



# Balonne Shire Council

*Annual Report*  
*2003-2004*



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## **From our Mayor Cr. Robert Buchan**



This is my first report as Mayor, having been elected at the March 2004 election.

The year started with the drought still hanging on. Very modest wheat and cotton crops meant the economy was in a low swing. Although the grazing industry has had a difficult time with fodder shortages, it has been helped by a good price for cattle, sheep and wool. Our Shire is greatly helped by the extensive small crop and grape industries as well as the kangaroo trade. These businesses result in revenue being returned to the local traders which keeps our economy going.

Tourism is a growing part of the economy of this Shire. Each of us can foster this industry by making visitors feel welcome, meaning they are more likely to return, and, as well, they will tell their friends about our region.

At most conferences and workshops which I have attended this year, the words, "asset management" are often heard. This, I believe simply explained, is that we cannot afford new assets unless we can adequately look after and maintain what we already have. The result of this is that sometimes we are unable to have all we want because this may be unaffordable. This should be no different to an individual looking after their own household or business finances. Your Council still has a problem with unfunded depreciation and is endeavouring to reduce it.

The rain early in 2004 should hopefully result in a reasonable winter crop for many of our farmers and, with the water harvested, a large cotton crop is assured for 2005. The rains have ensured that the Council maintenance crews have a large work load ahead repairing roads damaged by the flooding.

I believe that your Council is being responsible with its borrowing programme. If only our precept charges, (eg dingo barrier fence) could be a bit fairer it would help our bottom line.

In closing, I would like to thank all the Councillors who are serving on Council with me. I would also like to thank and acknowledge the service of former Mayor, John Stone and former Councillors John Barrett, Bill Turnock and Robin Goddard who between them have more than fifty years of service to your Council.

A special thanks to the Chief Executive Officer, Mr Lee Vohland, Senior Management, suppliers of Engineering Services, Brandon and Associates, as well as the inside and outside staff for their dedication and contribution throughout the year.

By harmoniously working together, we can only improve this great Shire of Balonne.

R.E. Buchan,  
**MAYOR**

## **Key Contacts**

**Postal Address:** Balonne Shire Council  
PO Box 201,  
St. George 4487  
**(All correspondence to be addressed to the  
Chief Executive Officer)**

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

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

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

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

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

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

## Shire Profile

### Statistics

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

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

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

Land Area	31,130 square kilometres
Length of Roads	2,429 kilometres
Resident Population	5,564 (2001 Census)
No. of Properties	2,696
No. of Rateable Properties	2,234
Valuation	\$170,521,670
Water Connections	1,555
Sewerage Connections	1,281
Rate / Utility Charge Revenue	\$4.7 million
Nett Operating Revenue	\$10.6 million
Nett Operating Expenditure	\$11.1 million
Council Bank	Westpac
Auditor	Phillip Fitzgerald, Brisbane

## Council Meetings

General Meeting	3 <sup>rd</sup> Friday of each Month
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Council meets at the Council Chambers which are located in the Administration Office, St. George. One meeting each year is usually held in another town within the Shire, with the town being selected on a rotational basis.

General Meetings commence at 9.00am.



## Elected Council



**Cr. John Stone**  
**MAYOR**  
(to 27<sup>th</sup> March, 2004)



**Cr. Robert Buchan**  
**MAYOR**  
(from 27<sup>th</sup> March, 2004)  
18 Cutler Court  
St. George Q 4487  
Ph 4625 5960 (h) Fax 4625 3620



**Cr. John Barrett**  
**DEPUTY MAYOR**  
(to 27<sup>th</sup> March, 2004)



**Cr. Richard Knights**  
**DEPUTY MAYOR**  
(from 27<sup>th</sup> March, 2004)  
"Acme Downs"  
Bollon Q 4488  
Ph 4625 7367 (h) Fax 4625 7336



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



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



**Cr. Robin Goddard**  
(to 18<sup>th</sup> November, 2003)



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

For the People  
**Ralonne**  
Shire Council  
Annual Report 2003 - 2004



**Cr. David Hill**  
(to 27<sup>th</sup> March, 2004)



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



**Cr. Bill Turnock**  
(to 27<sup>th</sup> March, 2004)



**Cr. Ross Wicks**  
PO Box 67  
Dirranbandi Q 4486  
Ph 4625 8181 (h) Fax 4625 8301



**Cr. Rodney Beeson**  
(from 27<sup>th</sup> March, 2004)  
PO Box 135  
St. George Q 4487  
Ph 4625 3431 (h) Fax 4625 3304



**Cr. John Kennedy**  
(from 27<sup>th</sup> March, 2004)  
"Moombah"  
Teelba Road  
St. George Q 4487  
Ph 4669 5115 (h) Fax 4669 5174



**Cr. Peter Powne**  
(from 27<sup>th</sup> March, 2004)  
PO Box 29  
Bollon Q 4488  
Ph 4625 6197 (h) Fax 4625 6197

## **Council's Mission**

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

## Councillor's Remuneration

In accordance with Section 534(g) of the Local Government Act, 1994 the Council must disclose the total remuneration paid or provided by it to each of its Councillors during the year and the total superannuation paid in respect of each Councillor. The remuneration paid to the Mayor and Councillors during the 2003/04 financial year is detailed in the following table:-

Councillor	General Meetings Eligible for Attendance	General Meetings Attended	Meeting Fees	Travel & Out of Pocket Expenses	Mayoral & Deputy Mayoral Allowance	Councillors Allowance	Communication Allowance
Cr JR Stone	9	9	4,422.00	925.50	15,000.00	-	680.00
Cr JW Barrett	9	8	3,630.00	650.00	5,000.00	-	680.00
Cr RE Buchan	3	3	1,584.00	200.00	3,750.00	-	137.50
Cr MD Hetherington	12	12	4,230.00	2,405.00	-	2,667.10	550.00
Cr RG Fuhrmeister	12	12	9,000.00	875.00	-	2,500.00	825.00
Cr DHW Hill	9	7	1,530.00	714.70	-	2,000.00	680.00
Cr RW Marsh	12	11	2,880.00	100.00	-	2,500.00	825.00
Cr RM Wicks	12	10	5,430.00	3,025.60	-	2,500.00	825.00
Cr HR Goddard	5	4	1,590.00	250.00	-	1,266.30	485.70
Cr RG Connolly	12	11	4,410.00	798.10	-	2,500.00	825.00
Cr WH Turnock	9	8	1,560.00	50.00	-	2,000.00	680.00
Cr PA Powne	3	3	1,200.00	656.40	-	461.50	126.90
Cr JB Kennedy	3	3	1,050.00	634.60	-	461.50	126.90
Cr RC Beeson	3	3	1,440.00	200.00	-	461.50	126.90
Cr RT Knights	6	6	2,250.00	2,415.30	1,760.99	-	275.00
<b>TOTAL</b>			<b>\$46,206.00</b>	<b>\$13,900.20</b>	<b>\$25,510.99</b>	<b>\$19,317.90</b>	<b>\$7,848.90</b>

Superannuation – Nil.

Refer also to **Appendix 4** for details of the Councillors Remuneration Package for the 2003/04 financial year.



## **From our Chief Executive Officer**

2003/04 saw the end of a year of celebrations of the Centenary of the constitution of the Balonne Shire. Fittingly, the celebrations concluded with a reunion of former Staff on the weekend of 15<sup>th</sup> and 16<sup>th</sup> November, 2003. It was particularly pleasing to see so many people make the effort to attend the various functions, to relive their time with the Council, to catch up with current and former staff and to enjoy the hospitality of the Shire they played a significant part in developing. The support of the Mayor and Councillors for this event was appreciated.

This Annual Report is an opportunity for current staff to report to the community on their achievements and initiatives, successes and failures during the 2003/04 year as measured against the stated goals and strategies contained in the Council's Corporate Plan.

The Council remains in a sound financial position as detailed in the Audited Financial Statements (Appendix 2) and in the Community Financial Report (Appendix 2A), and indications are that further revenue in the form of Federal Financial Assistance Grants (FAG's) and the second round of the Federal Roads to Recovery Program (R2R2) will be available in the near future. It is pleasing to note that Council's share of FAG's will increase in real terms (by over \$600,000) over the next 4 years due to the finalisation of a review of the outdated and biased grant methodology. Whilst this new money will be welcome, it raises the question of how much the Council should have been receiving in the past if the much needed review had been undertaken sooner.

The R2R program has been a most welcome source of funding for transport infrastructure renovation and replacement with an average of \$700,000 per year being received over a 4 year period. The second round of funding, which should be similar to the first, will improve the Council's ability to fund the replacement of it's ageing assets but it is still not enough. As the Mayor mentioned in his message earlier in this Report, the Council is not fully able to fund the depreciation of it's assets (ie assets are wearing out at a rate faster than the Council can replace them). As such, difficult decisions need to be made. For example, the Council may at times need to decide between the replacement of an existing asset and the construction of a new asset. It may also need to decide which assets when fully worn out are not to be replaced.

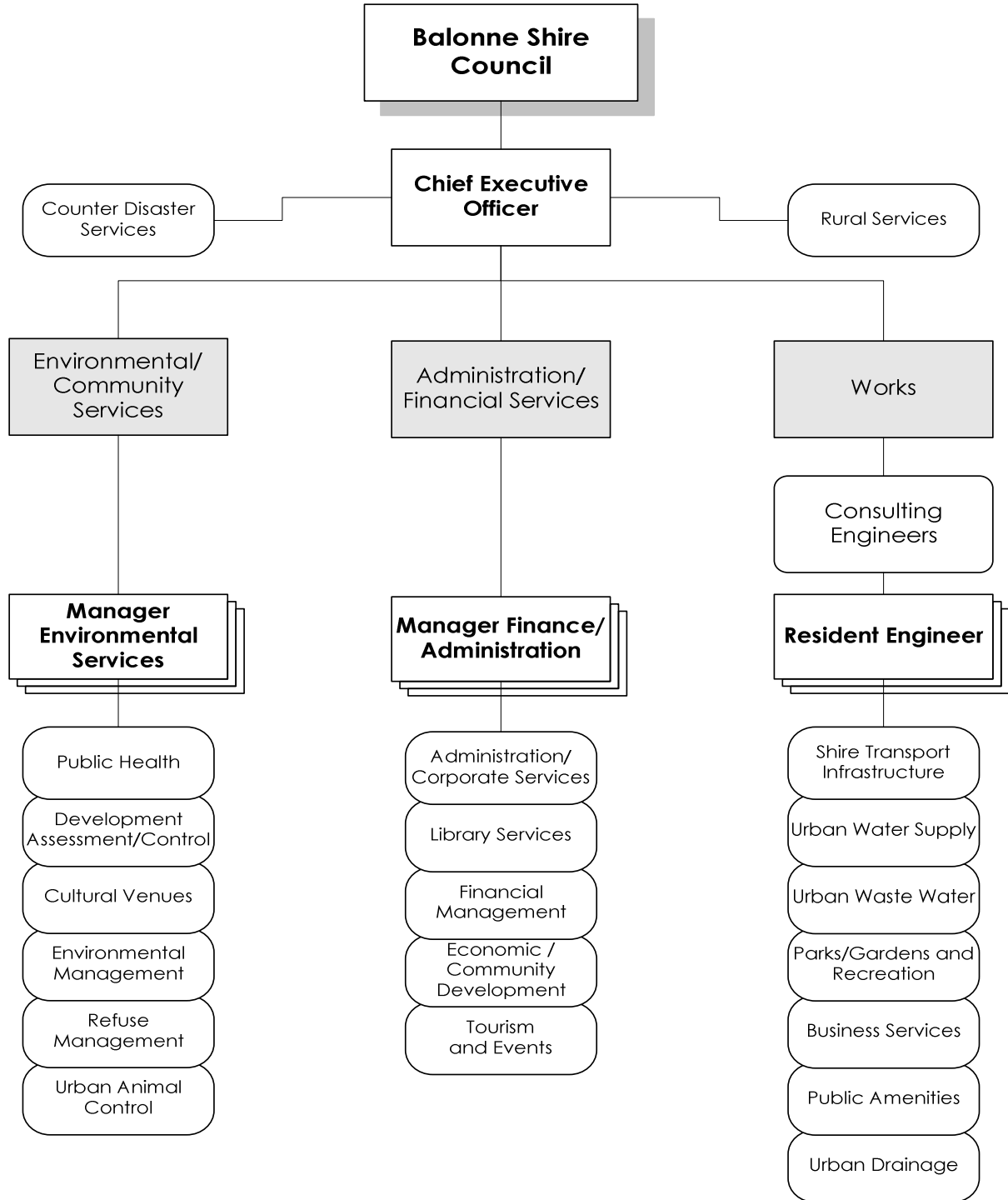
One the major tasks facing the new Council in the coming year is the review of it's Corporate Plan. This document is a representation of the collective thoughts of the Council and the community in regard to the services Council is to provide in the coming years (usually 4 years) and to what standard. Fundamental questions such as "Should the Council provide a new service or continue to provide an existing service; should the Council increase or decrease the standard of a particular service; does the Council have the resources to continue to provide a particular service at it's current standard or to provide a new service?" must be answered as part of the process of developing the Plan. It is very important that the community takes the opportunity to comment on a draft of the proposed Corporate Plan when requested to do so.

In conclusion, I would like to extend my personal thanks to the Mayor, all Councillors, both current and those prior to the March, 2004 Election, Senior Management and all Staff for their valued support and co-operation during the year. I am particularly proud of the commitment to service of the vast majority of Council's Staff and what they have achieved over the past 12 months. My personal thanks also to Mr Jack King who readily agreed to offer his services and fill in for me during my absences on leave during 2003/04.

Special congratulations also to Mr Jack King, former Shire Clerk / Chief Executive Officer, upon the occasion of his being awarded the Order of Australia in the 2004 Queen's Birthday Honours list.

Lee Vohland  
**CHIEF EXECUTIVE OFFICER**

# Corporate Structure



## Our Goals

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

<p><b>Finance (0100)</b></p> <p><u>Goal</u> To achieve maximum community benefit from available financial resources.</p>	<p><b>Administration / Corporate Services (0200)</b></p> <p><u>Goal</u> To effectively and efficiently administer the affairs of Council and to provide quality service to it's Customers.</p>
<p><b>Planning &amp; Development (0300)</b></p> <p><u>Goal</u> To implement appropriate planning controls to ensure and encourage the balanced quality development of the Shire and promote the Shire as a desirable place to live, work and visit.</p>	<p><b>Transport &amp; Drainage Infrastructure Services (0400)</b></p> <p><u>Goal</u> To provide efficient and effective transport and drainage infrastructure.</p>
<p><b>Community &amp; Cultural (0500)</b></p> <p><u>Goal</u> To encourage and participate in the continuing development of community services and cultural activities and to foster strong community spirit.</p>	<p><b>Environmental &amp; Health Services (0600)</b></p> <p><u>Goal</u> To implement policies and operational programmes which will contribute to the environmental health and well-being of the community.</p>
<p><b>Business Services (0700)</b></p> <p><u>Goal</u> To undertake private works within the scope of Council's expertise in an efficient and cost-effective manner.</p>	<p><b>Urban Waste Water (4000)</b></p> <p><u>Goal</u> To provide efficient, effective and environmentally sound waste water disposal services in the Towns of St. George, Dirranbandi and Bollon.</p>
<p><b>Urban Water (5000)</b></p> <p><u>Goal</u> To provide efficient, effective and environmentally sensitive water supplies to the Towns of St. George, Dirranbandi, Bollon, Thallon, Hebel and Mungindi (Queensland).</p>	<p><b>Cleansing (6000)</b></p> <p><u>Goal</u> To provide efficient, effective and environmentally sensitive refuse collection and / or disposal services in all towns.</p>

## **Standing Committees**

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

### ***FINANCE COMMITTEE***

The Council as a Committee of the whole, by Authority of Resolution dated 11<sup>th</sup> April, 2000.

### ***WORKS COMMITTEE***

The Council as a Committee of the whole, by Authority of Resolution dated 11<sup>th</sup> April, 2000.

### ***AGENDAS AND MINUTES***

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

### ***ADVISORY COMMITTEES AND STATUTORY BODIES***

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

Council representation on Statutory Bodies and Advisory Committees is established at the commencement of and as required throughout the term of the Council. Details of committee membership are documented in the publicly available Freedom of Information - Statement of Affairs.

## **0100 – Finance**

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

Council's financial statements have been prepared on an accrual basis as required by the Local Government Finance Standards. **The audited financial statements for the Year ended 30<sup>th</sup> June, 2004 are included in this report as Appendix 2.**

### ***Trust Fund***

The Council acts as trustee for certain funds and as at 30<sup>th</sup> June, 2004 a total amount of \$59,337.55 was held. These funds comprise mainly refundable security deposits or monies collected or held on behalf of another entity for repayment to or on behalf of that entity.

### ***National Competition Policy***

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

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

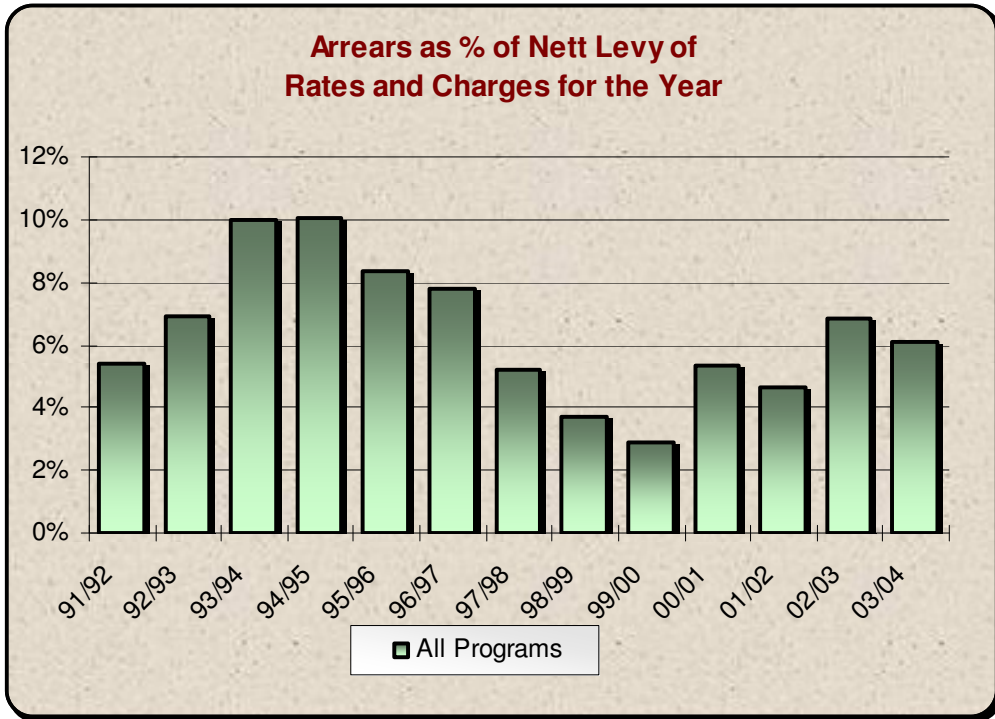
During the 2000/01 financial year, the Council considered a consultant's report on the application of the Code and the implementation of full cost pricing to the above programs. Council has resolved not to apply the Code of Competitive Conduct as it believes there is no benefit to the community in implementing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

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

Council's Revenue Policy details the philosophy adopted in determining rating and charging methodologies for the 2003/04 financial year and is included with this report as **Appendix 1**.

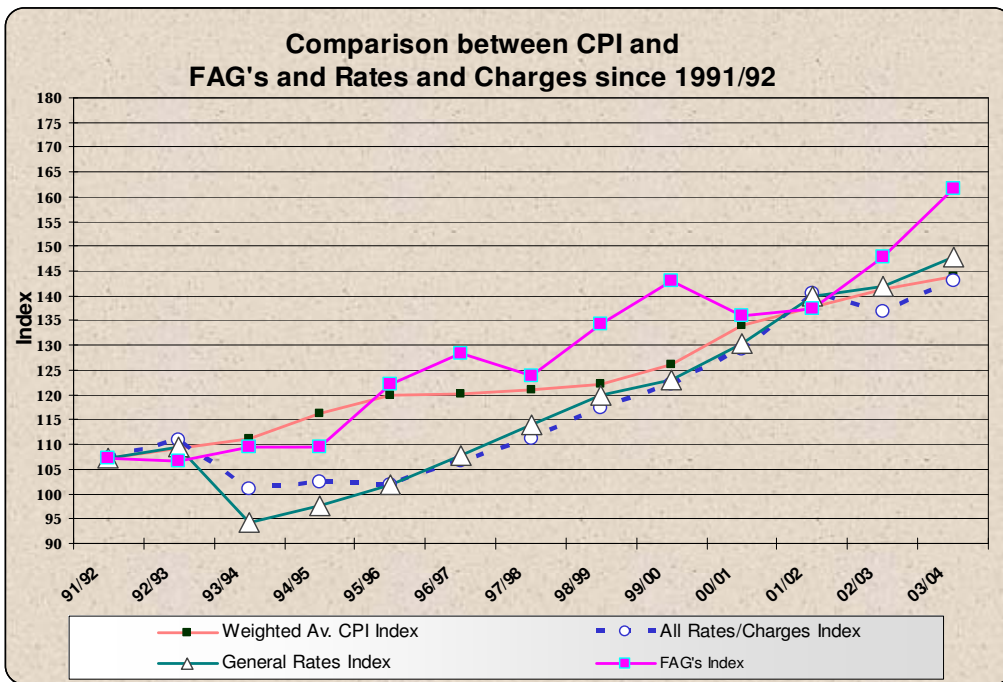
Rates and utility charges remain the primary source of finance and it is pleasing to note that the majority of ratepayers and service users met their commitments within the year. Arrears of rates and charges for the year decreased to approximately 6.1% expressed as a % of nett rates/charges levied in the year (6.9% as at 30 June, 2003). This result reflects a partial recovery from the drought conditions which have affected the Shire during recent years. (Refer to **FIGURE 1** on the following page)

**FIGURE 1**



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

**FIGURE 2**



  
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Pensioner rate remissions totalling \$23,476 (\$23,375 in 2002/03) were granted to qualifying ratepayers during the 2003/04 year.

Details of Council’s Pensioner Remission Policy are included in the Revenue Policy (Refer [Appendix 1](#)).

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

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

General charges are those levied on the users of miscellaneous Council facilities and services, including the registration of dogs, hire of halls & showgrounds, purchase of Council documents, cemetery services, etc. There is typically a significant level of cross-subsidisation built into general charges reflecting the Council’s community service obligations. The Council has continued to exercise restraint in the setting of general charges with minor increases to a limited number of charges in the 2003/04 year. A register of these charges is kept by Council and is freely available for examination upon request or can be accessed from the Council website.

