represents 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 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 NBRC'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 provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Refuse dump restoration and quarry rehabilitation

A provision is made for the cost of restoring refuse dumps and quarries where it is probable the council will have an obligation to rehabilitate the site when the use of the facilities is complete.

The calculation of the provisions use assumptions including application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. The provisions are reviewed at least annually and updated based on the facts and circumstances available at the time.

The calculation of the provisions use assumptions including engineering survey estimates of affected areas, and unit rates to rehabilitate the land based on management cost estimates, which are subject to significant uncertainty. These uncertainties may also result in future actual expenditure differing from amounts currently provided. The areas will be reviewed and updated as surveys are completed. NBRC will review affected areas and obligations during 2021-22.

- Landfill (refuse dumps) - the last survey was completed in 2013;
- Quarry - no surveys have been completed.

Refuse restoration provision represents the present value of anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites.

Where refuse dumps are on state land which the Council does not control, the provision for restoration is treated as a capital expense in the year the provision is first recognised. Changes in the provision are treated as an expense or income.

Quarry rehabilitation provision represents the present value of the anticipated future costs associated with the closure of the quarries, refilling the basin, and reclamation and rehabilitation of these sites.

Rehabilitation costs for quarries which are situated on council controlled land are capitalised as land and improvement assets. The rehabilitation asset is then depreciated expected useful life of the quarry. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land and improvements. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

Council has recognised the liability for rehabilitation of quarries in 2020-21. This provision for rehabilitation acknowledges the agreements in place with respective landowners, and government agencies. Council maintains a register of quarry sites, and estimates to date have been based on internal management engineering estimates as to the area and cost of rehabilitation. Management has engaged consultants in 2021-22 to support surveyed areas, and provide current scope of works to restore sites due for rehabilitation. These uncertainties in estimation may also result in future actual expenditure differing significantly from amounts currently provided. The areas will be reviewed and updated as surveys are completed. NBRC will review affected areas and obligations during 2021-22.

North Burnett Regional Council
Notes to the Financial Statements
For the year ended 30 June 2021

17 Provisions (continued)	Note	Current		Non-current	
		2021 \$	2020 \$	2021 \$	2020 \$
Annual leave		1,311,247	1,333,845	-	-
Long service leave		1,966,652	1,757,202	207,833	65,922
Quarry rehabilitation		305,400	-	621,622	-
Landfill rehabilitation		711,460	30,092	12,223,221	10,871,016
		4,294,759	3,121,139	13,052,676	10,936,938

Movements in non-employee provisions:	2021	2020
	\$	\$
Landfill rehabilitation		
Balance at beginning of financial year	10,901,108	7,831,395
Increase due to unwinding of discount	204,237	135,322
Additional Provisions	2,745,348	8,296,149
Amounts used	(7,733)	-
Increase/(decrease) due to changes in discount rates	(908,279)	(5,361,758)
Balance at end of financial year	12,934,681	10,901,108

This is the present value of the estimated cost of restoring the refuse site to a useable state at the end of their useful life. The end of useful life for respective landfill sites is estimated to be as follows: Gayndah 2026, Biggenden 2025, Eidsvold 2031, Mt. Perry 2022, and Mundubbera Existing Site 2050.

	2021	2020
	\$	\$
Quarry rehabilitation		
Balance at beginning of financial year	-	-
Additional provisions	927,022	-
Balance at end of financial year	927,022	-

This is the present value of the estimated cost of restoring council's various gravel quarry site to a useable state at the end of its useful life which is expected to be 2024.

	2021	2020
	\$	\$
18 Other liabilities		
Monto history & cultural centre	745	561
Mundubbera art gallery	7,233	6,701
Narayan research station *	-	766,455
Bond monies payable	94,159	-
	102,137	773,717

* Council resigned from trustee for reserve for strategic land management and environmental purposes being lot 1 on plan WK 184 for Narayan research station. This was settled on 18th March 2021 for an amount of \$756,943 (GST Exempt).

19 Asset revaluation surplus

The asset revaluation surplus comprises revaluation movements on property, plant and equipment. Increases and decreases on revaluation are offset within a class of assets.

