



MINUTES
of the
GENERAL MEETING

CHAIRMAN: Cr R Dyne (Mayor)

**Held in the Boardroom
Town Hall
2 Caledonian Hill
Gympie Qld 4570**

**On Wednesday 4 April 2012
At 9.00 am**

Gympie Regional Council **GENERAL**

*Mayor RJ Dyne (Chairman),
Crs AJ Perrett, GL Engeman, RA Gâté, LJ Friske,
DR Neilson, IT Petersen, J Watt and JA Walker*

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The meeting commenced at 9:01 am.

PRESENT: Mayor Cr R.J. Dyne (Chairman), Cr A.J. Perrett, Cr G.L. Engeman, Cr I.T. Petersen, Cr R.A. Gâté, Cr D.R. Neilson, Cr J. Watt and Cr J.A. Walker.

Also in attendance were Chief Executive Officer (Mr B.J. Smith), and Minutes Clerk (Mrs S Lowe).

DECLARATIONS OF INTEREST BY COUNCILLORS

SECTION 1: OPEN WITH PRAYER

Rev. Gary McClintock from Gympie Wesleyan Methodist offered a Prayer for the advancement of the Region and the true welfare of its people.

One Minute's silence was observed for family and friends of deceased residents of the Region.

LEAVE OF ABSENCE

G01/03/12 - *That Cr Larry Friske be granted Leave of absence from all Council meeting from the 14 March until further notice.*

SECTION 2: APOLOGIES

SECTION 3: CONFIRMATION OF MINUTES OF PREVIOUS GENERAL MEETING

G01/04/12 Moved: Cr R.A. Gâté

Seconded: Cr J.A. Walker

That the Minutes of the Gympie Regional Council General Meeting held on 28 March 2012 be taken as read and confirmed.

Carried

SECTION 4: PETITIONS

SECTION 5: ADOPTION OF CORPORATE GOVERNANCE & FINANCE COMMITTEE RECOMMENDATIONS

G02/04/12 Moved: Cr D.R. Neilson Seconded: Cr G.L. Engeman

That the Recommendations of the Corporate Governance & Finance Committee Meeting held on 28 March 2012 as presented, be received.

Carried

G03/04/12 Moved: Cr D.R. Neilson Seconded: Cr G.L. Engeman

That the Recommendations of the Corporate Governance & Finance Committee Meeting held on 28 March 2012, be adopted.

Carried

SECTION 6: REPORT BY THE CORPORATE GOVERNANCE & FINANCE COMMITTEE CHAIRMAN

Cr Donna Neilson presented the following Report:-

The summarised budget report as at the end of February 2012 showed that the revenue and expenditure were in line with budget estimates. Could I please remind ratepayers that the discount period for the current rating period will expire at 4pm this Thursday 5 April.

Letters of appreciation were received from the Access Advisory Committee for secretarial support, the Veteran Hall Social committee for a contribution towards the hall and the Kilkivan Great Horse Ride for sponsorship.

The committee dealt with a number of requests for reduction in water consumption accounts due to undetected leaks. If householders are able to check their water meters regularly, it may save a substantial addition to their rates account.

In adopting the 2012/13 fees and charges payable pursuant to State Government legislation and Council's local laws, the committee resolved not to increase the licence fees for Food Businesses. The new application fee and renewal fee will remain at the 2011/12 level in recognition of the difficult economic times being faced by many businesses.

Training during January and February focused on First Aid qualifications for outside staff, participation by engineering staff in Unsealed Road Workshops and training for Workplace Rehabilitation Coordinators.

It was again disappointing to note the theft of roadworks signs and traffic cones used to delineate construction work.

The committee resolved to allow the Brethren of Telford Lodge of Imbil a 50% reduction in their general rate from 1 July 2012.

The Gympie Sporting Clays Inc have indicated that the club will not be relocating to Sandy Creek Road, Victory Heights due to restrictions imposed on the permitted use. It was recommended that the club be reimbursed for lease fees and other expenses incurred.

As this is my final report for this term, I would like to thank my council colleagues for their support over the last four years. I particularly acknowledge my deputy chairman Cr Graham Engeman who embraced the new role with great enthusiasm.

My thanks also go to all staff, especially in the Finance and Corporate Services Directorates for their efforts in the sometimes challenging transition following amalgamation. Gympie Regional Council has complied with all statutory requirements and maintained sound financial management.

G04/04/12 Moved: Cr D.R. Neilson

Seconded: Cr G.L. Engeman

That the Report be received.

Carried

Director of Corporate Services Mr Craig Manson entered the meeting at 9.09 am.

SECTION 7: OTHER MATTERS

7/1	Annual Report
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Re: **G05/04/12** Annual Report 2010-2011
 From: Manager Information Systems and Change Management – Mr B Hayes
 File: 3-1-14-001
 Date: 26 March 2012

Executive Summary:

Council is required under the *Local Government (Finance, Plans and Reporting) Regulation 2010* to prepare an Annual Report for each financial year. The Draft Annual Report 2010-2011 attached has been compiled with input from all Directorates. This Report highlights many achievements during the period that further the vision and goals identified in Council's Corporate and Operational Plans.

Report: (Manager Information Systems and Change Management – Mr B Hayes)

It is a requirement under *s108 of the Local Government (Finance, Plans and Reporting) Regulation 2010* that an Annual Report be produced for the period 1 July 2010 to 30 June 2011. The legislation further requires that the Annual Report for this period be adopted by Council no later than 30 November 2011.

Ongoing delays in receiving sign off from the Queensland Audit Office on Council's Financial Statements for the period, resulting from an audit backlog of a large number of Councils suffering significant asset impairment from the Queensland floods, made it necessary for Council to apply to the Minister for Local Government on a number of occasions seeking further extensions to the adoption date for its Annual Report 2010-2011.

The most recent extension granted by the Minister requires Council to adopt its Annual Report 2010-2011 by April 4, 2012.

Strategic Implications:

Corporate Plan: Outcome 4

Operational Plan: 1.1 (iii) Governance - Legal

Budget: Council has provided a budget allocation for the preparation of the Annual Report.

Legal/Statutory: Council is required under s108 of the Local Government (Finance, Plans and Reporting) Regulation 2010 to prepare an Annual Report for each financial year.

Risks: Low - Administrative eg. non-compliance with legislative obligations.

Consultation:

CEO
Director of Finance
Director of Corporate Services
Director of Engineering
Director of Planning
Director of Community Services

Attachment :

Gympie Regional Council's Draft Annual Report 2010-2011

G05/04/12 Moved: Cr D.R. Neilson Seconded: Cr R.A. Gâté

That the Gympie Regional Council 2010-2011 Annual Report as presented be adopted.

Carried

Director of Corporate Services Mr Craig Manson left the meeting at 9.12 am.

7/2	Contract 2011/2012-T508 - Plant Replacement – Plant No 269 12 tonne smooth drum roller
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Re: **G06/04/12** Contract 2011/2012 – T509 Purchase one (1) 12 tonne smooth drum roller
From: General Manager Works – Mr G.C. Ingham
File:
Date: 27/03/2012

Executive Summary:

Tenders have been called and assessed for the replacement of Plant No 269 12tonne smooth drum roller. Six (6) suppliers offered seven (7) machine options

Plant 269 12t smooth drum roller was offered for sale as a trade or for outright purchase. Five (5) suppliers offered a trade price and Council received one (1) offer to purchase from a private buyer.

Table 1 – Price record

Supplier	Make	Model	Full price ex GST	Full No Trade price exc GST	Existing vehicle trade offer exc GST	Change over exc GST	Change over with private offer exc GST
Earthquip	Multipac	SSR120	\$130,250.00	\$125,090.91	\$ 30,000.00	\$100,250.00	\$ 105,909.09
Wirtgen	Hamm	3412	\$127,000.00	\$127,000.00	\$ 20,000.00	\$107,000.00	\$ 107,818.18
Dynapac	Dynapac	CA252HD	\$142,000.00	\$142,000.00	\$ 13,636.36	\$128,363.64	\$ 122,818.18
CJD Equipment	Volvo	SD130D	\$143,319.00	\$143,319.00	\$ -	\$143,319.00	\$ 124,137.18
Tutt Bryant	Bomag	BW211D-4	\$157,271.00	\$153,500.00	\$ 16,454.55	\$140,816.45	\$ 134,318.18
Hastings Deering	Cat	CS533E HW	\$175,500.00	\$165,500.00	\$ 20,000.00	\$155,500.00	\$ 146,318.18
Hastings Deering	Cat	CS56	\$196,000.00	\$186,000.00	\$ 20,000.00	\$176,000.00	\$ 166,818.18
PVT Sales P/L	Private offer				\$ 19,181.82		

Previous Council considerations:

Recommendation W 23/11/11 – Fleet Replacement Budget Allocation

Report: (Fleet Manager – Peter Stevenson)

The Hamm 3412 and the Multipac SSR120 machines meet the specifications, these machines are well priced however Council has had little experience with the brands and there are no machines (this model) in use in the greater Wide Bay area. After market support is offered out of Brisbane only and the extended warranty package for both is limited to either support for the engine only or the machine only for 36 months.

The next lowest tender is for a Dynapac CA252HD.

Dynapac rollers are well represented across Queensland; the larger hire fleets including Coates, Flexi-hire and Handy-hire predominantly have Dynapac machines. Council has a current Dynapac CA302PD (pad foot purchased 2009) in the fleet, the machine has proven to be productive and has had very little down time, after market support is provided out of the Sunshine Coast and the warranty provisions provided by Dynapac are above industry standard (36 months full machine warranty).

Based on the proven reliability and productivity of Councils existing machine coupled with local supplier support and outstanding warranty package the Dynapac CA252HD represents Council's best option for the replacement of Unit 269.

The higher tenders offer no net advantage over the Dynapac.

Strategic Implications:

Budget Implications: Minute W23/10/11

Budget Reference: Minute W23/10/11

Consultation:

Works Logistics Coordinator
Works Crew supervisors
Machine operators
Workshop Supervisor
Fitters and mechanics

Checklist:

√ Engineering Services Directorate

G06/04/12 Moved: Cr J.A. Walker

Seconded: Cr G.L. Engeman

That :

- 1. Council purchases one Dynapac CA252HD 12t smooth drum roller from Dynapac (Atlas Copco Construction Equipment Aus) for \$142,000.00 exc GST (\$156,200.00 inc GST);**
- 2. Council accepts the offer to purchase Plant from PVT Sales P/L of \$19,181.82 exc GST (\$21,100 inc GST)**

Carried

Director of Planning & Development Mr Mike Hartley entered the meeting at 9.12 am.

7/3

2012-0008 – Reconfiguring A Lot – Subdivision to Create Two (2) Lots from Two (2) Existing Titles – 295 Randwick Road, East Deep Creek – J. Albrecht

RE: **G07/04/12** 2012-0008 – Reconfiguring A Lot – Subdivision to Create Two (2) Lots from Two (2) Existing Titles – 295 Randwick Road, East Deep Creek – J. Albrecht

FILE NO:

2012-0008

- Minimum lot size in the Rural zone is 100ha;
- Minimum frontage in the Rural Zone is 100m per allotment;
- Maximum length of an access strip in the Rural zone is 100m;
- Sufficient planning grounds exist in order to support the proposal despite non-compliance with these standards;
- All other aspects of the proposed development comply with the provisions of the Planning Scheme;
- No referral agencies applicable;
- Reconfiguring a Lot – Subdivision to create Two (2) Lots from Two (2) Existing Titles recommended for Approval, subject to conditions.

Report: (Planning Officer – S.F. Court)

1.0 APPLICATION

This application seeks approval for a Development Permit to reconfigure two (2) existing titles to create two (2) lots over Lot 1 MCH31294 and Lot 2 MPH5154, situated at 295 Randwick Road, East Deep Creek.

1.1 Site Description

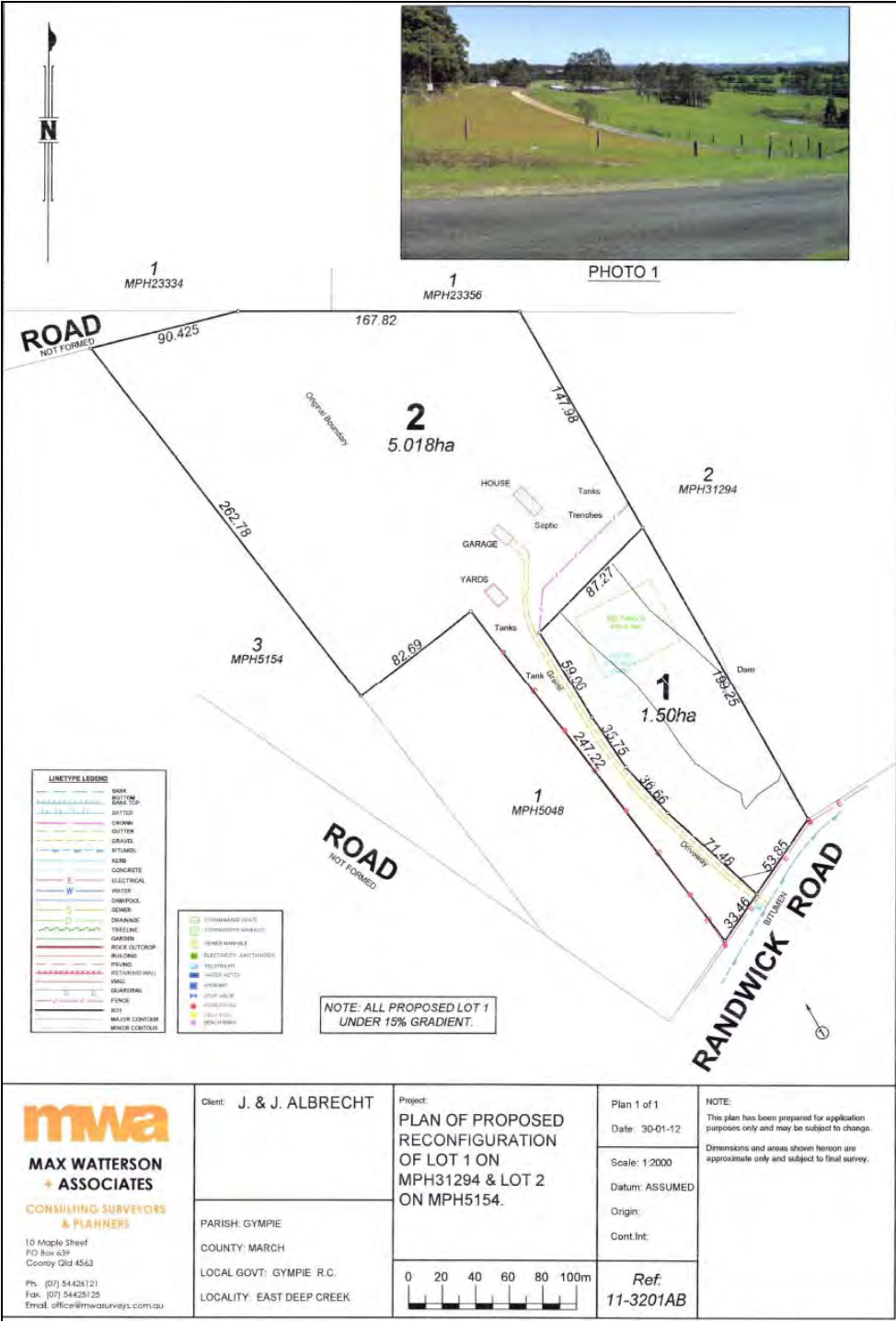
The sites have a total area of 6.51 ha (2.02 ha and 4.49 ha). Both existing allotments are irregular in shape. The land has approximately 87.31 metres of frontage to Randwick Road and 90.42 metres of frontage to an unformed road to the north of the site.

Lot 1 on MPH31294 is currently used for residential purposes and Lot 2 on MPH5154 is vacant. The natural surface of the site in Lot 1 on MPH31294 generally falls towards the north, Lot 2 on MPH5154 generally falls towards the east.

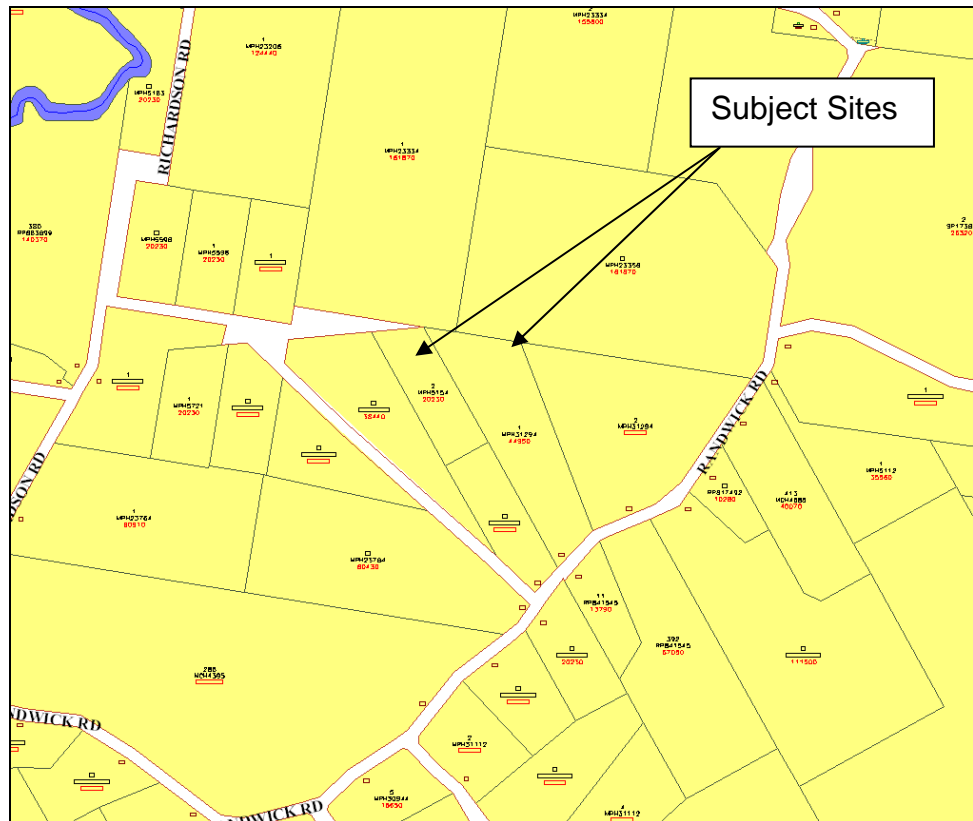
1.2 Proposal

The proposal comprises reconfiguring the land to create a total of two (2) Rural lots from two (2) existing allotments of approximately 1.5 ha, and 5.01 ha.

It would ordinarily be delegated to the Director of Planning & Development to decide however the lot size proposed conflicts with a specific outcome of the Reconfiguring a Lot Code. The proposed layout is reproduced below.

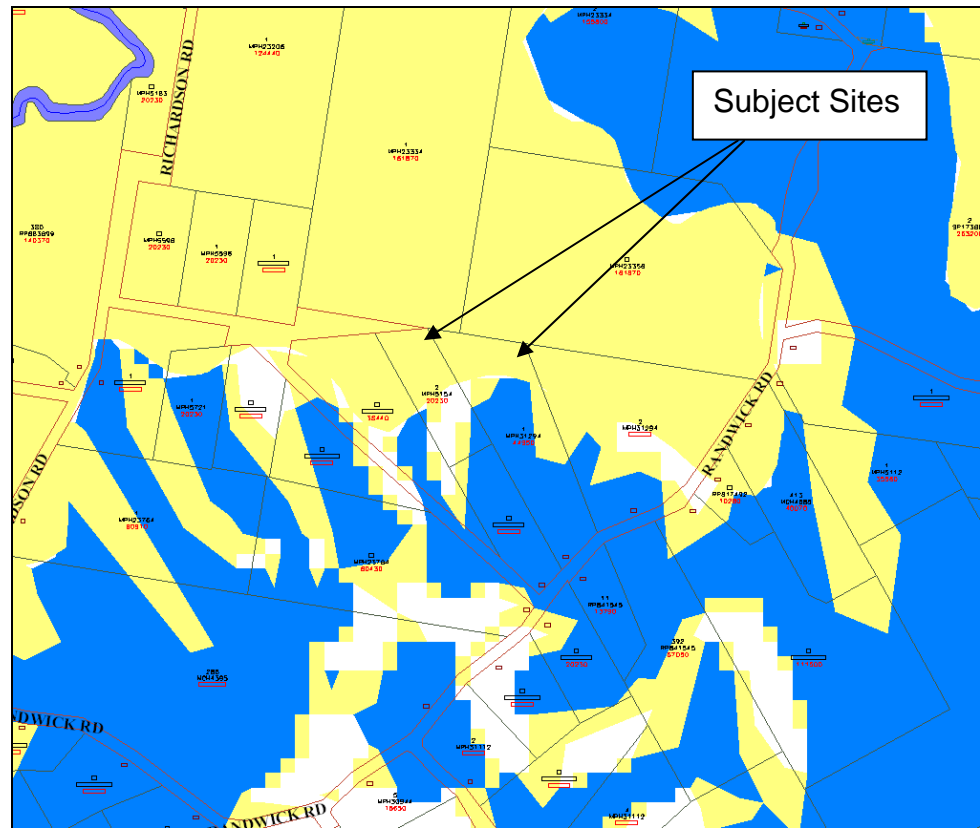


The sites are identified on the following map as being zoned Rural:



The site is identified on the following Overlay Map:

- OM8 Good Quality Agricultural Land (Class A and B).