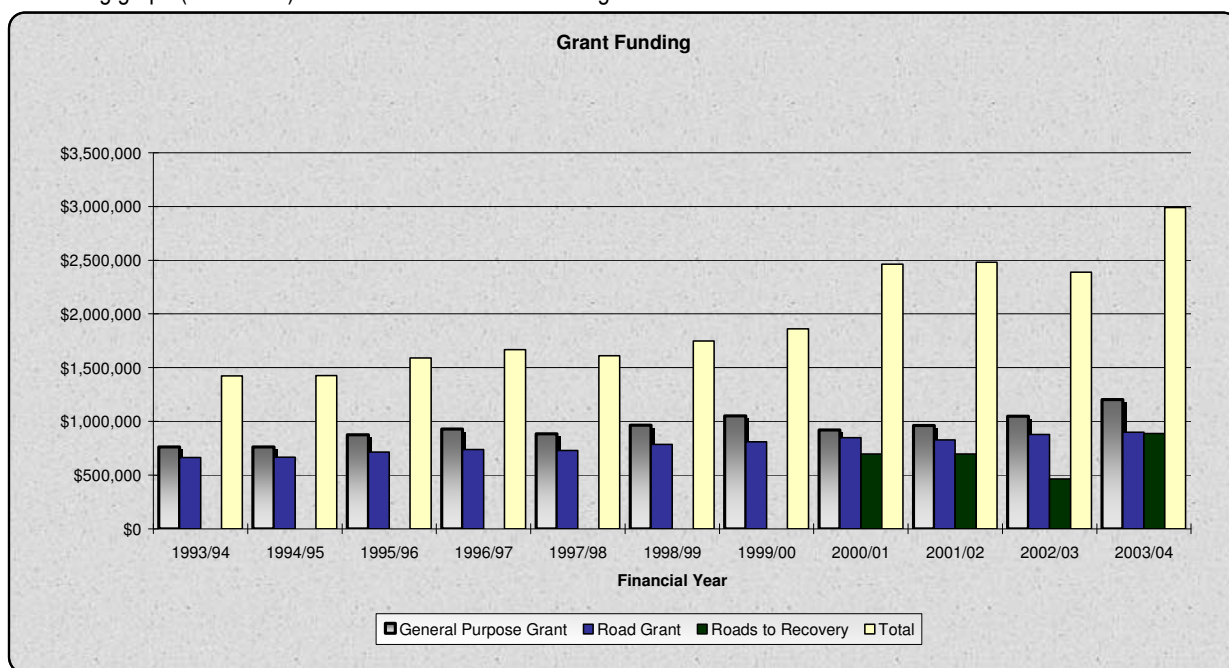
**0100-3 Strategy: Identify and pursue all relevant funding sources available to help provide services to Balonne Shire communities.**

The Local Government Grants Commission is the body responsible for administering the distribution of local governments’ share of the federally-funded general purpose and roads grants. During 2003/04, the impasse between the State and Federal Government regarding the phase-in of the new grant methodology was resolved and the Council received increased funding from this program.

During the year, the Council completed Stage 1 of the “St. George in the Spotlight” project which was 60% funded under the State Government’s Security Improvement Program. This project saw the installation of security lighting along a significant stretch of the Riverside Parklands and Stage 2 will see a continuation of this lighting during 2004/05. The aim of this project is to increase the safety of park users and improve utilisation of the riverbank area.

The 2003/04 financial year was the second-last year of operation for the Federal “Roads to Recovery” funding, although during the year it was announced that Roads to Recovery #2 will commence in 2005/06. Early indications are that funding received by the Council should increase under the revised program. Local Governments across Australia continue to argue that the quantum of funding for local roads is inadequate and that the commitment needs to be increased over the long term.

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

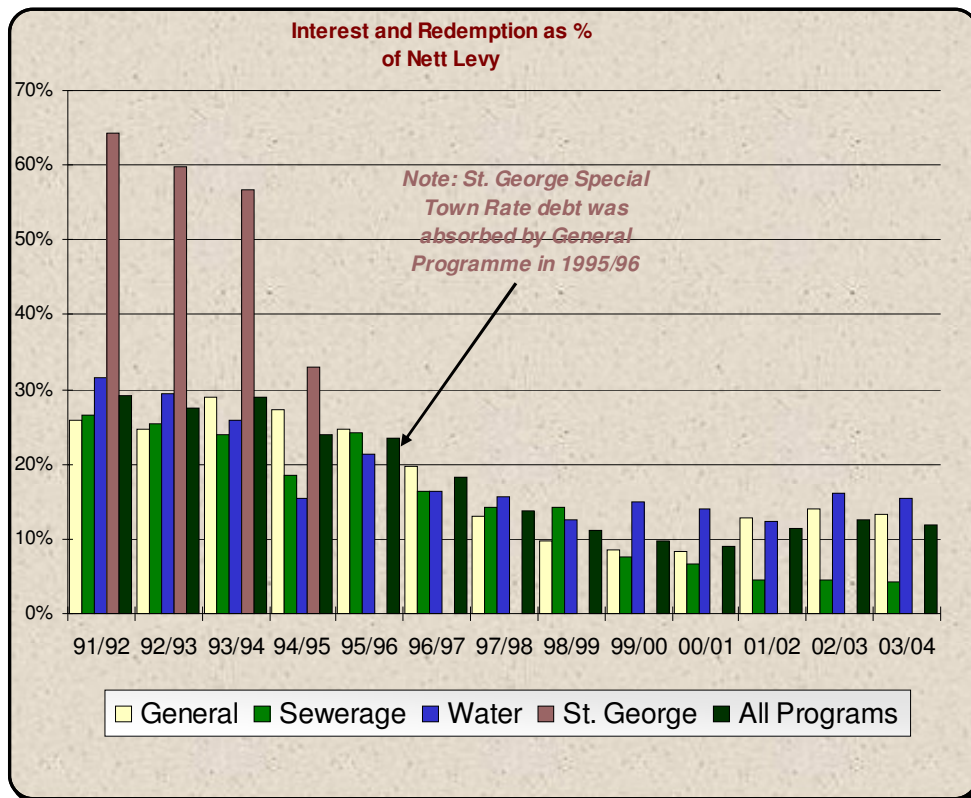


Total Subsidies and Grants received or receivable by Council for the year amounted to \$3,476,000 (\$2,965,000 in 2002/03) and are detailed in the Financial Statements ([Appendix 2](#))

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

New borrowings of \$332,000 were raised during 2003/04, leaving Council with a total loan liability of \$4,180,237 at 30<sup>th</sup> June 2004. The graph at **FIGURE 4** shows interest and redemption payments as a percentage of the nett rates and charges levied since 1991/92. It can be seen that the total interest and redemption payments for all funds is presently 11.9% (approx.) of nett rates and charges levied. The Council's Corporate Plan and Borrowing Policy require that this figure generally remains below a threshold of 30%. Council's Borrowing Policy is detailed in Appendix 5.

**FIGURE 4**

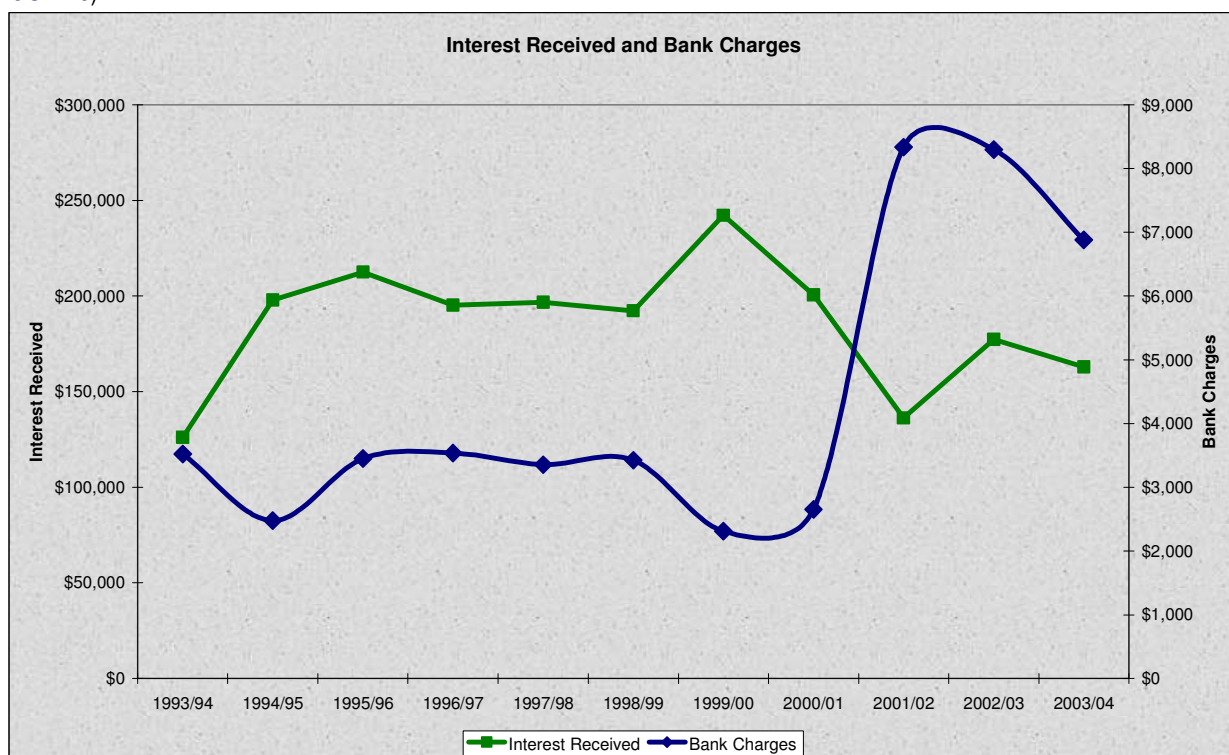




**0100-5 Strategy: Maximise return on surplus cash and minimise bank charges through effective investment/cash management.**

Council continues to maximise return on its investment of surplus cash through the use of the short term money market. Interest revenue has decreased marginally in comparison to levels achieved in 2002/03, which has been attributed to the flatter interest rates being offered by banking institutions. Bank charges have also decreased slightly during the current financial year.

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

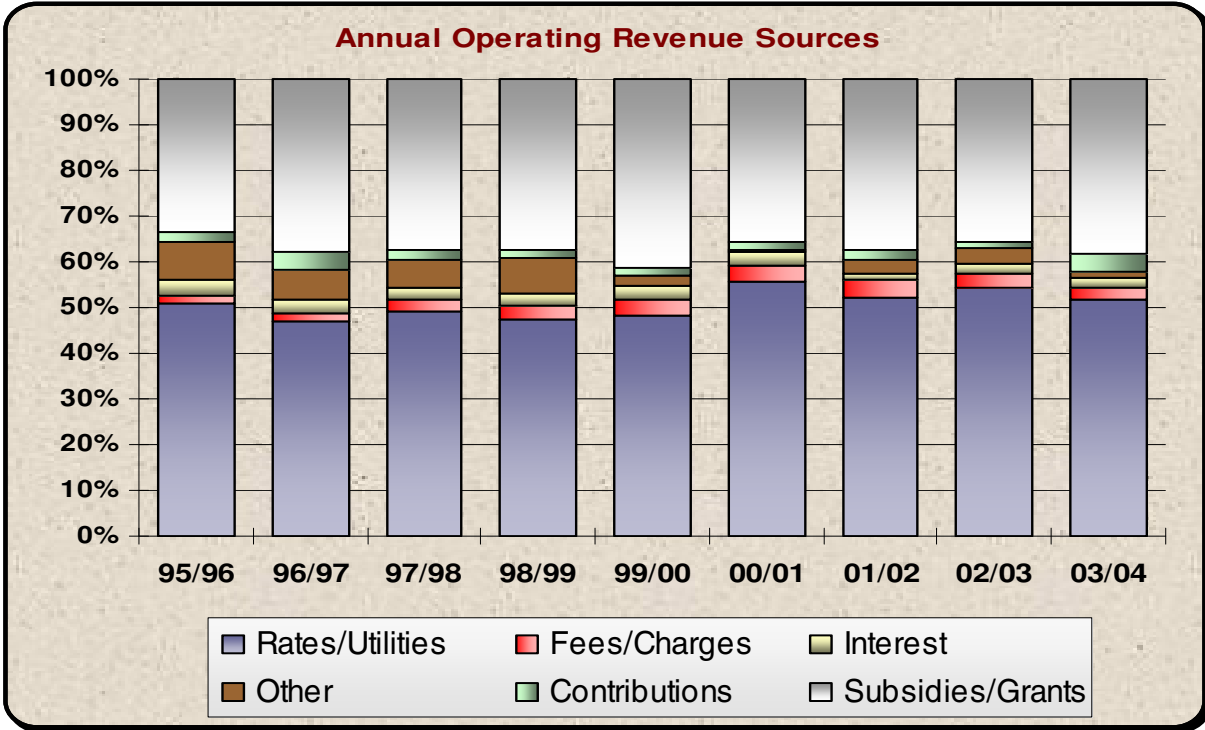


**0100-6 Strategy: Manage the replacement and expansion of Council's assets.**

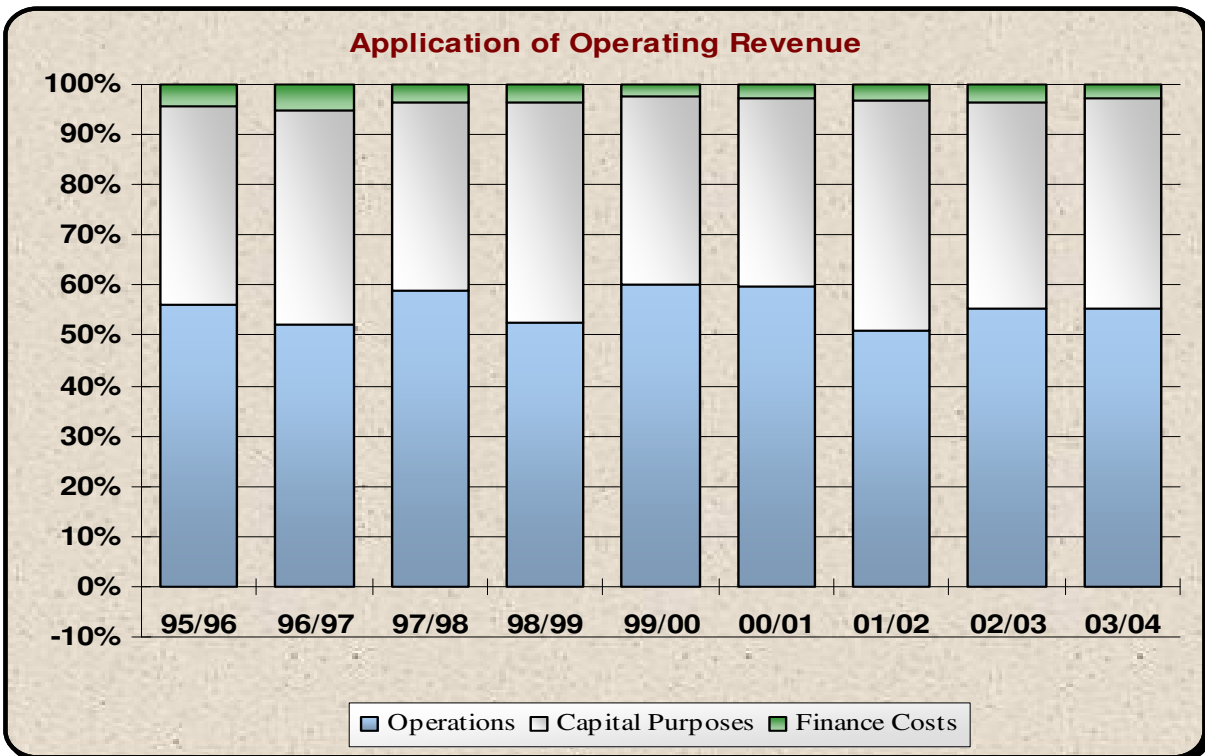
The graphs at FIGURES 6 and 7 on the following page indicate in broad terms Council's principal sources of revenue and how that revenue was applied in 2003/04. It can be seen that Council relies on external revenue to the extent of 42.2% and that rates and utility charges account for 51.9% of total revenue.

Revenue was applied in four broad categories as indicated below in FIGURE 6. It can be seen that 42.1% of operating revenue was applied to the funding of asset depreciation and 56% to operational expenditure. Finance costs represent the interest paid or payable in relation to Council's borrowings.

**FIGURE 6**



**FIGURE 7**



## **0200 – Administration / Corporate Services**

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

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

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

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

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

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

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

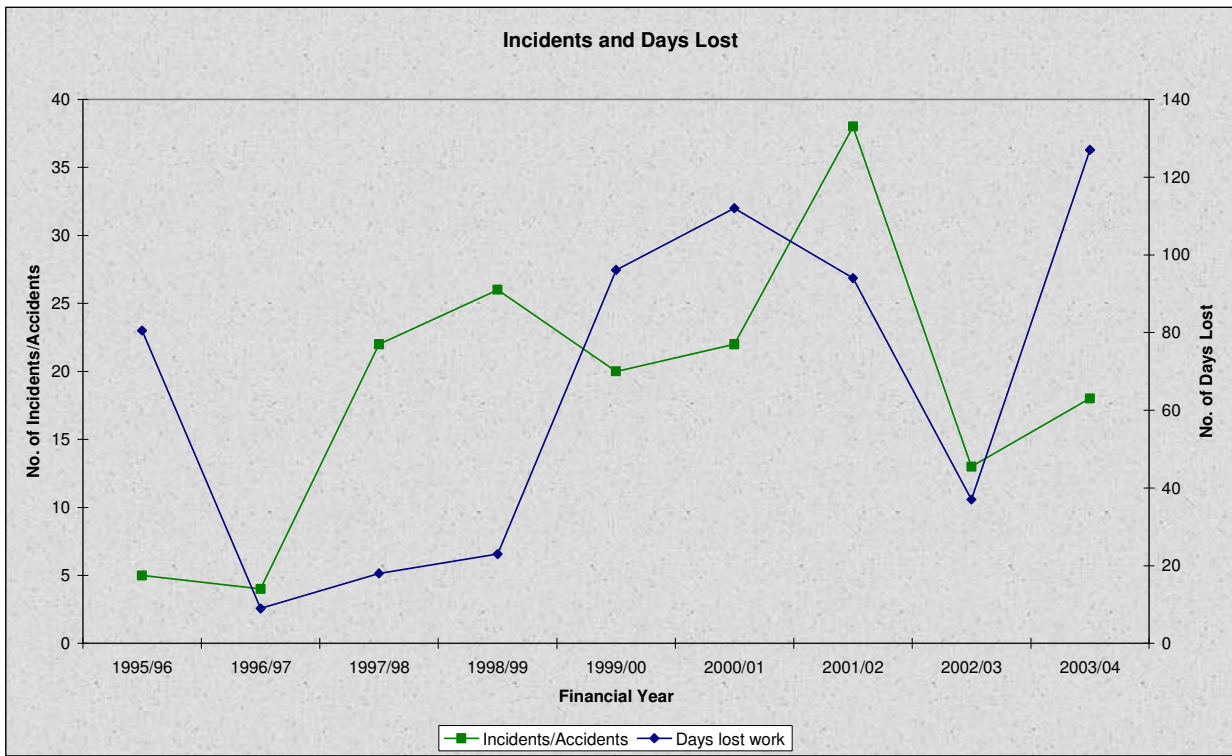
Enterprise Bargaining continues to be a major issue within the local government industry. Negotiations on a fifth State Award agreement commenced during 2003/04, while the third Federal Award agreement was completed during 2002/03.

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

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

  
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Council's Workplace Health and Safety Officer reported that during the 2003/04 year some 18 reported incidents/accidents resulted in 127 days lost work. The following graph (FIGURE 8) indicates performance in this important area since the 1995/96 financial year:-



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

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

  
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Employee Type	Male		Female		Total	
	Number	%	Number	%	Number	%
Full-Time	54	68.35	15	18.99	69	87.34
Casual / Part-Time	0	0.00	10	12.66	10	12.66
Total	54	68.35	25	31.65	79	100.00

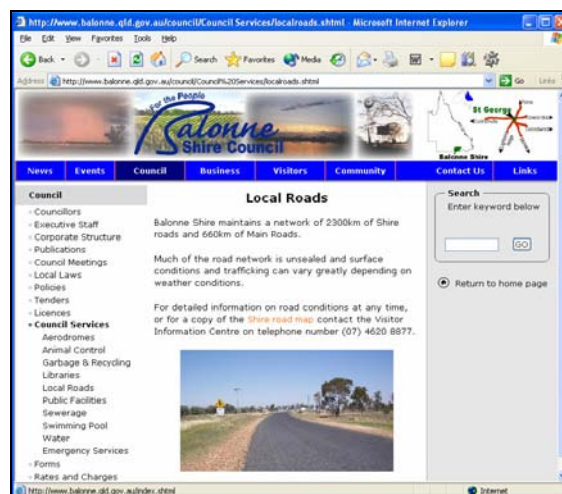
During the year Council continued to actively employ apprentices / trainees under the State Government “Breaking the Unemployment Cycle” initiative. This is proving to be a worthwhile initiative and will be continued in 2004/05.

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

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

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

**Our Website**



The original Council website which was created by staff in 2001 was decommissioned in October 2003 when the Council converted to an off-site system under the “Networking the Nation” project. The new-look website is far more functional and has now become a well utilised business tool which is easy for the public to navigate. The Council continues to receive favourable comments from the public with regards to the format and quality of the site, which can be accessed at [www.balonne.qld.gov.au](http://www.balonne.qld.gov.au). Considerable time is being invested in keeping information on the site up-to-date and relevant to the interests of Shire residents and visitors. Any feedback on the site would be welcomed.

### ***Complaints Management***

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

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

A large number of Council documents are available for inspection or purchase by the public. A listing of those Registers and Documents available at the Council Office is included in this report as Appendix 3. Many of these documents can also be viewed on the Council Web Site.

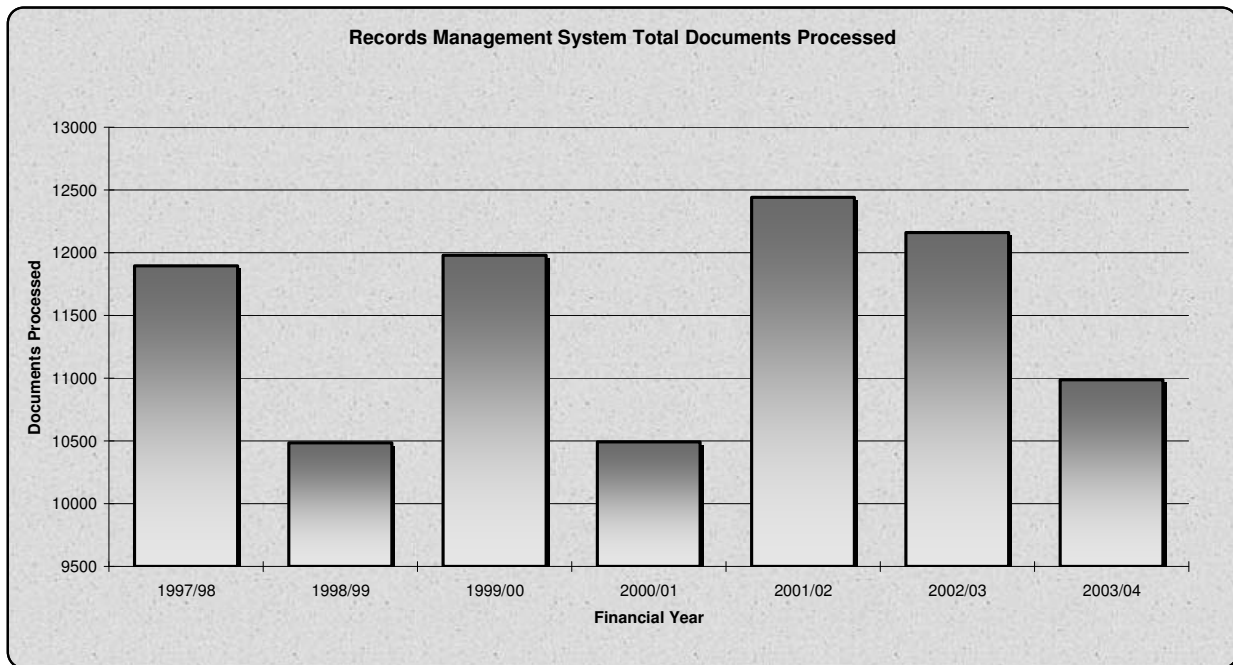
### ***0200-3 Strategy: Provide appropriate office and information technology resources to help Council achieved it's corporate and administrative objectives.***

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

The replacement / enhancement of the Council's data management systems, including computer hardware and software is an ongoing and integral process. A total of \$60,757 (\$53,557 in 2002/03) was expended on computer system replacement / enhancement during the year.

The Council's daily correspondence (both inward and outward) continues to be stored electronically on a computerised filing system which has resulted in secure storage, quick retrieval and significant savings in staff time. During 2003/04 the Council upgraded to a newer version of the system and this has realised further efficiency improvements. There are more functionalities available within this program which are yet to be utilised and the Council intends to explore these during the 2004/05 year in the hopes of realising further benefits for users.