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

		2021	2020
		\$	\$
Land and improvements		1,812,811	1,812,811
Buildings		13,507,987	7,866,375
Road, drainage and bridge network		297,309,374	281,449,708
Water		10,170,065	9,144,948
Sewerage		17,340,586	16,596,545
Other infrastructure assets		4,993,035	7,159,878
		345,133,858	324,030,265
Increase/(decrease) in asset revaluation surplus			
Buildings	13	5,641,612	-
Road, drainage and bridge network	13	15,859,666	-
Other infrastructure	13	(2,166,843)	-
Water	13	1,025,117	9,091,203
Sewerage	13	744,041	6,984,772
		21,103,593	16,075,975

20 Commitments for expenditure

Contractual commitments

Contractual commitments at the end of the financial year not recognised in the financial statements are as follows:

Swimming pools	171,596	370,188
Caravan parks	917,770	950,273
Cleaning contracts	161,736	152,032
Waste facility contracts	1,191,655	1,075,807
	2,442,757	2,548,300

Capital commitments

Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:

Property Plant and Equipment

Plant & Equipment	1,083,162	-
Road, drainage and bridge network	308,615	449,927
Water	448,699	170,840
Sewerage	20,412	11,663
Other	128,866	82,853
	1,989,754	715,282

These expenditures are payable as follows:

Within one year	3,823,153	2,893,267
One to five years	335,158	538,255
Later than five years	274,200	274,200
Total Commitments	4,432,511	3,705,722

21 Contingent liabilities

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

Local government mutual

NBRC 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 2021 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local government workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme NBRC has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there were 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. NBRC's maximum exposure to the bank guarantee is \$361,269 (2020: \$382,331).

Bank guarantee

A performance bond is currently held with Queensland Treasury Corporation for NBRC's contract with Translink for the provision of the Long Distance Coach (LDC) service. The value of this guarantee is \$220,000 (2020: \$220,000).

22 Superannuation

Regional defined benefit fund

NBRC contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIASuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the Local Government Act 2009.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate obligations, but has not been recognised as an asset or liability of the Council.

NBRC may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However, the risk of this occurring is extremely low and in accordance with the LGIASuper trust deed changes to Council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measures of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. NBRC is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2021.

The most significant risks that may result in LGIA super increasing the contribution rate, on the advice of the actuary, are:

Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

22 Superannuation (continued)

	Note	2021 \$	2020 \$
Superannuation contributions made to the Regional Defined Benefits Fund		73,395	100,678
Other superannuation contributions for employees		1,478,991	1,449,263
Total superannuation contributions paid by NBRC for employees:	5	1,552,386	1,549,941

23 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

Net result		(8,707,997)	(6,894,570)
Non-cash items:			
Depreciation and amortisation	13	15,126,111	14,389,238
Impairment of receivables		174,804	33,757
		15,300,915	14,422,995
Investing and development activities (non-cash):			
Net loss on disposal of non-current assets	8	3,688,991	4,525,673
Provision for landfill & quarries restoration	8	2,639,091	3,048,507
Capital grants, subsidies, contributions and donations	3(d)	(8,995,534)	(6,514,065)
		(2,667,452)	1,060,115
Changes in operating assets and liabilities:			
(Increase)/ decrease in receivables		(612,425)	(160,620)
(Increase)/ decrease in other assets		(45,079)	-
(Increase)/decrease in inventory		8,839	6,134
Increase/(decrease) in payables		(1,930,555)	387,245
Increase/(decrease) in contract liabilities		41,753	761,062
Increase/(decrease) in other liabilities		(667,580)	(198,334)
Increase/(decrease) in provisions		525,267	(560,438)
		(2,679,780)	235,049
Net cash inflow from operating activities		1,245,686	8,823,589

24 Reconciliation of liabilities arising from financing activities

2021	As at 30 June 2020 \$	Cash flows \$	As at 30 June 2021 \$
Borrowings	2,325,759	(246,482)	2,079,277
	2,325,759	(246,482)	2,079,277
2020	As at 30 June 2019 \$	Cash flows \$	As at 30 June 2020 \$
Borrowings	2,988,108	(662,349)	2,325,759
	2,988,108	(662,349)	2,325,759

25 Events after the reporting period

There were no material adjusting or disclosure (non-adjusting) events after balance date.

26 Financial instruments and financial risk management

(a) Financial assets and financial liabilities

NBRC has exposure to the following financial assets and liabilities:

- Cash
- Receivables
- Payables
- Borrowings

NBRC has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

Risk management framework

NBRC is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

NBRC disabled its audit & risk committee on 25 November 2020 (resolution 2020/142).

Council approves policies for overall risk management, as well as specifically for managing credit liquidity and market risk.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. NBRC aims to manage volatility to minimise potential adverse effects on the financial performance of the council.

Council oversees how management monitors compliance with the council's risk management policies and procedures, and reviews the adequacy of the risk management's framework in relation to the risks faced by the council.

Council is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to Council.

NBRC does not enter into derivatives.

26 Financial Instruments (continued)

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the council's investments and receivables.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar State / Commonwealth bodies or financial institutions in Australia, in line with the requirements of the Statutory Bodies Financial Arrangements Act 1982.