2.0 STATUTORY REQUIREMENTS

2.1 Compliance with the Planning Scheme

Under the arrangements of the Cooloola Shire Council 2005 Planning Scheme, Reconfiguring a Lot is 'Code Assessable' development and subject to the following codes:

2.1.1 Planning Scheme Provisions

Gympie Planning Area Code

No conflicts with the outcomes sought by the Gympie Planning Area Code.

Reconfiguring a Lot Code

The proposal is considered to conflict with SO-12 (b) of the Code which states: "Each lot, separate part of a lot or access easement:

- (b) Is not less than the minimum area and dimensions indicated in Schedule Table 12 Minimum Lot Areas, Dimensions and Frontages for the zone in which the lot is located except where no greater number of lots is created, and a lesser and reasonable size is warranted due to pre-existing lot size; and

...

(c) *If in the:*

(iii) *Rural Zone, is of a size suitable for rural, and where consistent with the principles contained in SPP1/92 Development and the Conservation of Agricultural Land, for locationally specific uses, including quarries, timber processing plants and community uses;”*

Lot 1 MPH31294 and Lot 2 MPH5154 are in the Rural zone within the Gympie Planning Area.

Schedule Table 12 Minimum Lot Areas, Dimensions and frontages requires:

- Minimum 100ha lot size; and
- Minimum frontage of 100m per allotment.

Subdivision of the site to create two (2) lots from two (2) existing lots in conflict with Council’s minimum lot size can be supported from a planning perspective based on the following summarised grounds:

- The pre-existing lot sizes are currently below the minimum 100 ha lot size;
- The proposal improves access arrangements to lot 2 which does not currently have access to a formed road;
- The existing size of the lot restricts its use for agricultural pursuits;
- The subdivision is consistent with the existing settlement pattern in the area; and
- Approval of the subdivision does not pose any amenity concerns or potential land use conflicts with adjoining lots.

The proposed development does not meet the minimum frontage of 100m per allotment in the proposal. However, as it does not currently meet the minimum road frontage standard for each lot in the rural zone it is considered warranted that this standard be relaxed for this application.

The proposal is considered to also be in conflict with PS-12 (e) (ii) (B) of the Code which states: *“Rear allotments – each lot has an access strip:*

...

(ii) a maximum length of - ...

(B) 100 metres in the Rural Residential or Rural Zones;”

Access to Lot 1 MPH31294 is currently via an existing gravel driveway from Randwick Road. The proposed boundary between the 2 lots is located along an existing fence line adjacent to the driveway to the existing house. Therefore, as there is existing infrastructure for proposed Lot 2 including the dwelling, outbuildings and the driveway it

is considered warranted that this standard be relaxed for this application.

Infrastructure Works Code

The proposal is generally able to meet the requirements of the Infrastructure Works Code for the Rural Zone.

This proposal suggests that the existing access driveway to the house will remain in use following the realignment of the common boundaries. The applicant has not proposed any upgrading or improvements to the driveway which is currently of a gravel standard.

Probable Solution 2 of the Infrastructure Works Code requires that *'Road infrastructure is designed and constructed to the standards stated in:*

- a. Table 8:1 Standards for the Provision of Works; and*
- b. Schedule 1 – Design Standards, Part 2 Site and Road Layout in Planning Scheme Policy 8: Infrastructure Works.'*

According to Part 9 Driveways and Vehicle Cross-overs (72) Widths (4):

"Access connection strips and single user access easements are to be constructed to the following minimum standards:

- (d) Rural: 3.0m wide unsealed pavement except where slopes exceed 12% or the driveway is within 60m of an existing or proposed dwelling site, in a minimum 10m wide strip. 3.0m wide two coat bitumen seal for slopes exceeding 12% or where the driveway is within 60m of an existing or proposed dwelling site."*

However given that it is an existing driveway, any future landowners for proposed Lot 1 would be aware of its existence and any dust nuisance that it may cause. It is considered reasonable to only condition that a dust-reduced surface be imposed rather than to seal the access for the full length of the driveway.

Landscaping Code

Not applicable.

Resource Areas Code

The Resource Area Code is intended to preserve Good Quality Agricultural Land (GQAL) present within rural areas. The development site contains large sections of both Class A and Class B GQAL in the allotment, however given the existing lot size restricts the site's use for

agricultural pursuits preservation of GQAL is not considered compromised.

4.0 PLANNING CONSIDERATIONS

4.1 Impact on Amenity

Given the shape of the proposed lots and the existing adjoining residences the proposal is considered to not compromise amenity in the area.

4.2 Site Access and Traffic

Site access and traffic has already been addressed.

4.3 Flooding

The site is not subject to flooding.

4.4 Vegetation

There is no mapped remnant vegetation on the site as evidenced by the Regional Ecosystem Mapping.

4.5 Services

Electricity and telecommunications are currently available to the site.

5.0 CONCLUSION

The proposed development generally complies with the provisions of Council's Planning Scheme, with the exception of the lot sizes being underneath 100 ha and the road frontages being less than 100m.

This proposal to subdivide the site to create two (2) lots from two (2) existing titles can be supported from a planning perspective based on the following summarised grounds:

- The pre-existing lot sizes are currently underneath the minimum 100 ha lot size;
- The pre-existing road frontage does not currently meet the minimum 100m standard for each lot in the rural zone;
- The proposal deletes a long standing encroachment without impact upon the amenity of the remaining lots;
- The existing size of the lot restricts its use for agricultural pursuits;
- The subdivision is consistent with the existing settlement pattern in the area; and

- Approval of the subdivision does not pose any amenity concerns or potential land use conflicts with adjoining lots.

Therefore, although subdivisions in the Rural zone under the minimum lot size are not generally supported, sufficient planning grounds exist in order to recommend approval of this particular proposal, subject to conditions.

G07/04/12 Moved: Cr I.T. Petersen

Seconded: Cr R.A. Gâté

That Council APPROVE development application 2012-0008 for Reconfiguring a Lot – Subdivision to Create Two (2) Lots from Two (2) Existing Titles over Lot 1 MPH31294 and Lot 2 MPH5154 – 295 Randwick Road, East Deep Creek subject to the following conditions:

Assessment Manager Conditions

Section 1 -Conditions to be Satisfied Prior to Council Signing and Sealing the Plan of Survey (as applicable to each stage)

- 1.1 The development shall be generally in accordance with the plans submitted with the application (Drawing Ref. 11-3201AB, Max Watterson & Associates and dated 13/12/11).**
- 1.2 All outstanding rates or charges levied by Council or expenses that are a charge over the subject land under any act are to be paid.**
- 1.3 The whole of the subject land including all approved lots is to be treated for declared plants and cleared of scrap to the satisfaction of Council's Chief Executive Officer. On completion of the treatment and clearing the enclosed Notification of Compliance Form is to be completed and lodged with Council.**
- 1.4 Lot boundaries are to be approved by Council's Chief Executive Officer prior to cadastral survey.**
- 1.5 Evidence is to be submitted from an authorised supplier demonstrating that proposed lot 1 is serviced by telecommunications and electricity infrastructure.**
- 1.6 Undertake at no cost to Council, the alteration of any public utility mains (eg. Electricity, water, sewerage, gas etc.) or other facilities necessitated by the development of the land or associated construction works external to the site.**

- 1.7 Access to the proposed and existing lots are to be constructed in accordance with the requirements of Council's Standard Drawing No. R-15.
- 1.8 Access to each lot shall have a minimum visibility of 105 metres in each direction to the satisfaction of Council's Chief Executive Officer
- 1.9 The entrance and driveway for Lot 2 is to be constructed to a dust-reduced standard from the bitumen edge on Randwick Road to the full length of the access handle.
- 1.10 All lots are to be permanently numbered with reflective numbers on posts to the satisfaction of Council's Chief Executive Officer.

Notes

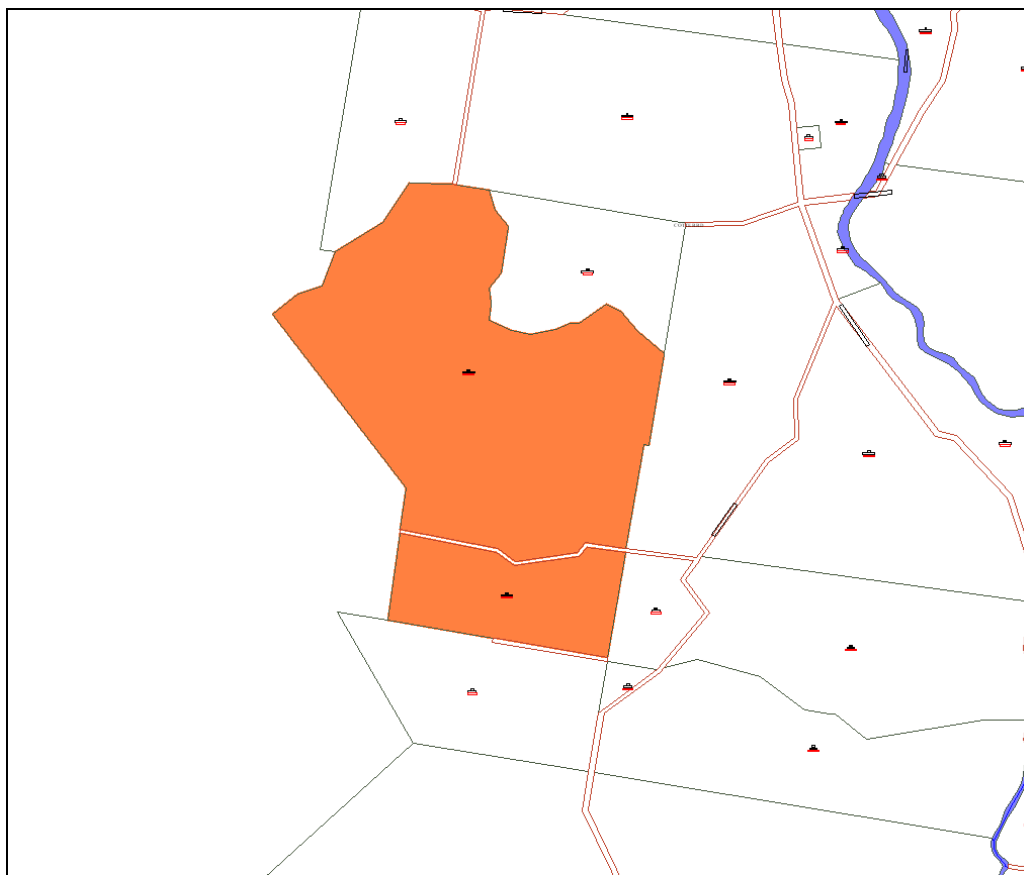
- (i) *In carrying out your activity you must take all reasonable and practicable measures to ensure that it does not harm Aboriginal cultural heritage (the "cultural heritage duty of care"). You will comply with the cultural heritage duty of care if you are acting in accordance with the gazetted cultural heritage duty of care guidelines. An assessment of your proposed activity against the duty of care guidelines will help determine whether or to what extent Aboriginal cultural heritage may be harmed by your activity. Further information on cultural heritage, together with a copy of the duty of care guidelines and cultural heritage search forms, may be obtained from the Department of Natural Resources and Mines ~phone (07) 3238 3838 or website www.nrm.qld.gov.au.*

Carried

7/4	2012-0169 – Reconfiguring A Lot – Subdivision to Create One (1) Additional Lot – 152 Mt Victor Road, Widgee – Modanna Pty Ltd atf Modanna Trust
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RE: **G08/04/12** 2012-0169 – Reconfiguring A Lot – Subdivision to Create One (1) Additional Lot – 152 Mt Victor Road, Widgee – Modanna Pty Ltd atf Modanna Trust

FILE NO:	2012-0169
APPLICANT:	Modanna Pty Ltd atf Modanna Trust
RPD:	Lot 64 on SP193567
SITE ADDRESS:	152 Mt Victor Road, Widgee
CURRENT USE OF LAND:	Dwelling
PROPOSAL:	Reconfiguring a Lot – Subdivision to create One (1) Additional Lot
PLANNING SCHEME:	Kilkivan Shire 2007
EXISTING ZONE:	Rural
LEVEL OF ASSESSMENT:	Code



KEY POINT SUMMARY

- Application for subdivision to create one (1) additional lot;
- Total Site Area: 265.8ha;
- Proposed Lot 1: 215.53 ha (1 191m Road Frontage);
- Proposed Lot 2: 50.27 ha (1 190m Road Frontage);
- Sites are included in the Rural zone (Kilkivan Shire Planning Scheme 2007);
- Minimum lot size in the Rural zone is 200 ha;
- Sufficient planning grounds do not exist in order to support the proposal;
- No referral agencies applicable;
- Reconfiguring a Lot – Subdivision to create One (1) Additional Lot recommended for Refusal.

Report: (Planning Officer – S.F. Court)

1.0 APPLICATION

This application seeks approval for a Development Permit to reconfigure one (1) existing title to create two (2) lots over Lot 64 SP193567 situated at 152 Mt Victor Road, Widgee.

1.1 Site Description

The site comprises of one (1) existing title in two (2) parts separated by a gazetted road and has a total area of 265.8 ha. A lowset timber house is located within the larger northern portion of the site with access from an un-named road.

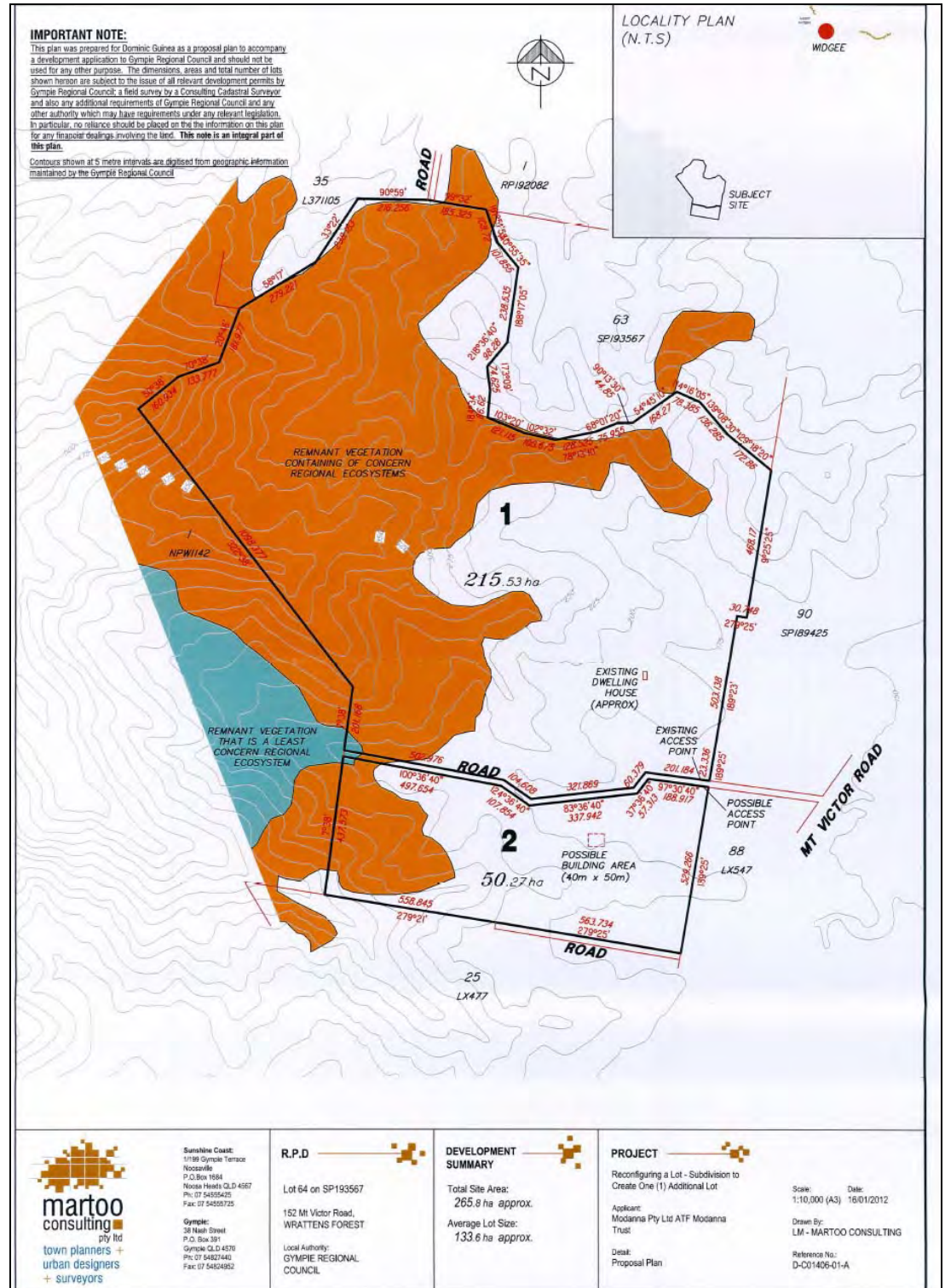
The site has approximately 1.2km road frontage on either side of an un-named road that separates the two portions of the site. The un-named road links to Mt Victor Road approximately 350m from the site.

Land uses surrounding the subject site primarily include rural and residential uses as well as a State Forest to the west of the site.

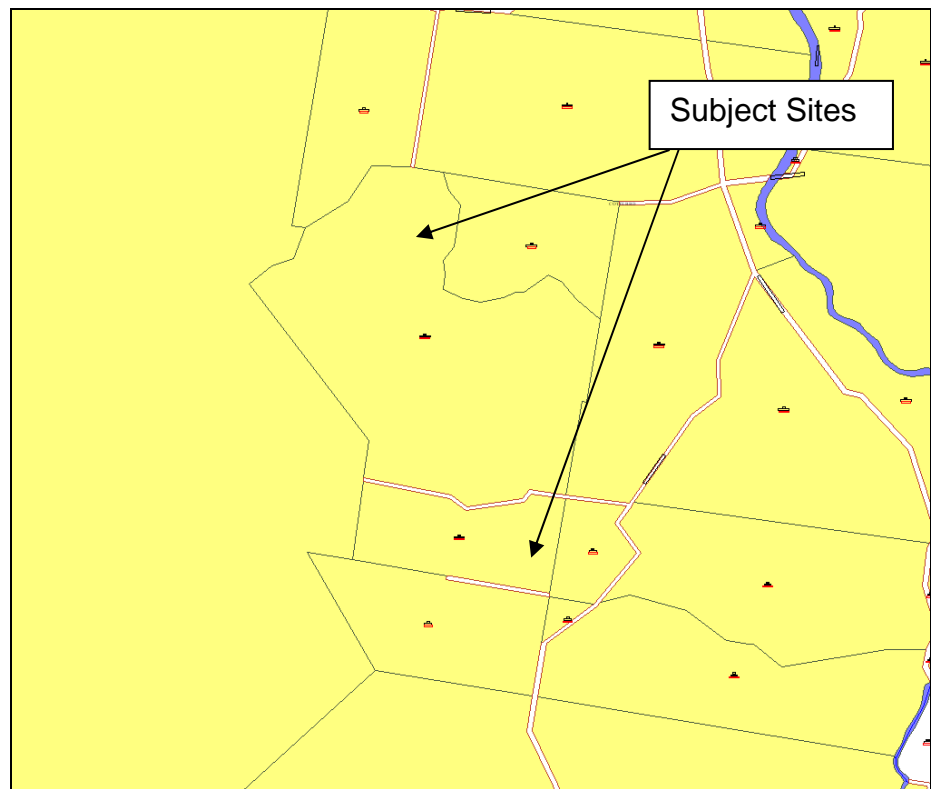
1.2 Proposal

The proposal comprises reconfiguring the land to create a total of two (2) Rural lots from one (1) existing allotment of approximately 265.8 ha.