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



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

During 2003/04, the Balonne Shire Council continued to lobby both State and Federal Governments on behalf of the community in an effort to secure a better range of services within the Shire. While some lobbying is done directly by the Council, to a larger extent it is carried out by the Local Government Association of Queensland, who actively campaigns on behalf of member Councils.

## 0300 – Planning & Development

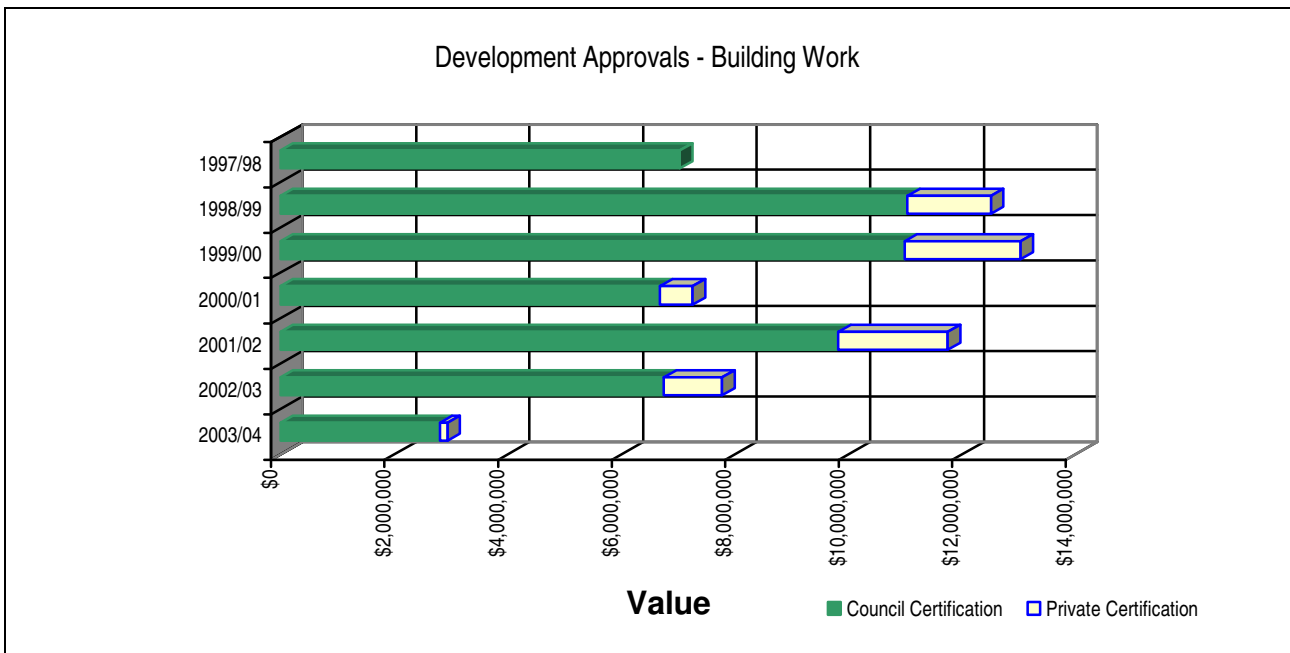
**Goal: To implement appropriate planning controls to ensure and encourage the balanced quality development of the Shire and promote the Shire as a desirable place to live, work and visit.**

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

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

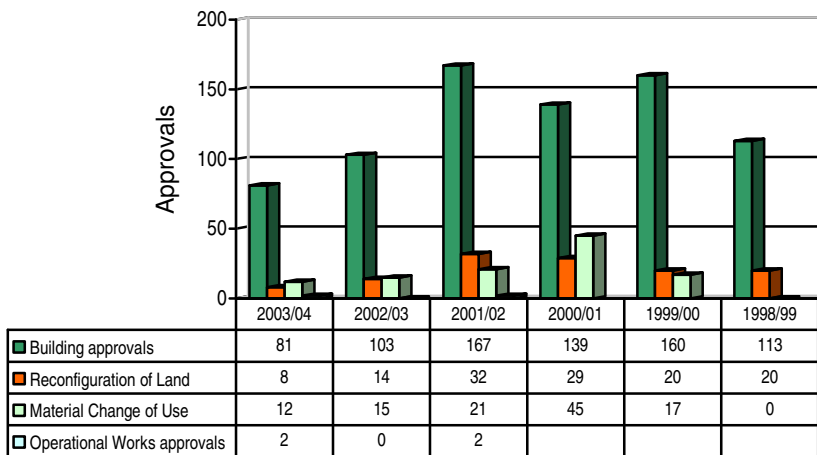
There was again a reduction in the number and value of development approvals processed by Council during the year, however activity in this department remained high as development work that had previously been approved was carried out.

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



**FIGURE 11**

**Development Approval Activity**



Progress on Council's new IPA Planning Scheme for the Shire, which is being carried out by Mr. R. Moore from Farr Evratt, is slower than anticipated, and as a result, Council has negotiated a new completion date with the Department of Local Government, Planning, Sport & Recreation. Once accepted by the Department the Draft Scheme will be made available for public consultation.

The number of Development Applications received during 2003/04 was lower than previous years, reflecting the downturn in the local economy largely due to the prolonged drought. Administrative costs associated with development approvals were \$17,414.00 with fees of \$7,621.00 received.

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

Significant falls of rain during January 2004 partially alleviated the drought conditions which have plagued the Balonne Shire in recent years and resulted in slightly increased interest in private investment, particularly within the St. George district. Continued strong investment has seen little need for the Council to actively pursue this strategy. Economic development in the Shire has been



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at a reasonably high level for a number of years as reflected by the Development Approval figures previously discussed.



*River flows following January 2004 rainfall*

In the current financial year the Council continued to support the Sirolli project, which was designed to assist new and existing business owners to implement their development goals / strategies through a community based facilitation process. The program has seen some positive results in the Maranoa, although mostly outside the Balonne Shire. This program is expected to wind-up during the 2004/05 financial year.

The Council has also continued to provide monetary support to the Balonne Financial Advisory Service to assist with the provision of their financial counselling to rural clients.

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

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

Visitation to the Balonne Shire has increased by 13.7% in comparison to 2002/03, based on the number of visitors to the Balonne Shire Visitor Information Centre. Visitors to the Centre during 2003/04 totalled 12,607 approximately compared to 11,092 during 2002/03.

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



It is anticipated that tourism in the Balonne Shire will continue to grow while ever the major access roads are increasing in standard and key development strategies are being implemented. Increased awareness of the completed sealing of the St. George - Mitchell Road encourages additional visitors to the Shire as they venture to outback Queensland. The Great Inland Way continues to gain popularity with travellers looking for an alternative route north. The Major Mitchell Trail brings further visitation in conjunction with other key promotional strategies.

The Council undertakes a variety of promotional activities, including being the driving force behind the production of the tourism brochure 'Window of the West'.

The Balonne Shire benefits from membership of the Toowoomba and Golden West Regional Tourism Association (TGWRTA) and the representation they provide for the Shire at various Camping and Motor-home Shows Australia wide. In 2002/03, co-operation increased between the Shires represented by TGWRTA through the formation of the Western Downs Tourism Advisory Group, and this has continued to be the case during 2003/04. The goal of this group is one of better organisation and coordinated promotion at a sub-regional level.

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

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

Key projects during the past year have included the implementation of workshops for businesses and community groups, the funding of a feasibility study to identify priority community health areas within the region, guidance from the Regional Business Advisor in assisting individual businesses to develop their business plans and funding to explore the feasibility of aquaculture within the region. Other initiatives such as the Sirolli Project continue to assist in this area.

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

It is clear that internet technology is and will continue to play an immensely vital role in many areas of our business. The ability of our Shire's business units to compete in the global economy will be directly impacted upon by our ability to communicate across the internet and other channels such as the mobile telephone networks. Active campaigning over a number of years has seen the introduction of CDMA network coverage in every town in the Shire with the exception of Hebel and much of the surrounding rural areas now also have mobile phone coverage.

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

The Council continued to lease the operation of the St. George Caravan Park during 2003/04 to ensure this service continues to provide a range of accommodation options for itinerant workers, semi-permanent residents and visitors.

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

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

## **0400 – Transport & Drainage Infrastructure Services**

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

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

  
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Overall expenditure for the programme is summarised below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Total Expenditure	\$7.63 million	\$7.48 million	\$7.28 million	\$7.47 million	\$5.26 million

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

The major part of Council's road construction programme is funded from The Queensland Government Roads and Drainage Grant, the Federal Government Road Grant and the Federal Government Roads to Recovery Grant.

Grant figures are summarised below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Qld Govt - Roads and Drainage Grant	\$139,352	\$135,952	\$134,606	\$133,273	\$132,802
Federal Govt -Road Grant	\$899,090	\$877,753	\$826,810	\$848,234	\$809,620
Federal Govt - Roads to Recovery Grant	\$888,579	\$464,083	\$696,120	\$348,060	-

The roadworks construction programme is determined each year utilising the Five Year Capital Road / Street / Bridge Works Programme. This is a very comprehensive document which lists every road and street in the Shire, and all known works which are required. The document is constantly being updated by Council's Consulting Engineers. A two-day road inspection tour is undertaken each year by Council. The five year programme is confirmed and the final details of the years construction programme are set on completion of the inspections.

Major projects undertaken during the year included new loam surfacing to sections of the Jakelwar-Goodooga Rd, construction and bitumen sealing of sections of the Noondoo-Thallon Rd, installation of improved underground stormwater drainage to Railway Street, and reconstruction and paving of the Railway Street footpath in Dirranbandi. The Dirranbandi Arts Council contributed to the footpath with hand-made mosaic tiled pavers, which has resulted in a unique and interesting feature for the town.



*Dirranbandi – Railway St. Footpath*

In January 2004, heavy rains across much of the shire resulted in extensive flooding. Damage to roads was severe in many areas, and approximately \$2.3 million funding for repairs has been approved by the Federal Government. The work could take up to two years to be completed.

Over the past twelve months, the Queensland Government, in conjunction with the Queensland Local Government Association has been implementing The Roads Alliance throughout the state. Balonne Shire Council has joined a group of 14 Councils to form the South West / Western Downs Regional Roads Group (SW/WDRRG). A network of Roads of Regional Significance has been nominated, which includes the following roads in Balonne Shire:

- Bollon-Dirranbandi Rd
- Noondoo-Thallon Rd
- Talwood-Mungindi Rd
- Salmon Rd
- Mitchell-Bollon Rd
- Wanganui Lane and
- Kooroon / Teelba Rd.

A small amount of additional Government funding has been made available in 2004/05 for specific projects nominated on these roads. Funding levels provided to the RRG's are likely to increase in future years and the Federal Government has already indicated that a percentage of the Roads to Recovery Programme funds will be allocated to the RRG's. The importance and role of the RRG



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is therefore likely to expand in future years.

Rural Addressing for all properties in the Shire has commenced with the issue of numbers to all properties in the Dirranbandi district. The Dirranbandi Local Ambulance Committee undertook to distribute the numbers and promote the scheme throughout the district. To date, only a few property owners have erected their numbers. In order to fully implement the scheme, some road name changes were negotiated with neighbouring Shires to in order to carry a uniform road name across the Shire boundaries. The following road name changes have been adopted following public advertising and feedback from affected residents:-

PREVIOUS ROAD NAME	NEW ROAD NAME
Bollon-Mitchell Rd	Mitchell-Bollon Rd
Cypress Tank Rd	Middle Rd
Kooroon Rd north from Teelba Rd intersection	Teelba Rd
Flinton Rd	Thompsons Rd
Woodlawn Lane	Hollymount Rd
Daymar Rd	Thallon-Daymar Rd
Weir Rd	Talwood-Mungindi Rd
Clouds Gate Rd	Cambo Rd

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

**Maintenance**

	2003/04	2002/03	2001/02	2000/01	1999/00
Streets	\$467,526	\$469,835	\$457,809	\$530,719	\$505,747
Rural Roads	\$985,754	\$1,035,538	\$1,087,191	\$1,139,716	\$909,744
Bridge Maintenance	-	\$5,174	\$37,988	\$41,130	\$23,692
Depreciation	\$2,755,924	\$2,872,120	\$2,966,921	\$3,175,440	\$3,180,437

**Flood Damage Restoration**

	2003/04	2002/03	2001/02	2000/01	1999/00
Roads/Streets (Shire)	\$165,516	\$65,633	\$207,003	\$95,477	\$1,140,259

**Capital Works**

RURAL ROADS	2003/04 Expenditure
<b>2001/02 SHIRE ROADS CAPITAL WORKS</b>	
Fernlee Rd – gravelling 1.5km over sand hill	\$30,280
<b>2002/03 SHIRE ROADS CAPITAL WORKS</b>	
Wanganui Lane – re-gravelling 2.5km sections	\$ 5,054
Cashel Vale Rd – Forming and gravelling sections near Bollon	\$ 7,373
Jakelwar-Goodooga Rd – loam re-sheeting of sections near Openbah Rd	\$120,294
Dalkeith Rd – gravelling of sections	\$32,839
Flinton Rd – gravelling of sections	\$55,639
Kooroon Rd – gravelling of 2.4km section north of Teelba	\$59,167
Trackers Crossing Rd – re-gravelling approaches to gully crossing	\$11,152
Warrie Rd – re-gravelling of sections 4km long	\$ 239
Diamond Tank Rd – re-gravelling 4km of sections to Nindi Thana Grid	\$93,409
Noondoo-Thallon Rd – construction and bitumen sealing of 6km east of Noondoo to join existing bitumen	\$101,612
<b>2003/04 SHIRE ROADS CAPITAL WORKS</b>	
Rural Addressing – Dirranbandi District	\$ 3,566
Noondoo-Mungindi Rd – 0.5km gravelling over ridges	\$16,357

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RURAL ROADS	2003/04 Expenditure
Springwell Rd – re-gravelling sections	\$21,331
Salmon Rd – bitumen resealing	\$24,126
Weir Rd – bitumen resealing	\$20,437
Whyenbah Rd – re-gravelling south from Brookdale	\$ 3,883
Booligar Rd – re-gravelling to Booligar	\$64,720
Cubbie Rd – re-gravelling 7km from IAMA to Cubbie (Cubbie contribution)	\$33,064
Kilcummin Rd – re-gravelling 3km	\$57,895
Koomalah Rd – re-gravelling 4km	\$90,959
Noondoo-Thallon Rd – Construction and bitumen sealing 5km through Mina Belle Plains	\$226,797
Bollon-Dirranbandi Rd – Replace cancer culverts in floodplain area	\$54,609
Bollon-Dirranbandi Rd – Replace / repair concrete floodways	\$54,555
Jakelwar-Goodooga Rd – Bitumen resealing	\$29,806
Bollon-Mitchell Rd – Construction and bitumen sealing 1km from Bollon (Dust suppression)	\$61,681

TOWN STREETS	2003/04 Expenditure
<b>2002/03 TOWN STREETS CAPITAL WORKS</b>	
Mungindi Street Lighting – nine new 80 watt MV lights	\$ 2,478
Mungindi Street Lighting – four new 150 watt HPS lights	\$ 7,608
St George Footpaths The Terrace – Reconstruction and paving from Grey to Henry St	\$10,181
Dirranbandi Footpaths Railway St – Reconstruction and paving from Kirby to Richardson St (Stage 1)	\$185,360
<b>2003/04 TOWN STREETS CAPITAL WORKS</b>	
Street Lighting upgrading – All towns	\$ 1,545
St George Streets – bitumen reseals	\$11,059
Howe St, St George – Footpath construction	\$ 8,279
Isles St, St George – Bitumen sealing to end 40 metres	\$ 5,716
Herbert St, St George – Construction and bitumen sealing (Kerr subdivision contribution)	\$14,690
Thallon Footpaths – William St from school to railway.	\$16,751
Belmore St, Bollon – Culverts	\$24,069
Belmore St, Bollon – Widen bitumen seal to kerb and channel	\$27,068
Mary St, Bollon – Widen bitumen seal to kerb and channel	\$46,274
Wallam St, Bollon – Widen bitumen seal and extend kerb and channel	\$29,283
William St, Bollon – Widen bitumen seal to kerb and channel	-
George St, Bollon – Culverts	\$18,770

STORMWATER DRAINAGE – UNDER GROUND	2003/04 Expenditure
<b>2002/03 STORMWATER DRAINAGE CAPITAL WORKS</b>	
St George Stormwater Dam – Fencing, embankment stabilisation, new inlet structure	\$13,097
<b>2003/04 STORMWATER DRAINAGE CAPITAL WORKS</b>	
Railway St, Dirranbandi – Pipeline from Richardson to Kirby St	\$69,887
Railway St, Dirranbandi – Pipeline from Richardson St to Hebel Rd	\$11,239
Richardson St, Dirranbandi – Pipeline from Moore St to Railway St	\$51,075
St George Stormwater Dam - Fencing	\$13,777

### Flood Damage

2000/01 SHIRE ROADS FLOOD DAMAGE	2003/04 Expenditure
Wanganui Lane	\$ 3,244
Cubbie Rd	\$ 2,809

  
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Davirton Rd	\$ 5,346
Hebel-Goodooga Rd	\$ 163
Hoolavale Rd	\$ 6,767
Koomalah Rd	\$41,004
Minum Rd	\$14,084
Narine Rd	\$ 2,723
Narline Rd	\$ 3,939
Woolerbilla Rd	\$ 119
Thallon- Noondoo Rd	\$18,893
Bollon-Mitchell Rd	\$ 368

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

Council's Works Depots in St. George, Dirranbandi, Bollon and Thallon are now all at a high standard. Therefore, no significant capital expenditure was incurred during the year. Clearing and part-fencing of the old depot site in Roe St, St. George was completed. The equipment at the wash down bay in the St. George depot was also upgraded.

Major plant purchases during the year included one (1) sedan, nine (9) utilities, one (1) truck with crane, one (1) tractor mower, one (1) tractor, one (1) vibrating drum roller and one (1) backhoe.

Costings are detailed below:

PLANT	2003/04	2002/03	2001/02	2000/01	1999/00
Plant Hire Revenue	\$2.15 million	\$2.20 million	\$2.24 million	\$1.82 million	\$2.14 million
Plant Maintenance/ Operation Expenditure	\$1.28 million	\$1.37 million	\$1.25 million	\$1.28 million	\$1.44 million
Plant Purchases	\$778,524	\$408,914	\$1.19 million	\$653,679	\$332,000
Plant Trade-in / Sales	\$296,742	\$276,151	\$515,454	\$260,977	\$115,000
Depreciation	\$630,087	\$439,335	\$427,149	\$431,406	\$214,320

DEPOTS	2003/04	2002/03	2001/02	2000/01	1999/00
Works Depot Maintenance	\$88,188	\$104,851	\$95,926	\$103,486	\$100,571
Works Depot Capital	\$14,803	\$3,361	\$1.32 million	\$548,483	\$97,410
Depreciation	\$59,974	\$60,253	\$115,746	\$93,691	\$36,489

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

Council constructs and maintains works to protect the Shire's towns from the effects of flooding. The major assets are the levee banks surrounding the towns of Mungindi, Dirranbandi and Thallon. No capital works were undertaken during the year.

Costings are detailed below:

FLOOD MITIGATION	2003/04	2002/03	2001/02	2000/01	1999/00
Expenditure – Capital	-	-	-	\$311,551	\$20,647
Expenditure – Special Maintenance	-	\$288	\$20,042	-	-
Revenue (State Grants)	-	-	-	\$65,718	-
Depreciation	\$3,057	\$11,189	-	-	-

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

Regular inspections by Consultants, Aerodrome Operation Support, indicate that Council's aerodromes in St. George, Dirranbandi

  
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and Bollon continue to meet the required standards.

During the year, Council has completed extensions to the animal proof fencing at the St George Aerodrome, and has constructed a new stock proof fence around the Hebel Aerodrome to prevent stock from the reserve straying across the strip.

The Federal Government has recently legislated to introduce new standards for aerodromes. As a consequence, Council has had it's St George and Dirranbandi Aerodromes reviewed to be classified as "Registered" aerodromes. This is appropriate for the level of usage of these facilities, while still maintaining the requirement for maintenance to a high level of service.

St George has been included in the list of security aerodromes across Australia following terrorist activities over recent years. Some new security measures will have to be implemented as a result.

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Maintenance Expenditure	\$85,031	\$70,506	\$60,472	\$93,691	\$90,097
Depreciation	\$159,281	\$115,190	\$115,746	-	-
Special Maintenance	-	\$9,860	-	-	-
Capital Expenditure	\$25,758	\$61,374	-	\$220,546	-
State Subsidy	-	\$22,500	-	\$35,000	-
Lease Charges	\$15,587	\$10,801	-	-	-

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

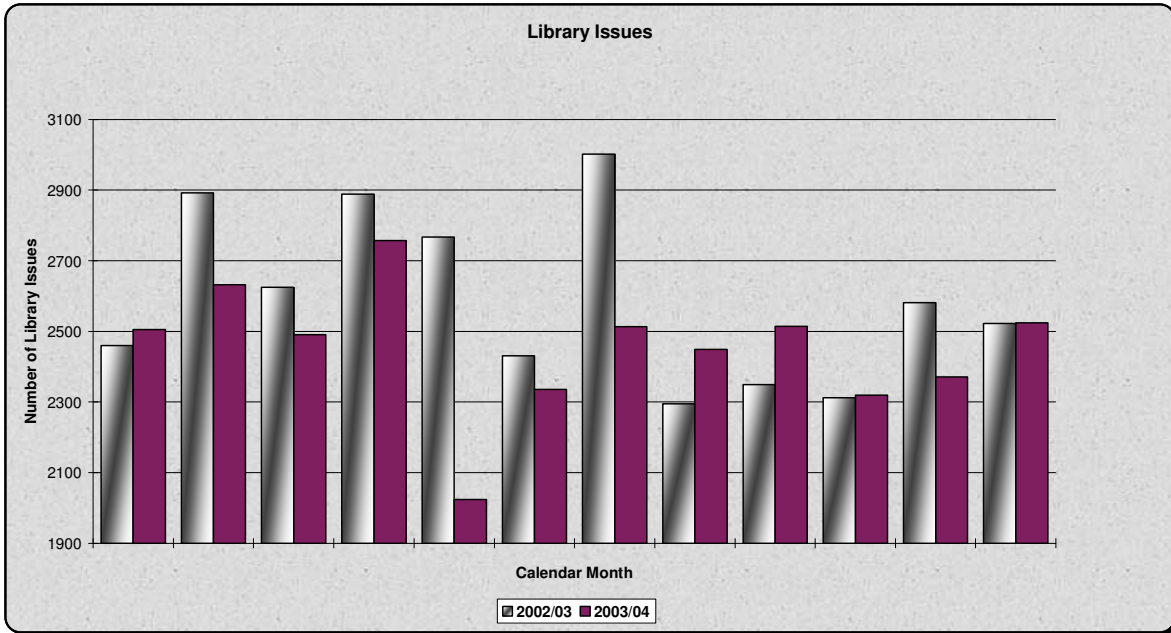
Council funds the installation and maintenance of street lighting in all Shire towns. Ergon Energy is the supplier in St. George, Dirranbandi, Bollon, Thallon and Hebel. Country Energy (NSW) is the supplier in Mungindi. Minor upgrading of lighting and installation of additional lights in selected locations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

## **0500 – Community & Cultural**

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

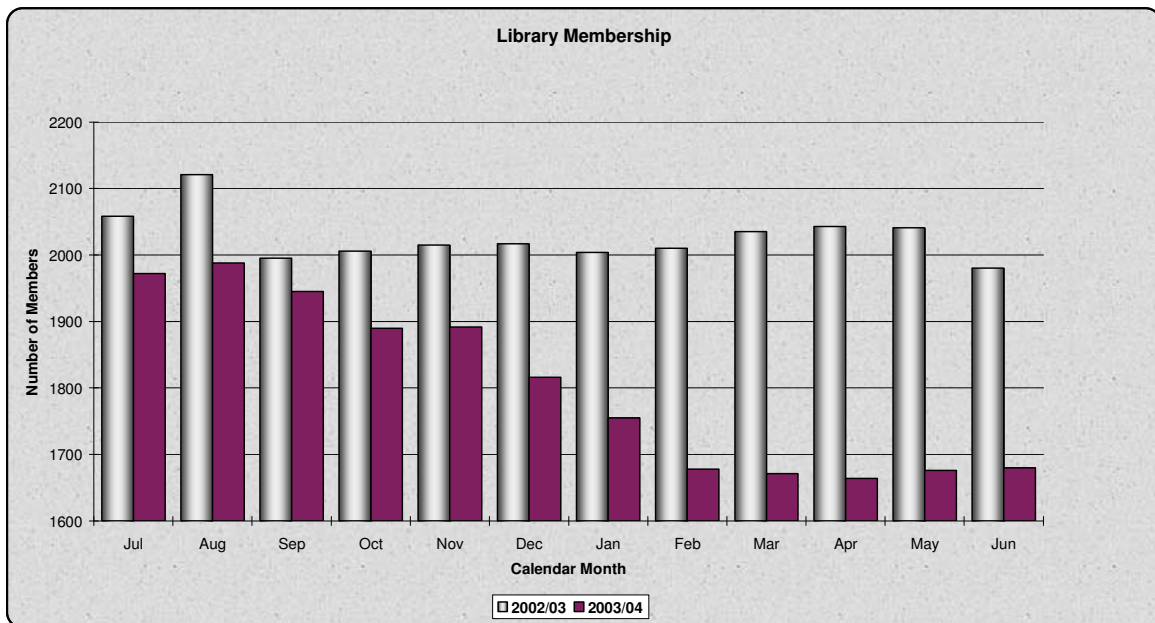
***0500-1 Strategy: Provide a comprehensive library service for the recreation, reference and information needs of the community.***

Total library borrowings for the year were 29,435 (31,125 during 2002/03). The following graph (FIGURE 12) indicates the borrowings per month for the current and previous financial year:-



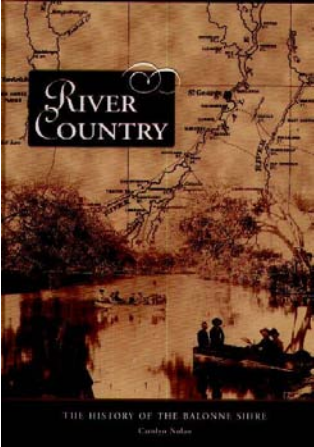
Member numbers continued to decrease over the course of 2003/04, predominantly in the larger towns of St. George and Dirranbandi. New programs & initiatives including storytelling and activity sessions are to be implemented during the 2004/05 year in an effort to boost member numbers.