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

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the NBRC.

Liquidity risk

Liquidity risk is the risk that NBRC will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

NBRC's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Exposure to liquidity risk

NBRC is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

The council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows.

NBRC does not have any overdraft facility as at reporting date.

The following table sets out the liquidity risk in relation to financial liabilities held by the Council. It represents the remaining contractual cash flows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	0 to 1 year	1 to 5 years	Over 5 years	Contractual Cash Flows	Carrying Amount
	\$	\$	\$	\$	\$
2021					
Trade and other payables	2,979,676	-	-	2,979,676	2,979,676
Loans – QTC	330,537	897,287	1,344,063	2,571,887	2,079,277
	3,310,213	897,287	1,344,063	5,551,563	5,058,953
2020					
Trade and other payables	4,903,510	-	-	4,903,510	4,903,510
Loans – QTC	330,537	1,003,502	1,568,384	2,902,423	2,325,758
	5,234,047	1,003,502	1,568,384	7,805,933	7,229,268

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

26 Financial Instruments (continued)

Market risk

Market risk is the risk that changes in market indices, such as interest rates, will affect the Council's income or the value of its holdings of financial instruments.

Interest Rate Risk

NBRC is exposed to interest rate risk through investments and borrowings with QTC.

The Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying amount	Effect on Net Result		Effect on Equity	
		1% increase	1% decrease	1% increase	1% decrease
	\$	\$	\$	\$	\$
2021					
QTC cash fund	20,533,369	205,334	(205,334)	205,334	(205,334)
Other investments	4,000,000	40,000	(40,000)	40,000	(40,000)
Net total	24,533,369	245,334	(245,334)	245,334	(245,334)
2020					
QTC cash fund	25,237,782	252,378	(252,378)	252,378	(252,378)
Other investments	4,000,000	40,000	(40,000)	40,000	(40,000)
Net total	29,237,782	292,378	(292,378)	292,378	(292,378)

*QTC Fixed Rate Loan - financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

(b) Fair value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	2021		2020	
Note	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Financial assets	20,533,369	20,533,369	25,237,782	25,237,782
QTC cash fund	4,000,000	4,000,000	4,000,000	4,000,000
Other investments	24,533,369	24,533,369	29,237,782	29,237,782
Financial liabilities				
Loans - QTC	2,079,277	2,318,868	2,325,759	2,645,253
Loans - Other	-	-	-	-
	2,079,277	2,318,868	2,325,759	2,645,253

Measurement of fair value

The valuation technique used in measuring financial liabilities is discounted cash flows. This valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate

North Burnett Regional Council
Notes to the Financial Statements
For the year ended 30 June 2021

27 Transactions with related parties
(a) Subsidiaries

NBRC is a joint member of the Wide Bay Burnett Regional Organisation of Councils (WBBROC) Incorporated.

WBBROC represents the interests of all councils within the Wide Bay Burnett region. WBBROC lobbies Federal and State Governments on behalf of members Councils on matters of common interest and is often the point of contact for other levels of Government seeking the views of Councils on a broad range of issues.

WBBROC other member Councils are Bundaberg Regional Council, Cherbourg Aboriginal Shire Council, Fraser Coast Regional Council, Gympie Regional Council and South Burnett Regional Council.

	2021 \$	2020 \$
The following transactions occurred with WBBROC:		
NBRC membership contributions	5,280	28,634
WBBROC is dependent on contributions from member Councils.		

(b) Transactions with key management personnel (KMP)

KMP include the Mayor, councillors, NBRC's Chief Executive Officer and some executive management.

The compensation paid to KMP comprises:

	2021 \$	2020 \$
Short-term employee benefits	1,262,221	1,479,109
Post-employment benefits	118,583	130,236
Long-term benefits	27,330	30,436
Termination benefits	-	59,431
Total	1,408,134	1,699,211

Detailed remuneration disclosures are provided in the annual report.

(c) Transactions with other related parties

Other related parties include the close family members of KMP, and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

Details of transactions between NBRC and other related parties are disclosed below:

Details of transactions	Additional information	2021	2020
		\$	\$
Fees and charges charged to entities controlled by key management personnel	27(c)(i)	1,168	1,256
Infrastructure contributions from entities controlled by key management personnel	27(c)(i)	-	2,310
Employee expenses for close family members of key management personnel	27(c)(ii)	257,802	236,539
Purchase of materials and services from entities controlled by key management personnel	27(c)(iii)	496,724	177,789
Key management personnel services provided by a related entity	27(c)(iv)	-	673,905

27 Transactions with related parties (continued)

(i) The fees and charges charged to entities controlled by key management personnel were on an arm's length basis in accordance with the schedule of fees and charges adopted by NBRC. The total disclosed includes the following:

Fees and charges charged to entities controlled by key management personnel	Details of related party	2021 \$
Infrastructure charge	Payment of Plumbing fees as per fees and charges	970
Other Fees & Charges	Private works - grading private access	198

(ii) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform.