It would ordinarily be delegated to the Director of Planning & Development to decide however the lot size proposed conflicts with a specific outcome of the Rural Locality Code. The proposed layout is reproduced below.

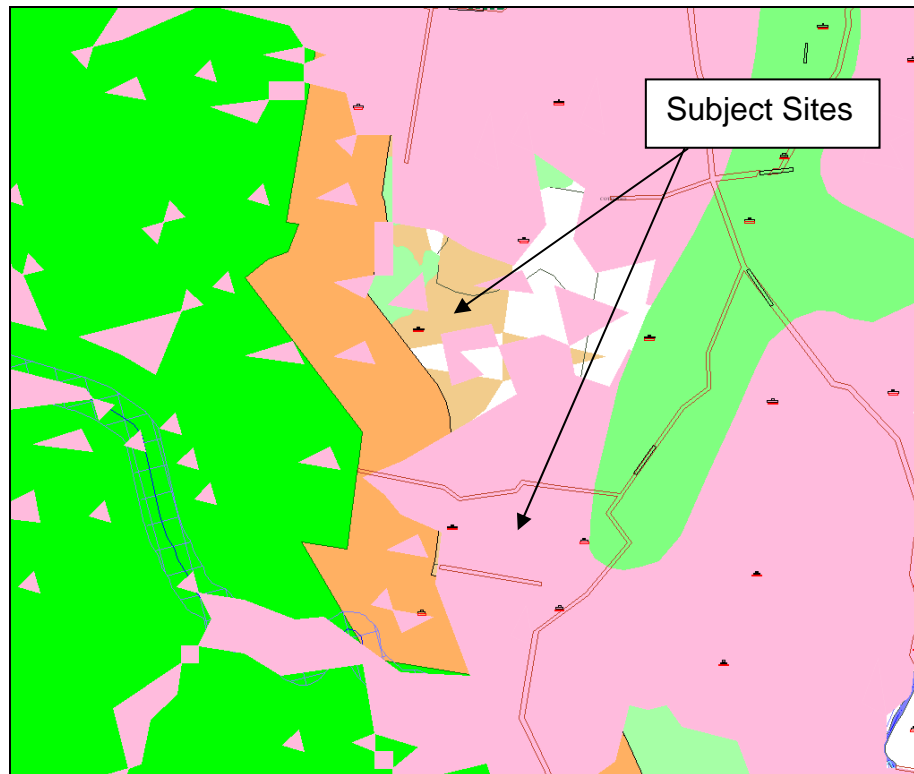


The sites are identified on the following map as being zoned Rural:



The site is identified on the following Overlay Map:

- SMOA 2B Bushfire (High to Moderate);
- SMOA 2C Environmental (Buffer Zone & Critical Nature Cons Network); and
- SMOA 2D Economic Resources (GQAL Class C1).



2.0 STATUTORY REQUIREMENTS

2.1 Compliance with the Planning Scheme

Under the arrangements of the Kilkivan Shire Council 2007 Planning Scheme, Reconfiguring a Lot is 'Code Assessable' development and subject to the following codes:

2.1.1 Planning Scheme Provisions

Rural Locality Code – Elements (b), (d), (f) and (g)

The proposal is considered to conflict with Element (b) Specific Outcome 3 of the Code which states:

“Reconfiguring avoids creating smaller than the area of land considered necessary for a sustainable farm, except where land is to be used for purposes other than primary production consistent with this code.”

Lot 64 SP193567 is in the Rural zone within the former Kilkivan Shire.

Table S3.1 Lot Area Requirements for Reconfiguring requires:

- Minimum 200 ha lot size.

Proposed Lot 1 is 215.53 ha and proposed Lot 2 is 50.27 ha. Therefore, proposed Lot 2 does not comply with the minimum lot size for the Rural zone as outlined in the Kilkivan Shire 2007 Planning Scheme. The Applicant has provided the following comments to support the subdivision:

- “(a) The proposal is consistent with Table 3A (6) of the Wide Bay Burnett State Planning Regulatory Provisions 2011 as the subdivision divides one lot into two where –*
 - (a) the existing lot is severed by a road that was gazetted before these State planning regulatory provisions commenced; and*
 - (b) the resulting lot boundaries use the road as the boundary of division.*
- (b) The site is wholly within the Rural Zone in the 2006 Kilkivan Shire Planning Scheme and is within the rural area of Wrattens Forest. The proposed development is consistent with development in the area which includes rural allotments adjoining the subject site that range in size from 54.57ha to 148.7ha;*
- (c) Proposed Lot 1 has an area of 215.53 hectares meeting the minimum lot size of 200 hectares specified under the Rural Locality Code;*
- (d) Proposed Lot 2 has an area of 50.27 hectares which is less than (sic) the minimum lot size specified under the Rural Locality Code however, this can be justified by the following grounds:*
 - (a) The new allotment is proposed to be created by the utilising (sic) the existing boundaries fronting an un-named road that passes through the site. Therefore proposed Lot 2 is already ‘separated’ from proposed Lot 1 by the road and no new boundaries are proposed ...*
 - (i) Parts of the site are included as Class C1 (Pasture Lands) as identified by SMOA Map 2D of the 2006 Kilkivan Shire Planning Scheme. The area of the northern lot complies with the rural zone requirements and the southern lot is of an appropriate size for a small rural land holding. Therefore the proposed subdivision is not considered to adversely affect the productive capacity of the site and the surrounds.”*

The Applicant also provided further support when asked to demonstrate that proposed Lot 2 is consistent with one of the Probable Solutions outlined in S3.1 of the Rural Locality Code which relates to using Rural lots for sustainable farming:

“The applicant submits that the proposal is consistent with Specific Outcome 3 as proposed Lot 2 is capable of sustaining a productive farm as it includes high quality flat paddocks suitable for the grazing of cattle, is predominantly cleared and is not too steep ...

It is noted that there is limited documentation on what size farm is able to be defined as a sustainable farm, and that there are many situations where small land holdings are considered as viable farming units. As indicated above, the site has good farm land and will be able to support a small farm on the property. Due to the sites location and adjoining rural activities it is likely that the site would be used for a small farm.”

Although Lot 64 SP193567 is currently separated by a gazetted road, this road only services Lot 64. The un-named road leads straight into the State Forest to the west of the site and only benefits the current landowner. It is considered unreasonable to rely on the gazetted road to justify a subdivision to create an additional lot as it only benefits the current landowner.

The gazetted road is also of a standard which conflicts with Element (f) of the Rural Locality Code, which requires a six (6) metre wide gravel road on a nine (9) metre formation. Please refer to the below photographs demonstrating the current standard of the gazetted road, which is only two wheel tracks.



Gazetted road looking east towards Mt Victor Road.



Gazetted road looking west towards the State Forest.

Specific Outcome 14.2 requires that:

“Development is connected between the property access points on the frontage of the premises and the nearest higher order road nominated on the Zone maps formed, constructed and gazetted public road designed and constructed to standards nominated in Table S2.1 of Schedule 2.”

The design criteria of carriageways as outlined in Schedule 2 – Internal, Connecting & External Infrastructure – Design and Construction Standards (Table S2.1 – Rural Locality) specifies that the unnamed road that connects Mt Victor Road to Lot 64 on SP193567 would need to be to a two-lane gravel standard, so substantial upgrading would be required.

Whilst this application on its face appears similar to many that have been supported by Council, the same justification previously relied on are not considered to exist in this case. Namely, due to the standard of the gazetted road and the negligible traffic volumes it carries, there seems no reason why the property cannot be utilised effectively as a single parcel. In other applications the construction of the road and the traffic it carries has prevented this from occurring.

Additionally, the parcel to be excised has in other cases been improved by a dwelling and there has been evidence submitted that the parcel does and can effectively operate as a separate farming unit. In this instance, the smaller parcel to be created is 50 hectares, being a quarter of the minimum lot size recommended by the Scheme’s Rural Locality Code, and satisfactory evidence has not been forthcoming to suggest this is a viable lot size.

Natural Features Resources Overlay Code

No conflicts with the outcomes sought by the Natural Features Resources Overlay Code.

4.0 PLANNING CONSIDERATIONS

4.1 Impact on Amenity

As discussed in the report the subdivision of Lot 64 SP193567 will only benefit the current landowner. The gazetted road only gives access to Lot 64 SP193567 and the State Forest to the west of the proposed lots.

Therefore it is considered that the impact on amenity for the community will not be lessened or increased.

4.2 Site Access and Traffic

Site access and traffic has already been addressed.

4.3 Flooding

The site is not subject to any known flooding.

4.4 Vegetation

There is mapped remnant of concern vegetation on the site as evidenced by the Regional Ecosystem Mapping.

The application was not required to be referred to the Department of Environment and Resource Management as Item 4 Table 2 Schedule 7 of the Sustainable Planning Regulation 2009 requires referral when *“the size of any lot created is 25ha, or smaller”*. Both of the lots proposed are over 25ha.

The nominated house site for proposed Lot 2 is over 400 metres away from any mapped remnant vegetation. Clearing for a dwelling is exempt development.

Therefore there are no concerns relating to remnant vegetation for this application.

4.5 Services

Electricity and telecommunications are currently available to the site.

5.0 CONCLUSION

The proposed development does not comply with the provisions relating to the minimum lot size for the Rural zone of Council's Planning Scheme.

Justification submitted for the development, relying largely on the excision of the parcel by a poor standard, low traffic, gazetted road, are not considered to constitute 'overriding planning grounds' to recommend the application be approved in conflict with the planning scheme.

Whilst the application appears similar to other examples that have been supported, the key differences can be summarised as follows:

- (i) the existing lot is not considered to be physically prevented from operating as a single parcel by the gazetted road;
- (ii) the non-complying lot is unimproved and adequate justification has not been presented that this lot can operate effectively as a single farming unit;
- (iii) given the existing low standard of the gazetted road, reasonable road upgrading requirements cannot be conditioned on any approval to comply with the planning scheme.

Based on the above, refusal of the proposal has been recommended.

G08/04/12 Moved: Cr I.T. Petersen Seconded: Cr R.J. Dyne

That Council, as Assessment Manager, REFUSE Development Application 2012-0169 for Reconfiguring a Lot – Subdivision to Create One (1) Additional Lot over Lot 64 SP193567 located at 152 Mt Victor Road, Widgee, for the following reasons:

- 1. The development is in conflict with the planning scheme and insufficient justification has been provided to support the application despite the conflict;**
- 2. The gazetted road is at an unreasonable standard to support the application and upgrading is not considered a reasonable condition.**

Carried

Director of Planning & Development Mr Mike Hartley left the meeting at 9.18 am.

SECTION 8: GENERAL BUSINESS

SECTION 9: IN COMMITTEE

SECTION 10: ATTACHMENTS

Attachment 1 - Refer Item 7/1 - Gympie Regional Council's Draft Annual Report
2010-2011

There being no further business the meeting closed at 9.18 am.

Confirmed this EIGHTEENTH day of APRIL 2012

Cr R.J. Dyne
CHAIRMAN



Gympie Regional Council

Annual Report 2010-2011





Gympie Regional Council

Annual Report 2010-2011



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Gympie Regional Council



From Left to Right:

Back: Mayor Ron Dyne, Cr Tony Perrett, Cr Graham Engeman, Cr Ian Petersen, Cr Larry Friske

Front: Cr Rae Gâté, Cr Julie Walker, Cr Donna Neilson, Cr Jan Watt.

Message from the Mayor

It is my pleasure to welcome you to this, our third Annual Report for Gympie Regional Council. This Annual Report will provide a snapshot of Council activities undertaken in the previous year and as such, covers the period 1 July 2010 to 30 June 2011.

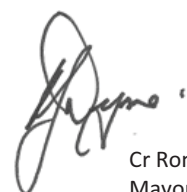
Last year I commented that I was confident that the challenges of amalgamation and rates equalisation had been addressed. However, the challenges for this year have been just as daunting, with the January flood event wreaking havoc within the community, creating hardship for residents and businesses alike. The flood had a tremendous impact on infrastructure within the Region, with an estimated cost of \$25m. Balancing the impact of the flood, rising costs across the board, ongoing community expectations, increased State Government requirements and financial pressures due to the uncertain economic climate, while maintaining adequate services and promoting economic growth within the Region, has been and will continue to be extremely challenging.

I believe however, that Council was in a strong position prior to the flood and is well placed to embrace these challenges and progress the Gympie Region in the coming year.

The less than inspiring beginning to 2011 was buoyed by the community spirit which is indicative of this Region. This is a strong community supported by individuals and community groups who continually band together to promote the Region, its people and activities and basically take pleasure in the lifestyle we have developed over the years. I never cease to be amazed by the generosity and dedication of the volunteers throughout this Region.

Once again I would like to recognise the great work and commitment that Councillors and staff have shown as we strive to achieve our goals of a vibrant community, sustainable economy and a responsibly managed environment all with strong Council leadership.

Working together, Council and residents will continue to make this an area that we are all proud to call home. I look forward to working with each and every one of you to keep this, our home, a place we are proud of.



Cr Ron Dyne
Mayor



From Left to Right:

Mr Craig Manson, Mr Bob Fredman, Mr Ken Mason, Mr Michael Grant, Ms Yvonne Oliver, Mr Mike Hartley

CEO's Overview

When reflecting on the year that has passed, a picture of cyclones and floods readily comes to mind. Fortunately for our Region, cyclones were not a feature, however the January flood impacted on many in our geographically large community. Council, in hand with State Government Departments, moved to assist numerous individuals immediately following the flood and continues to support many in our community.

The most obvious legacy of the flood is the condition of the Region's road network. Thanks are extended to Council staff who have worked tirelessly to repair damage which measures in the many millions of dollars. It will be well into next financial year before all repairs are finalised.

Globally, the world's financial institutions have been severely tested. Australian and Local Governments have also been impacted with Gympie Regional Council, together with other Queensland Councils, having the added impost of disaster damage costs. While assistance has been provided by Federal and State Governments, not all costs have been covered, leaving Council's ratepayers to meet the dollar short fall. Gympie Regional Council has been in a situation to buffer the unexpected damage costs in a manner that has the best impact on ratepayers during a time of hardship for many in our Region.

Following the completion of a series of planning studies some 12 months ago, the preparation of a new planning scheme for the entire Gympie Region has progressed in earnest in 2010-2011. Council's overriding objectives in preparing the new planning scheme are to remove the excess regulatory burden within the existing planning schemes, and to provide Council with a simple, workable document reflecting the Community's policy position on land use and development.

Legislative change, particularly from the State Government, has continued to involve Council staff time in meeting increasing requirements. This wave of compliance issues appears to be ongoing as do associated costs having an effect on our Budget bottom line.

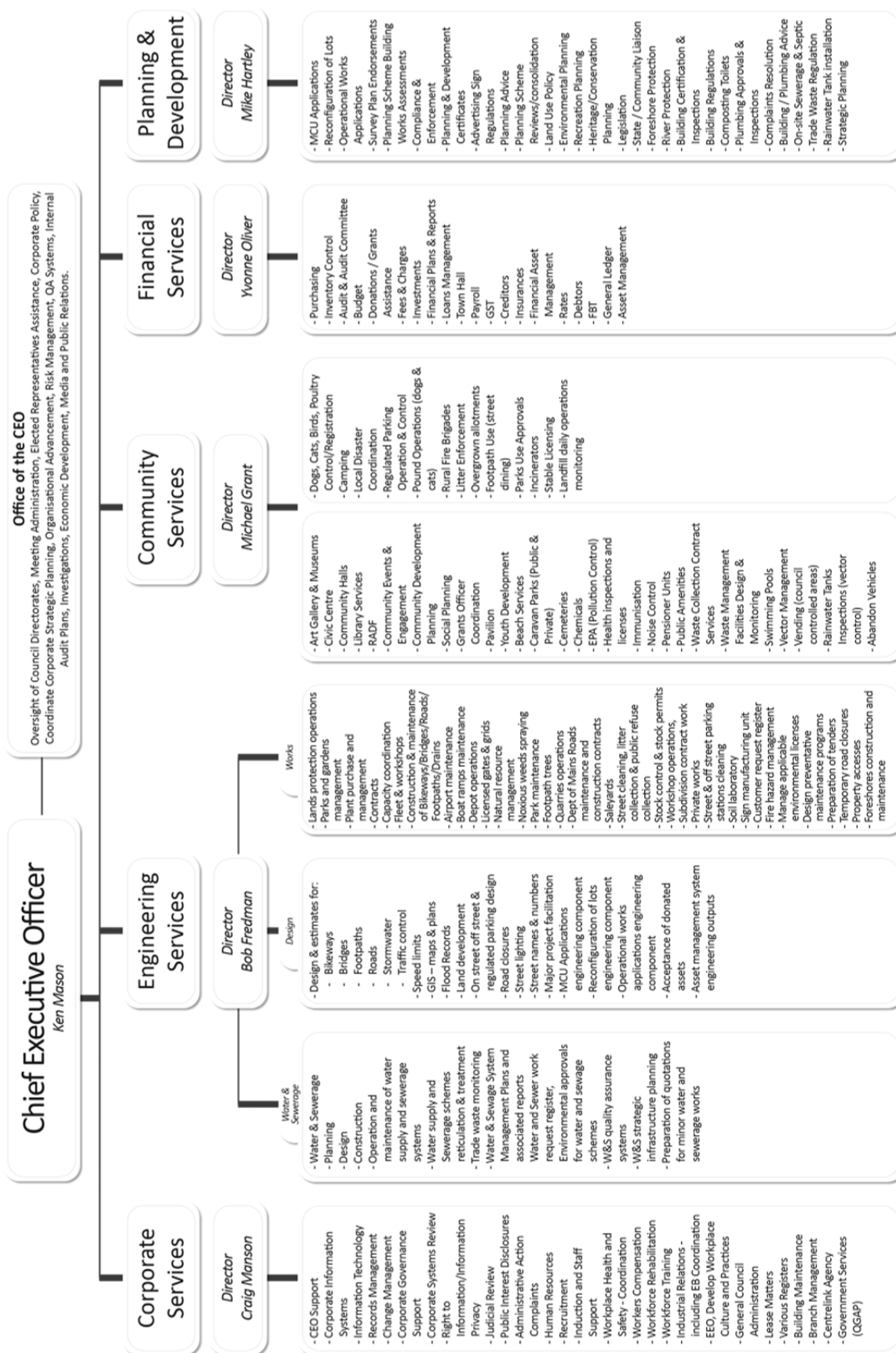
While the negative influences have taken Council's attention, the Region has steadily progressed with numerous infrastructure projects proceeding including the ongoing major upgrade of the Gympie Sewage Treatment Plant, an upgrade of the Jones Hill Water Treatment Plant and the Teewah Creek Pipeline duplication.

I am confident that I mirror the thoughts of Chief Executive Officer, Ken Mason, when I thank staff and Councillors for their most admirable efforts during what may be viewed as a trying year that has tested us in many ways. Ken would also like to thank the many volunteers, organisations and individuals who have focussed in countless ways in ensuring the communities within our Region are resilient and maintain the vibrancy of the Region we are all "proud to call home".



Craig Manson
Acting CEO

Corporate Structure/Directorate Responsibilities



Strategic Planning Framework

Corporate and Operational Objectives

The purpose of the Annual Report is to provide an assessment of Council's progress against the outcomes, goals and strategies identified in Council planning documents.

Five Year Corporate Plan 2009- 2014

The Gympie Regional Council formally adopted its first Corporate Plan on 25 March 2009 covering the period 2009-2014. The plan identifies four key outcomes for Council.

1. **A Vibrant Community**
Being a family focused community that has a good demographic balance.
2. **A Sustainable Economy**
Continuing to develop a strong and diverse economy that is growing steadily.
3. **A Responsibly Managed Environment**
Sustaining our Region's healthy lifestyle by responsibly managing our environment.
4. **Strong Council Leadership**
Council is working as a team in providing leadership to the Region.

Operational Plan 2010-2011

Council's Operational Plan is prepared on a financial year basis to outline the specific activities to be undertaken to meet the Corporate Plan's direction. The Operational Plan consists of the six (6) separate programs which detail the works and services to be provided during the financial year.

Program 1	<i>Corporate Governance</i>
Program 2	<i>Engineering Services</i>
Program 3	<i>Community Services</i>
Program 4	<i>Planning and Development</i>
Program 5	<i>Water</i>
Program 6	<i>Sewerage</i>

The goals of each program area outlined in the Operational Plan, have been reviewed and assessed and form the basis of this Annual Report, as per the Strategic Planning Framework Diagram on the following page.