Membership trends during the 2003/04 and 2002/03 financial years are indicated in the following graph (FIGURE 13):-





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



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

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

**0500-3 Strategy: Facilitate development of community housing on a needs basis in partnership with community organisations.**

Council presently sees its role in this activity as one of a facilitator and during the year was represented on the Eastern Housing Sub-Region Steering Committee. There was no activity in this regard throughout the Shire during the year. Housing needs remain stagnant, due again to the continuing drought.

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

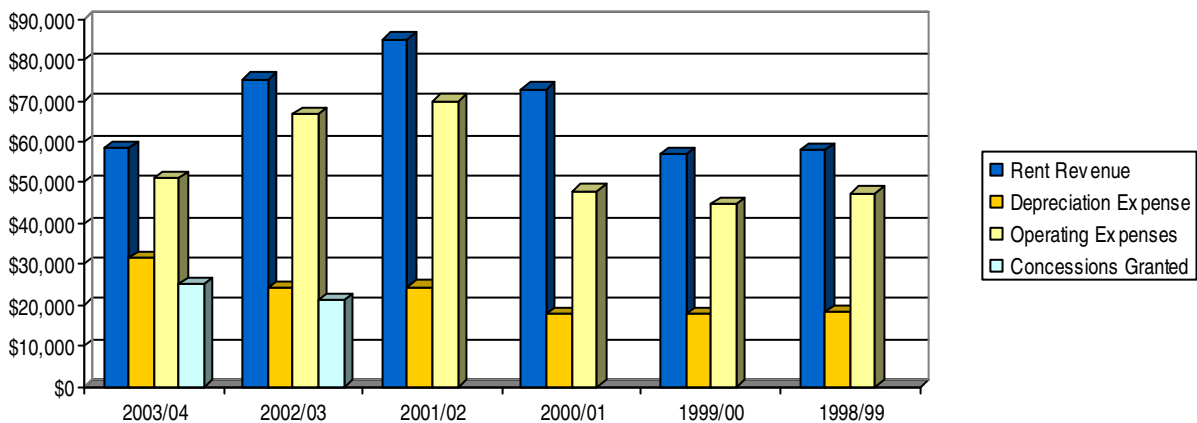
The Council owns thirteen (13) houses and four (4) flats throughout the Shire. Whilst these premises are intended primarily for staff accommodation, a number have been leased to the public.

Several of the houses were vacant during the year, which is a very unusual occurrence.

Council allocated \$150,000.00 in its Budget to carry out renovations and extensions to the Overseer’s residence in McGahan Street, St George. Design work was completed and a contract awarded for the work which hopefully will shortly be completed.

**FIGURE 14**

Council Housing Revenue/Expenses



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

Council has for many years owned and operated television retransmission services in Bollon (ABC, 7 Central, Imparja and SBS) and Dirranbandi (7 Central, Imparja and SBS).

The program was expanded during the year to include transmission of an FM Radio service to the town of Dirranbandi in conjunction with Rebel FM. Council has provided a "Manacon Tank" equipment room to house the equipment.

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Maintenance Expenditure	\$5,245	\$2,679	\$3,087	\$5,236	
Capital Expenditure		\$5,600	\$15,854	\$26,435	\$26,041
TV Black Spot Subsidy		\$5,600	\$24,139	\$9,285	
Depreciation	\$5,013	\$5,013	\$4,869	\$1,984	\$1,484

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

This strategy guides the ongoing development and maintenance of Council's recreation and sporting facilities, including showgrounds in St. George, Dirranbandi, Bollon, Thallon and Hebel, as well as the Rowden Park sporting facility in St George and contributions to similar privately-owned and operated facilities.

During the year, a contribution was made to the Boolba Tennis Club to assist them in providing a new ablution block at their facilities.

Costings are detailed below:

<b>SPORTING FACILITIES</b>	2003/04	2002/03	2001/02	2000/01	1999/00
Maintenance / Operations Expenditure	\$40,337	\$42,615	\$32,742	\$51,692	-
Hire Charges	\$881	\$929	\$846	-	-
Special Maintenance Expenditure	\$101,719	\$5,048	\$3,906	-	-
Capital Expenditure / Contributions	\$6,875	-	\$148,476	\$19,767	\$186,998
State Subsidy	-	\$25,000	\$49,884	\$15,000	-
Contributions Received	-	\$25,933	-	-	-
Depreciation	\$21,999	\$20,721	\$17,803	\$13,161	\$9,095

Showgrounds development included a new ablution block at the Dirranbandi Showgrounds, and a new lunch pavilion and upgrading of the polocrosse and rodeo arenas at the Bollon showgrounds. These projects were funded jointly by the Balonne Shire Council and The Department of Local Government, Planning, Sport & Recreation. Contributions of cash, voluntary labour and donated materials were received from the Dirranbandi P & A Association, Dirranbandi Rodeo Association, Dirranbandi Polocrosse Association, Dirranbandi Pony Club, Bollon Charity Rodeo Association and Bollon Polocrosse Association. All of these projects were initiated by these groups, and would not have eventuated without their involvement. The total value of their contributions during 2003/04, both in cash and in-kind was \$50,449.



Bollon Showgrounds – Lunch Pavillion



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Costings are detailed below:

SHOWGROUNDS	2003/04	2002/03	2001/02	2000/01	1999/00
Maintenance Expenditure	\$79,322	\$76,658	\$76,786	\$76,642	\$114,767
Hire Charges	\$8,301	\$6,239	\$9,562	\$21,500	\$30,279
Camping / Caravan Rent	-	\$278	\$2,348	-	-
Capital Expenditure	\$85,886	\$4,024	\$34,594	\$34,895	\$10,090
State Subsidy	\$25,297	\$20,800	\$26,600	\$13,145	-
Contributions Received	\$50,449	\$4671	-	-	-
Depreciation	\$73,941	\$72,908	\$76,382	\$72,280	\$78,481

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

The Corrective Services WORC Scheme is continuing to operate successfully within the Shire. During the year, many worthwhile community-related projects were undertaken by the WORC Scheme under direction from Council and other community organisations. Following the Council Elections in March 2004, several new community members were appointed to the Local Advisory Committee.

The benefits of having two WORC Camps in the Shire are obvious with the vast improvement to the maintenance and establishment of Community-owned facilities throughout the whole Shire.

The Dirranbandi Camp has carried out work at Dirranbandi, Thallon and Hebel whilst the St George Camp has carried out work at St George and Bollon.

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

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

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

Expenditure on State Emergency operations for the year totalled \$6,890.00.

***0500-9 Strategy: Provide and maintain public parks and gardens to meet community needs.***

Development and maintenance of parks and gardens has continued during the year.

Development of the Blondie Codrington Riverbank Parkland has continued in St George with the traditional assistance of the WORC, St George Cotton Growers Association, Rotary, Apex, Lions, the St George Gardeners and the St George CDEP. New security lighting has been installed along a substantial section of the St George Riverbank parkland with subsidy provided under the Queensland Government's Security Improvement Programme. Other projects included a new electric barbecue installed near the St George canoe ramp, a new 10x5 metre shelter opposite Roe Street, extension of pathways, installation of new sprinkler systems in some areas, and many other projects undertaken by the WORC.

In other areas, the WORC is continuing development of the Dirranbandi river park. WORC has also undertaken projects in Bollon, Mungindi and Hebel.

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Maintenance Expenditure	\$192,018	\$125,488	\$134,379	\$165,618	\$150,738
Hire Charges	\$1,261	\$1,738	\$616	-	-
Special Maintenance	\$22,411	\$3,015	-	-	-
Capital Expenditure	\$96,417	\$3,080	\$55,840	\$89,330	\$83,302
State Subsidy	\$18,313	\$3,080	-	\$4,545	-

  
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	2003/04	2002/03	2001/02	2000/01	1999/00
Contributions	\$2,000	6,547	-	-	-
Depreciation	\$37,562	\$40,092	\$32,492	\$25,434	\$16,150

**0500-10 Strategy: Maintain support for arts and culture in accordance with Council's Art and Cultural Policy.**

2001/02 saw the adoption by Council of a new Art and Cultural Policy following consultation primarily with the Regional Art Development Fund (RADF) Committee.

The RADF Program completed another successful year, with almost \$47,370 contributed to various qualifying Arts / Cultural projects throughout the Shire. This program, which has proven to be very popular within the community, is funded generally on a 2/3 State, 1/3 Local Government basis. Submissions for RADF funding are invited in two rounds (May and November) each year. Applications are assessed by the RADF committee.

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

St George Pool was again a popular venue during the summer months. Prior to the pool opening repairs were carried out to the concourse and the floor of the pool was painted. Major renovations to the pool were planned and a contract awarded to QBuild with work to be completed prior to the commencement of the 2004/05 season.

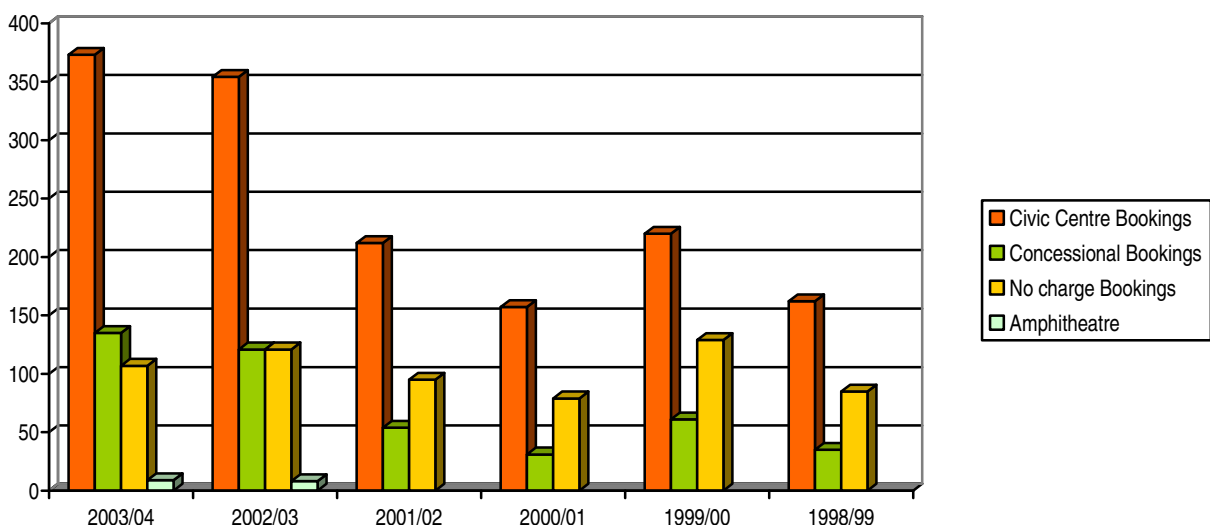
Funding was obtained under the RLIP Scheme and extensions and renovations were carried out to the St George Creative Arts Building in Klinge Lane, St George.

The Thallon Kindergarten Association was given \$2,000 towards the construction of a new shed at the rear of the Thallon Hall to store their play equipment.

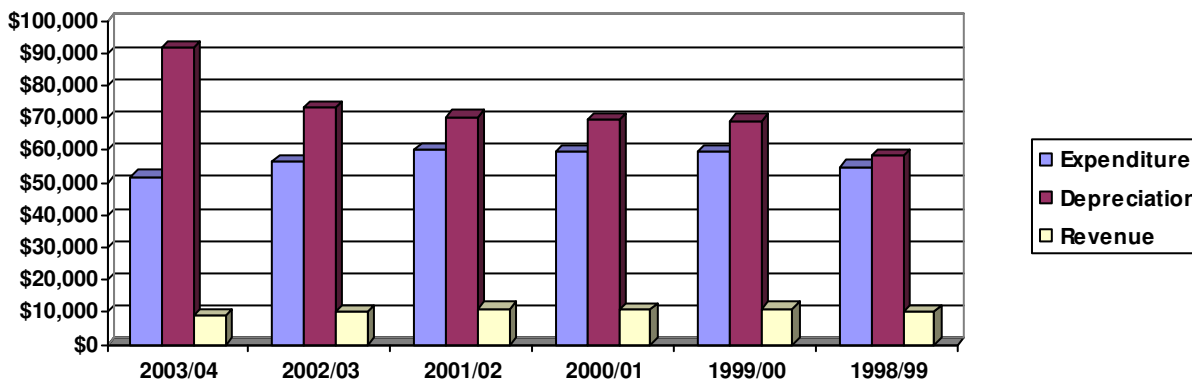
Internal painting costing \$11,049 was completed at the Thallon Hall.

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

Halls/Civic/Cultural Centres Bookings



**FIGURE 16**



Concessional rates and free use of the facilities are granted, upon application, to qualifying community organisation such as charities, service clubs, schools etc.

Capital Works and major maintenance works completed on halls & civic centres during the year totalled \$13,199.

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

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

Examples are the assistance of the St. George Bowls Club with their application for funding to install a synthetic grass green and the development, in conjunction with the community, of an application for funding for Stage 2 of the “St. George in the Spotlight” security improvement project.

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

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

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

During 2003 the Balonne Shire Council celebrated it’s Centenary which was supported by many local community groups holding events with a Centenary theme. Events such as these included the South West Ladies District Golf Competition, Balonne Shire Council Staff Reunion, WORC Conference and a Good Night out in Dirranbandi – the celebration of the return of the steam train. It was a year that was extremely busy with events that attracted locals and visitors alike.

Each year the Council assists with the organization of Australia Day activities that are rotated through the towns in the Shire. Australia Day 2004 activities were held in St. George at the Apex Park on the Blondie Codrington Riverbank Parkland. With the assistance of the Lions Club of St. George, Scouts, Girl Guides, Cadets and the Combined Churches Choir many local residents enjoyed breakfast on the river and the awards presentations that followed.

The Shire was fortunate to host many events during 2004 which contribute to our rural lifestyle and provide economic activity in our communities. Events range from traditional Shows, Rodeos, Fetes & Fishing Competitions to one off events that community groups attract to the Shire including in 2004 the Balonne Barwon Junior Rugby League Carnival, Nindigully B & S and the Mungindi Art Competition.

The Council also co-sponsored in 2003 the second Rotary Balonne Shire Business Awards Presentation Dinner. This event was a



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celebration of our local small businesses and their contribution to our rural lifestyle. The response from the business community during this event was overwhelming with 60 nominations and 145 people attended the Presentation Dinner.

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

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

Organisation	Grant
Queensland Bush Nurses Association	\$2,500
Balonne Financial Advisory Service	\$3,000
St. George State High School - Young Leaders Day	\$ 500
Dirranbandi Kindergarten – Shade Structure	\$1,200

In addition, numerous minor grants were provided to assist in the staging of various community activities. Free or concessional use of Council facilities by charitable / not-for-profit organisations was also granted on many occasions by the Council.

## **0600 – Environmental Services**

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

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

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

A direct result of Council's decision to enforce its Local Law and Policy on animal control has ensured that a total of one thousand, one hundred and twenty-two (1,122) dogs were registered during the 2003/04 year.

The decline in the number of restricted dogs is believed to be due to the decline in the population of Dirranbandi.

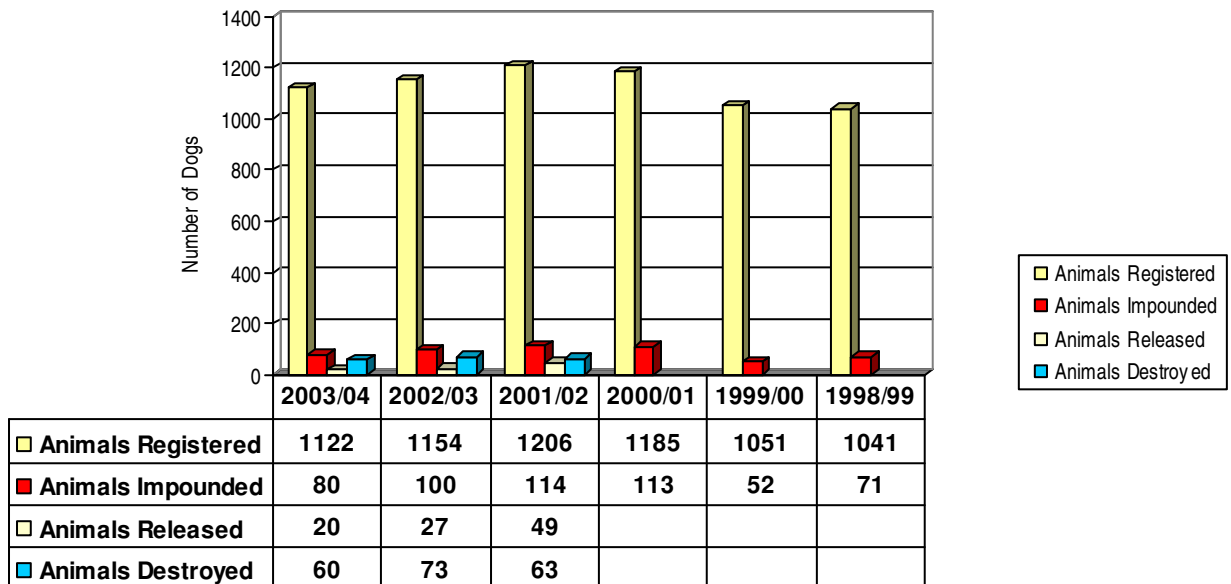
Expenditure on urban animal control amounted to \$53,169 including depreciation expense, with dog registration and impounding fees of \$19,799 received during the year.

Council has for the first time issued infringement notices for offences under its Animal Control Local Laws. Sixteen Infringement Notices were issued with twelve of them being referred to SPER for collection.

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

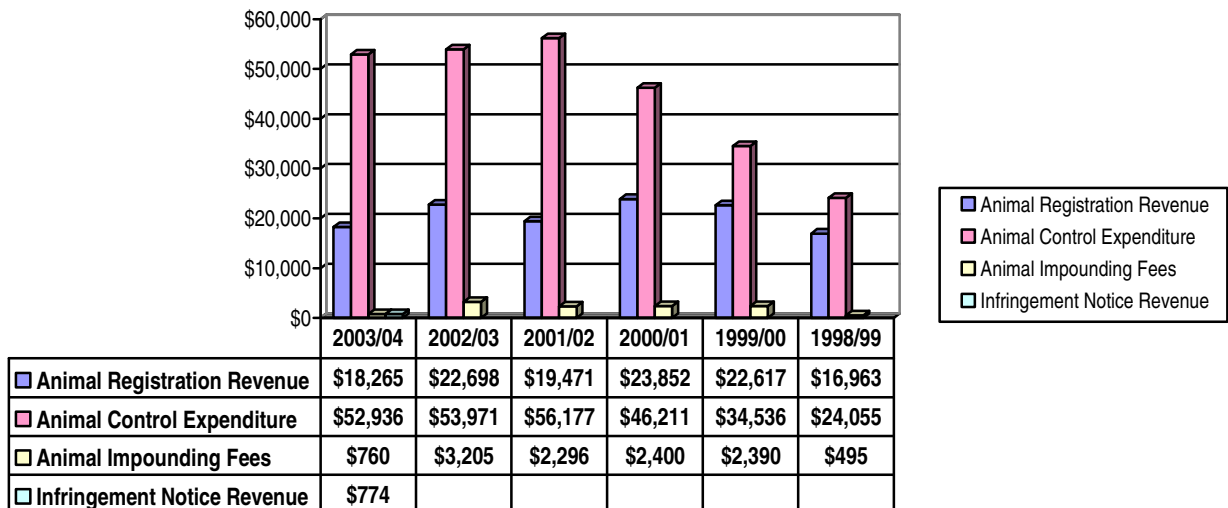
**FIGURE 17**

**Animal Control - Registrations/Impoundings/Released and Destroyed**



**FIGURE 18**

**Animal Control - Registration/Expenditure/Impounding Fees**



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

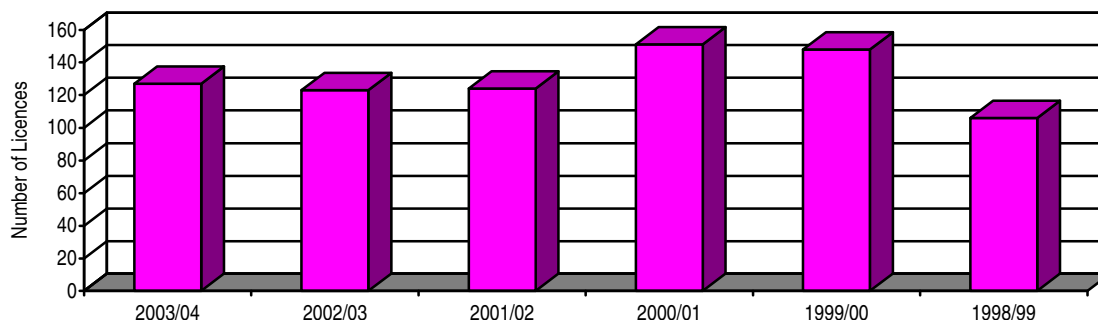
A total of 127 licences were issued by Council under the Health Act and other State legislation during the year. Premises licensed by Council include fuel, hairdressers, skin penetration, and food premises such as hotels, cafes, and businesses requiring a licence

under the Environmental Protection Act.

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

**FIGURE 19**

Local Licences Issued



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

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

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

The chemical drum collection scheme “Drum-muster” was introduced into the Shire in 1999 and has proven to be difficult to administer due to the unavailability of contractors to crush and remove the drums from the site. The operation of the site is being carried out by Cotton Australia.