(iii) The entity purchased the following material and services from entities that are controlled by members of key management personnel. All purchases were at arm's length and were in the normal course of NBRC operations.

- | | | |
|---------------------|-------------------------|------------|
| - Cleaning Supplies | - Floral Tributes | - Hardware |
| - Refreshments | - Promotional Materials | - Uniforms |

(d) Outstanding balances

There were no overdue outstanding balances relating to transactions with related parties.

(e) Loans and guarantees to/from related parties

NBRC does not make loans to or receive loans from related parties. No guarantees have been provided.

(f) Commitments to/from other related parties

Council has no outstanding commitments to/from other related parties.

(g) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of NBRC live and operate within the North Burnett Region. Therefore, on a regular basis ordinary citizen transactions occur between NBRC and its related parties. Some examples include:

- Payment of rates
- Dog registration
- Borrowing books from a council library
- Waste Management Charges
- Facility Hire

NBRC has not included these types of transaction in its related party disclosure, where they are made on the same terms and conditions available to the general public.

Management Certificate
For the year ended 30 June 2021

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 2 to 35, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



Mayor

Rachel Chambers

Date: 6th December 2021



Chief Executive Officer

Rachel Cooper

Date: 6th December 2021

AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To the councillors of North Burnett Regional Council

Report on the audit of the financial report

Opinion

I have audited the financial report of North Burnett Regional Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2021, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in North Burnett Regional Council's annual report for the year ended 30 June 2021 was the current year financial sustainability statement, long-term financial sustainability statement, and the annual report itself.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's transactions and account balances to enable the preparation of a true and fair financial report.



Michael Claydon
as delegate of the Auditor-General

6 December 2021

Queensland Audit Office
Brisbane

North Burnett Regional Council
Current Year Financial Sustainability Statement
For the year ended 30 June 2021

Measures of Financial Sustainability	Measure	Actuals at 30 June 2021	Target
Council's performance at 30 June 2021 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-31.80%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	97.34%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-26.17%	not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2021.

Certificate of Accuracy
For the year ended 30 June 2021

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.

Mayor

Rachel Chambers

Date: 6th December 2021

Chief Executive Officer

Rachel Cooper

Date: 6th December 2021

INDEPENDENT AUDITOR'S REPORT

To the councillors of North Burnett Regional Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of North Burnett Regional Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of North Burnett Regional Council for the year ended 30 June 2021 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current-year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in North Burnett Regional Council's annual report for the year ended 30 June 2021 was the general purpose financial statements, long-term financial sustainability statement, and the annual report itself.

The councillors are responsible for the other information.

My opinion on the current-year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current-year financial sustainability statement

The councillors are responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors' responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current-year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current-year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Michael Claydon
as delegate of the Auditor-General

6 December 2021



Queensland Audit Office
Brisbane

North Burnett Regional Council
Unaudited Long-Term Financial Sustainability Statement
For the year ended 30 June 2021.

Measures of Financial Sustainability			Actuals at		Projected for the years ended									
Measure	Target	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030			
Operating surplus ratio	Between 0% and 10%	-31.80%	-14.30%	-4.10%	-1.30%	0.80%	1.00%	1.60%	2.30%	2.90%	3.50%			
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense greater than 90%	97.34%	95.00%	92.00%	93.00%	91.00%	92.00%	90.00%	91.00%	91.00%	93.00%			
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue not greater than 60%	-26.17%	-13.90%	-13.80%	-14.60%	-18.30%	-26.00%	-36.60%	-47.30%	-58.10%	-66.00%			

North Burnett Regional Council's Financial Management Strategy

NBRC measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. NBRC ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

<p>Certificate of Accuracy</p> <p>For the long term sustainability statement prepared as at 30 June 2021</p> <p>This long-term financial sustainability statement has been prepared pursuant to Section 178 of the <i>Local Government Regulation 2012</i> (the Regulation).</p> <p>In accordance with Section 212(5) of the regulation we clarify that this long-term financial sustainability statement has been accurately calculated.</p>	
 <p>Mayor Rachel Chambers Date: 6th December 2021</p>	 <p>Chief Executive Officer Rachel Cooper Date: 6th December 2021</p>



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REGIONAL COUNCIL



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