Strategic Planning Framework Diagram



A Snapshot of the year

A Vibrant Community

Being a family focused community that has a good demographic balance.

Deliverable	2010-2011 result
Number of Library loans	427,773
Number of Library memberships	33,645
Number of Gallery visitors	15,797
Number of volunteer hours (YCDU, Mary Street information booth, Gallery and Library)	13,492hrs
Total number of functions held in Council facilities	941
Number of facility and land agreements with community organisations	149
Number of visitors to Mary St Information Booth	5,500
Total number of copies of "The Noise Magazine" published	5,000
Number of young people participating in school holiday program	1,400
Total length of Council controlled footpaths	98km

A Sustainable Economy

Continuing to develop a strong and diverse economy that is growing steadily.

Deliverable:	2010-2011 result
Number of business development meetings and workshops held	89
Number of workshop participants	500
Total length of Council controlled roads	2,267km
Total length of pipes and mains	819km
Number of Council's major contracts (over \$100,000)	20
Investment in capital infrastructure	\$57m
Number of building applications approved	544
Number of development applications approved	298
Number of organisations showcasing at Regional Career Expo	50
Number of young people attending Careers Expo	2,000
Number of staff employed by Council	487

A Responsibly Managed Environment

Sustaining our Region's healthy lifestyle by responsibly managing our environment.

Deliverable:	2010-2011 result
Number of 'A guide to weeds..' booklet published and distributed	5,000
Total area of parks and reserves controlled by Council	29km ²
Tonnes of recycled cardboard	85t
Number of environmentally relevant activities – refer to page 24	145
Number of impounded dogs	642
Number of impounded cats	841
Number of students participating in animal responsibility program	869
Number of licensed food businesses	308
Number of licensed premises storing dangerous goods	58
Total mega litres of water supplied	3,082ML
Total mega litres of sewage treated	3,107ML

Strong Council Leadership

Council is working as a team in providing leadership to the Region.

Deliverable:	2010-2011 result
Number of unique visits to Council's website	53,422
Number of media releases and press statements	130
Number of meetings (Ordinary and Standing Committee) held	79
Number of Community Plan feedback forms distributed	3,385
Number of community groups provided immediate support during January 2011 floods	28
Number of community organisations provided ongoing support since January 2011 floods	10

Corporate Governance

Our Goal: To set and achieve the Council's goals and objectives for the citizens of the Gympie Region by providing direction, support, coordination, sound resource management policy and achieve effective and efficient management of Council's assets and resources.

Economic Development/Public Relations Unit Achievements

The activities of Council's Economic Development/Public Relations Unit focus on working with business and industry in the Region to help facilitate growth in employment and business growth opportunities. Innovation and sustainable development are the lifeblood of business growth. A major focus of this Unit is to work with existing industry and businesses within our Region to promote and facilitate opportunities contributing to business growth and profitability. This will result in further employment opportunities within the Region.

Promotion of investment opportunities, providing information about the Gympie Region's economic health, linking into sources of business news and providing information about establishing, expanding or relocating business are activities which assist in achieving Council's goal of developing a strong diverse community.

Public Relations activities have focused on the promotion of the vastly diverse range of facilities, amenities and services provided by Council. These activities promote the Region's business and lifestyle opportunities, as well as lifestyle benefits including tourism and recreational activities.

Regional Development

Regional development activities undertaken by Council include the promotion of business and industry growth opportunities through investment attraction and information documents including the Gympie Region Economic Brief. Partnerships have been developed with organisations including Regional Development Australia, Australian and Queensland Government Departments and business and industry organisations to identify regional development opportunities and also to promote assistance available to regional businesses.

As a result of the natural disasters experienced by our Region during late 2010 and early 2011, Council's coordination of Flood Recovery Information sessions throughout the Region was a major activity for this Unit. The information sessions were delivered in partnership with the Chamber of Commerce, State, and Federal Government Departments.

Promotion of our Region as a desirable business and lifestyle destination has been very successfully achieved through the promotion of localities such as Kandanga in the Mary Valley, as RV friendly, to provide a beautiful destination for travellers to stay and enjoy our Region's attractions.

The Gympie Region Economic Development Strategy and Mary Valley Addendum was developed during 2010 and adopted by Council. The information provided through this Strategy will help inform the future economic development of the Gympie Region and provide direction in the development and implementation of regional, industry and business development strategies and underlying projects across the Gympie Region.

The Strategy capitalises on the Gympie Region's strengths and creates an environment that enables Gympie Regional Council and the business community to take advantage of opportunities as they continue to emerge and to work towards a sustainable, vibrant future.

Opportunities were provided through the Federal Government for the development of community infrastructure throughout all localities in the Region. Eleven successful funding applications were submitted to the Federal Government's Regional and Local Community Infrastructure Program. These provided funding for community projects including the design and construction of a skate park at Goomeri, installation of playground equipment at Gunalda and installation of signage at Cooloola Cove.

Industry Development

Regional prosperity grows one business or one company at a time. Forward thinking and innovative business operators are essential to the growth and development of regional business capacity. The development of existing industry sectors and providing a supportive environment for new industry development is achieved by working with key sectors including manufacturing and agribusiness and the creative industries sectors. The established sectors underpin our regional economy while emerging industries provide the opportunity to explore additional industry diversification prospects.

The securing of funding through the State Government's Blueprint for the Bush program has provided much needed support for the development of the Agribusiness and value added food production industries and the Creative and Knowledge based industry sectors. The Gympie Region Agribusiness Project has seen the delivery of industry development workshops and staging of the very successful FlavourFest and FlavourFeast events.

Council partnered with the Complete Sports Group to bring two high profile sporting events to the Gympie Region as part of the Sports Marketing Project; The 2010 Australian Cricket Association World Masters Tour and the 2011 Cycling Queensland Elite, Under 19 and Masters, Individual Time Trial and Criterium Championships.

Business Development

Providing information and assistance about business growth and development opportunities is a significant focus for the Economic Development Unit. Businesses are encouraged to contact Council to discuss plans for establishment of new businesses or expansion of existing business. Over 50 meetings were held to discuss business development opportunities. 39 business workshops and meetings were held throughout the Region, attended by over 500 participants.

Eight Business Leaders Meetings were held throughout the Region to seek information from business organisations about regional issues and opportunities. New business assistance was provided in response to 48 enquiries. Business and Industry Information Folders promoting local businesses information packages were provided to all enquirers.

Business Confidence is a unique barometer of the health of a Region. To help capture information about what businesses think is going to happen in the future, Council has collaborated with Boardroom Business to design and execute three successful Regional Business Confidence Surveys to capture business responses within the Gympie Regional Council boundaries. The objective of these Surveys is to assist local businesses in their decision-making by understanding local data and information.

Media and Public Relations

Council's Public Relations activities focus on providing information about Council's initiatives, community based projects and other happenings which have the potential to impact on the community. Promotion of the Gympie Region as a preferred location to establish and grow business and industry, and also as a desirable lifestyle destination has remained a strong focus. Key activities during 2010-2011 included:

- Collaboration with Gympie Cooloola Tourism to promote the Region with the production of the Gympie Region 'Then and Now' Brochure.
- 130 media releases prepared and distributed to radio, television and print media.
- Preparation and distribution of Gympie Regional Roundup through the Gympie Times.
- Monthly articles about Council activities contributed to community publications.
- Council's weekly message aired on Radio Zinc 96.1 for the first six months of 2011.
- Promotion of the Gympie Region in the 2010 *Business Acumen* Yearbook.
- Promotion of Council's activities and initiatives in the Queensland Country Life, Local Business Directory, Gympie Woman Magazine and Councillor Magazine.

Change Management

This newly formed area of Council provides Councillors and staff with appropriate training, analysis and awareness of the impacts new legislation such as the *Information Privacy Act*, *Right to Information Act*, *the Integrity Act*, *the Local Government Act 2009* and associated Regulations continue to have on the day to day operations of Council. As a result of legislative changes Council has developed a Contact with Lobbyists process, a Public Interest Disclosure process and a new Administrative Actions Complaints process. Information regarding these processes is available on Council's website.

During the last financial year, coordination of the Community Engagement phases of the Community Plan and the development of the Region's first Community Plan were a highlight for the Change Management team. Community engagement for the development of the plan involved multiple opportunities for residents to learn about the plan and have input, including:

- 70 community members agreed to be 'community contacts'.
- Councillors facilitated workshops with community members from 16 different sectors.
- Community workshops were held in five 'geographic' communities.
- Feedback forms were circulated widely in the communities across the Region.
- Agencies, organisations and individuals provided their own contributions and submissions.
- Council's website and online forms.
- The Community Plan was widely promoted on radio and in local print media.

Open public workshops were held in five locations:

- Gympie and surrounds (meeting held at Gympie).
- East and coast (meeting held at Tin Can Bay).
- Northern rural (meetings held at Miva and Curra).
- Mary Valley and south (meeting held at Imbil).
- Western towns (meeting held at Kilkivan).

Workshops were conducted with community members on the following sector topics:

- | | |
|--|--------------------------------------|
| ▪ Children and Families. | ▪ Environment. |
| ▪ Young People. | ▪ Sport and Recreation. |
| ▪ Seniors and Aged. | ▪ Education and skilling. |
| ▪ People with a Disability. | ▪ Employment. |
| ▪ Multicultural Community. | ▪ Business. |
| ▪ Aboriginal and Torres Strait Islander community. | ▪ Community Facilities and Services. |
| ▪ Creative arts and heritage. | ▪ Community Safety. |
| ▪ Health and wellbeing. | ▪ Regional infrastructure. |

Mechanism for distribution	Number of forms distributed
Sector Meetings	285
Locality Meetings	160
Community Contacts	550
Council Staff	480
Counters and Libraries	750
Business Register	500
Community Services Register	660

The adopted Community Plan will trigger a review of Council's Corporate and Operational Plans and as such will help guide the strategic development of the Region.

Local Laws

The Compliance & Local Disaster Unit deals with various issues. The main community concerns addressed by the Unit were overgrown allotments, regulated parking, footpath dining, abandoned vehicles & visual pollution.

Council's Community Services Directorate received and processed licence/permit applications for the:

- *Food Act 2006.*
- *Dangerous Goods Safety Management Regulation 2001.*
- *Public Health (Infection Control for Personal Appearance Services) Act 2003.*
- *Environmental Protection Act 1994.*
- *Local Government Act 2009.*
- *Council's Local Laws.*

As of 30 June 2011, there were 308 licensed food businesses operating in the Gympie Regional Council area. 58 premises were licensed to store flammable and combustible liquids in accordance with the *Dangerous Goods Safety Management Regulation 2001*.

A formal review of Council's *Local Laws* was also initiated during the 2010-2011 financial year. This review will see 96 current *Local Laws* and Subordinate *Local Laws* from the former Cooloola, Kilkivan and Tiaro Shire Councils, reduced to six Model *Local Laws* and associated Subordinate *Local Laws*. These new *Local Laws* will provide a more consistent regulatory framework across the entire Gympie Regional Council area.

Information Management

In light of recent natural disasters, Council evaluated its processes and has undertaken a number of initiatives to address information management and communication during these times. Specifically, Council has implemented an IT Disaster Recovery facility by utilising Storage Area Networks (SANS) and Virtual Server Technology, allowing the replication of production IT systems. Planning is underway to provide alternative ways to connect Council's key administration buildings via various IT networks during a disaster. It is expected that this upgrade will be fully implemented within the 2011-2012 financial year.

Property

Corporate Administration has now implemented Standard Freehold and Trustee Lease Documents. This allows Council to provide all community groups with a consistent and uniformed lease to be undertaken within an improved timeframe for registration. As a result of standardisation, costs in this area have been significantly reduced. Council manages almost 150 leases/agreements with community groups.

Risk Management

It is Gympie Regional Council policy to minimise risk while maximising opportunity. The *Local Government Act 2009* strengthens reporting requirements in this area, specifically requiring a formal Risk Management Plan and Risk Register. Consequently, Council has identified significant Strategic Risks and assigned roles and responsibilities for the tasks associated with Risk Management. These risks have then been allocated mitigating strategies in the Annual Operational Plan. Lower level Operational Risks will continue to be managed within operational teams and management. Progress on risk management and emerging significant risks are reported to the Audit & Risk Management Committee.

Human Resources

As at 30 June 2011, Council's workforce comprised of 487 full time, part time and casual employees. Council consulted with staff and unions to monitor the ongoing implementation of the Gympie Regional Council Certified Agreement 2009.

Workplace Health & Safety

An internal audit was undertaken to ensure that high standards of Workplace Health and Safety were being met. Gympie Regional Council manages Workplace Health and Safety risks in accordance with the SAFEPLAN safety management system.

Staff training

Council remains committed to a highly trained and skilled workforce with training needs assessed annually. Staff participation in training and skills development remains high thus ensuring Council's culture of continuous improvement is implemented.

Council has five Cadets and 33 registered trainees and apprentices currently employed. Throughout the year, 29 staff completed training leading to a formal qualification. An additional 36 staff are currently working towards completion.

Code of Conduct

Since January 2011 Council commenced a review of its Officer Code of Conduct as required under the *Public Sector Ethics Act 1994* (the Act). This review process entailed consultation and engagement with staff and unions, liaising with peak bodies and networking and researching with other similar sized Local Governments. This review process will contribute to the development of a new Code of Conduct based on the principles outlined in the Act.

Right to Information

The *Right to Information (RTI) and Information Privacy (IP) Acts* commenced on 1 July 2009. Gympie Regional Council has a nominated Officer to ensure applications are processed in a timely manner and in accordance with the Acts. The RTI Act requires that Council publish a scheme setting out the classes of information for release and the terms by which it will make the information available. The Office of the Information Commissioner has viewed and approved Council's Publication Scheme.

A total of 11 RTI applications and one IP application were received for the 2010-2011 Financial Year. A total of 177 document pages were considered, with 151 document pages being released in full or in part. Documents released to applicants under the RTI Act since 1 July 2009 will be progressively published online via Council's Disclosure Log. A Disclosure Log makes information which has been disclosed to an applicant under the RTI Act available to a wider public audience.

Records Management

Council continues to invest in the development of its records management system. An ongoing review of compliance with retention and disposal schedules and full compliance with the *Public Records Act 2002* and other recent legislation is underway.

Staff training and development in records management within a contemporary local government environment continues to pay dividends in helping to provide ready access to timely and accurate information across the organisation.

Engineering Services

Our Goal: To provide well-constructed safe efficient infrastructure networks and engineering services that will meet community needs.

Roads

In the 2010-2011 financial year, Council spent more than \$4.2m on road maintenance. Another \$6.6m was spent on major road construction projects including the Cave Street, Kilkivan, Railway Bridge replacement. Approximately \$1m was invested in the maintenance of urban verges and non-developed land, while \$250,000 was invested in the maintenance of the Gympie Central Business District.

Other Engineering Services projects achieved in the 2010-2011 financial year included:

Road widening projects

- Old Maryborough Road.
- Old Veteran Road.
- Hoopers Road.
- Mudlo Road.
- Moy Pocket Road.
- Kinbombi Road culvert replacement and widening.

Overlay and extension projects

- Tagigan Road bitumen extension.
- Kenman Road bitumen extension.
- Gympie Woollooga Road commenced bitumen extension.
- Duke Street asphalt overlay.
- Wickham Street asphalt overlay.
- Cross Street asphalt overlay.

Road rehabilitation projects

- Groundwater Road.
- Esplanade Tin Can Bay.
- Esplanade Rainbow Beach.
- Sandy Creek Road.
- Lawson Road.

Transport facilities

- James Nash State High School.
- St Patricks Primary School.
- One Mile State School.



Water

Our Goal: *To meet the community needs for potable water by the efficient purchase, treatment, storage and distribution of water to consumers.*

Council commenced a ten year program to replace and upgrade all water meters to smart meters. This will reduce costs, improve accuracy and provide earlier detection of leaks.

The fluoridation project has been completed. Fluoridation of water supplied for Gympie, Tin Can Bay and Cooloola Cove has been implemented and continues to be maintained in accordance with State Government legislative requirements.

Upgrading of the Water Treatment Plant for Gympie has commenced. The first stage, consisting of filter improvements and automation, has been completed.

Other minor works and upgrading have further been completed with capital expenditure totalling approximately \$3m. Total administration, operating and maintenance expenditure was approximately \$4.2m.

Sewerage

Our Goal: *To protect public health, safety and the environment by the provision of an efficient system for safe collection, transportation, treatment and disposal of sewage waste.*

Construction of the upgraded sewage treatment plant for Gympie is now well advanced with completion planned by December 2012. The plant will provide increased capacity and improved treated water quality.

Upgrading of four sewage pump stations at Rainbow Beach and Tin Can Bay has been completed. The upgraded pump stations have more capacity, standby capacity and improved alarm systems.

Work on Southside sewerage has been progressed with work for provision of sewerage to the Timothy Court and Johnstone Road areas commenced.

Other minor works and upgrading have been completed with total capital expenditure totalling approximately \$6m. Total administration, operating and maintenance expenditure was approximately \$4m.



Community Services

Our Goal: *To enhance and preserve the lifestyle of all the Gympie Region's residents and visitors by providing services and facilities for recreation, leisure, sport and cultural enrichment and preserving the entire Region's heritage.*

Community Development

Youth and Community Development have supported the conversion from an in-house database to establishing My Community Directory for the Gympie Region with the inclusion of 274 community organisations.

Four training sessions for community organisations were held in the 2010-2011 period with approximately 110 representatives from organisations participating. Youth and Community Development have continued to support community organisations with the Equipment Lending Library which has seen a great improvement in the number of items available to loan.

Community Capacity Building

Youth and Community Development continue to build strong working partnerships to increase the services and initiatives made available to the local community.

Youth and Community Development assisted in the fundraising and purchase of the 'Putting Youth in the Picture' program, a unique educational program aimed at helping communities deal with issues confronting youth. This program was purchased with Region wide licensing and made available as a free resource for the community to use. A series of information sessions were conducted at a variety of locations throughout the Region with over 150 participants attending a facilitators training session for those interested in delivering the program.

2010-2011 saw the development of the 'y11' Youth Card, of which 5,000 cards were distributed. The youth cards were developed to provide young people an easily accessible list of contact numbers that provide valuable information for any situation.

Four issues and over 5,000 copies of the Region's youth magazine, 'The Noise', were published and distributed throughout the Region. A committee of 20 young people was formed to actively contribute to the magazine's development and participate in community projects. 'The Noise' magazine provides young people with relevant information on issues that affect them both globally and locally.

Young people were promoted as a valued part of the community throughout National Youth Week. Hundreds of young people actively participated in a range of activities including a Youth Festival at Nelson Reserve, Gympie that showcased seven of the Region's top young bands and performers.

Youth and Community Development provided 24 recreational and school holiday activities across the Region with more than 1,400 young people participating. Young people were engaged in the planning, development and implementation of these activities.

Youth and Community Development organised the Gympie Regional Careers Expo that attracted over 2,000 students from seven of the Region's high schools. The Expo involved over 50 organisations and service providers that showcased a diverse range of career pathways.

The Gympie Regional Arts Development Fund held two rounds during 2010-2011 that funded 17 projects.

Youth Council

The Gympie Regional Youth Council is comprised of 20 representatives from five of the Region's high schools and encouraged meaningful representation of young people. The Youth Councillors were involved in a number of community based projects that assisted with raising the profile of each event.



Community Facilities

Council maintained four function venues throughout the Region - Gympie Civic Centre, The Pavilion, Kilkivan Hall and Goomeri Hall. All venues are available for hire to members of the community. Functions held at these venues range from small meetings, through to weddings, balls, live theatre, concerts, large expos and shows. Total functions held:

Gympie Civic Centre	284
The Pavilion	352
Kilkivan Hall	225
Goomeri Hall	80

Council has continued to maintain 35 community managed public halls throughout the Region. Two Gympie Regional halls forums were established and held as a way to further support and develop this community infrastructure. The halls forums are held twice a year with topics being identified by the hall committees and local service providers. The forums are used as a way for the hall committees to engage with Council, raise issues and collaboratively work together. The forums were attended by 98 representatives from hall committees.

Swimming Pools

Council's public swimming pools are located in the townships of Gympie, Kandanga, Tin Can Bay, Goomeri and Kilkivan.

Council's Public swimming pools are operated and maintained to a standard that is safe and provides for the enjoyment of the community. All pool managers hold current lifesaving, resuscitation and swimming qualifications and all equipment used in the water disinfection process is operational and maintained ensuring a suitable standard is achieved.