The local cotton industry has again been very co-operative and have had staff trained to inspect and receive drums into the depot.

Funding was obtained during 2003/04 from Environment Australia for the establishment of a Waste Oil Facility at St George and Dirranbandi. The collection centres have been installed and are being used by members of the public.

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

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

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

Licensing under the Environmental Protection Act has continued with forty-three (43) licences being issued during the year. It is pleasing to note the increased environmental awareness amongst the community and the improved working practices of licensed businesses.

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

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



**0600-8 Strategy: Maintain Council's commitment to Rural Services including effective pest and rural lands management.**

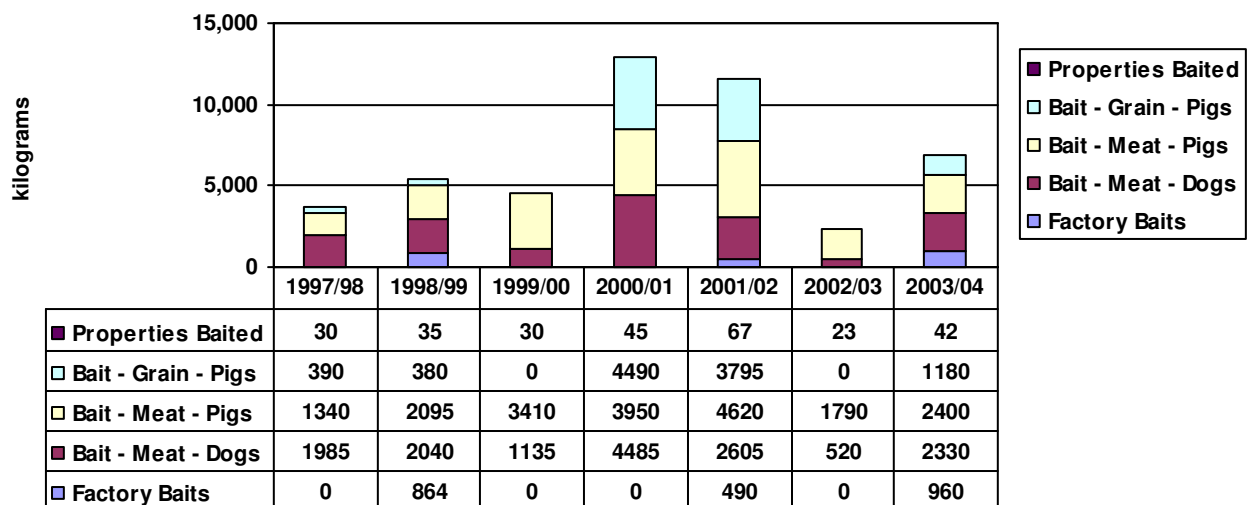
The Environmental Services Programme also funds Council rural services activities. Precepts totalling \$181,664 (\$173,798 in 2002/03) were paid to the Rural Lands Protection Board in 2003/2004. Most of this funding is used to maintain the Dingo Barrier Fence.

Expenditure on stock routes maintenance, watering facilities maintenance, local feral animal control, pest weed control and precepts totalled \$312,430 for the year. This figure includes recoverable expenditure of \$42,813 relating to works undertaken by the Council on behalf of the Department of Natural Resources (stock route watering facilities mostly in conjunction with the Great Artesian Basin Sustainability Initiative – ie bore piping projects).

During the year a total of 14 travelling stock permits for 10,333 cattle and 7760 sheep were issued. A further 19 permits for the agistment of stock on stock routes and related reserves were issued for 1170 cattle, 300 calves and 1170 sheep.

Baiting of feral dogs and pigs continued during the year with some 42 properties involved in the placement of baits as detailed following:-

## 1080 Baiting



## 0700 – Business Services

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

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

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

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

The major project during the year was commencement of the widening and bitumen sealing of the Castlereagh Highway south from Dirranbandi. Other projects included the widening of 5 km of the Carnarvon Hwy south from Nindigully, bitumen resealing of long sections of the Carnarvon and Balonne Highways and completion of a number of other minor projects.

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
RMPC and Bulk Maintenance	\$741,915	\$1.04 million	\$786,074	\$595,814	\$554,226
RPC Construction Works & Minor Works	\$987,099	\$1.19 million	\$1.43 million	-	-

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

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

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Private Works Amount	\$84,242	\$78,115	\$79,599	\$111,678	\$145,618

## 4000 – Urban Waste Water

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

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

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

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

A contract was awarded to Interflow Pty Ltd for the relining of sections of the sewer mains in St George and Dirranbandi. This is a

cost effective alternative to digging up and laying of new mains, which in many cases is near impossible due to lack of access, buildings over mains etc. The contract to a value of approximately \$400,000, installed a pvc liner in some 3,400 metres of mains using high technology processes. Other capital works projects during the year included the provision of a small pump station to service the lower area of the St George Caravan Park.

Planning for the new Sewerage Treatment Plant in St George is well advanced. The proposed site is vacant land at the rear of the aerodrome. A Planning Report is now being prepared for effluent re-use in accordance with the Department of Natural Resources and Mines and Environmental Protection Authority requirements. The proposal is to sell the effluent to neighbouring properties, who will use it in their irrigation enterprises. DNR approval for subsidy of the project will be forthcoming when this issue has been finalised.

Special maintenance projects during the year included the installation of flow meters to some pump stations, the replacement of some sewerage pumps. Strategic Asset Management Plans and Customer Service Standards were developed and circulated to all connected to the sewerage systems, in accordance with the requirements of the Water Act 2000.

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

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Operating Costs	\$188,206	\$186,113	\$220,763	\$320,271	\$312,977
Sewerage Charge Revenue	\$684,315	\$637,997	\$522,210	\$567,469	\$527,276
Finance Costs	\$18,881	\$20,327	\$10,263	\$29,500	\$66,816
Capital Costs	\$465,282	\$9,482		\$0	\$15,800
Special Maintenance	\$42,721	\$11,079	\$20,380		
Depreciation	\$161,224	\$129,824	\$142,607	\$144,107	\$145,000
Sewerage Charge (\$/unit) before 15% discount		\$6.21	\$5.58	\$5.42	\$5.29

## 5000 – Urban Water

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

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

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

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

The year was extremely difficult for all surface water supplies which were severely depleted due to drought. The Bollon water supply had to have severe watering restrictions imposed to extend the duration of the supply.

Free flowing artesian bores were constructed in Bollon and Thallon. Both bores have a good quality and ample quantity of water to supply the towns' needs. Consultation with the communities is ongoing, to determine the most



**Bollon-Wallum Creek**



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acceptable way of connecting and utilising the artesian supplies. Planning is also underway and funding pending for the construction of a replacement artesian bore in St. George.

Capital expenditure during the year included the replacement of some water mains in St George and Dirranbandi. Upgrading of suction lines and intakes at the St George pump station is yet to be completed, but all materials are on site ready for when the water level of the Jack Taylor Weir again drops to a low level. Expansion of the SCADA telemetry network in all supplies was also undertaken.

Strategic Asset Management Plans and Customer Service Standards were developed and circulated to all connected to the water systems, in accordance with the requirements of the Water Act 2000.

**Bollon-Artesian Bore**

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

Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Operating Costs	\$594,697	\$642,779	\$641,277	\$604,827	\$498,782
Water Charge Revenue	\$859,136	\$830,947	\$955,936	\$997,844	\$948,259
Interfund Transfer from General Fund	\$250,000	\$250,000	-	-	-
Finance Costs	\$39,509	\$46,220	\$55,586	\$58,625	\$63,260
Capital Costs	\$281,313	\$30,100	-	\$208,808	\$46,000
Special Maintenance	\$1,517	\$12,702	-	-	-
Depreciation	\$272,677	\$225,704	\$276,508	\$293,067	\$290,000
Water Charge (\$/unit) before 15% discount		\$4.49	\$5.98	\$5.82	\$5.68

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

Costings are detailed below:

	2003/04	2001/02	2000/01	1999/00
Operating Costs	\$642,779	\$641,277	\$604,827	\$498,782
Water Charge Revenue	\$830,947	\$955,936	\$997,844	\$948,259
Interfund Transfer from General Fund	\$250,000			
Finance Costs	\$46,220	\$55,586	\$58,625	\$63,260
Capital Costs	\$30,100		\$208,808	\$46,000
Special Maintenance	\$12,702			
Depreciation	\$225,704	\$276,508	\$293,067	\$290,000
Water Charge (\$/unit) before 15% discount	\$4.49	\$5.98	\$5.82	\$5.68

## **6000 – Cleansing**

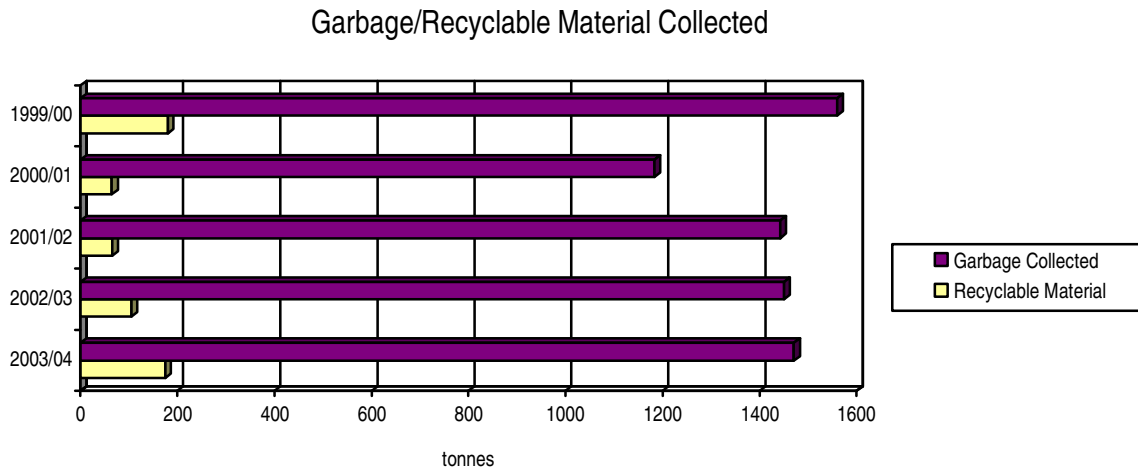
***Goal: To provide efficient, effective and environmentally sensitive refuse collection and/or disposal services in all towns.***

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

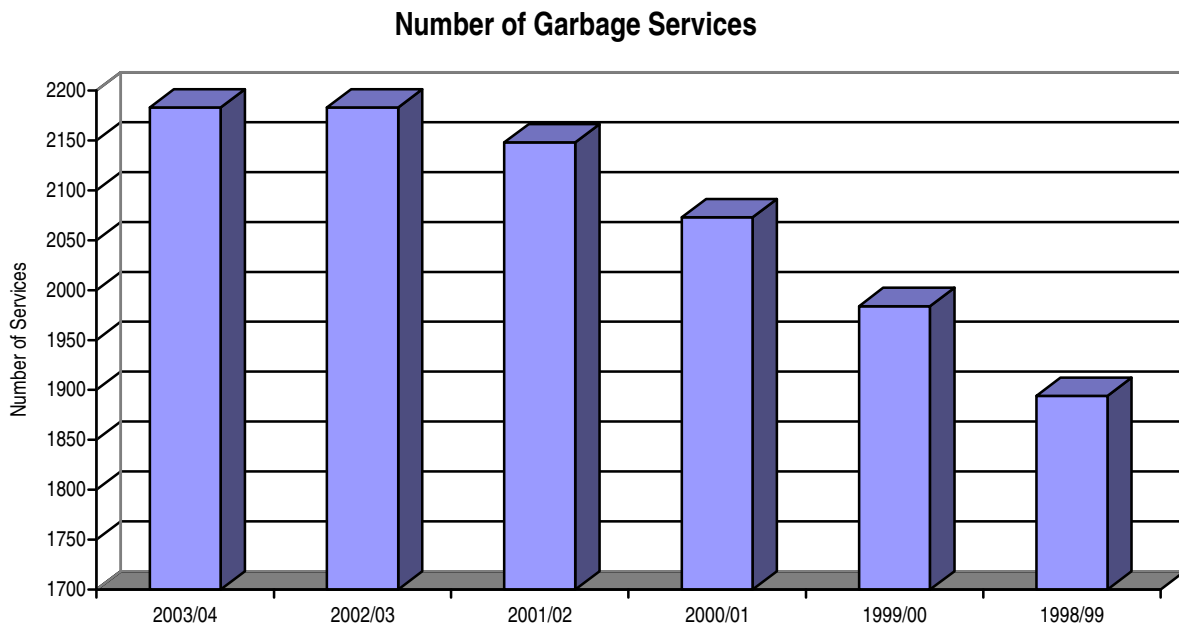
JJ Richards & Sons continued in the 2003/04 financial year as Council's Garbage Contractors. Their service includes the supply and maintenance of 200 litre wheelie bins and a transfer station at St George for the collection of recyclable material.

Garbage is collection from Bollon, Thallon, Dirranbandi and St George households via a split-bin system with the garbage being transferred to St George Garbage Depot for burial. Any recyclable material is stored in the transfer station prior to being taken to the company's depot in Toowoomba for sorting and processing.

**FIGURE 20**



**FIGURE 21**



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

The garbage pit at Hebel continues to be maintained by Council. The pit is fenced, unmanned and open twenty-four hours per day. Hebel residents dispose of their own refuse into the pit. Routine maintenance is carried out when necessary.

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

All of Council's dumps remain open to the public twenty-four hours per day with no charges made for dumping. Many people

continue to use these facilities with large volumes of rubbish being dumped each week.

Maintenance of the dumps is carried out on a regular basis. Each dump is inspected by Council's Environmental Health Officer at least once per month.

The problem of unauthorised burning of refuse at the St George dump continues. Appeals to the public not to burn their rubbish are often being ignored. This action causes environmental harm and creates a danger to persons using the site. Council will need to take legal action against offenders if the practice continues.

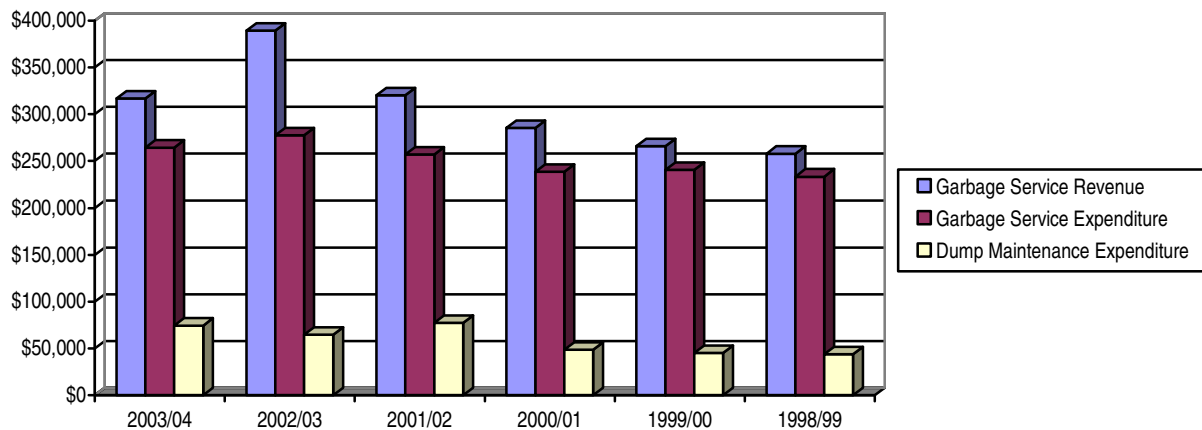
Trees and a watering system have been installed to shield the Dirranbandi Dump from the road.

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

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

**FIGURE 22**

**Garbage Revenue/Expenditure and Dump Maintenance Expenditure**



Costings are detailed below:

	2003/04	2002/03	2001/02	2000/01	1999/00
Cleansing Charge Revenue (Net)	\$316,750.00	\$389,322.35	\$274,235	\$285,370	\$265,869
Refuse Collection Contract Expenses	\$264,339.00	\$277,497.10	\$256,092	\$238,397	\$240,443
Dump Maintenance Expenses	\$74,455.00	\$64,796.31	\$77,381	\$48,647	\$43,804
Special Maintenance	\$3,310.00	NIL	\$10,817		
Cleansing Charge (\$/unit) before 15% discount – Wheelie Bin Service	\$8.48	\$8.00	\$7.42	\$7.20	\$7.02
Cleansing Charge (\$/unit) before 15% discount – Hebel, Mungindi	\$8.48	\$8.00	\$5.16	\$5.00	\$4.88

## **Appendices**

- Appendix 1*                      *Revenue Policy 2003/2004*
- Appendix 2*                      *Audited Financial Statements 2003/2004*
- Appendix 2A*                      *Community Financial Report 2003/2004*
- Appendix 3*                      *Listing of Documents and Registers*
- Appendix 4*                      *Remuneration Package for Councillors 2003/2004*
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## **1.0 Background**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **4.0 POLICY - Separate Rates and Charges**

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

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

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

## **5.0 POLICY - Special Rates and Charges**

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

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

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

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

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

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



## 6.0 POLICY - Utility Charges

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

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

### 6.1 POLICY - Water Utility Charges

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

This is achieved by setting the base charge for water at a level which would achieve full cost recovery in the town with the lowest cost water supply.

The resulting base water charge is then applied to all towns regardless of the makeup of the various supplies.

This policy results in a shortfall in revenue for those towns which have a water supply that costs more than that of the town with the lowest cost.

The Council funds this community service obligation through the transfer of the funding shortfall from it=s General Fund to the Water Program.

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

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

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

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

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

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

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

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

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

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

A Un-connected property water charge shall apply to a property where such property is not connected to the water supply but is located within the urban water supply area.

The following classes of property shall be exempt from the Un-connected property water charge:-

- a. Charitable, Not-for-Profit, Religious and Educational facilities including Aged and Child Care facilities, Student Hostels; and
- b. For a period of three (3) full financial years commencing after the date of registration of the survey plan, those lots of land in a development where the water supply reticulation was provided by the original developer and where such lots remain unsold by the original developer.
- c. Where a building from a neighbouring property encroaches on the unconnected property.

- d. Where the property has no legal access.
- e. Where the property is of such a small size and/or irregular shape that, in the opinion of the Council, it could not be sold and used for any purpose consistent with the area.

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

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

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

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

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

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

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

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

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

A Un-connected property sewerage charge shall apply to a property where such property is not connected to the sewerage system but is located within the sewered area.

The following classes of property shall be exempt from the Un-connected property sewerage charge:-

- a. Charitable, Not-for-Profit, Religious and Educational facilities including Aged and Child Care facilities, Student Hostels; and
- b. For a period of three (3) full financial years commencing after the date of registration of the survey plan, those lots of land in a development where the sewerage reticulation was provided by the original developer and where such lots remain unsold by the original developer.
- c. Where a building from a neighbouring property encroaches on the unconnected property.
- d. Where the property has no legal access.

- e. Where the property is of such a small size and/or irregular shape that, in the opinion of the Council, it could not be sold and used for any purpose consistent with the area.

### **6.3 POLICY - Cleansing Charge**

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

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

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

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

## **7.0 POLICY – Regulatory Fees and Commercial Charges**

### **7.1 Regulatory Fees**

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

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

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

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

### **7.1 POLICY – Commercial Charges**

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

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

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

Commercial Charges are subject to the Goods and Services Tax.

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

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

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

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

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

Council levies its rates and utility charges in two (2) moieties each financial year.

The amounts levied in respect of rates and utility charges for each moiety, represent one half of the amounts to be levied for the full financial year.

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

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

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

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

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

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

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

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

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

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



Balonne Shire Council  
**Revenue Policy 2003/2004**

Date of Resolution: 13 June, 2003



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

- (a) decides more than one (1) discount date or discount period for the rate; and
- (b) allows a different amount of discount or percentage discount for each discount date or discount period decided.

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

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

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

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

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

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

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

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

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

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

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

Date of Resolution: 13 June, 2003

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Balonne Shire Council  
**Revenue Policy 2003/2004**

Date of Resolution: 13 June, 2003



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

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

### **14.0 POLICY - Developer Contributions**

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

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

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

# BALONNE SHIRE COUNCIL

## Annual Financial Statements for the Year Ended 30 June 2004

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**BALONNE SHIRE COUNCIL****Statement of Financial Performance**

For the year ended 30 June 2004

	Notes	June 2004	2003 Actual
Revenue from ordinary activities	3	10,644,000	10,729,000
Expenses from ordinary activities	4	(11,137,000)	(11,284,000)
Borrowing costs	5	(269,000)	(292,000)
<b>Result from ordinary activities</b>		<b>(763,000)</b>	<b>(847,000)</b>
<b>Net result</b>		<b>(763,000)</b>	<b>(847,000)</b>
Increase (decrease) in asset revaluation reserve	25	16,964,000	0
<b>TOTAL CHANGE IN COMMUNITY EQUITY</b>		<b>16,201,000</b>	<b>(847,000)</b>

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

**BALONNE SHIRE COUNCIL****Statement of Financial Position**

As at 30 June 2004

	Notes	June 2004	2003 Actual
<b>Current Assets</b>			
Cash assets	13	2,693,000	2,986,000
Receivables	15	1,351,000	776,000
Inventories	16	278,000	262,000
Other financial assets	17	101,000	103,000
		<b>4,423,000</b>	<b>4,128,000</b>
<b>Non-current Assets</b>			
Inventories	16	308,000	439,000
Property, plant and equipment	23	71,241,000	55,279,000
Receivables		18,000	0
Capital works in progress	19	1,442,000	1,293,000
		<b>73,009,000</b>	<b>57,011,000</b>
<b>TOTAL ASSETS</b>		<b>77,432,000</b>	<b>61,139,000</b>
<b>Current Liabilities</b>			
Payables	20	226,000	172,000
Tax liability	21	78,000	61,000
Interest bearing liabilities	22	341,000	292,000
Employee benefits	23	320,000	310,000
Other	24	2,000	5,000
		<b>967,000</b>	<b>841,000</b>
<b>Non-current Liabilities</b>			
Interest bearing liabilities	22	3,839,000	3,848,000
Employee benefits	23	791,000	816,000
		<b>4,630,000</b>	<b>4,664,000</b>
<b>TOTAL LIABILITIES</b>		<b>5,597,000</b>	<b>5,506,000</b>
<b>NET COMMUNITY ASSETS</b>		<b>71,835,000</b>	<b>55,633,000</b>
<b>Community Equity</b>			
Asset revaluation reserve	25	52,188,000	35,224,000
Other reserves	26	3,018,000	2,613,000
Retained surplus (deficiency)		16,629,000	17,796,000
<b>TOTAL COMMUNITY EQUITY</b>		<b>71,835,000</b>	<b>55,633,000</b>

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

**BALONNE SHIRE COUNCIL****Statement of Cash Flows**

For the year ended 30 June 2004

	<u>Notes</u>	<u>June 2004</u>	<u>2003 Actual</u>
<b>Cash flows from operating activities:</b>			
Receipts from customers		10,282,000	9,770,000
Payments to suppliers and employees		(7,089,000)	(5,976,000)
Interest received		194,000	174,000
Borrowing costs		(269,000)	(292,000)
<b>Net cash inflow (outflow) from operating activities</b>	34	<b>3,118,000</b>	<b>3,677,000</b>
<b>Cash flow from investing activities:</b>			
Payments for property, plant and equipment		(3,799,000)	(3,062,000)
Net movement in loans to community organisations		5,000	0
Proceeds from sale of property, plant and equipment	9	297,000	274,000
Proceeds from sale of developed land		47,000	58,000
<b>Net cash inflow (outflow) from investing activities</b>		<b>(3,450,000)</b>	<b>(2,730,000)</b>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings	27	332,000	0
Repayment of borrowings	27	(292,000)	(272,000)
<b>Net cash inflow (outflow) from financing activities</b>		<b>40,000</b>	<b>(272,000)</b>
<b>Net increase (decrease) in cash held</b>		<b>(293,000)</b>	<b>675,000</b>
Cash at beginning of reporting period		2,986,000	2,311,000
<b>Cash at end of reporting period</b>	13	<b>2,693,000</b>	<b>2,986,000</b>

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

# BALONNE SHIRE COUNCIL

## Statement of Changes in Equity

For the year ended 30 June 2004

	Total		Retained surplus (deficit)		Asset revaluation reserve		Other reserves	
	03/04	02/03	03/04	02/03	Note 25		Note 26	
	Actual	Actual	Actual	Actual	03/04	02/03	03/04	02/03
					Actual	Actual	Actual	Actual
<b>Council</b>								
Balance at beginning of period	55,633,000	56,481,000	17,796,000	19,003,000	35,224,000	35,224,000	2,613,000	2,254,000
Net result for the period	(763,000)	(847,000)	(763,000)	(847,000)	0	0	0	0
Transfers to reserves	(617,000)	0	(1,146,000)	(759,000)	0	0	529,000	759,000
Transfers from reserves	621,000	0	742,000	399,000	0	0	(121,000)	(399,000)
Asset revaluation adjustments	16,964,000	0	0	0	16,964,000	0	0	0
<b>Balance at end of period</b>	<b>71,835,000</b>	<b>55,633,000</b>	<b>16,629,000</b>	<b>17,796,000</b>	<b>52,188,000</b>	<b>35,224,000</b>	<b>3,018,000</b>	<b>2,613,000</b>

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



# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies

For the year ended 30 June 2004

These financial statements, which are general purpose financial statements, have been drawn up in accordance with Australian Accounting Standards, Urgent Issues Group consensus views, the *Local Government Act 1993* and the *Local Government Finance Standard 1994*. Except where stated, the financial statements have been prepared in accordance with the historical cost convention. The accounting policies adopted are consistent with those for the previous year and the accrual basis of accounting has been used.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report.

### (a) Trust Funds Held for Outside Parties

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

The monies are disclosed in Note 34 to the financial statements for information purposes only.

### (b) Taxation

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

### (c) Inventories

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

### (d) Land Held for Resale

#### (d)(i) *Land held as an inventory asset*

Land approved by Council for resale and classified as inventory is recognised as a current asset. The land is expected to be sold within 12 months. The land is valued at carrying value on transfer to inventory or cost if acquired as an inventory item, or net realisable value where that is lower. That portion of the land that is not expected to be sold within 12 months is classified as a non-current inventory asset.

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

#### (d)(ii) *Land held as a non-current inventory asset*

Land approved for resale is recorded as part of the Council's inventory assets (Note 19) and are valued at lower of cost or net market value based on current market prices of undeveloped land in the vicinity, or in a similar area, having similar characteristics of the land held, at the time the land development is proposed and approved by Council.

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

### (e) Construction Contracts and Work in Progress

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

# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies (cont.)

For the year ended 30 June 2004

### (f) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

#### (f)(i) **Acquisition of assets**

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

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

Actual cost is used for the initial recording of all acquisitions of assets unless these have been received as a result of a local government restructure.

In the latter case, the assets transferred at no cost, or for a nominal consideration are recognised at their gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation offset, or at their fair values.

#### (f)(ii) **Non-current assets threshold**

Items of property, plant and equipment with a total value of less than \$5,000, except for land, network assets and fleet items (an aggregate of interrelated assets) or \$1,000 in the case of Office Equipment and Furniture, are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

#### (f)(iii) **Capital and operating expenditure**

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

#### (f)(iv) **Valuation**

Land, buildings, infrastructure and heritage and cultural assets are measured at fair value in accordance with AASB 1041 *Revaluation of Non-Current Assets and the Local Government Finance Standard 1994*. All other non-current assets, principally plant and equipment and intangibles, are measured at cost.

Assets which have a useful life of ten years or less or cost less than \$50,000 are shown in the financial statements at their historical cost less accumulated depreciation.

Non-current physical assets measured at fair value are comprehensively revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. Only those assets, the total values of which are material, compared to the value of the class of assets to which they belong, are comprehensively revalued.

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

#### (f)(v) **Depreciation**

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

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

# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies (cont.)

For the year ended 30 June 2004

### (f)(v) Depreciation (cont.)

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

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

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

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

Separately identified components of assets are measured on the same basis as the assets to which they relate and are recognised as a separate asset. These items or components may be replaced during the life of the complex asset. Each component is depreciated over its individual life or the life of the complex asset if shorter.

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

<u>Asset</u>	<u>Range of estimated useful life in years</u>
Land	Not depreciated
Buildings	15 - 80
Transport Infrastructure	10 - 50
Water Supply Infrastructure	15 - 60
Sewerage Supply Infrastructure	15 - 100
Plant and equipment	5 - 40
Furniture and Fittings	5 - 40
Other Non-Current Assets	5 - 80

Asset Categories of Plant and Equipment, Furniture and Fittings, Strategic Plan and Other Non-Current Assets are depreciated using the reducing balance method and the following are the indicative depreciation rates that may be used.

Motor Vehicles	20% to 79%
Strategic Plan	20%

### (g) Receivables

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

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

Loans and advances are recognised at their face values. Terms are usually a maximum of five years with interest charged at negotiated rates. Security is not normally obtained.

# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies (cont.)

For the year ended 30 June 2004

### (h) Other Financial Assets

Other Financial Assets are brought to account at the lower of cost and recoverable amount and are disclosed at the fair values indicated in Note 18. Interest and dividend revenues are recognised on an accrual basis.

### (i) Payables

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

### (j) Employee Benefits

Employee benefits are accrued for such items as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee entitlements are assessed at each reporting date. Sick leave taken in the future will be met by future entitlements and hence no recognition of sick leave has been made in these financial statements. Where it is expected that the leave will be taken in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

#### (j)(i) *Salaries and wages*

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability is treated as a creditor of the Council and not as an employee benefit.

#### (j)(ii) *Annual leave*

A liability for annual leave is recognised and based on current wage and salary levels and includes related employee on-costs.

#### (j)(iii) *Superannuation*

The superannuation expense for the reporting period is the amount of the contribution the local government makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 32.

#### (j)(iv) *Long service leave*

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The interest rates attaching as at the reporting date, to Commonwealth Government guaranteed securities are used to discount the estimated future cash outflows to their present value. The value of the liability was calculated using current pay rates and includes related employee on-costs.

### (k) Interest Bearing Liabilities

Loans payable are recognised at the face value of the principal outstanding, interest being expensed or otherwise recognised as it accrues. The fair value of these loans is disclosed in Note 28.

### (l) Rates, Grants and Other Revenue

Rates, Grants and Other Revenue are recognised as revenues when the Council obtains control over assets comprising the contributions. Receivables are recorded at nominal amounts less any provision for doubtful debts. Credit terms for other debtors are 30 days while credit terms for Rates Receivables are in accordance with Council's Revenue Policy, where 15% discount is offered for payment within 30 days or 7.5% discount for payment within 60 days.

#### (l)(i) *Rates*

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

# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies (cont.)

For the year ended 30 June 2004

**(l)(ii) Grants and subsidies**

Control over granted assets is normally obtained upon their receipt or, if earlier, when the Council becomes unconditionally entitled to the grant. These amounts are recognised as revenue in the period in which they are received.

**(l)(iii) Non-cash contributions**

Non-cash contributions in excess of \$5,000 in value, are recognised as revenue and as non-current assets. Non-cash contributions below \$5,000 are recorded as revenue only (refer Note 1.(f)(ii)).

**(l)(iv) Other revenue including contributions**

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

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

**(m) Components of Equity**

**(m)(i) Asset revaluation reserve**

The asset revaluation reserve is comprised of adjustments relating to changes in value of non-current assets which arise primarily from changes in the purchasing power of money. Net incremental changes in the carrying value of classes of non-current assets, since their initial recognition, are accumulated in this reserve.

Where a class of assets is decreased on revaluation, without a prior revaluation increment in the asset revaluation reserve, the asset revaluation decrement net of the corresponding adjustment to the accumulated depreciation is treated as an operating expense.

**(m)(ii) Reserves held for future capital expenditure**

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

**(m)(ii)(i) Road Works Reserve**

This reserve has all grants, subsidies and contributions of monetary revenue received during the reported period which are constrained for the purpose of funding future road works.

As the expenditure is incurred on specified capital assets, the equivalent amounts are transferred to Retained Surplus. The closing balance reported at the period end represents amounts not yet expended.

**(m)(ii)(ii) Main Roads Surplus Reserve**

Any surplus from Main Roads Works are put to this reserve for future use on Council roads.

**(m)(ii)(iii) Sport & Recreation Reserve**

This reserve was created to contribute to future funding for development of sport and recreation facilities in the Shire.

**(m)(ii)(iv) Sewerage Reserve**

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

# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies (cont.)

For the year ended 30 June 2004

**(m)(ii) Reserves held for future capital expenditure (cont.)**

(m)(ii)(v) Water Reserve

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

(m)(ii)(vi) Cleansing Reserve

This reserve comprises funds set aside by Council for expenditure on cleansing.

(m)(ii)(vii) Roads to Recovery Reserve

This reserve comprises funds set aside by Council for expenditure on Roads to Recovery projects.

(m)(ii)(viii) Housing Reserve

This reserve was created to contribute to future housing requirements of the Council.

(m)(ii)(ix) Education Facilities Reserve

This reserve was created to contribute to future education facilities in the Shire.

(m)(ii)(x) General Administration Reserve

This reserve was created to contribute to the acquisition of a new exchange server.

(m)(ii)(xi) Development Planning and Control Reserve

This reserve was created to contribute to the costs incurred in the review of the planning scheme.

(m)(ii)(xii) Visitor Services Reserve

This reserve was created to contribute to the costs of installing interpretative signage within the Shire.

(m)(ii)(xiii) Works Depot Reserve

This reserve was created to contribute to the costs involved in decontamination of the former Roe Street Depot site.

(m)(ii)(xiv) Parks and Gardens Reserve

This reserve was created to contribute to the costs involved in installation of pumping and irrigation equipment on the Riverside Parklands.

(m)(ii)(xv) Showgrounds Reserve

This reserve was created to contribute to the construction of buildings at the Bollon and Dirranbandi Showgrounds.

(m)(ii)(xvi) Economic Development Reserve

This reserve was created to contribute to the production of a regional promotional video via MaDROC.

(m)(ii)(xvii) Works Administration Reserve

This reserve was created to contribute to the costs of conducting an asbestos audit on all Council-owned workplaces.

(m)(ii)(xviii) Aerodrome Reserve

This reserve was created to contribute to the replacement of the boundary fence at the Dirranbandi Aerodrome.

# BALONNE SHIRE COUNCIL

## Note 1: Summary of Significant Accounting Policies (cont.)

For the year ended 30 June 2004

**(m)(ii) Reserves held for future capital expenditure (cont.)**

(m)(ii)(xix) Public Communication Facilities Reserve

This reserve was created to contribute to the cost of installing a television retransmission facility at Thallon.

(m)(ii)(xx) Swimming Pools Reserve

This reserve was created to contribute to the cost of installing a disabled change-room / shower at the St. George swimming pool complex.

m)(ii)(xxi) Public Conveniences Reserve

This reserve was created to contribute to the cost of installing new plumbing and an on-site sewerage treatment plant at the Mungindi riverbank toilets.

**(m)(iii) Reserves held for future recurrent expenditure**

(m)(iii)(i) Emergency Services Reserve

This reserve was created to contribute to the costs of the Disaster Mitigation Plan.

**(m)(iv) Retained surplus**

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

**(n) National Competition Policy**

The Council has reviewed its activities and has identified three (3) activities that are business activities. These activities are Other Roads, Water and Sewerage. The Council has resolved not to apply the Code of Competitive Conduct to any activity of the Council.

**(p) Rounding and Comparatives**

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero. Due to the rounding of figures to thousands of dollars, small errors in additions will be encountered in various places throughout the financial statements and notes to the financial statements.

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

**(q) Cash Assets**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes bank overdrafts and liquid investments with short periods to maturity that are readily convertible to cash at the Council's option and that are subject to a low risk of changes in value.

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

### Note 2: Analysis of Results by Function

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

	Grants revenue		Other revenue		Total revenue		Total expenses		Net result for period		Assets	
	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual
Administration / Corporate Services	8,000	0	89,000	96,000	97,000	96,000	803,000	716,000	(706,000)	(620,000)	1,634,000	1,594,000
Business Services	0	0	1,829,000	2,487,000	1,829,000	2,487,000	1,738,000	2,357,000	91,000	130,000	3,000	0
Cleansing	0	0	325,000	306,000	325,000	306,000	319,000	306,000	5,000	0	0	0
Community and Cultural	94,000	141,000	195,000	255,000	289,000	396,000	1,207,000	1,046,000	(917,000)	(650,000)	10,971,000	5,988,000
Environmental and Health Services	0	22,000	79,000	90,000	79,000	112,000	807,000	814,000	(728,000)	(702,000)	648,000	411,000
Finance	1,204,000	1,046,000	3,233,000	3,130,000	4,437,000	4,177,000	250,000	250,000	4,187,000	3,927,000	4,138,000	3,865,000
Planning and Development	0	9,000	37,000	81,000	37,000	90,000	209,000	238,000	(172,000)	(148,000)	317,000	302,000
Transport and Drainage Infrastructure Services	1,994,000	1,746,000	337,000	319,000	2,330,000	2,065,000	5,292,000	5,038,000	(2,961,000)	(2,973,000)	46,572,000	41,044,000
Urban Waste Water	0	0	597,000	555,000	597,000	555,000	413,000	364,000	184,000	191,000	4,716,000	2,111,000
Urban Water	176,000	0	773,000	746,000	949,000	746,000	694,000	749,000	254,000	(3,000)	8,438,000	5,824,000
<b>Total Council</b>	<b>3,476,000</b>	<b>2,965,000</b>	<b>7,493,000</b>	<b>8,065,000</b>	<b>10,969,000</b>	<b>11,030,000</b>	<b>11,731,000</b>	<b>11,878,000</b>	<b>(763,000)</b>	<b>(847,000)</b>	<b>77,435,000</b>	<b>61,139,000</b>



# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

	Notes	June 2004	2003 Actual
<b>Note 3: Revenue from Ordinary Activity</b>			
<b>Operating income:</b>			
General rates		3,578,000	3,426,000
Rates received in advance		7,000	47,000
Water		805,000	775,000
Sewerage		679,000	634,000
Thallon fire levy		7,000	7,000
Excess water		46,000	49,000
Cleansing		364,000	350,000
Less: Discounts		(746,000)	(720,000)
Less: Pensioner remissions		(23,000)	(23,000)
Net rates and utility charges		<b>4,717,000</b>	<b>4,544,000</b>
Fees and Charges		215,000	259,000
Sales contracts and recoverable works		1,813,000	2,481,000
Government grants, contributions and donations	7	1,356,000	1,231,000
Gain on sale of developed land	8	(2,000)	17,000
Interest received from investments		163,000	156,000
Interest from rates and utility charges		26,000	21,000
Insurance Recoupment		22,000	11,000
Other		88,000	91,000
<b>Total operating income</b>		<b>8,398,000</b>	<b>8,811,000</b>
<b>Capital income:</b>			
Government grants and contributions	7	2,224,000	1,879,000
Gain on disposal of capital assets	9	22,000	38,000
<b>Total capital income</b>		<b>2,246,000</b>	<b>1,918,000</b>
<b>Total revenue from ordinary activities</b>	6	<b>10,644,000</b>	<b>10,729,000</b>
<b>Note 4: Expenses from Ordinary Activity</b>			
<b>Operating expenses:</b>			
Employee costs	10	3,673,000	3,050,000
Maintenance costs		2,510,000	2,541,000
Materials and services		2,671,000	3,515,000
Plant hire from capital works		(390,000)	(330,000)
Depreciation	11	4,487,000	4,307,000
Oncosts		(2,135,000)	(2,094,000)
Other expenses	12	321,000	294,000
<b>Total operating expenses before interest</b>		<b>11,137,000</b>	<b>11,284,000</b>
<b>Expenses from ordinary activities</b>	6	<b>11,137,000</b>	<b>11,284,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

	Notes	June 2004	2003 Actual
<b>Note 5: Borrowing Cost</b>			
Finance costs charged by Queensland Treasury Corporation		269,000	292,000
	6	<b>269,000</b>	<b>292,000</b>
<b>Note 6: Reconciliation of Revenues and Expenses</b>			
Total revenue for the period was derived from:			
Total ordinary revenues	3	10,644,000	10,729,000
Plus: Current cost of developed land sold	8	50,000	41,000
Plus: Book value of property, plant & equipment sold	9	275,000	263,000
<b>Revenues reconciled to Analysis of Results by Function</b>		<b>10,969,000</b>	<b>11,033,000</b>
Total expenses for the period were incurred as follows:			
Total ordinary expenses	4	11,137,000	11,284,000
Plus: Borrowing costs	5	269,000	292,000
Plus: Current cost of developed land sold	8	50,000	41,000
Plus: Book value of property, plant & equipment sold	9	275,000	263,000
<b>Expenses reconciled to Analysis of Results by Function</b>		<b>11,731,000</b>	<b>11,880,000</b>
<b>Net Results from Ordinary Activities</b>		<b>(763,000)</b>	<b>(847,000)</b>
<b>Note 7: Grants, Subsidies, Contributions and Donations</b>			
<b>(i) Operational government grants contributions and donations are analysed as follows</b>			
Contributions		40,000	22,000
Specific project government subsidies and grants		112,000	162,000
General purpose government grants		1,204,000	1,046,000
<b>Total operational revenue</b>	3	<b>1,356,000</b>	<b>1,231,000</b>
<b>(ii) Capital government grants contributions and donations are analysed as follows</b>			
<b>(a) Monetary revenue constrained for capital purposes:</b>			
Government grants and subsidies		2,160,000	1,757,000
Contributions		62,000	65,000
Total constrained revenue		<b>2,221,000</b>	<b>1,821,000</b>
<b>(b) Non-monetary revenue received is analysed as follows:</b>			
LGAQ Networking the Nation Program		0	27,000
Pilots Memorial		0	16,000
Coonan-Nixon Pavillion - St. George Showgrounds		3,000	15,000
Total non-monetary assets		<b>3,000</b>	<b>58,000</b>
<b>Total capital revenue</b>	3	<b>2,224,000</b>	<b>1,879,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

	Notes	June 2004	2003 Actual
<b>Note 8: Gain (Loss) on Sale of Developed Land (Inventory Asset)</b>			
Proceeds from sales of land developed for resale		47,000	58,000
Less: Current cost of developed land sold	6	(50,000)	(41,000)
	3	<b>(2,000)</b>	<b>17,000</b>
<b>Note 9: Gain (Loss) on the Disposal of Non-current Assets</b>			
Proceeds from the sale of property, plant and equipment		297,000	274,000
Less: Book value of property, plant and equipment sold	6	(275,000)	(263,000)
Insurance Recovery on Plant #133		0	27,000
	3	<b>22,000</b>	<b>38,000</b>
<b>Note 10: Employee Costs</b>			
Total wages and salaries		3,179,000	2,538,000
Councillors' remuneration		117,000	93,000
Annual, sick and long service leave entitlements		351,000	389,000
Superannuation		300,000	298,000
		<b>3,946,000</b>	<b>3,318,000</b>
Other employee related expenses		341,000	0
		<b>4,287,000</b>	<b>3,318,000</b>
Less: Capitalised employee expenses		(614,000)	(268,000)
	4	<b>3,673,000</b>	<b>3,050,000</b>
Total Council Employees as at 30 June			
2004: Office 27, Depot 52, Total Staff 79			
2003: Office 28, Depot 59, Total Staff 87			
Councillor remuneration represents salary, superannuation contributions and other allowances paid in respect of carrying out their duties.			
<b>Note 11: Depreciation and Amortisation</b>			
Land		0	0
Buildings		246,000	219,000
Plant and equipment		762,000	567,000
Furniture		16,000	11,000
Transport infrastructure		2,918,000	3,002,000
Water supply network		273,000	245,000
Sewerage network		161,000	142,000
Strategic plan		1,000	1,000
Other assets		110,000	117,000
	4	<b>4,487,000</b>	<b>4,307,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 12: Other Expenses</b>		
Audit services	31,000	37,000
Donations paid	8,000	14,000
Contribution to Skills Centre	20,000	0
Miscellaneous	41,000	55,000
Rural lands protection	221,000	189,000
4	<b>321,000</b>	<b>294,000</b>
<b>Note 13: Cash Assets</b>		
Cash at bank and on hand	1,293,000	986,000
Deposits at call	1,400,000	2,000,000
32	<b>2,693,000</b>	<b>2,986,000</b>
<b>Reconciliation to the statement of cash flows</b>		
Cash at the end of the period as shown in the statement of cash flows is reconciled to the statement of cash flows as follows.		
Balances as above	2,693,000	2,986,000
<b>Balance per statement of cash flows</b>	<b>2,693,000</b>	<b>2,986,000</b>
<b>Note 14: Assets Subject to a Restriction</b>		
Externally imposed expenditure restrictions at the reporting date relate to the following assets:		
<b>Cash</b>		
Unspent loan monies	43,000	0
<b>Total unspent restricted funds for capital projects</b>	<b>43,000</b>	<b>0</b>
<b>Note 15: Receivables</b>		
<b>Current</b>		
Rates and utility charges	355,000	369,000
Other debtors	1,000,000	412,000
Less: Provision for doubtful debts	(11,000)	(11,000)
Accrued Interest	0	5,000
Loans and advances	7,000	0
	<b>1,351,000</b>	<b>776,000</b>
<b>Non-current</b>		
Loans and advances	18,000	0
	<b>18,000</b>	<b>0</b>

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors.

100% percent of loans and advances relate to loans made to various sporting and community bodies. These loans are subject to negotiated interest rates.

**BALONNE SHIRE COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30 June 2004**

	Notes	June 2004	2003 Actual
<b>Note 16: Inventories</b>			
<b>Current</b>			
Stores and raw materials		270,000	256,000
Visitor Information Centre		8,000	6,000
		<b>278,000</b>	<b>262,000</b>
<b>Non-current</b>			
Land held for development and sale	30	308,000	439,000
		<b>308,000</b>	<b>439,000</b>
<b>Note 17: Other Financial Assets</b>			
Prepayments		101,000	103,000
	32	<b>101,000</b>	<b>103,000</b>
<b>Current portion - to be realised within 12 months:</b>			
Unrestricted		101,000	103,000
		<b>101,000</b>	<b>103,000</b>

### Note 18a: Property, Plant and Equipment Valuations

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

**(i) Land**

The valuation of land and improvements was performed by Mr Alfio Ponticello (B.Bus (R.P. Val & Admin)) of Australia Pacific Valuers Pty Ltd as at 31st March, 2004.

**(ii) Buildings**

The valuation of buildings was performed by Mr Alfio Ponticello (B.Bus (R.P. Val & Admin)) of Australia Pacific Valuers Pty Ltd as at 31st March, 2004.

**(iii) Plant and Equipment, Furniture and Fittings and Other Non-Current Assets**

The valuation of plant and equipment, furniture and fittings and other non-current assets was performed by Mr John Deac (B.Eng) of Australia Pacific Valuers Pty Ltd as at 31st March, 2004. (see Summary of accounting policies item v).

Plant and equipment under the value of \$50,000 and mobile plant and equipment with an expected life of under five years is not revalued.

**(iv) Transport Infrastructure**

The valuations of transport infrastructure assets were determined by Mr Max Henderson, Council's Resident Engineer as at 30th June, 2004. Assets were valued at current replacement cost in accordance with the "Road Asset Valuation" Policy adopted by Council in May 1999.

Aerodrome assets within this class were valued by Mr Alfio Ponticello (B.Bus (R.P. Val & Admin)) of Australia Pacific Valuers Pty Ltd as at 31st March, 2004.