During 2010-2011, the sand filter at the Kandanga public swimming pool was replaced, and the change rooms at the Gympie Memorial pool were upgraded.

Housing

Council's Community Services Directorate administers a total of 32 pensioner units located in the townships of Goomeri, Kilkivan, Imbil, Kandanga and Tin Can Bay. Council also administers the operations of caravan parks located at Imbil, Gympie and Tin Can Bay.

Museums

Council has continued to support the Kilkivan Museum. Cataloguing of the collection continues with 3,530 items being catalogued this year. Council's supporting role in the re-establishment of the Woodworks Museum has been ongoing. Funding was provided to begin cataloguing the numerous items that form the collection at the museum. With the exception of three items, this collection is owned by Council. Council has also continued its interest in maintaining the Elgin Vale Mill as a static display. These facilities play an important role in attracting visitors to the Region.

Gympie Regional Gallery

The Gallery is a community facility provided to celebrate the local professional and emerging artists, while introducing to the community, high quality exhibitions from outside the Region.

- This was achieved through 36 exhibitions: 15 from local artists and the wider Region, 11 community groups, five from outside the Region and five touring exhibitions, which included “Namatjira to Now” from the Queensland Art Gallery. These brought 15,797 visitors into the Gallery.
- The exhibitions were supported by strong education and public programs, including 19 floor talks/lunchtime lectures, 17 separate opening events, two family days, one connected to the Queensland Art Gallery’s programs, and six artist-in-residence days. There was also the annual Great Art Debate and the Heritage Week speaker’s event. The Gallery ran ten workshops linked to the exhibition program including three professional development workshops for artists.
- A record number of 50 school group visits brought 1,446 students to the Gallery with three visits to schools in the Region. There were 12 other specific adult group visits.
- The very popular school holiday program, now in its 13th year, attracted 447 students to 35 different workshops and the monthly FOGlets art group, now in its 6th year, attracted 92 keen young artists over the year.
- The Gallery Coordinator won the Individual Paid category in the annual Gallery and Museum Achievement Awards.
- The Gallery undertook the Gallery and Museums Standards program which took up twelve months of research. This has aided the Gallery in defining its operations.
- The Friends of the Gallery continued to advocate and raise funds for the Gallery through raffles, the Gallery shop, catering and other social events like the Biggest Morning Tea, Melbourne Cup, bus trips to other galleries and Bizzart Day. They now have four successful art groups under their umbrella.
- The Gallery has a stable volunteer base who contributed over 5,780 hours to assisting the Gallery in areas like reception, installing exhibitions, gardening, office work, catering and newsletter mail outs.
- The Gallery assisted three students in work experience and several work program participants.
- The Gallery continues to be involved in the wider community through membership on various community and sector related groups, assisting with Heart of Gold International Film Festival’s Art with Heart Exhibition and the Gympie and District Show.

The Gallery continued to provide hire space for 20 regular groups, 18 other groups, four events and 14 other workshops over the year.



Heritage Advisory Committee

Council's Heritage Advisory Committee advised Council on matters relating to components of the built and natural environment which have cultural heritage significance, including objects of material culture, buildings and structures, streetscapes and natural landscapes. The aim of the Committee is to conserve cultural heritage for the benefit of the present community and future generations. More recently the committee has been working in partnership with Gympie Cooloola Tourism to promote the unique cultural heritage the Gympie Region has on offer.

Council's Heritage Advisory Committee continued its assessment of development applications pertaining to the heritage and character places of the Region. Gympie Regional Council is among the first local governments in Queensland to complete a Local Heritage Register in accordance with the *Queensland Heritage Act 1992*. In partnership with the State Government, the Committee is embarking on a research project on the history of Bullock Point Jetty at Rainbow Beach.

In 2010-2011 Elgin Vale Sawmill, Manumbar, was recommended for listing in the Queensland Heritage Register. Notably the inclusion of Memorial Park, Reef Street, Gympie, was a significant achievement. The Park was established in 1919-1921 as a lasting tribute to citizens of Gympie and its district who died for their country during the Great War of 1914-1918 and to the two who had fallen during the Boer War of 1899-1902. The substantially intact, timber bandstand designed by AH Foster is an excellent example of a park bandstand of this era in Queensland.

Conservation Management Planning of Memorial Park, Gympie

Since the Memorial Park was recognised as a place of cultural significance to the State of Queensland, and included in the Queensland Heritage Register, Council has been developing a Conservation Management Plan for the Park. A Conservation Management Plan helps to inform Council on its future planning of the Park, taking into consideration the culturally significant aspects of the Park and how these elements can best be conserved. Council has already held community meetings with key stakeholders of the Park and will now seek to engage a professional heritage architect to help complete the management plan.

Community Health

The funding, operation and management of the Community Aged Care Packages (CACPs) in the western area of the Region were transferred to Centacare Community Support Services. Centacare Community Support Services have established links and experience working in regional and rural areas. The smooth transition has ensured Community Health Centres continue to be maintained at Kilkivan and Goomeri to facilitate visiting health professionals.

A comprehensive community immunisation service was facilitated by Council's Community Services Directorate. Local Health Professionals and Council staff have been working to maintain vaccination accessibility for all residents of the Gympie Region. Council continues to assist service providers in the facilitation of the schools immunisation campaign.



Sport and Recreation

The Sport, Recreation and Parks Coordinating Committee presented a project plan to Council relating to future development on the old Tozer Park Road Depot site. The plan reflects a preferred site for Gympie and District Netball, an aquatic centre and a youth facility.

Demonstrating Council's commitment to sport and recreation, an amount of \$330,000 was spent in the 2010-2011 financial year on maintenance of the Region's sporting fields.

Sport, Recreation and Parks Coordinating Committee

Council's Sport, Recreation and Parks Coordinating Committee meet the second Tuesday of each month. The Committee is comprised of Councillors, senior staff, Council officers, representatives from the Department of Communities, Sport and Recreation Services and is chaired by Councillor Jan Watt.

The objective of the Committee is to provide advice to Council on matters relating to sport and recreation and open space planning. The Committee aims to take a collaborative approach to coordinating sport, recreation and park matters from across the Region.

In 2010-2011 the Committee was involved with the review and consolidation of Council's Open Space and Recreation Strategies and the Pedestrian and Cycle Strategy, and planning of the Tozer Park Sport Precinct. In addition the Committee worked closely with the Cooloola Physical Activity Taskforce (CoolPAT) and Wide Bay Burnett Sport and Recreation Committee to achieve positive sport and recreation outcomes for the Region.

Open Space and Recreation Strategy Review 2011

Council has embarked upon a project to consolidate the Open Space and Recreational Strategies for the three former local government areas of Kilkivan, Cooloola and the southern division of Tiaro. This project has been undertaken to provide a Regional approach to open space and recreational planning and will compliment the existing Wide Bay Burnett Regional Sport and Recreational Strategy which forms part of the Wide Bay Burnett Regional Plan. Council has engaged the services of a consultancy group to help progress the review process.

Wide Bay Burnett Sport and Recreation Committee

Gympie Regional Council continued its role as a member of the Wide Bay Burnett Sport and Recreation Committee with Councillor Jan Watt being nominated as Chairperson of the Committee in February 2011. The Committee meets quarterly with meeting locations shared between the five local government areas which make up the Wide Bay Burnett Region. The Committee works closely with State Government agencies and the Wide Bay Burnett Regional Organisation of Councils to provide assistance in the implementation of the Wide Bay Burnett Regional Sport and Recreation Strategy.



Our Goal: *To provide and preserve a safe and attractive natural and built environment by preservation, protection, maintenance and development of the Region's open spaces and foreshores in accordance with community needs.*

Parks and playgrounds

Council's parks and gardens are the pride of the Region and also provide peaceful venues for functions, picnics or just relaxing.

Council has again focused on a uniform delivery of service standards throughout the Region and the provision of new equipment and facilities.

As an example of Council's focus, the All Abilities playground facility was completed in June 2011. The facility is the first of its kind for the Gympie Region and one of only a handful in Queensland as part of the Queensland Government's All Abilities Playground Project – *enabling participation in play*.

Designed for children with differing physical abilities and mobility, the playground was a joint initiative between Council, local community groups and Disability Services Queensland. Gympie Regional Council committed \$385,000 to the Project and has received in excess of \$158,000 through invaluable sponsorship and support from the business community to help make the Playground a reality.

Beaches

Council continued to facilitate contract lifesaving patrols at Rainbow Beach, ensuring the provision of patrols during peak swimming periods including school holidays.

Cooloola Coastal Reserves and Foreshore Management Plan

Mapping for the Cooloola Coastal Reserves and Foreshore Management Plan has progressed with the assistance of Council's Geographic Information System (GIS) services. Separate maps for management and maintenance issues are being drafted ready for community consultation and feedback.

Animals and Pets

The Animal Responsibility Primary School Education Program visited 869 students at 12 schools this financial year. The Council presentation covers topics including animal identification, leading your dog on public land, how to avoid a dog attack and playing with your dog.

The *Animal Management (Cats and Dogs) Act 2008* was introduced in December 2010. The objective of the Act is to assist in the reduction of unwanted cats and dogs and to further enhance the awareness of animal responsibility by owners across the State.

Complaints were routinely dealt with in relation to animal control including nuisance animals, in particular barking and roaming nuisances. During the period July 2010 to June 2011, 642 dogs and 841 cats were impounded and held at the Gympie Regional Council Pound Facility, an increase from the previous financial year.

Public Conveniences

Council is responsible for the cleaning and maintenance of numerous public conveniences throughout the Region. During 2010-2011, the toilet block located on Ramsey Road (Southside, Gympie) was refurbished to enhance the presentation of this facility. The on-site treatment system for the public toilet in the park at Dickabram Bridge (Miva) was also replaced and a new public toilet has been constructed at the 'All Abilities Playground' at Lake Alford (Gympie). A closed circuit surveillance system has been installed at this playground to deter vandalism.

Disaster Management

Council's Disaster Management Plan was tested in January 2011 with flood waters inundating businesses, homes and community facilities across the Region. Many residents were affected during this time, in particular, communities in the western area where flash flooding caused significant damage, loss and trauma.

The Gympie Central Business District was well prepared and provided an effective role model disaster management processes for other areas. The clean up after the floods was timely and impressive. Everyone worked together to get back to business as soon as possible. Council is continuing to work with the communities affected to fully recover and better prepare for future disaster events.

The building of community resilience and preparedness has commenced with the establishment of new accommodation for emergency services coordination on the Southside of Gympie. Council is also currently in the process of providing the State Emergency Service with similar facilities in Tin Can Bay.

Environmentally Relevant Activities

The Health and Environmental Services Section of the Community Services Directorate licenses and audits Environmentally Relevant Activities as defined by the *Environmental Protection Act 1994*, specifically, an environmentally relevant activity where a contaminant will or may be released into the environment when the activity is carried out; and the release of the contaminant will or may cause environmental harm.

As of 30 June 2011, there were 145 Environmentally Relevant Activities regulated by the Gympie Regional Council pursuant to the *Environmental Protection Act 1994*.

Council operates landfills at Gympie, Southside, Kilkivan, Goomeri, Gunalda, Tin Can Bay and Rainbow Beach. There are also numerous waste transfer bin sites operated within the Gympie Region. Recycling at waste management facilities occurs as far as is practicable. Council operates its waste management facilities throughout the Region in compliance with legislative obligations and to enhance environmental outcomes at each site. Land filling activities have ceased at the Southside waste management facility with this site now operating as a waste transfer station. In total, the Red Cross removed approximately 85 tonnes of cardboard for recycling from Council's waste management facilities during the 2010-2011 financial year.

Extensive earthworks were undertaken during the 2010-2011 financial year at the Amamoor waste transfer station to provide final capping on the former landfill.



Our Goal: To provide opportunities for the Region's residents and visitors to access information that will enhance quality of life and facilitate lifelong learning.

Gympie Regional Libraries

The Gympie Regional Libraries aim to engender a library service that provides information to promote knowledge and lifelong learning; leisure and cultural enrichment for all people in the Gympie Region; provide a window of opportunity to community members, ensuring that they have ready access to information and associated new technologies; and to support as appropriate, historical initiatives and museums.

Gympie Regional libraries hold 103,222 library materials, including fiction and non-fiction titles in normal and large print, audio books, community language materials, literary resources, magazines and Indigenous materials. All are available on a readily accessible basis.

During the 2010-2011 financial year, the libraries issued 427, 773 library items to 33,645 members.

Council's libraries also offer free internet access, internet tutorials and computers which provide Microsoft based software programs, as well as free Wi-Fi access.

Staff of the Young People's section conduct weekly Story Time sessions for pre-schoolers, Baby Bounce sessions and offer regular School Holiday Activities and Workshops. Attendances continue to increase, demonstrating that our Region is growing and that the library service is meeting appropriate targets with a timely approach.

Highlights that enhanced a successful year in Council's library services over the past 12 months include:

- The donation to library services of 3,562 volunteer hours by Friends of the Gympie Regional Libraries Inc.
- A NAIDOC Week celebration of local indigenous cultures.
- Numerous book launches, promotional events and topical displays.



Planning and Development

Our Goal: To provide a planning framework that stimulates and coordinates investments in the Region while respecting the environmental and community values and infrastructure needs and the enhancement of lifestyles of residents.

Development Applications

A total of 290 Development Applications were approved and issued in the period 1 July 2010 to the 30 June 2011, as outlined below.

Type of Application	Nature of Application	Applications Approved
Material Change of Use	Residential	58
	Commercial	13
	Industrial	15
	Environmentally Relevant	20
	Other	10
Reconfiguring a Lot	Subdivisions	85
	Boundary Realignments	19
	Access Easements	7
Operational Works	Works	51
	Advertising Devices/Signs	12
Total		290

Planning Scheme

The Draft Wide Bay Burnett State Planning Regulatory Provisions 2010 were introduced by the State in October 2010, replacing the first version of the Provisions that were in place since 18 December 2009. External consultants were appointed to commence preparation of a new planning scheme for the Gympie Region and this was progressed.



Priority Infrastructure Plans

Council continued the development of Priority Infrastructure Plans and Infrastructure Charges Schedules. However, late in the year the State announced commencement of a new Infrastructure Charging Regime that will likely negate the need for these plans.

Pedestrian and Cycle Strategy Review 2011

Council, in partnership with the Department of Transport and Main Roads, began a review of the existing Cooloolool Shire Council Pedestrian and Cycle Strategy 2003. Council has undertaken extensive work through the Priority Infrastructure Planning process to identify new pathways, linkages and upgrades to the Region's pedestrian and cycle network. This work will inform the review process and help Council to take a Regional approach to its pedestrian and cycle network development.

The Department of Transport and Main Roads partnered with Gympie Regional Council for this project to take a more collaborative approach to planning its road infrastructure. The new strategy will better inform the department of the interrelationship between the State road networks and the local government networks. It is hoped that this approach will produce better planning outcomes for the Region.

Environment Strategy

The Environment Strategy has advanced to draft format. A Working Group meeting is scheduled for July 2011 before the Environment Strategy is presented to the Steering Committee and then subsequently presented to Council for adoption. A consultant was engaged to format the Environment Strategy. The Environment Strategy contains six themes, in which each theme has an action plan. These action plans are aimed at Council operations.

'A Guide to Weeds of Significance and Endemic Native Alternatives' booklet was completed in September 2010 and has been widely distributed in the community.

Cooloolool Coastal Reserves and Foreshore Management Plan

Mapping for the Cooloolool Coastal Reserves and Foreshore Management Plan progressed with the assistance of Council's Geographic Information System services. With the release of the Queensland Coastal Plan by the Department of Environment and Resource Management, the Cooloolool Coastal Reserves and Foreshore Management Plan will be reviewed to reflect this plan.



Organisational Report

The following section outlines Council's reporting requirements under the Local Government Act 2009 (the Act) and the Local Government (Finance, Plans and Reporting) Regulation 2010 (the Regulation).

Councillor Requirements

Remuneration

In accordance with s114 of the Regulation, the table below outlines the payments made to each Councillor. A copy of any resolution made during the year regarding remuneration or reimbursements is referenced in Appendix A. Appendix B further outlines Council's Councillor Expense Reimbursement Policy as per s114 1(d) of the Regulation.

Councillor	Remuneration	Superannuation	Reimbursements	Total
Dyne	124,493.02	14,939.16	81.82	139,514.00
Perrett	89,290.53	10,714.86	659.29	100,664.68
Neilson	79,397.22	9,527.67	18.26	88,943.15
Gâté	76,093.00	9,131.16	0.00	85,224.16
Friske	79,397.22	9,527.67	108.96	89,033.85
Engeman	76,093.00	9,131.16	534.45	85,758.61
Petersen	82,701.55	9,924.19	87.60	92,713.34
Walker	76,093.00	9,131.16	32.51	85,256.67
Watt	76,093.00	0.00	0.00	76,093.00
Total	\$759,651.54	\$82,027.03	\$1,522.89	\$843,201.45

Attendance at meetings of the local government

In accordance with s114(e) of the Regulation, the table below outlines the number of meetings attended by each Councillor. Highlighted boxes identify the Chair of the respective committees.

Councillor	General	Corporate Governance and Finance	Works and Services	Planning and Development	Community and Economic Development
Dyne	23	10	10	17	11
Perrett	22	10	10	18	10
Gâté	22	10	9	19	11
Neilson	22	10	11	21	10
Petersen	24	11	10	20	11
Engeman	24	11	8	19	11
Friske	22	10	11	20	10
Walker	20	10	10	16	8
Watt	22	11	9	21	9

Complaints about Councillors

During the reporting period, three complaints have been received regarding Councillor conduct and performance. The three complaints allege misconduct by all of the Councillors. In accordance with s177 of the *Local Government Act 2009*, these complaints have been referred by the Chief Executive Officer to the Department of Local Government and Planning. As of 30 June 2011, these matters were yet to be finalised.

Organisational Requirements

General Complaints Management

All complaints forwarded to Council during the 2010-2011 financial year were managed under Council's existing General Complaints Process. During this reporting period, 13 complaints were received and resolved through this process.

Grants to Community Organisations

Grants to Community Organisations in the 2010-2011 financial year equated to \$344,367. All funding for grants to Community Organisations is in accordance with Council's policy, available on Council's website. A summary of the allocations to the various categories is as follows:

Category	Amount
Culture	\$50,900
Education	\$3,120
Public Facilities	\$112,840
Safety	\$21,319
Sport & Recreation	\$44,388
Regional Promotion/Economic Development	\$109,300
Welfare	\$2,500

In addition to the above grants, \$113,300 was distributed from Council's Environment Levy funds.

Overseas Travel

During the 2010-2011 financial year, no staff or Councillors undertook international travel for the purpose of their role with Gympie Regional Council.

Roads and Reserves

Pursuant to s119 of the *Local Government (Finance, Plans and Reporting) Regulations 2010*, Gympie Regional Council has control of:

Category of Road	Length in Kilometres
Sealed	1,289
Unsealed	987
Total	2,267

Type of Reserve	Area in Hectares
Reserves Leased	1,202.94
Reserves not Leased	1,679.98
Total	2,883.92

Senior Contract Employees Remuneration

Pursuant to s201 of the *Local Government Act 2009*, the following table outlines the number of senior contract staff paid at nominated salary package levels.

Number of Senior Contract Employees	Remuneration Package Range
4	\$160,000 – 209,999
2	\$210,000 – 264,999

Annual Strategic Review

In accordance with s104 (3)(g) and (7) of the *Local Government Act 2009*, Gympie Regional Council has, for the 2010-2011 financial year, conducted a review of the implementation of the local government's proposed long-term community plan, five year Corporate Plan and annual Operational Plan.

The Draft Gympie Region Community Plan 2030 has been compiled based on input received from 18 Sector Group meetings, six locality based Discussion Sessions and from individual and Community Group responses. The Draft Community Plan was released for public comment in May 2011.

The Gympie Regional Council's 2009-2014 Corporate Plan sets out broad strategies and vision for all aspects of Council's operation. The Corporate Plan consists of four themes that generally reflect the themes of the Community Plan. These are:

- Vibrant Community.
- Sustainable Economy.
- Responsibly Managed Environment.
- Strong Council Leadership.

From this document, Council has developed an Operational Plan which sets out specifically how Council will apply its resources to achieve the Corporate Plan strategies for a specific year. The Operational Plan consists of the six separate programs which detail the works and services to be provided in the 2011-2012 financial year. These are:

- Corporate Governance.
- Engineering Services.
- Community Services.
- Planning and Development.
- Water.
- Sewerage.