**BALONNE SHIRE COUNCIL**  
Notes to and forming part of the Financial Statements  
For the year ended 30 June 2004

**Note 18a: Property, Plant and Equipment Valuations (cont.)**

**(v) Water Supply and Sewerage Network**

The valuation of water supply and sewerage infrastructure assets was performed by Mr John Deac (B.Eng) of Australia Pacific Valuers Pty Ltd as at 31st March, 2004.

**(vi) Strategic Plan**

Council's strategic plan was acquired as at 1st January, 1996 and is being depreciated at a reducing balance rate of 20%.

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

### Note 18b: Council Property, Plant and Equipment

	Land And Improvements	Buildings	Plant And Equipment	Furniture and Fittings	Transport Infrastructure	Water Supply Network	Sewerage Network	Strategic Plan	Other Non- Current Assets	Total
<b>Asset Values</b>										
Opening balance at cost	0	0	74,000	14,000	3,493,000	1,000	0	0	126,000	3,709,000
Opening balance at valuation	1,947,000	14,865,000	7,432,000	254,000	73,332,000	15,100,000	7,051,000	30,000	2,764,000	122,774,000
Additions at cost	18,000	160,000	858,000	5,000	1,839,000	279,000	483,000	0	36,000	3,677,000
Contributed assets at valuation	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	(568,000)	0	0	0	0	0	0	(568,000)
Revaluations in period	495,000	2,025,000	1,652,000	269,000	7,591,000	3,834,000	3,943,000	0	514,000	20,326,000
Internal transfers	0	0	0	0	0	0	0	0	0	0
Correction of prior period error	0	0	0	0	0	0	0	0	61,000	61,000
<b>Council closing balance at cost</b>	<b>18,000</b>	<b>160,000</b>	<b>919,000</b>	<b>19,000</b>	<b>5,333,000</b>	<b>280,000</b>	<b>482,000</b>	<b>0</b>	<b>150,000</b>	<b>7,361,000</b>
<b>Council closing balance at valuation</b>	<b>2,442,000</b>	<b>16,890,000</b>	<b>8,527,000</b>	<b>523,000</b>	<b>80,923,000</b>	<b>18,934,000</b>	<b>10,994,000</b>	<b>30,000</b>	<b>3,351,000</b>	<b>142,618,000</b>
<b>Closing balance of Council asset values</b>	<b>2,460,000</b>	<b>17,050,000</b>	<b>9,446,000</b>	<b>542,000</b>	<b>86,256,000</b>	<b>19,214,000</b>	<b>11,476,000</b>	<b>30,000</b>	<b>3,502,000</b>	<b>149,979,000</b>
<b>Accumulated Depreciation</b>										
Opening balance	0	8,832,000	3,353,000	169,000	43,020,000	9,478,000	5,160,000	24,000	1,169,000	71,204,000
Depreciation provided in period	0	246,000	762,000	16,000	2,918,000	273,000	161,000	1,000	110,000	4,487,000
Written off on disposals	0	0	(293,000)	0	0	0	0	0	0	(293,000)
Adjustment on asset revaluation	0	(2,221,000)	99,000	117,000	2,288,000	1,258,000	1,717,000	0	103,000	3,362,000
Correction of prior period error	0	0	0	0	0	0	0	0	(22,000)	(22,000)
<b>Closing balance of accumulated depreciation</b>	<b>0</b>	<b>6,857,000</b>	<b>3,920,000</b>	<b>302,000</b>	<b>48,226,000</b>	<b>11,009,000</b>	<b>7,038,000</b>	<b>26,000</b>	<b>1,360,000</b>	<b>78,738,000</b>
<b>Total written down value at 30 June 2004</b>	<b>2,460,000</b>	<b>10,192,000</b>	<b>5,526,000</b>	<b>241,000</b>	<b>38,030,000</b>	<b>8,205,000</b>	<b>4,438,000</b>	<b>5,000</b>	<b>2,142,000</b>	<b>71,241,000</b>
<b>Total written down value at 30 June 2003</b>	<b>1,947,000</b>	<b>6,033,000</b>	<b>4,152,000</b>	<b>100,000</b>	<b>33,805,000</b>	<b>5,623,000</b>	<b>1,891,000</b>	<b>6,000</b>	<b>1,721,000</b>	<b>55,279,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 19: Capital Works in Progress</b>		
Capital works in progress at cost	1,442,000	1,293,000
	<b>1,442,000</b>	<b>1,293,000</b>
<b>Note 20: Payables</b>		
<b>Current</b>		
Creditors and accruals	226,000	172,000
32	<b>226,000</b>	<b>172,000</b>
<b>Note 21: Tax Liability</b>		
<b>Current</b>		
GST payable	70,000	31,000
Employee related tax payable	82,000	82,000
Less: GST recoverable	(74,000)	(52,000)
32	<b>78,000</b>	<b>61,000</b>
<b>Note 22: Interest Bearing Liabilities</b>		
<b>Current</b>		
Loans	341,000	292,000
27	<b>341,000</b>	<b>292,000</b>
<b>Non-current</b>		
Loans	3,839,000	3,848,000
27	<b>3,839,000</b>	<b>3,848,000</b>
<b>Note 23: Employee Benefits</b>		
<b>Current</b>		
Employee entitlements: Annual leave	280,000	280,000
Employee entitlements: Long service leave	40,000	30,000
	<b>320,000</b>	<b>310,000</b>
<b>Non-current</b>		
Employee entitlements: Annual leave	256,000	260,000
Employee entitlements: Long service leave	536,000	556,000
	<b>791,000</b>	<b>816,000</b>
<b>Total provisions</b>	<b>1,111,000</b>	<b>1,126,000</b>



**BALONNE SHIRE COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30 June 2004**

Notes	June 2004	2003 Actual
<b>Note 24: Other Liabilities</b>		
<b>Current</b>		
Unearned lease premiums received in advance	2,000	5,000
	<b>2,000</b>	<b>5,000</b>
<b>Note 25: Asset Revaluation Reserve</b>		
Movements in the asset revaluation reserve were as follows:		
Balance at the beginning of the period	35,224,000	35,224,000
Net adjustment to capital non-current assets at end of period to reflect a change in fair value:		
Land	495,000	0
Buildings	4,247,000	0
Plant & Equipment	1,553,000	0
Furniture	152,000	0
Transport Infrastructure	5,303,000	0
Water Supply Network	2,576,000	0
Sewerage Network	2,226,000	0
Strategic Plan	0	0
Other Assets	411,000	0
<b>Balance at the reporting date</b>	<b>52,188,000</b>	<b>35,224,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 26: Other Reserves</b>		
<b>Composition</b>		
<b>(a) RESERVES HELD FOR FUTURE CAPITAL EXPENDITURE:</b>		
(i) Road works reserve	862,000	581,000
(ii) Main roads surplus reserve	0	0
(iii) Sport & recreation reserve	425,000	425,000
(iv) Sewerage reserve	678,000	697,000
(v) Water reserve	632,000	462,000
(vi) Cleansing reserve	6,000	1,000
(vii) Roads to Recovery reserve	0	0
(viii) Housing reserve	143,000	150,000
(ix) Education facilities reserve	128,000	150,000
(x) General administration reserve	0	10,000
(xi) Development planning & control reserve	7,000	10,000
(xii) Visitor services reserve	8,000	8,000
(xiii) Works depot reserve	34,000	45,000
(xiv) Parks & gardens reserve	28,000	40,000
(xv) Showgrounds reserve	0	24,000
(xvi) Economic development reserve	5,000	0
(xvii) Works administration reserve	10,000	0
(xviii) Aerodromes reserve	11,000	0
(xix) Public communication facilities	23,000	0
(xx) Swimming pools reserve	9,000	0
(xxi) Public conveniences reserve	11,000	0
<b>(b) RESERVES HELD FOR FUTURE RECURRENT EXPENDITURE:</b>		
(xxii) Emergency services reserve	0	11,000
	<b>3,018,000</b>	<b>2,613,000</b>
<b>(i) Road works reserve</b>		
Balance at the beginning of period	581,000	672,000
Transfer from the retained surplus grants, subsidies and contributions, constrained for capital purposes, received in period	281,000	130,000
Transfers from the Main Roads surplus reserve received in period	0	61,000
Transfers from the Roads to Recovery reserve received in period.	0	105,000
Transfer to retained surplus, amount expended in the period	0	(387,000)
<b>Balance at the reporting date</b>	<b>862,000</b>	<b>581,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 26: Other Reserves (cont.)</b>		
<b>(ii) Main roads surplus reserve</b>		
Balance at the beginning of period	0	61,000
Transfer from retained surplus, amount for future expenditure	0	0
Transfer to retained surplus, amount expended in the period	0	0
Transfer of opening balance to the Road Works reserve	0	(61,000)
<b>Balance at the reporting date</b>	<b>0</b>	<b>0</b>
<b>(iii) Sport &amp; recreation reserve</b>		
Balance at the beginning of period	425,000	325,000
Transfer from retained surplus, amount for future expenditure	0	100,000
Transfer to retained surplus, amount expended in the period	0	0
<b>Balance at the reporting date</b>	<b>425,000</b>	<b>425,000</b>
<b>(iv) Sewerage reserve</b>		
Balance at the beginning of period	697,000	464,000
Transfer from retained surplus, amount for future expenditure	0	233,000
Transfer to retained surplus, amount expended in the period	(20,000)	0
<b>Balance at the reporting date</b>	<b>678,000</b>	<b>697,000</b>
<b>(v) Water reserve</b>		
Balance at the beginning of period	462,000	477,000
Transfer from retained surplus, amount for future expenditure	170,000	0
Transfer to retained surplus, amount expended in the period	0	(15,000)
<b>Balance at the reporting date</b>	<b>632,000</b>	<b>462,000</b>
<b>(vi) Cleansing reserve</b>		
Balance at the beginning of period	1,000	0
Transfer from retained surplus, amount for future loan redemption	5,000	1,000
Transfer to retained surplus, amount expended in the period	0	0
<b>Balance at the reporting date</b>	<b>6,000</b>	<b>1,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 26: Other Reserves (cont.)</b>		
<b>(vii) Roads to Recovery reserve</b>		
Balance at the beginning of period	0	105,000
Transfer from retained surplus, amount for future expenditure	0	0
Transfer to retained surplus, amount expended in the period	0	0
Transfer of opening balance to the Road Works reserve	0	(105,000)
<b>Balance at the reporting date</b>	<b>0</b>	<b>0</b>
<b>(viii) Housing reserve</b>		
Balance at the beginning of period	150,000	75,000
Transfer from retained surplus, amount for future expenditure	0	75,000
Transfer to retained surplus, amount expended in the period	(7,000)	0
<b>Balance at the reporting date</b>	<b>143,000</b>	<b>150,000</b>
<b>(ix) Education facilities reserve</b>		
Balance at the beginning of period	150,000	75,000
Transfer from retained surplus, amount for future expenditure	0	75,000
Transfer to retained surplus, amount expended in the period	(22,000)	0
<b>Balance at the reporting date</b>	<b>128,000</b>	<b>150,000</b>
<b>(x) General administration reserve</b>		
Balance at the beginning of period	10,000	0
Transfer from retained surplus, amount for future expenditure	0	10,000
Transfer to retained surplus, amount expended in the period	(10,000)	0
<b>Balance at the reporting date</b>	<b>0</b>	<b>10,000</b>
<b>(xi) Development planning &amp; control reserve</b>		
Balance at the beginning of period	10,000	0
Transfer from retained surplus, amount for future expenditure	0	10,000
Transfer to retained surplus, amount expended in the period	(3,000)	0
<b>Balance at the reporting date</b>	<b>7,000</b>	<b>10,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 26: Other Reserves (cont.)</b>		
<b>(xii) Visitor services reserve</b>		
Balance at the beginning of period	8,000	0
Transfer from retained surplus, amount for future expenditure	0	8,000
Transfer to retained surplus, amount expended in the period	0	0
<b>Balance at the reporting date</b>	<b>8,000</b>	<b>8,000</b>
<b>(xiii) Works depot reserve</b>		
Balance at the beginning of period	45,000	0
Transfer from retained surplus, amount for future expenditure	0	45,000
Transfer to retained surplus, amount expended in the period	(11,000)	0
<b>Balance at the reporting date</b>	<b>34,000</b>	<b>45,000</b>
<b>(xiv) Parks &amp; gardens reserve</b>		
Balance at the beginning of period	40,000	0
Transfer from retained surplus, amount for future expenditure	0	40,000
Transfer to retained surplus, amount expended in the period	(12,000)	0
<b>Balance at the reporting date</b>	<b>28,000</b>	<b>40,000</b>
<b>(xv) Showgrounds reserve</b>		
Balance at the beginning of period	24,000	0
Transfer from retained surplus, amount for future expenditure	0	24,000
Transfer to retained surplus, amount expended in the period	(24,000)	0
<b>Balance at the reporting date</b>	<b>0</b>	<b>24,000</b>
<b>(xvi) Emergency services reserve</b>		
Balance at the beginning of period	11,000	0
Transfer from retained surplus, amount for future expenditure	0	11,000
Transfer to retained surplus, amount expended in the period	(11,000)	0
<b>Balance at the reporting date</b>	<b>0</b>	<b>11,000</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

	Notes	June 2004	2003 Actual
<b>Note 27: Loans</b>			
(i) Queensland Treasury Corporation	32	4,180,000	4,141,000
(ii) Other bank loans		0	0
	22	<b>4,180,000</b>	<b>4,141,000</b>
Classified as:			
(i) Current	22	341,000	292,000
(ii) Non-current	22	3,839,000	3,848,000
		<b>4,180,000</b>	<b>4,141,000</b>
<b>(i) Queensland Treasury Corporation</b>			
Opening balance		4,449,000	4,497,000
Loans raised		332,000	0
Principal repayments		(292,000)	(272,000)
Adjustment to loan value due to change in interest rates		225,000	224,000
<b>Market value at period end</b>		<b>4,263,000</b>	<b>4,449,000</b>

The loan market value at 30 June 2004 is \$4,263,354.52. This represents the value of the debt if the Council repaid it at that date. The loans are held in their respective program accounts. The interest rates on Queensland Treasury Corporation borrowings range from 5.90% to 12.10%. Based on the current level of repayments the expected term of total debt is 17.51 years (2003 – 18.39 years). Borrowings are all in Australian dollars and are guaranteed by the Queensland State Government.

## Note 28: Commitments for Expenditure

### (a) Capital commitments

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

Crane Truck	0	121,000
	<b>0</b>	<b>121,000</b>
These expenditures are payable:		
Within one year	0	121,000
Later than 1 year but not later than 5 years	0	0
Later than 5 years	0	0
	<b>0</b>	<b>121,000</b>

## Note 29: Contingent Liabilities

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

(a) Various claims are pending against the Council. In the opinion of the Council's solicitor the potential loss on all claims at 30 June 2004 should not exceed:

0	0
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(b) The Balonne Shire Council is a member of the local government self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled because of insufficient funds being available to cover outstanding liabilities. Only Local Government Workcare may call on any part of the guarantee should the above circumstances arise.

The Council's maximum exposure is:

94,000	93,000
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**BALONNE SHIRE COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**For the year ended 30 June 2004**

Notes	June 2004	2003 Actual
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### Note 29: Contingent Liabilities

(c) The Balonne Shire Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or being unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect of any year that a deficit arises. As at June 2003 the financial statements reported an accumulated loss of \$2,128,579. The board of management has developed a long term financial strategy to address this deficit. As at the reporting date the Council's share of any liability cannot be reliably estimated.

### Note 30: Land Held for Development and Sale

Opening balance	439,000	463,000
Land acquired for development in current period	13,000	3,000
Adjustment on Revaluation	(96,000)	0
Less: Cost of developed land sold	(48,000)	(26,000)
	<b>308,000</b>	<b>439,000</b>
Classified as:		
Current	0	0
Non-current	308,000	439,000
16	<b>308,000</b>	<b>439,000</b>

Land held for development and sale is revalued when an adjustment to net realisable value is required.

Where this land was originally classified as a non-current capital asset it has been revalued in accordance with the valuation criteria set out in Note 1.

### Note 31: Superannuation

The Balonne Shire Council contributes to the Local Government Superannuation Scheme ("the Scheme") in respect of some of its employees for defined benefit superannuation arrangements. For other employees, councillors and individual employers it contributes for defined contribution superannuation arrangements. The defined benefit elements are not available to new members joining after 1 July 1998. The Scheme is provided for in accordance with statutory requirements. Assets accumulate in the fund to meet member's benefits as they accrue. If that portion of the assets of the Scheme intended to support employees' defined benefits, are insufficient to satisfy such entitlements payable to beneficiaries, then the level and form of such benefits would need to be revised.

The Balonne Shire Council's liability in respect of defined contribution superannuation arrangements is the amount of contribution that, under the terms of the Scheme, is payable to the fund as at the reporting date. The audited general purpose financial statements of the plan as at 30 June 2001, (the most recent available) which were not subject to any audit qualification, indicate that the assets of the plan are sufficient to meet the accrued benefits. No liability for the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees. The most recent actuarial assessment of the plan was undertaken as at 1 July 2000 and the actuary indicated that without improvements to benefit conditions, or other unanticipated events, current contribution rates would be sufficient to meet members benefits as they accrue.

Superannuation contributions paid to the Superannuation Fund in this period for the benefit of employees:

	300,000	298,000
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# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

### Note 31: Superannuation (cont.)

The Balonne Shire Council also contributes to the Local Government Superannuation Fund for the benefit of elected members.

Superannuation contributions paid to the Superannuation Fund in this period for the benefit of elected members:

0 0

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

### Note 32a: Financial Instruments

#### (a) Credit Risk Exposures

The credit risk on financial assets of the Council (consolidated) which have been recognised on the statement of financial position, other than investments in shares, is generally the carrying amount, net of provision for doubtful debts. The Council (consolidated) has no major concentration of credit risk to any single debtor or group of debtors.

#### (b) Interest Rate Risk

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

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



# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

### Note 32b: Financial Instruments

	Notes	Floating interest rate		Fixed interest rate		Non-interest bearing		Total	
		03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual	03/04 Actual	02/03 Actual
<b>Financial assets</b>									
Cash assets	13	1,292,000	986,000	1,400,000	2,000,000	1,000	1,000	2,693,000	2,986,000
Receivables	15	0	0	355,000	369,000	1,015,000	407,000	1,369,000	776,000
Long term cash assets	17	0	0	0	0	101,000	103,000	101,000	103,000
		<b>1,292,000</b>	<b>986,000</b>	<b>1,755,000</b>	<b>2,369,000</b>	<b>1,116,000</b>	<b>510,000</b>	<b>4,163,000</b>	<b>3,865,000</b>
Weighted average interest rate		3.7%	3.2%	6.4%	5.7%	0.0%	0.0%		
<b>Financial liabilities</b>									
Payables	20	0	0	0	0	226,000	172,000	226,000	172,000
Tax liability	21	0	0	0	0	78,000	61,000	78,000	61,000
Loans - Queensland Treasury Corporation	27	0	0	4,180,000	4,141,000	0	0	4,180,000	4,141,000
		<b>0</b>	<b>0</b>	<b>4,180,000</b>	<b>4,141,000</b>	<b>304,000</b>	<b>234,000</b>	<b>4,484,000</b>	<b>4,374,000</b>
Weighted average interest rate		0.0%	0.0%	6.5%	6.6%	0.0%	0.0%		
<b>Net financial assets</b>		<b>1,292,000</b>	<b>986,000</b>	<b>(2,426,000)</b>	<b>(1,771,000)</b>	<b>812,000</b>	<b>277,000</b>	<b>(321,000)</b>	<b>(509,000)</b>

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements

For the year ended 30 June 2004

Notes	June 2004	2003 Actual
<b>Note 33: Trust Funds</b>		
Monies collected or held on behalf of another entity yet to be paid out, to or on behalf of that entity	49,000	23,000
Security deposits	10,000	5,000
	<b>59,000</b>	<b>28,000</b>
Weighted average interest rates	2.36%	2.45%

The Balonne Shire Council performs only a custodial role in respect of these monies, and because the monies cannot be used for Council, they are not brought to account in these financial statements.

## Note 34: Reconciliation of result from ordinary activities to net cash inflow (outflow) from operating activities

Result from ordinary activities	(763,000)	(847,000)
Non-cash operating items:		
Depreciation and amortisation	4,487,000	4,307,000
Non-cash donations, subsidies and contributions	(27,000)	(58,000)
	<b>3,698,000</b>	<b>3,401,000</b>
Investing and development activities:		
Net (profit) loss on disposal of non-current assets	(19,000)	(38,000)
Cost of developed land sold in the period	48,000	41,000
Payment for land for sale and development costs in the period	(13,000)	(3,000)
	<b>16,000</b>	<b>(1,000)</b>
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	(708,000)	385,000
(Increase) decrease in other operating assets	(13,000)	(119,000)
Increase (decrease) in payables	116,000	(80,000)
Increase (decrease) in employee provisions	10,000	91,000
	<b>(596,000)</b>	<b>276,000</b>
<b>Net cash inflow from operating activities</b>	<b>3,118,000</b>	<b>3,677,000</b>

## Note 35: National Competition Policy

### (a) Type 1 and type 2 Activities

Definitions of type 1 and 2 activities:

Before the end of each financial year, the Minister must decide for the financial year, the expenditure amounts (the "threshold amounts") for identifying a "significant business activity" that should be a type 1 or 2 business activity.

#### Type 1.

A significant business activity where the threshold expenditure has been set by the Minister for the year ended 30 June 2004 as follows :-

- (a) for water and sewerage combined activities - \$33.3 million
- (b) for other activities - \$20.0 million

# BALONNE SHIRE COUNCIL

## Notes to and forming part of the Financial Statements For the year ended 30 June 2004

### Note 35: National Competition Policy (cont.)

Type 2.

- (a) for water and sewerage combined activities - \$10.0 million
- (b) for other activities - \$6.7 million

The Council has identified no activities which fall into the expenditure guidelines above.

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

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

(a) Roads business activity means

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

(b) Business activity means

- (i) trading in goods and services to clients in competition with the private sector; or
- (ii) the submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to itself.

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

These business activities are referred to as type 3 activities.

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

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

**BALONNE SHIRE COUNCIL****Management Certificate**

For the year ended 30 June 2004

This general purpose financial report has been prepared pursuant to section 532 of the Local Government Act 1993(the Act), the Local Government Finance Standard 1997(the Standard) and other prescribed requirements. In accordance with Section 54 of the Standard we certify -

- (i) the requirements under the Local Government Act 1993 for the keeping of the accounts have been complied with in all material respects; and
- (ii) the financial statements for the year ended 30 June 2004 and supporting notes present the Council's operating results and financial position as required by the Local Government Act 1993.

.....  
Robert Errol Buchan  
Mayor

Date:

.....  
Lee Ronald Vohland  
Chief Executive Officer

Date:

# BALONNE SHIRE COUNCIL

## Independent Audit Report

For the year ended 30 June 2004

### Scope

I have audited the general purpose financial statements of the Balonne Shire Council prepared by the Council for the year ended 30 June 2004 in terms of the Local Government Act 1993 and the Local Government Finance Standard 1994. The financial statements comprise the Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, Notes to and forming part of the financial statements and certificates given by the the Mayor and the Chief Executive Officer.

The Balonne Shire Council is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with QAO Auditing Standards, which incorporate the Australian Auditing Standards, to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with prescribed requirements in Australia which include Australian Accounting Standards so as to present a view which is consistent with my understanding of the entity's financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

### Audit Opinion

In accordance with s.532 of the Local Government Act 1993, I certify that I have received all the information and explanations I have required and, in my opinion:

- the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- the statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards and other mandatory professional reporting requirements in Australia, of the transactions of the Balonne Shire Council for the financial year ended 30 June 2004 and of the financial position as at the end of that year.

P FITZGERALD, FCA  
Brisbane  
(As Delegate of the Auditor General of Queensland)

## Purpose of this Report:

To provide information about the Council's Financial Statements in a form that is easily understood by the general public.