It is expected that Council will be in a position to adopt the Region's first Community Plan early in the 2011-2012 Financial Year. Consequently, a review of the Corporate Plan will be required in 2011-2012 following adoption of the Region's first Community Plan to ensure it meets the long term strategic directions articulated in the Community Plan. A review of the Operational Plan's links to the Community and Corporate Plans will be required following their respective adoption and review.

Tenders

Tender number 2010/11-T02 for Undergrounding of Overhead Power Lines at the Gympie Show Grounds Stage 1 - side show alley, was amended. An addendum was sent out highlighting the Australian Standard for Carnivals etc, the Addendum number was 2010/11-T02 A01. The Revised tender no was 2010/11-T02 – Revised.

Registers

Council maintains a number of registers. These registers include:

- | | |
|--|---|
| ▪ Councillor's Interests Register. | ▪ Register of Impounded Dogs. |
| ▪ Delegations Register. | ▪ Restricted Dogs Register. |
| ▪ Fees and Charges Register. | ▪ Register of Development Applications. |
| ▪ Road Register. | ▪ Register of Roads Maps. |
| ▪ Register of Environmentally Relevant Activities (EPA). | ▪ CSCK110 Local Laws Register. |
| ▪ Building Statistics of Monthly Approvals. | ▪ Local Heritage Register. |
| ▪ Gifts/Hospitality Register. | |

Internal Auditor's Report

The principal aim of the internal audit is to provide evidence for the Audit Committee, the Chief Executive Officer and senior management, that a sound system of internal control is being maintained to safeguard Council's assets and that risk is appropriately addressed so that objectives may be met. The system of internal control includes all methods and procedures adopted by management and includes management policies for the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

During the 2010-2011 financial year, internal audit conducted a number of reviews and investigations as well as providing advice on a number of issues. The two major reviews completed during the year were:

Gravel Operations

Some of the objectives of the review were to ensure:

- That an accurate and up to date register of all Council gravel pits is being maintained.
- That royalties are being paid to persons entitled to royalties.
- That Council is complying with relevant legislation.
- That all operating and production costs are properly and accurately recorded.
- That income from the gravel operations is properly and accurately recorded.

The amalgamation of the Cooloola Shire Council, the Kilkivan Shire Council and Division three of the Tiaro Shire created some problems and issues in the identification and location of some gravel pits. These issues have been resolved resulting in the number of pits being reduced from 206 to 40 and thus making operations more manageable. As at 30 June 2011, a number of issues have been addressed and resolved. Ongoing issues will continue to be addressed, reviewed and monitored and will be resolved in the near future.

Payroll Process

The scope of this review was to examine the key controls over the payroll processes and included a focus on the following areas:

- The payment at the correct and authorised rate for valid employees.
- The process for approval and payment of overtime and allowances.
- The process and reporting associated with job costing.
- Internal controls surrounding time sheet capture, data input and verifications processes.
- Compliance with all relevant Awards and the Certified Agreement.
- Compliance with employment contracts.

Where issues were identified, they are currently being addressed. Overall the findings confirm that a satisfactory internal control environment exists within Council.

Equal Employment Opportunity (EEO)

Council has implemented an EEO Management Plan which is reviewed as Council refines its policies and procedures. Gympie Regional Council undertakes other activities to eliminate unlawful discrimination against and harassment of, Council employees. These activities include:

- Recruitment and selection based on the principle of merit. It is the policy of the Gympie Regional Council to recruit the best person for each vacancy, regardless of race, religion, sex or disability.
- The implementation of training and development programs to ensure all managers and staff are aware of their EEO obligations.
- All employment procedures and practices continue to focus on clearly defined EEO principles.

As part of Gympie Regional Council's Induction program, new employees are made aware of their rights and obligations relating to EEO and harassment free workplaces. They are also made aware of practices which eliminate discrimination and other unacceptable employer/employee behaviour.

Financial Report

Details of Special Rates and Charges

A Rural Fire Brigade Levy - as authorised under s28 of *Local Government (Finance, Plans and Reporting) Regulation 2010 (the Regulation)* and s106 and 128A of the *Fire and Rescue Service Act 1990* - in the amount of \$25.00 applies to all rateable properties not situated in an urban fire brigade area (as defined by the Queensland Fire and Rescue Service).

Summary of Rate Rebates and Concessions

Pensioner Remissions

Council's pensioner rate remission to eligible pensioners shall be allowed under s 54(1)(a) of the Regulation. The pensioner remission will be \$140.00 per annum.

Total expenditure for 2010-2011 was \$496,670.

Deferment of Liability to Pay Rates

In accordance with s 55(b) of the Regulation, the Council may grant a deferral of the time in which to make payments of overdue rates in respect of:

- (a) A dwelling in which the applicant resides as his/her principal place of residence; or
- (b) All other land, where it can be substantiated in writing to the Chief Executive Officer's satisfaction that the applicant will not be able to pay all rates and charges within the prescribed period. The Chief Executive Officer shall be authorised to request further evidence that may be necessary in order to substantiate any such claim.

Total expenditure for 2010-2011 was nil.

Early Payment Discount

Discounts for prompt payments shall be allowed on the Rates and Charges stipulated in Council's Revenue Statement as having discount applying to them. Such discounts are allowed pursuant to s64(1) of the Regulation. Discount will be 5% if all rates and charges are paid within 30 days of the issue date.

Total expenditure for 2010-2011 was \$2,063,177.

Borrowing (Debt) Policy

Pursuant to, Division 6, Subdivision 1, Part 133 of the *Local Government (Finance, Plans and Reporting) Regulation 2010* Council's Borrowing Policy is outlined in Appendix C.

Community Financial Report

The Community Financial Report is presented and is intended to assist readers to understand Council's Financial Statements.

Planning to maintain a financially sustainable Council is similar to managing a household budget. Like households, this process takes on significant challenges when Councils are faced with framing budgets during hard economic times as has been experienced in recent years. When formulating a Council budget, Councillors and staff plan the Region's expenditure for both operational and capital commitments. This planning can be severely disrupted when unexpected natural disaster events occur, such as the January 2011 flood which impacted our Region.

The 2010-2011 year saw the second and final year of the 2 year phase-in of general rates across the Region. The rationalisation of Council's rating structures was a key strategic decision made by the Council in order to advance the Gympie Region and maintain a financially sustainable Council.

There are 4 primary financial statements:

- **Statement of Comprehensive Income** - shows revenue, expenses and asset revaluation adjustments for the 2010-2011 year.
- **Statement of Financial Position** - shows the assets and liabilities which make up the community equity as at 30 June 2011.
- **Statement of Changes In Equity** - shows the movement in total community equity as at 30 June 2011.
- **Statement of Cash Flows** - shows the nature and amount of Council's cash inflows and outflows from all activities.

Statement of Comprehensive Income

This statement shows Council's financial performance for the year. It reflects how the money received from Council operations is spent providing services to the community.

Revenue in - Expenses out = Result for the year.

	2010-2011	2009-2010
Operating Revenue	79,669,013	69,293,831
Operating Expenses	-77,986,347	-63,240,611
Operating Result	1,682,666	6,053,220
Net Capital Items	16,913,978	20,725,882
Net result attributable to Council	18,596,644	26,779,102
Asset Revaluation in period	-6,987,920	97,701,553
Total comprehensive income for the period	\$11,608,724	\$124,480,655

The Statement of Comprehensive Income includes both operating revenue and expenses and capital revenue and expenses.

Operating revenue is income from Council's day to day operations, such as rates, fees & charges etc. Operating expenses are the day to day costs of running the organisation, such as wages, maintenance, materials, depreciation and finance costs.

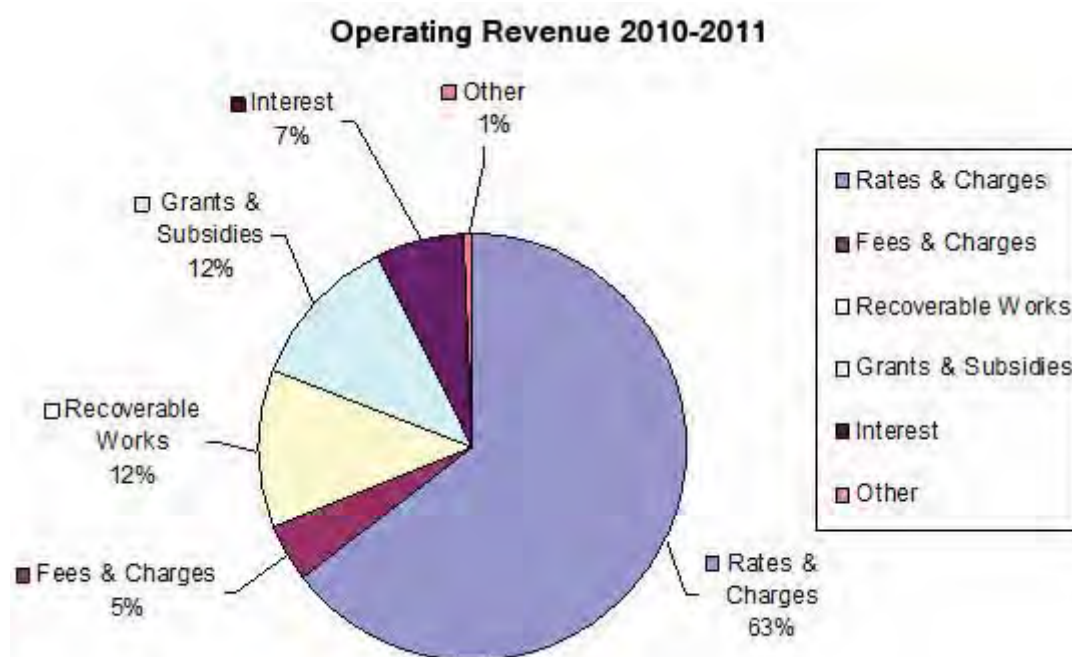
Capital revenue includes grants and developer contributions for funding capital construction projects. Capital expenditure is monies spent on assets and infrastructure, such as parks, roads, water and sewerage, land, buildings, plant & equipment.

Council's Revenue

Total income (revenue) for 2010-2011 was \$101 million, being \$79 million from operations and \$22 million from capital sources. The major source of operating revenue was rates and utility charges of \$51 million or around 63% of the total. The number of rateable properties in the Region was 24,087 (2009-2010 23,627).

Operating Revenue	2010-2011	2009-2010
Rates & Charges	51,317,497	48,074,798
Fees & Other Income	13,582,514	10,111,069
Interest Received	5,374,301	3,482,778
Grants & Subsidies	9,394,701	7,625,186
Total	79,669,013	69,293,831

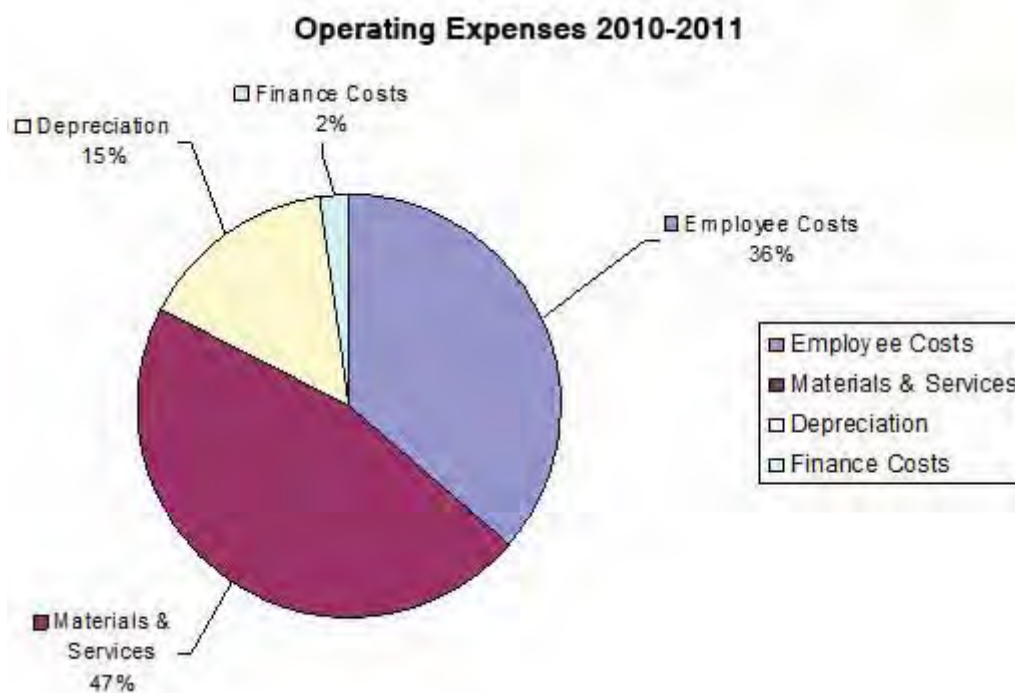
A high dependence on rate revenue and low dependence on grant revenue puts the Council in a strong financial position in these uncertain economic times.



Council's Expenses

Council provides a wide range of more than 100 different services to the Community. The work is done by Council staff and contractors. Council policy is to encourage the use of local suppliers so that the money stays within our community and boosts the local economy. Services provided by Council include planning and development, economic development, tourism, recreation and sport, airport, saleyards, community and culture, health and environment, waste management, water and sewerage, and roads infrastructure.

Operating Expenses	2010-2011	2009-2010
Employee Costs	28,316,738	24,513,745
Materials & Services	36,084,922	21,987,700
Depreciation	11,756,287	15,747,304
Finance Costs & Other	1,828,400	991,862
Total	\$77,986,347	\$63,240,611



Depreciation is the annual consumption of assets or the decline in value of the assets controlled by Council. Council needs to raise sufficient revenue each year to cover the amount of depreciation so that the future replacement of those assets can be funded. The Council has achieved this through the reporting of an operating surplus.

Statement of Financial Position

The Statement of Financial Position shows what Council owns (assets), what Council owes (liabilities) and our net community wealth (equity).

Council's Assets

The total value of assets was \$1,000 million (2009-2010 \$989m). Council's assets include land and buildings, roads, water and sewerage infrastructure, and plant and equipment. In addition Council holds other short term assets including cash held in bank accounts and has investments of approximately \$77 million. These cash reserves fund future operations of Council including the provision of infrastructure projects.

The value of community assets has increased due to revaluations, replacements and assets being provided to support the growing population. Council's funding of these assets is provided by own cash resources, grants, contributions and where appropriate loan funding.

Council's Liabilities

The total liabilities of Council was \$42 million (2009-2010 \$43m). Council's liabilities include amounts owing to employees for annual leave, long service leave and sick leave entitlements of \$11.7 million (2009-2010 \$10.9m), amounts payable to suppliers and contractors \$3 million (2009-2010 \$3.3m), monies paid in advance to Council \$0.236 million (2009-2010 \$0.222m) and loans \$27.2 million (2009-2010 \$28.4m). Affordability indicators show that Council is well placed to service its debt position.

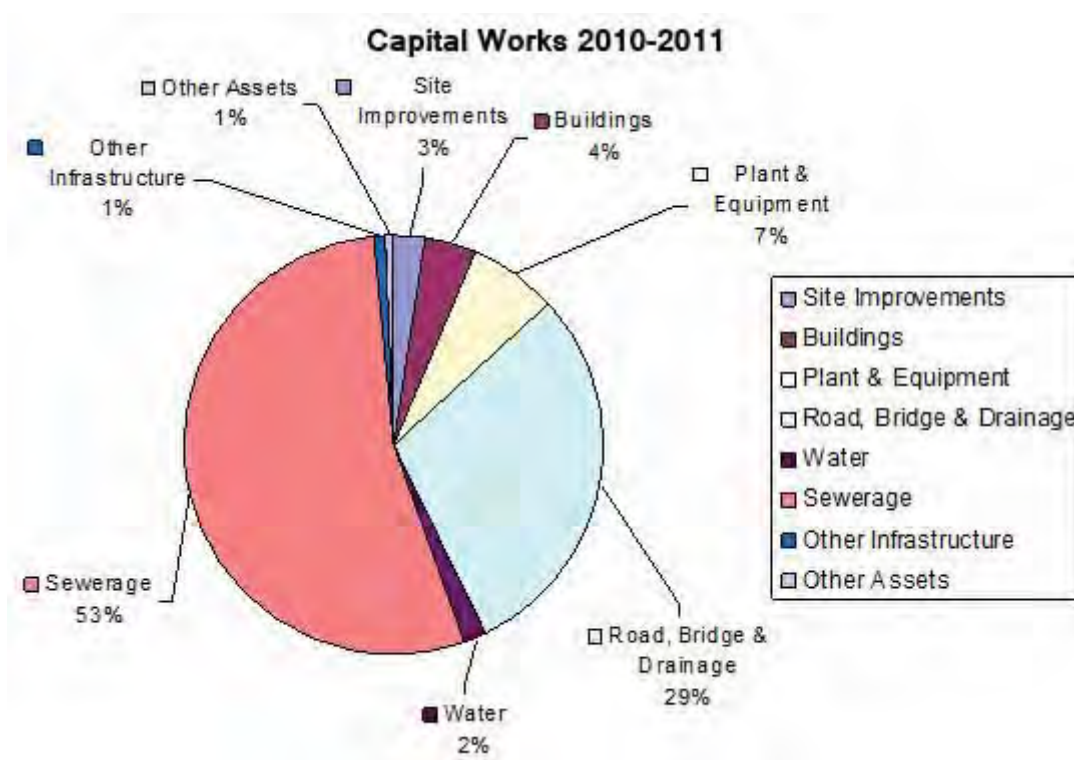
Council's Community Equity

Council's Community Equity is the result of Council's assets less Council's liabilities - the wealth of the Region or what our community owns. The Community Equity was \$958.5 million (2009-2010 \$889.1m).

	2010-2011	2009-2010
Assets	1,000,837,734	989,938,420
Less Liabilities	-42,338,341	-43,047,751
Equity	\$958,499,393	\$946,890,669
Represented by		
Council Capital & Retained Surplus/Deficit	574,917,994	561,939,163
Asset Revaluation Surplus	310,095,047	317,082,967
General Reserves	73,486,352	67,868,539
Total	\$958,499,393	\$946,890,669

Council's Capital Works

Council's investment in community infrastructure or completed Capital Works was \$41 million (2009-2010 \$22.3m).



Statement of Cash Flows

The Statement of Cash Flows shows how Council receives and spends money during the year. Council's cash held at the end of the reporting period was \$77.2 million (2009-2010 \$84.8m). Cash on hand consists of:

- Working capital cash - to meet the day to day funding requirements; and
- Reserves - funds set aside by Council to meet future identified capital and operating projects.

	2010-2011	2009-2010
Cash Opening Balance	\$84,849,732	\$57,111,541
Plus Cash Received	95,383,505	109,503,049
Less Cash Spent	-102,957,051	-81,764,858
Cash Closing Balance	\$77,276,186	\$84,849,732

Council's Financial Sustainability

Relevant Measures

The Council's key measure of sustainability revolves around the maintenance of its capital value and capacity.

Council's Financial Statements and Long Term Financial Forecast are prepared on the consistent basis of identifying its capital value and monitoring the maintenance of that value. The main indicator that capital capacity is being maintained is the achievement of an operating surplus for the reporting period. The Financial Statements for the year to June 2011 show an operating surplus of \$1.6 million, and for the year to June 2010 \$6 million. It is forecast that operating surpluses will continue to be achieved each year. Council's capital value at June 2011 was \$908 million compared to \$840 million at June 2010, with further increases over the next 10 years.

Financial Management Strategy

The Council's financial management strategy is focused on the maintenance of the capital value required to deliver community services at a sustainable level into the future.

The asset management plans forecast replacement and renewal costs over the next ten years. Funds required to cover this expenditure are compared to the funds provided from the funding of depreciation expense on existing assets. If a shortfall (gap) is identified then alternative strategies are investigated to bridge this funding gap. These include:

1. Surplus funds that may exist from current operating surpluses;
2. Increasing pricing for services rendered;
3. Rescheduling of maintenance and capital works;
4. Long term borrowing;
5. Evaluating the level of service that is affordable.

These strategies are applied within individual business units, e.g. water and sewerage and the rest of Council programs.

Council's Financial Sustainability Ratios

Asset Sustainability Ratio - Capital Expenditure on Replacement Assets divided by Depreciation Expense

- Indicator suggests percentage should be >90%
- This indicator should be averaged over at least 10 years. Not an annual expectation.
- Shows the amount spent on replacement / renewal assets compared to the annual depreciation of those assets.

Asset Consumption Ratio - Written Down Value of Infrastructure Assets divided by Gross Replacement Cost of those Assets

- Indicator Range is between 40% and 80%
- The lower the percentage the older the assets and therefore closer to replacement.