### Brief Overview of Financial Statements for 2003/2004

(what do these reports actually state):

#### Statement of Financial Performance:

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

**Operating Revenue** (Income – includes Rates, Fees and Charges, State and Federal Governments Grants and Subsidies) - **\$10,644,000**

**Operating Expenses** (Maintenance of Councils Assets including Transport Infrastructure Parks, Water, Sewerage, Health and Environment Responsibilities plus Borrowing Costs) - **\$11,406,000**

**Total Change in Community Equity** (Revenue less Expenses) – **(\$763,000)**

#### Statement of Cash Flows:

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

**Cash Receipts** - \$11,157,000

**Cash Payments** - \$11,449,000

**Net decrease in Cash** - \$293,000

**Cash on Hand 30 June 2004** - \$2,693,000

Cash on Hand includes \$1,400,000 invested with Heritage Building Society.

#### Statement of Financial Position:

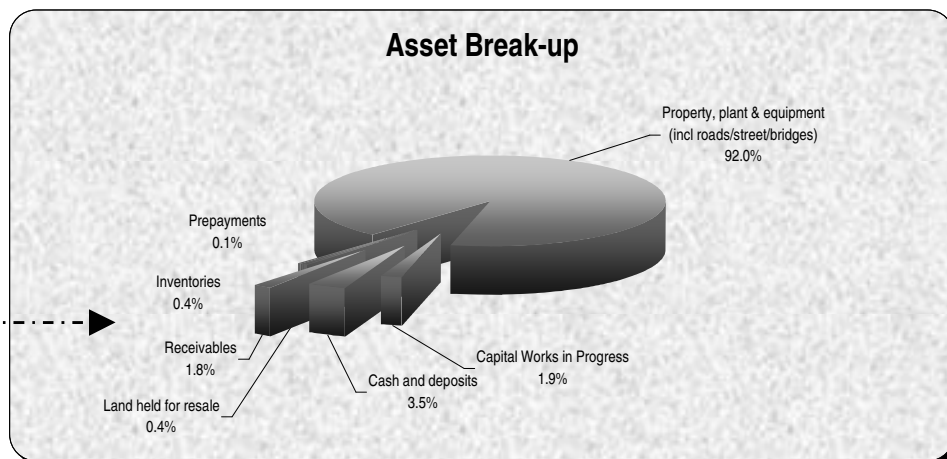
An updated version of the old Balance Sheet. This statement details **Councils Assets** (what it owns), **Liabilities** (what it owes) and **Equity** (which is the balance of Assets over Liabilities)

**Total Assets** – \$77,432,000

**Total Liabilities** - \$5,597,000

**Total Community Equity** - \$71,835,000

**Accumulated Surplus** (operating surplus/ deficit after funds have been appropriated to and from Reserves and adjustments made for unfunded depreciation) - **\$28,259**



This Graph is a Break-up of Council's Assets. **Capital Works in Progress** are assets that Council is currently constructing but not yet finished.

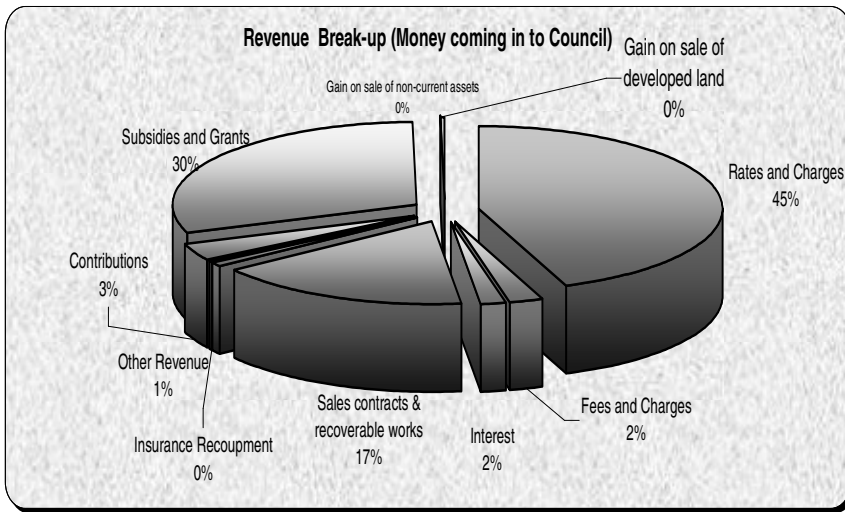
#### Analysis by Function:

States how different sections of Council are performing. This graph represents the revenue and expenditure of each Council's Function. Council's largest Function is Transport Infrastructure which includes roads, streets, aerodromes, and storm water drainage and flood mitigation.

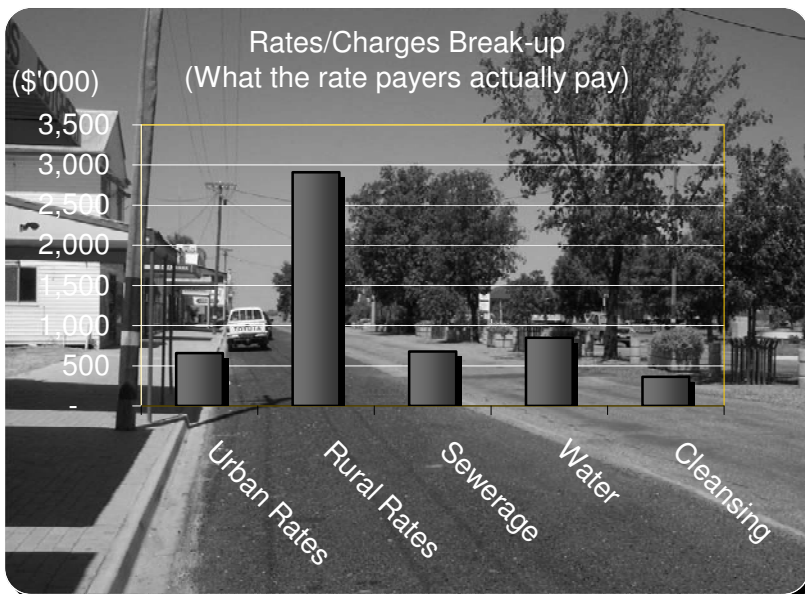
### Revenue and Expenditure by Function (\$'000)

	Administration / Corporate Services	Business Services	Cleansing	Community and Cultural	Environmental and Health Services	Finance	Planning and Development	Transport and Drainage Infrastructure Services	Urban Waste Water	Urban Water
Revenue	97	1,829	325	289	79	4,437	37	2,331	597	949
Expenditure	803	1,738	319	1,207	807	250	209	5,292	413	694

# Financial Highlights



Fees & Charges Received by Council (Money Coming In)	(\$'000)
Search Fees	10
Printing/Stationery/Misc	2
Council Documents	1
Development Planning	8
Building Fees/Permits	16
House Removal Inspection	-
Streets - Fees & Charges	-
Aerodromes Lease	16
Libraries - Fees	1
Housing - Rent	59
Caravan Park - Lease	13
Sport/Rec Facility	2
Hall/Cultural Centre Hire	9
Showgrounds	8
Animal Registrations Urban	18
Impounding Urban Animals	1
Cemetery	12
Disposal Fees	2
EPA Licence/Legal	4
Health Inspection	9
Private Bitumen Works	10
Water Tower Rental	9
Water	6



Capital Expenditure (\$'000) - Assets that Council Capitalised during 2003/2004								
Land	Buildings	Plant & Equipment	Furniture	Transport	Urban Water	Urban Waste Water	Strategic Plan	Other Assets
18	160	858	5	1,839	279	483	-	36

## 30 June 2004 Vital Signs

Number of rateable Properties	2,234
Valuation of rateable properties	\$170.5 Million
Minimum General Rate for 2003/2004	267
Dogs Registered	1,122
Library Membership	1,680
Library Borrowings	2,524
Request for Action ( <i>A formal request for Council to perform a task</i> )	303
Development Approvals	
<i>Building Approvals</i>	81
<i>Material Change of Use</i>	12
<i>Operational Works</i>	2
<i>Reconfiguration of Lot</i>	8
Garbage Recycled	175 Tonnes
Permanent Employees	69
Casual/Part Time Employees	10
Queensland Treasury Corporation (QTC) Loans ( <i>monies owed to QTC</i> )	\$4.18 Million
Capital Expenditure ( <i>including Work in Progress</i> )	\$3.83 Million
Depreciation ( <i>The charge made to allocate the cost of an asset over its expected useful life.</i> )	\$4.487 Million
Unfunded Depreciation	\$1.391 Million
Total Area of Parks and Gardens <i>Maintained by Council</i>	65 Hectares
Parks and Gardens Expenditure ( <i>including depreciation</i> )	\$251,992
Number of Showgrounds <i>Maintained by Council</i>	5
Showground Expenditure ( <i>including depreciation</i> )	\$153,262
Number of Halls/Cultural Centres	5
Hall/Cultural Centre Expenditure Maintained by Council ( <i>including depreciation</i> )	\$156,914
Sport/Recreation Facilities Expenditure ( <i>including depreciation</i> )	\$164,055
Swimming Pool Expenditure ( <i>including depreciation</i> )	\$90,442
St George Swimming Pool - Repainting and Repair Cracks	\$10,649
Tennis Court Expenditure ( <i>including depreciation</i> )	\$5,455
Cash Donations to Community Groups	\$8,460
Population (2001 Census)	5,564
Total Pensioner Rate Remission	\$51,333
Length of Council Roads ( <i>does not include Roads owned by Main Roads</i> )	2,429 Kilometres

## Trend Analysis

- How Council has Performed over a 3-Year Period:

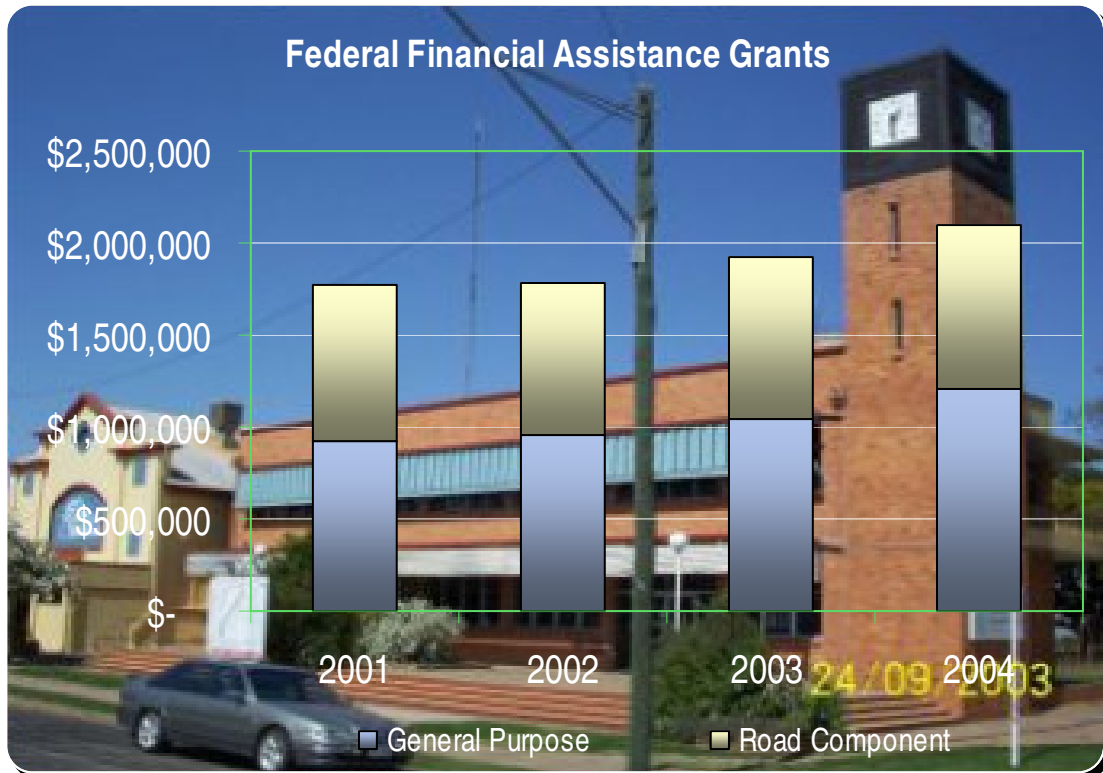
	2003 - 2004	2002 - 2003	2001 - 2002
<b>Net Rate and Utility Charges Revenue/Total Revenue</b> (The percentage of monies from rate payers out of total Council Revenue (ie To what extent the Council relies on Rate Payers for Revenue)	44.32%	42.35%	40.89%
<b>Interest / Redemption / Rates and Charges</b> -The total proportion of rates and charges required to pay debt interest and redemption charges	11.91%	12.40%	11.33%
<b>Debt Servicing and Redemption Cost / Total Revenue</b> - The percentage of Total Revenue that is required to meet Council's annual loan repayments including both interest and redemption.	5.28%	5.25%	4.63%
<b>Total Liabilities / Total Assets</b> - The percentage of Council's Total Liabilities (Monies owing to Creditors and Queensland Treasury Corporation) divided by Council's Net Total Assets (the property that Council owns after it has been depreciated)	7.23%	7.63%	9.26%
<b>Net Debt /Total Revenue</b> -The Council's Total Debt including long term borrowings divided by Council's Total Revenue for the year as a percentage.	52.58%	51.32%	51.08%
<b>Current Assets/Current Liabilities</b> - The ratio of Current Assets which includes Cash in Council's Bank Accounts and in Investments plus Monies owed to Council to the Monies that Council is required to pay within a twelve month period.	4.57:1	4.91:1	3.85:1





## Federal Assistance Grants

The graph below shows the funds that Council has received from the Federal Government since the 2001 financial year. The Federal Assistance Grant is broken up into a General Purpose (which is put into Council's General Fund) and Roads Component (which is specifically for capital road / street / bridges expenditure).



## Borrowing Position as at 30<sup>th</sup> June 2004

Program	Opening Loan Balance as at 1 July 2003	Interest Payments 2003/2004	Redemption Payments 2003/2004	Total Payments 2003/2004	Loan Drawdowns	Interest on Advances	Closing Loan Balance as at 30 June 2004
Roads	35,912	4,120	4,214	8,335	-	-	31,698
Bridges	1,624,334	104,871	122,483	227,354	-	-	1,501,851
Stormwater Drainage - U/Ground	42,485	2,080	6,740	8,821	112,000	18	147,763
Works Depots	1,418,943	88,742	45,315	134,057	-	-	1,373,628
Swimming Pools	-	-	-	-	100,000	16	100,016
Halls/Civic/Cultural Centres	145,995	11,057	18,233	29,290	-	-	127,762
Urban Waste Water	254,481	18,862	19,833	38,694	120,000	20	354,668
Urban Water	618,456	39,509	75,605	115,115	-	-	542,851
<b>Total</b>	<b>\$4,140,606</b>	<b>\$269,241</b>	<b>\$292,424</b>	<b>\$561,665</b>	<b>\$332,000</b>	<b>\$54</b>	<b>\$4,180,237</b>

# APPENDIX 3

Balonne Shire Council

## LISTING OF DOCUMENTS AND REGISTERS

### ACCESS TO COUNCIL DOCUMENTS

#### Documents Available for Inspection/Sale

Document	Price
<b>Council Agenda</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Council Meeting Minutes</b>	\$5.00 per Meeting
<b>Standing Committee Agendas</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Standing Committee Minutes</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Administrative Policy Manual</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Annual Budget Statement</b>	\$10.00 per copy
<b>Council Local Laws and Local Law Policies</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Annual Report</b>	\$5.00 per copy
<b>Shire Planning Scheme Document</b>	\$10.00 per copy
<b>Development Application Register</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Rating/Property/Building Search</b>	\$72.00 per property \$100.00 per property urgent (within 2 days)
<b>Town Planning Certificate</b>	\$72.00 per property
<b>Shire Street/Road Register</b>	\$0.25 per single A4 page \$0.45 per double-sided A4 page
<b>Cemetery Register</b>	** \$1.10 per single sheet or part thereof (Computer Printout)
<b>Sewerage House Drainage Plans</b>	\$2.50 each
<b>Shire Organisations - Address Book (8x3 Address Label Format)</b>	** \$0.06 per record (Minimum charge ** \$1.10) No charge for charitable organisations
<b>Shire Promotional Video</b>	** \$10.00 each includes postage in Australia

#### Documents Available via Subscription Service

<b>Minutes of all Council Meetings</b>	\$60.00 per year
<b>Building Approval Lists</b>	\$70.00 per year

\*\* Goods and Services Tax payable

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2003/2004**

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The following Councillors' remuneration package was adopted by the Council at its General Meeting held on 20<sup>th</sup> June, 2003:-

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

This remuneration package has the following objectives:

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

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

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

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

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

### **2.1 Meeting Attendance Fees**

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

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

# APPENDIX 4

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2003/2004**

(c) Meeting fees payable are:-

	Councillor			Mayor		
	Where the meeting or meetings, inclusive of travel time, are:-					
	greater than 4 hours duration	less than 4 hours but greater than 2 hours duration	less than 2 hours duration	greater than 4 hours duration	less than 4 hours but greater than 2 hours duration	less than 2 hours duration
	(100%)	(60%)	(40%)	(110%)	(66%)	(44%)
Meeting Fees (per day)	\$ 150	\$ 90	\$ 60	\$ 165	\$ 99	\$ 66

## 2.2 **Mayoral Allowance**

- (a) The annual allowance payable to the Mayor shall be \$15,000.
- (b) This allowance will be in addition to the Meeting Fees.
- (c) To facilitate administrative matters, the Council shall maintain and pay all telecommunication charges with respect to a facsimile machine installed at the Mayor's residence.

## 2.3 **Deputy Mayoral Allowance**

- (a) The annual allowance payable to the Deputy Mayor shall be \$5,000.
- (b) This allowance will be in addition to Meeting Fees.
- (c) This allowance provides for Acting Mayoral duties, as required in the absence of the Mayor.

## 2.4 **Councillor Allowance**

- (a) The annual allowance payable to a Councillor, other than the Mayor and Deputy Mayor, shall be \$2,000.
- (b) This allowance will be in addition to Meeting Fees.

## 2.5 **Communication Allowance**

- (a) Elected Members shall receive an annual Communication Allowance of \$550 to help defray additional telephone, facsimile and postage costs associated with their duties.
- (b) This allowance will be in addition to Meeting Fees.

## 3. **MOTOR VEHICLE EXPENSES**

- (a) Elected Members will be entitled to a mileage allowance on actual mileage travelled in attending to the abovementioned meetings where the Elected Member is required to use his/her private vehicle. Mileage allowance will be paid for necessary use of a private vehicle for Council business only. Council will, where possible, provide a Council vehicle or vehicles for travelling necessary for official duties and where such vehicles are made available, mileage allowance will not be paid.
- (b) The mileage rate applicable will be that of the "over 2000cc Engine Capacity" rate referred to in Clause 17 of the Queensland Local Government Officers' Award, which currently stands at 54.5 cents per kilometre.

## 4. **REIMBURSEMENT OF EXPENSES**

- (a) The Council will be responsible for the payment of accommodation costs (including breakfast) and travelling expenses, for both Delegates' and Observers' attendance at all Conferences, Meetings and the like at which the Council has resolved it will be officially represented.

# APPENDIX 4

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2003/2004**

---

- (b) Elected Members shall be paid an Out of Pocket Expense allowance at the rate of \$50.00 per day for Official duties outside the Shire area. Such duties may include attendance of conferences, seminars, meetings and the like. This allowance shall cover the cost of meals, other than breakfast (refer Clause 4 a) and shall be paid regardless of whether or not meals are included in the registration cost of such conferences, seminars, meetings and the like.
- (c) Council will either make payment direct to Creditors, or reimburse Elected Members for eligible expenses incurred on Official duties, on production of receipts or other acceptable evidence of expenditure, in circumstances where that Elected Member is obliged to spend his/her own funds.
- (d) Whenever practicable the Council will provide Council vehicles for both Delegates' and Observers' attendance at all Conferences, Meetings and the like at which the Council has resolved it will be officially represented. Where possible, the request for use of a Council vehicle shall be made at least two (2) days in advance and in writing on the form provided.
- (e) When applicable, the payment of all air fares and air charter expenses for both Delegates' and Observers' attendance at all Conferences, Meetings and the like at which the Council has resolved it will be officially represented, is the responsibility of the Council.
- (f) Such expenses shall also be reimbursed in situations where, by virtue of that Elected Member's appointment or election to an Organisation where that Elected Member does not directly represent the Council and where no Allowance, Travelling or Other Expense, is paid by that Organisation.
- (g) Such expenses shall not be reimbursed in situations where any Elected Member is paid an Allowance, Travelling or Other Expense, by that Organisation on which that Elected Member represents the Council, or in situations where by virtue of that Elected Member's appointment or election to that Organisation, that Elected Member does not directly represent the Council.
- (h) Telephone, Facsimile and Postage expenses incurred by Elected Members in carrying out their duties are deemed to be covered by the annual Communication Allowance.
- (i) Councillors who live outside the town in which a General, Special or Other Committee meeting of the Council is held shall be entitled, in relation to attendance of such meetings, to be reimbursed for accommodation and meals as follows:-
  - 1. Where the meeting is to commence before 10:00am, accommodation/meals on the evening before the meeting; and/or
  - 2. Where the meeting does not close or adjourn until after 6:00pm, accommodation/meals on the evening of the meeting.
- (j) Where a General, Special or Other Committee meeting of the Council is held in a town other than St. George, lunch for Councillors shall be arranged and paid for by the Council.

## 5. METHOD OF PAYMENT

- (a) All claims for payments to Councillors, other than the Mayoral, Deputy Mayoral, Councillor and Communication Allowances, must be accompanied by the prescribed Councillors Time Sheet.
- (b) Payment will be made as follows:-

# APPENDIX 4

**Balonne Shire Council**  
*Local Government Act 1993 - Sections 237 and 465*  
**Remuneration Package for Councillors**  
**2003/2004**

---

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

(c) Payment of the Mayoral, Deputy Mayoral, Councillor and Communication Allowances shall be made quarterly **by direct credit to a bank account of the Councillor's nomination.**

## **6. DATE AND PERIOD OF EFFECT**

- (a) The remuneration package as listed above will have effect from 1st July, 2003, and will remain constant until 30 June, 2004.

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

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

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

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



L.R. Vohland,  
**CHIEF EXECUTIVE OFFICER**

# APPENDIX 5

## Balonne Shire Council Borrowing Policy 2003/2004



Resolution Date: 13 June, 2003

Meeting Type: Special (Budget)

### 1.0 BACKGROUND

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

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

### 2.0 POLICY

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

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

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

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

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

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

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

*Construction/Reconstruction of major bridges*

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

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*Any construction/reconstruction which can not be funded from revenue*

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

*Any construction/re-construction which can not be funded from revenue*

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

*Aerodrome pavement reconstruction etc..*

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

*Major public building construction/reconstruction*

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

*Major storm water drainage works / flood mitigation works*

### **2.1.8 Community Services Infrastructure**

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

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

### **2.2.1 General Programmes**

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

### **2.2.2 Urban Water Programme**

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

### **2.2.3 Sewerage Programme**

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



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Council.

### **2.2.4 Special Rate Programmes**

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

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

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

Council will borrow from the Queensland Treasury Corporation.

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

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

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

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

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

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

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

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

# APPENDIX 5

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### APPENDIX "A"

#### PROPOSED BORROWING PROGRAMME

Financial Year	Programme	Term (years)	Purpose
2003/04	4410	20	\$900,000 - St. George Sewage Treatment Plant Augmentation
2003/04	4410	20	\$120,000 - Sewerage Reticulation Relining
2003/04	425	20	\$112,000 - Underground Stormwater Drainage - Dirranbandi
2003/04	521	20	\$280,000 - Swimming Pool Refurbishment / Improvements - St George
2004/05	520	20	\$580,000 - Multi-purpose Sport/Recreation Facility - St George
2004/05	425	20	\$288,000 - Underground Stormwater Drainage - St George
2004/05	5510	20	\$250,000 - Water Reticulation upgrades/replacements
2005/06	205	20	\$1,500,000 - Administration Building
2005/06	5510	20	\$100,000 - Water Reticulation upgrades/replacements