Interest Coverage Ratio - Net Interest Expense on debt service divided by Total Operating Revenue

- Indicator range is between 0% and 5%
- This shows Council's capacity to fund additional borrowings.
- Gympie Regional Council has greater interest income than expense, hence the negative percentage result.

Working Capital Ratio - Current Assets divided by Current Liabilities

- Guidance range is 1:1 to 4:1
- Indicates ability to fund current liabilities from current asset sources.

Operating Surplus Ratio - Net Result divided by Total Operating Revenue

- Guidance range is 0% to 10%
- Indicates ability to maintain and expand Council's capital value and services from own resources.

Net Financial Liability Ratio - Total Liabilities less Current Assets divided by Total Operating Revenue

- Guidance range is – not greater than 60%
- Gympie Regional Council has a negative percent because current assets exceed total liabilities. This indicates a very strong financial position.

Ratio	Target	Actual Result	Long Term Financial Plan Projections									
		2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Asset Sustainability	> 90%	224.1%	120.5%	126.0%	104.2%	117.1%	136.3%	116.9%	112.0%	93.6%	94.5%	95.4%
Asset Consumption	40%-80%	76.2%	69.2%	67.7%	66.6%	66.4%	66.1%	66.2%	66.0%	64.7%	64.1%	63.5%
Interest Coverage	0% - 5%	-4.5%	-2.5%	-3.0%	-2.9%	-3.1%	-3.2%	-3.0%	-1.9%	-1.5%	-1.7%	-2.0%
Working Capital	1:1 - 4:1	7.0 : 1	4.7 : 1	4.9 : 1	5.3 : 1	5.5 : 1	5.8 : 1	6.4 : 1	7.0 : 1	6.3 : 1	6.9 : 1	8.1 : 1
Operating Surplus	0% - 10%	2.1%	3.5%	13.5%	10.1%	11.9%	13.6%	15.3%	16.0%	17.6%	19.7%	20.0%
Net Financial Liability	< 60%	-64.8%	-18.6%	-24.8%	-32.3%	-36.7%	-38.8%	-31.6%	-33.9%	-26.0%	-35.4%	-53.9%

Appendix A

RESOLUTIONS REGARDING COUNCILLOR REMUNERATIONS

G18/02/10 - General Meeting 10 February 2010

That Council resolves to authorise the following payments of remuneration in accordance with the determination in the remuneration schedule as amended and amalgamation loading schedule as amended and effective from 01/01/2010 set by the Local Government Remuneration Tribunal as established under s250AA of the *Local Government Act 1993*.

Mayor -	90% of the rate payable (\$130,540 pa) to a Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.
Deputy Mayor -	62.5% of the rate payable (\$130,540 pa) to a Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.
Councillor -	55% of the rate payable (\$130,540 pa) to Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.
Committee Chairpersons -	<p>2.5% of the rate payable (\$130,540 pa) to a Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government for the Chairpersons of the following Committees:</p> <ul style="list-style-type: none">- Works and Services.- Corporate Governance and Finance.- Community and Economic Development.- In recognition of the additional workload undertaken by the Chairperson of the Planning and Development Committee 5% of the rate payable (\$130,540pa) to a member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.

Amalgamation Loading - In accordance with the amounts set by the Local Government Remuneration Tribunal for the following periods:

	01/01/2010 to 30/06/2010	01/07/2010 to 31/12/2010
Mayor	\$8,300 pa	\$5,540 pa
Deputy Mayor	\$5,810 pa	\$3,880 pa
Councillor	\$5,100 pa	\$3,400 pa

The purpose of the remuneration is to cover individual Councillor's involvement in Council affairs including attendance at Council meetings, committee meetings, meetings concerning the local government and community matters, deputations, inspections and training and educational seminars and conferences which further a Councillor's knowledge of local government affairs and requirements. Further, the additional workload to be managed by Councillors due to the amalgamation process.

Reimbursement is to be paid on a fortnightly basis.

G09/01/11 - General Meeting 25 January 2011

That Council adopts the following remuneration levels in accordance with the determination of the Local Government Remuneration and Discipline Tribunal in the Remuneration Schedule effective from 01/01/2011.

Mayor - 90% of the rate payable (\$133,800pa) to a Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government

Deputy Mayor - 62.5% of the rate payable (\$133,800pa) to a Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.

Councillor - 55% of the rate payable (\$133,800pa) to Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.

Committee Chairpersons - 2.5% of the rate payable (\$133,800pa) to a Member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government for the Chairpersons of the following Committees:

- Works and Services.
- Corporate Governance and Finance.
- Community and Economic Development.
- In recognition of the additional workload undertaken by the Chairperson of the Planning and Development Committee 5% of the rate payable (\$133,800pa) to a member of the Queensland Legislative Assembly in accordance with the remuneration range for a Category 5 Local Government.

Amalgamation Loading - In accordance with the amounts set by the Local Government Remuneration Tribunal for the following periods:

	01/01/2011 to 30/06/2011	01/07/2011 to 31/12/2011
Mayor	\$5,540 pa	\$2,770 pa
Deputy Mayor	\$3,880 pa	\$1,940 pa
Councillor	\$3,400 pa	\$1,700 pa

Appendix B

COUNCILLOR EXPENSES REIMBURSEMENT POLICY

G13/01/11 - General Meeting 25 January 2011

Preface:

1.1 Legislative requirements:

Section 45(1) of the *Local Government (Operations) Regulation 2010* (the Regulation) states, a local government must adopt, by resolution, an expenses reimbursement policy or an amendment of the expenses reimbursement policy.

This policy should be read in conjunction with the Regulation and specifically sections 44-47.

In summary the regulation states:

- A local government must adopt by resolution, an expenses policy that complies with the principles of the *Local Government Act 2009* (the Act) and the financial sustainability criteria under s 102 of the Act.
- The local government must give public notice of the Expenses Reimbursement Policy by publishing a public notice of the policy in a newspaper circulating in the local government area and on the local government's website as soon as practicable after adopting the Expenses Reimbursement Policy.
- The local government's Annual Report must contain a copy of the Council's Expenses Reimbursement Policy and a copy of any resolution made during the year authorising payment of expenses or provision of facilities to councillors of the local government. Particulars of the reimbursements and facilities provided to Councillors will be included in the Annual Report.
- The local government may amend, by resolution its Expenses Reimbursement Policy ensuring the same public accountability and transparency requirements are followed. Minor amendments such as spelling and grammatical errors may be made to the policy by Council.
- Pursuant to s 44(2) of the Regulation, local governments' Expenses Reimbursement Policy must provide:
 - Payments to Councillors for reasonable expenses incurred, or to be incurred, for discharging their duties and responsibilities as Councillors.
 - The facilities that are to be provided to Councillors for the purpose of discharging their civic duties.

Definitions

CEO:

Council's Chief Executive Officer.

Expenses:

These expenses relate to actual expenses deemed necessary and required for the business of Gympie Regional Council. In addition, expenses are payments reasonably incurred, or to be incurred, in connection with Councillors discharging their duties. The expenses may be either reimbursed to Councillors or paid direct by Council. Expenses are not included as remuneration.

Facilities:

Facilities provided to Councillors are the 'tools of trade' required to enable them to perform their duties with relative ease and at a standard appropriate to fulfil the community expectation of their role.

Official Council Business:

Activities conducted on behalf of Council where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business objectives for the Council. Official Council business should result in a benefit being achieved either for the local government and/or the local community: This includes:

- Attendance at Council, Committee and Briefing meetings;
- Attendance at prescribed Local Government training/workshops, seminars and conferences;
- Attendance at civic ceremonies and community events where a formal invitation has been received inviting Councillors in their capacity to undertake official duty;
- Attending public meetings, annual meetings or presentation dinners where invited as a Councillor;
- Attending meetings of community groups where invited to speak about Council programs or initiatives;
- Attending private meetings with constituents, where arranged through official council channels and details of discussions are documented in official records or diaries;
- Attending Civic Reception functions on behalf of the Mayor; and
- Attending organised meetings/inspections/community consultations pertaining to Committee responsibilities.

Private Use of Council Vehicle:

Use of a Council vehicle for other than official Council business is private use. For the purposes of this policy only, however, private use does not include:

- Travel between a Councillor's home and official Council business;
- Any incidental deviations from the direct travel route where the distance travelled is not material (eg. a Councillor who is attending official Council business could stop en route at the corner store, provided that the Councillor does not make a significant deviation from the most direct route)

The home garaging of a Council vehicle is permitted.

Professional Development:**a) Mandatory Training:**

Where one or more Councillors are required to attend training courses, workshops, seminars or conferences for skills development related to a Councillor's role. Examples of this type of training include Councillor induction, code of conduct, meeting procedures and legislative obligations. Attendance at conferences includes major industry events eg. Australian Local Government Association (ALGA), Local Government Association of Queensland (LGAQ) and Australian Local Government Women's Association (ALGWA) or specific events that are relevant to all Councillors or Committee members.

b) Discretionary training:

Where a Councillor identifies a need to attend a conference, seminar, workshop or training to improve skills relevant to their role as a Councillor, other than mandatory training, the Council may allow for the expenses to be covered to a limit of \$5,000 available to each Councillor during their current term in office. The Mayor or Chief Executive Officer is to approve the attendance of a Councillor to the conference, seminar, workshop or training prior to the expense being incurred.

Policy:

1.2 Statement of Principles:

Gympie Regional Council acknowledges the core principles underpinning the *Local Government Act 2009* (the Act), those being:

- (a) transparent and effective processes, and decision-making in the public interest;
- (b) sustainable development and management of assets and infrastructure, and delivery of effective services;
- (c) democratic representation, social inclusion and meaningful community engagement;
- (d) good governance of, and by, local government;
- (e) ethical and legal behaviour of Councillors and local government employees.

Council has formulated this policy in line with the above principles and the financial sustainability criteria referred to in s 102 of the Act.

2. Expenses:

2.1 Professional Development

Council will reimburse expenses incurred for mandatory professional development; and discretionary professional development. Council will meet registration fees, course fees and entrance fees together with reasonable travel, accommodation and sustenance expenses.

- Registrations should, where practicable, be made in sufficient time to take advantage of 'early bird' discounts.
- Councillors will provide a verbal or written report on the outcomes of any Professional Development.

2.2 Travel as required to represent Council:

Councillors may incur travel costs to attend statutory Council meetings, committee meetings, briefings, and travel to attend conferences, training workshops and seminars.

- Any vehicle usage must comply with section 3.1 of this policy.
- If using their own private vehicles, Councillors are required to keep a log book with details to substantiate the relevance and distance of the travel. Where appropriate Councillor's private vehicle usage may be reimbursed by Council if the total travel claim does not exceed the cost of the same travel using economy flights plus the cost of all related taxi transfers.
- Councillors are to maintain the log book and are to calculate the amount of reimbursement in accordance with the scale prescribed by Directive Number 06/07 (or the most current directive) made pursuant to the s 34 of the *Public Service Act 1996*.
- For Councillor purposes a reference in the above Directive to headquarters can be interpreted as individual Councillor residences.
- From an insurance viewpoint Councillor's own vehicles should be covered by either a comprehensive or a third party property damage insurance policy. Councillors are required to produce evidence that the insurance policy has been endorsed to indemnify Gympie Regional Council. It is understood this is a standard type endorsement available on request from all insurance companies. Council will refund any endorsement fees.
- The amount reimbursed will be calculated on the actual mileage travelled by the Councillor.
- Councillors are required to travel via the most direct route using the most economical and efficient mode of transport.
- All Councillor travel approved by Council will be booked and paid for by Council. This will occur as soon as practicable after the decision to attend the event to ensure the most economical method of travel is attained.
- Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be transferred to offset any other unapproved expenses (eg. the costs of a spouse accompanying the Councillor).
- Economy class is to be used where possible unless a specific resolution of Council specifies another class.

2.3 Accommodation:

Councillors may need to stay away overnight to attend to Council business, however for this to be considered as an expense of Council written approval must be obtained from the Mayor/CEO prior to incurring any expense.

When attending conferences, seminars, training workshops or courses, and where available, Councillors must utilise the package offered by the conference organisers, unless a more suitable or more economical venue convenient to the event can be obtained.

In all other cases, written approval must be obtained from the Mayor/CEO prior to the incurring of the expense for accommodation costs to be reimbursed.

All Councillor accommodation for Council business will be booked and paid by Council.

Council will pay for the most economical deal available, however where possible the standard for Councillors' accommodation should be four star rating.

2.4 Hospitality Expenses:

Councillors may have occasion to incur hospitality expenses while conducting Council business apart from civic receptions organised by Council.

The maximum amount of hospitality expenses which may be reimbursed:

- For Councillors is \$500 per financial year.
- For the Mayor is \$ 4,000 per financial year.
- Reimbursement for hospitality expenses may include alcoholic beverages when supply of such beverages meets established social customs.

2.5 Meal allowance:

Gympie Regional Council shall reimburse the cost of sustenance for Councillors who are travelling for Council business related reasons including professional development when:

- The Councillor incurs the cost personally and
- A meal is not provided within the registration costs of the approved activity/event or during a flight.

The amount reimbursed shall be:

- The actual amount, or;
- For meals the following limits shall apply:
 - Breakfast \$25.00
 - Lunch \$30.00
 - Dinner \$38.00
 - Whichever is the lesser and to be adjusted with CPI (Brisbane All Ordinaries, March Quarter figures) on an annual basis.

No alcohol shall be paid for by Council as part of the meal allowance.

2.6 Incidental allowance:

Up to \$20 per day may be paid by Gympie Regional Council to cover any incidental costs incurred by Councillors required to travel and who are away from home overnight for official Council business.

Examples of incidentals include but may not be limited to: tea/coffee; newspapers; telephone.

Incidental expenses must be verified by providing receipts.

2.7 Travel Transfer Costs:

Any travel transfer expenses associated with Councillors travelling for Council approved business will be reimbursed.

Examples of travel transfer expenses include train, taxi, bus and ferry fares.

Cab charge vouchers may also be used where Councillors are required to undertake duties relating to the business of Council.

3. Facilities:

Provision of Facilities

All facilities provided to Councillors remain the property of Council and must be returned when a Councillor's term expires.

Private Use of Council Owned Facilities

The provision of facilities for use by Councillors is based upon the principle that *no private benefit is to be gained* from the facilities provided to Councillors.

The facilities are to be used for Council business only unless prior written approval has been granted by the Mayor or CEO.

3.1 Gympie Regional Council Office based Administrative tools:

For the Mayor specifically:

- An office.
- An administration officer for secretarial support.
- Use of a Council maintained six cylinder vehicle, as detailed below.

Mayor's Vehicle:

The Mayor shall be provided with use of a Council owned vehicle for use on Council business:

- The vehicle shall be a six cylinder vehicle equivalent to a Holden Berlina or Ford Fairmont standard.
- At all times the vehicle is to be driven by only the Mayor, the Mayor's spouse or partner, a Councillor or a Gympie Regional Council employee.
- In an emergency situation another person may drive the vehicle.
- Private use of the motor vehicle may be utilised by one of the following options:

Option 1:

The Mayor may purchase private use rights of a motor vehicle for private use within Queensland subject to contribution of 2% of the base Mayoral salary.

Option 2:

If Option 1 is not chosen private use of the vehicle should be minimal and in line with the principle that no private benefit be gained from the facilities provided to the Councillors. Incidental private use of the Council owned vehicle is to be reimbursed to Council on a monthly basis.

The Mayor is to maintain a log book and the amount of reimbursement will be in accordance with the scale prescribed by Directive Number 14/10 (or the most current directive) made pursuant to the s 54(1) of the *Public Service Act 2008* (the Act).

- Fuel for the Council owned vehicle will be provided by Council.
- Car parking at the local government office premises and when away from that premises reimbursement of parking costs paid by the Mayor when attending to official Council business.
- Council will be responsible for the ongoing maintenance and wear and tear costs of the Council owned vehicle.
- Any fines incurred while travelling in a Council owned vehicle or a privately owned vehicle while attending to Council business will be the responsibility of the Mayor or other driver if applicable.
- It is the Mayor's responsibility to ensure that he/she or any other driver as is applicable, are legally licensed to drive the Council vehicle or to drive a private vehicle while attending to official Council business.
- Gympie Regional Council will accept no responsibility for unlicensed or illegal driving matters.

For all Councillors:

- Communal office space - with an office provided in Gympie, Imbil library, Kilkivan Branch office and Tin Can Bay library and basic stationery for use in that office.
- Postage for items of Council business.
- Use of a Council landline.
- Name badge.
- Safety equipment (eg. safety helmet, vest safety shoes, safety glasses where necessary).
- Internet access for use with Councillor's lap top.
- Email access for use with Councillor's lap top.
- Publications.
- Stationery.
- Shared access to office equipment.

For Councillors (excluding the Mayor):

- A Council maintained vehicle for Council business, as detailed below.

Councillor Vehicle (excluding the Mayor):

Each Councillor (excluding the Mayor) shall be provided with use of a Council owned vehicle for use on Council business:

- The vehicle shall be a four cylinder vehicle equivalent to a Mazda 3 or Ford Focus.
- At all times the vehicle is to be driven by a Councillor or Gympie Regional Council employee.
- The Councillor's spouse or partner may drive the vehicle only at such a time as the Councillor is incapacitated or in such other circumstances as would reasonably require that the Councillor's spouse or partner drive the vehicle.
- In an emergency situation another person may drive the vehicle.
- Private use of the motor vehicle may be utilised by one of the following options:

Option 1:

A Councillor may purchase private use rights of a Council vehicle for private use within Queensland subject to contribution of 2% of the base Councillor salary.

Option 2:

If Option 2 is not chosen private use of the vehicle should be minimal and in line with the principle that no private benefit be gained from the facilities provided to the Councillors. Incidental private use of the Council owned vehicle is to be reimbursed to Council on a monthly basis.

The Councillor is to maintain a log book and to calculate the amount of reimbursement in accordance with the scale prescribed by Directive Number 14/10 (or the most current directive) made pursuant to s 54(1) of the Act.

- Fuel for the Council owned vehicle will be provided by Council.
- Car parking at the local government office premises and when away from that premises reimbursement of parking costs paid by Councillors while attending to official Council business.
- Council will be responsible for the ongoing maintenance and wear and tear costs of the Council owned vehicle.
- Any fines incurred while travelling in a Council owned vehicle or privately owned vehicle while attending to Council business will be the responsibility of the Councillor or other driver if applicable.
- It is the Councillor's responsibility to ensure that he/she or any other driver as applicable, are legally licensed to drive the Council vehicle or to drive a private vehicle while attending to official Council business.
- Gympie Regional Council will accept no responsibility for unlicensed or illegal driving matters.

Use of Council pool vehicles for Council business:

Councillors, when necessary, may have access to a Council pool vehicle for official Council business.

3.2 Home Office:

Council shall provide each Councillor with:

- A fax machine.
- A laptop computer with appropriate software as decided by the CEO.
- A mobile telephone and car kit. Where personal calls are made on this telephone, Councillors shall reimburse the costs of the private calls on a monthly basis. Internet access or where Councillors have an existing home office set up with internet access, Council shall reimburse the equivalent cost of monthly internet access at a level set by the CEO.
- Basic stationery.
- Maintenance of Council owned equipment.

3.3 Legal Costs and Insurance Cover:

Council may decide to cover costs incurred through any inquiry, investigation, hearing or legal proceeding into the conduct of a Councillor, or arising out of or in connection with, the Councillor's performance of his/her functions.

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

3.4 Other:

The Chief Executive Officer will provide an administration process to facilitate payment of private reimbursement costs to Council.

Appendix C

DEBT POLICY 2010-2011

SG05/06/10 - General Meeting 30 June 2010

This Policy was previously known as the Borrowing Policy 2010/2011 – SG05/06/10.
The content of the Policy did not change.

Section 133 of the Local Government (Finance Plans and Reporting) Regulation 2010 states that a Local Government must develop a policy about borrowings. Council's borrowing activities are governed by the *Statutory Bodies Financial Arrangements Act 1982*.

Intent/Policy Objective

The objective of the policy is to ensure the sound management of Council's existing and future debt.

Policy Statement

Borrowing Purposes

Council policy is to only borrow for capital expenditure, which will improve services to ratepayers. As part of Council's debt management strategy, if surplus funds become available and it is deemed to be financially beneficial to do so, one off loan repayments will be made to reduce the term of existing loans.

Loan draw-downs will be timed so as to optimise cash flow and minimise interest expenses.

Repayment Ability

Council has adopted the debt service ratio as the key indicator of Council's ability to sustain its level of debt. Council considers that 20% is appropriate.

Debt Term

Council policy is to borrow new loans for a period that maximises efficiency. It is planned to repay existing borrowings within 20 years.

Borrowing Sources

Council shall raise all external borrowings from QTC.

Proposed Borrowings

There are no borrowing requirements over the next five years.

Program	2010/11	2011/12	2012/13	2013/14	2014/15
All Programs					

Council will review the requirements for borrowings throughout the 2010/11 year.

Appendix D

ANNUAL REPORT ON SAMP AND CSS 2010-2011

Registered Service Provider No: SP485

1. INTRODUCTION

The *Water Supply (Safety and Reliability) Act 2008* requires registered service providers, such as Gympie Regional Council, to prepare an annual report on their approved *Strategic Asset Management Plan* (SAMP) and *Customer Service Standard* (CSS). The Customer Service Standard and Strategic Asset Management Plan outline the level of service that Council will provide and the measures Council plans to take to ensure the long term viability of its infrastructure.

This annual report includes:

- Comparison of actual performance against targets set in the SAMP and CSS;
- Key actions taken to implement the SAMP including funding;
- Results of reviews and audits of the SAMP; and
- Results of reviews of the CSS.

2. OVERVIEW OF SERVICES

Council operates and maintains water supply schemes in Gympie, Imbil, Kandanga, Amamoor, Kilkivan, Goomeri, Rainbow Beach and Tin Can Bay/Cooloola Cove and sewerage schemes in Gympie, Imbil, Kilkivan, Goomeri, Rainbow Beach, Tin Can Bay and Cooloola Cove. Summaries of scheme statistics are shown in the following tables. Detailed scheme statistics are presented in *Appendix A*.

Table 1: Water Supply Summary

No of Assessments	Total Water Used (ML)	Average <u>Metered</u> Yearly Water Use Per Assessment (kL)	Total Length of Water Mains
12,600	3,082	245	435.7 km

Table 2: Sewerage Summary

No of Assessments	Sewage Treated (DWF-ML)	Average Annual Dry Weather Flow Per Assessment (kL)	Total Length of Sewer Mains
10,901	2,791	256*	388.6 km

* High levels of inflow and infiltration were evident during the unusually wet year.

3. PERFORMANCE ASSESSMENT - STRATEGIC ASSET MANAGEMENT PLAN AND CUSTOMER SERVICE STANDARD

A summary of performance indicators, targets, actual performance and confidence levels for Council's water supply and sewerage schemes are presented in *Tables 3 and 4* below. A commentary is provided for non-compliance with SAMP and CSS targets, outlining explanations and further actions.

The confidence levels (reliability and accuracy bands) used in our annual report are based on those in the Department of Environment and Resource Management *Guidelines for Preparing Strategic Asset Management Plans*. An excerpt explaining the application of these confidence levels is included in *Appendix B*.

Table 3 Gympie Regional Council – Water Services Performance Assessment

Performance Indicator	Performance Measure	Target	Actual	Target Reached (Yes/No)	Confidence Grading	
					Reliability	Accuracy
Day to day continuity						
Extent of unplanned interruptions (incidents)	Number/ 100 km mains/ year	<10	2.3	Y	A	2
Time for restoration of services ^[#1]	% restored within 5 hours	90%	80%	N	B	2
Relative incidence of planned incidents	Ratio of unplanned : planned	1 : 1	1:1.1	Y	C	2
Response/Reaction time to incidents	Average response time for complaints	< 1.5 hrs	1.08	Y	C	3
Adequacy and quality of normal supply						
Minimum pressure/flow	m head	>12m head	>30	Y	A	1
	L/min	>20 L/ minute	>22			
Drinking water quality (physical and chemical parameters)	% compliance	>98%	99.8%	Y	A	1
Drinking water complaints	Number/1000 connections/ year	<10	4.3	Y	A	1
Drinking water quality complaints ^[#2]	Number incidents/ year	<10	54	N	A	1
Continuity in the long term						
Water main breaks and leaks	Number/ 100 km mains/ year	<50	2.3	Y	A	2
System water loss	litres/ connection/ day	<100	41	Y	A	2
Number of customers experiencing 3 repeat interruptions in 12 month period	Number of customers	<3	0	Y	A	1
Provision of Services						
Provide 48 hours notice for interruptions	% of planned interruptions where 48 hours notice given	90%	98%	Y	C	2
Installation or connection within 10 working days	% of connections completed within 10 working days	90%	92%	Y	C	2

[1] Time for Restoration of Service

Whilst two of the ten loss of supply incidents were not resolved in under five hours, the average resolution time for loss of supply was less than three hours across the board.

[2] Drinking Water Quality Complaints

The quality of water was generally good. Availability of water supplies has allowed mains flushing programs to be continued. Resultant higher chlorine residuals in many areas led to complaints. Discolouration of water resulted from sediment disturbance caused by the flushing of mains which had not experienced regular flushing velocities for a number of years. A change in operation of one scheme resulted in complaints until the issue was resolved by cleaning the main.

IMPROVEMENTS ON 2009-2010

Improvements to water service performance compared to 2009-2010 include:

- ✓ There was a decrease in unplanned interruptions and improved ratio of unplanned to planned interruptions.
- ✓ Losses have remained low in the systems due to the Leak Detection Program.

Table 4 Gympie Regional Council – Sewerage Services Performance Assessment

Performance Indicator	Performance Measure	Target	Actual	Target Reached (Yes/No)	Confidence Grading	
					Reliability	Accuracy
Effective transport of waste effluent						
Total sewage overflows	Number/100 km mains/ year	<10	6.1	Y	A	2
Sewage overflows to customer properties	Number/1000 connections/ Year	<30	1.5	Y	B	2
Odour complaints	Number/1000 connections/ year	<5	4.2	Y	A	2
Response/Reaction time to incidents	Average-Hours	< 1.5 hrs	51 min	Y	C	3
Continuity in the long term						
Sewer main breaks and chokes ^[#1]	Number/100 km mains/ Year	<10	11.8	N	A	2
Sewer inflow/ infiltration	Ratio of peak day flow : average day flow	<8	4.0	Y	A	2
Provision of Services						
Installation or connection within 10 working days	% of connections completed within 10 working days	90%	92%	Y	B	3

[1] Sewer Main Breaks and Chokes

A marginal increase has occurred in the area of breaks and chokes. This is largely due to increased incidence of these in combined drains, which are considered part of Council's sewer network for collection of this data, but not included in length of mains, because they are not yet on the asset register. Replacement of these drains is an ongoing program and will eventually lead to an improvement in these figures, as will plans to include them on the asset register.

IMPROVEMENTS ON 2009-2010

Improvements to sewerage service performance compared to 2009-2010 include:

- ✓ More sewerage pump stations have been upgraded and refurbished.
- ✓ New pump stations have been brought into service to accommodate growth in residential populations in the area and the expansion of the sewer network to parts of Southside.
- ✓ Overflows have decreased slightly.
- ✓ Sewer Inflow and Infiltration levels have been controlled by remediation work to more serious network faults and follow up work to illegal connections uncovered in the smoke testing program.

4. ACTIONS TAKEN TO IMPLEMENT THE SAMP INCLUDING FUNDING

Actions to implement the SAMP are detailed in Table 5 Status of SAMP Actions, together with current status, comments and budget estimates.

Table 5: Status of SAMP Actions

Action	Status	Comments	Budget		
			Allocation	Actual	Future
Operations Actions					
Operate system to meet CSS & regulatory requirements	In place	Ongoing	-	Included in Operational Budget	Included in Operational Budget
Develop database for collection of operational data	Implemented in early 2009	Training and Optimisation Continuing; State-wide application pending	-	Included above	Included above
Merge Job Sheets with Council’s Authority System	Implemented	Ongoing	-	Included above	Included above
Carry out regular performance monitoring on schemes	Enabled by New Database and Job Sheet Systems	Ongoing- Authority System requires refinement	-	Included in Admin Budget	Included in Admin Budget
Develop operational manuals & procedures	Commenced	Ongoing	-	Included in Admin Budget	Included in Admin Budget
Review IEMS	Abandoned	No longer Required by Regulator	-	Included in Admin Budget	Included in Admin Budget
Develop & implement risk assessment model & procedures	Review Commenced	Ongoing (Awaiting directions from Regulator)	-	Included in Admin Budget	Included in Admin Budget
Develop failure management plans	Review Commenced	Ongoing (Awaiting directions from Regulator)	-	Included in Admin Budget	Included in Admin Budget
Develop computer based maintenance management system	Under Investigation – Awaiting Outcomes	New council-wide system proposed	-	Included in Admin Budget	Included in Admin Budget

Action	Status	Comments	Budget		
			Allocation	Actual	Future
Maintenance Actions					
Develop maintenance manual & procedures	Ongoing- Awaiting provision of new system	New council-wide system proposed	-	Included in Maint. Budget	Included in Maint. Budget
Develop preventative maintenance program	Data collection underway	New council-wide system proposed	-	Included in Maint. Budget	Included in Maint. Budget
Implement asset condition assessment program	Mains Assessment program commenced	10-year program	\$270,000	\$270,000	\$270,000+/year
Renewals Actions					
Update asset register to incorporate condition assessment	New Programs under assessment and review	Council not incorporating condition assessment at this stage	-	-	-
Evaluate options for condition assessment.	Collection and assessment of data underway	Ongoing	Incl. in Admin. Budget	Incl. in Admin. Budget	Incl. in Admin. Budget
Develop asset management plan for rehab/ replacement of assets	Deferred due to amalgamation	Council considering options	Included in Admin Budget	Included in Admin. Budget	Included in Admin Budget
Update 10 year financial plans annually for all schemes	In place	Incorporated in SAMP	Included in Admin Budget	Included in Admin Budget	Included in Admin Budget
Replace Imperial Meters	Commenced	Remote smart meters being fitted	\$400,000	\$400,000	\$400,000/annum
Water Supply Renewals Actions					
GWTP1 - Jones Hill WTP Upgrading Works	Upgrades Commenced	Completion expected 2011/12	\$2,700,000	\$2,700,000	\$1,200,000
TCBW1 - Tin Can Bay WTP Upgrade	Planning complete Building Completed	Plant upgrade 2011/12	-	\$100,000	-
W6 - Mains replacement	Program Commenced	Reduced failures due to system change	\$360,000	\$230,000	\$300,000/ annum
Bulk water main Teewah Creek to TCB/CC WTP Duplication	Delayed by EPA. Pipeline now Commenced	State Funding Withdrawn Project Deferred 2010/11	\$450,000	\$450,000	\$1,800,000

Action	Status	Comments	Budget		
			Allocation	Actual	Future
Sewerage Renewals Actions					
Implement Infiltration/ Inflow Reduction Program	Commenced	CCTV and smoke testing 70% complete; Data Assessment Commenced	\$37,654	\$200,000	\$200,000/annum
GS1 - Gympie STP Upgrade	Construction Commenced	Completion expected Dec 2011	\$16,000,000	\$16,000,000	\$6,500,000
GS2 - Gympie Sewage Transport System Upgrade/Rehab/ replacement	Planning commenced & some stages complete	Awaiting results of I/I studies	\$200,000	\$200,000	\$200,000/annum
GS5 - Combined Drain Replacement	Program in place	Ongoing	\$50,000	\$50,000	\$50,000 / annum
CCS1 - Tin Can Bay STP Upgrade	Commissioning Completed	Completed	\$22,882	\$15,000	-
CCS2 - Cooloola Cove STP Upgrade	Commissioning Completed	Completed	\$65,790	\$15,000	-
CCS3 - Rainbow Beach STP Upgrade	Commissioning Completed	Completed	\$30,000	\$30,000	-
CCS5 - Replacement of Rising Main from PS R1 to Treatment Plant	Completed	Rising main performance being monitored	-	-	-
Mains Replacement	In place	-	-	-	\$400,000/ annum
Maintain up to date planning reports on all schemes	In place	-	Included in Admin Budget & capital works	-	Included in Admin Budget
Develop capital & maintenance work plans	In place	In SAMP	Included in Admin Budget	-	Included in Admin Budget
Tin Can Bay Pump Station Refurbishment	Completed	Completed	\$75,000	\$45,000	-
3 Tin Can Bay Pump Station Upgrade	Completed	Completed	\$293,464	\$170,000	-
Rainbow Beach Pump Station Refurbishment	Completed	Completed	\$80,000	\$80,000	-

5. REVIEWS

Review of SAMP

Council's SAMP was approved in June 2008. It was reviewed, updated and submitted to the regulator in that operating year.

This review of the SAMP meets timeframes set by the Regulator.

Review of CSS

A review of the CSS was undertaken prior to the completion of the Budget in July 2011. The General Manager of Water and Sewerage Division undertook the review in consultation with the Director of Engineering and Council. No revisions were made to the Customer Service Standard.

6. AUDITS

Council's SAMP and CSS complied fully with the regulator's requirements during the last specified audit period. No Audits were specified by the regulator in this reporting cycle.

GLOSSARY

AD	Average Day
CSS	Customer Service Standard
EP	Equivalent Population
MD	Maximum Day
MDMM	Mean Day Maximum Month
SAMP	Strategic Asset Management Plan
kL	Kilolitre
ML	Megalitre
L	Litre

Appendix D

ANNUAL REPORT ON SAMP AND CSS 2010-2011

Appendix A SCHEME STATISTICS 2010-2011

Gympie Water Supply

Scheme Name	Gympie Water Supply Scheme			
Source	Mary River			
Allocation	3455 ML/annum – High Priority			
Treatment Plant	Process	Coagulation, sedimentation, filtration, pH correction and disinfection and fluoridation		
	Capacity	18,000 kL/day (20 hours)		
Reservoirs	Number	8		
	Capacity (ML)	27.88		
Reservoir Details	Zone		Location	Capacity (ML)
	North Side Low Zone		Ferguson Hill	9.1 x 2
	North Side High Zone		Ferguson Hill	0.27
	South Side Low Zone		Jones Hill	3.7
			Jones Hill	4.4
			Lindsay Street LL	0.68
	South Side High Zone		Lindsay Street HL	0.14
Noosa Road Zone		Noosa Road	0.49	
Pump Stations	3	Length of Mains		248.2 km
Scheme Statistics				
			2009-2010	2010-2011
Population Serviced ^[*3]			19,116 (est.)	19,430
Connections ^[*3]			7,965 (est.)	8,096
Annual Water Consumption (ML)			2634	2186
Estimated Unaccounted Water (kL) ^[*1]			338	449
Consumption : Allocation			0.76:1	0.63:1
MDMM : Plant Capacity			0.54:1	0.35:1
No of Years Growth at 2.5% Before Allocation Exceeded			12	23
MD (kL/day)			13,229	7,938
MDMM (kL/day)			9,676	6,367
AD (kL/day)			7,216	5,990
Average Water Consumption (L/EP/day) ^[*2]			377	308
Rainfall(mm)			1,063.6	1,877
Power Used/kWh			1,455,638	1,242,083
Sludge Produced (kg)			357,415	469,595
Chemical Usage				
Chemical	2009-2010	2010-2011	Use/ML Treated	
Alum (kg)	36,675	59,025	13.93	27
Chlorine (kg)	9,566	8,738	3.63	1.0
Lime (kg)	-	59,025	-	7.3
Polyelectrolyte (L)	46,025	-	17.48	0
PACL(L)	10784	8,474	4.09	3.9
Soda(kg)	37875	34,450	14.38	15.8

[*1] Total of all unmetered water.

[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

[*3] Better source figures became available this year for calculations.

Imbil Water Supply

Scheme Name	Imbil Water Supply Scheme		
Source	Yabba Creek		
Allocation	160 ML/annum – High and Medium Priority		
	No. of Years Growth at 2% until system capacity exceeded	34	
Treatment Plant	Process	Contact Filtration and disinfection	
	Capacity	600 kL/day	
Reservoirs	Number	1	
	Capacity	0.7 ML	
Pump Stations	1	Length of Mains	7.9 km
Scheme Statistics			
		2009-2010	2010-2011
Population Served ^[*3]		655 (est.)	577
Connections ^[*3]		252 (est.)	240
Annual Water Consumption (ML)		87	58
Estimated Unaccounted Water (kL) ^[*1]		11	13.3
Consumption : Allocation		0.54:1	0.97:1
MDMM : Plant Capacity		0.56:1	0.32:1
MD (kL/day)		394	252
MDMM (kL/day)		336	194
AD (kL/day)		238	160
Average Water Consumption (l/EP/day)		363 ^[*2]	277
Rainfall (mm)		1,122	1,840
Power Used/kWh			49,195
Chemical Usage			
Chemical Used (L)	2009-2010	2010-2011	Use per ML Treated (L/ML)
Chlorine	8649	4607	99.6
Polymer	129.2	337	1.49
PACL	542.6	196	6.25

[*1] Total of all unmetered water.

[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

[*3] Better source figures became available this year for calculations.

Kandanga Water Supply

Scheme Name	Kandanga Water Supply Scheme			
Source	Kandanga Creek and Kandanga Bore			
Allocation	59 ML/annum			
Treatment Plant	Process	Contact filtration and disinfection		
	Capacity	400 kL/day		
Reservoirs	Number	1		
	Capacity	0.255 ML		
Pump Stations	2		Length of Mains	3.4 km
Scheme Statistics				
		2009-2010	2010-2011	
Population Served ^[*3]		299 (est.)	263	
Connections ^[*3]		115 (est.)	110	
Annual Water Consumption (ML)		25	22	
Estimated Unaccounted Water (kL) ^[*1]		5	6.1	
Consumption : Allocation		0.42:1	0.38:1	
MDMM : Plant Capacity		0.42:1	0.31:1	
No of Years Growth at 1% Before Allocation Exceeded		139	59	
MD (kL/day)		202	108	
MDMM (kL/day)		107	80	
AD (kL/day)		68	61	
Average Water Consumption (L/EP/day)		226 ^[*2]	231	
Rainfall (mm)		704.7	1,522	
Power Used/kWh			11,735	
Chemical Usage				
Chemical Used (L)	2009-2010	2010-2011	Use per ML Treated (L/ML)	
Chlorine	2030	1048	82.4	47.6
Polymer	22.8	58.5	0.9	2.7
PACL	399.5	62.4	16.2	2.8

^[*1] Total of all unmetered water.

^[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

^[*3] Better source figures became available this year for calculations.

Amamoor Water Supply

Scheme Name	Amamoor Water Supply Scheme			
Source	Amamoor Creek			
Allocation	31.78 ML/annum			
Treatment Plant	Process	Contact filtration and disinfection		
	Capacity	400 kL/day		
Reservoirs	Number	1		
	Capacity	90 kL		
Pump Stations	1		Length of Mains	2.9 km
Scheme Statistics				
			2009-2010	2010-2011
Population Served ^[*3]			234 (est.)	206
Connections ^[*3]			90 (est.)	86
Annual Water Consumption (ML)			17	12
Estimated Unaccounted Water (kL) ^[*1]			4	4.8
Consumption : Allocation			0.53:1	0.37:1
MDMM : Plant Capacity			0.17:1	0.09:1
No of Years Growth at 1% Before Allocation Exceeded			87	169
MD (kL/day)			88	49
MDMM (kL/day)			67	36
AD (kL/day)			46	32
Average Water Consumption (L/EP/day)			199 ^[*2]	157
Rainfall(mm)			704.7	1,117
Power Used/kWh				7,010
Chemical Usage				
Chemical Used (L)	2009-2010	2010-2011	Use per ML Treated (L/ML)	
Chlorine	997	589	58.7	83.1
Polymer	21.4	38.6	1.26	3.2
PACL	142	23.6	8.36	2.0

^[*1] Total of all unmetered water.

^[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

^[*3] Better source figures became available this year for calculations.

Kilkivan Water Supply

Scheme Name	Kilkivan Water Supply Scheme		
Source	Wide Bay Creek		
Treatment Plant	Process	Reverse Osmosis Filtration and Chlorination	
	Capacity	200kL/day	
Reservoirs	Number	1	
	Capacity	210,000 kL	
Pump Stations	1	Length of Mains	26.6 km
Scheme Statistics			
	2009-2010	2010-2011	
Population Serviced ^[*3]	590 (est.)	596	
Connections ^[*3]	246 (est.)	248	
Annual Water Consumption (ML)	45	28	
Estimated Unaccounted Water (kL) ^[*1]	10	13.8	
MD (kL/day)	244	120	
MDMM (kL/day)	159	117	
AD (kL/day)	123	78	
Average Water Consumption (L/EP/day)	209 ^[*2]	131	
Rainfall(mm)	801.6	1,978	

[*1] Total of all unmetered water.

[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

[*3] Better source figures became available this year for calculations.

Goomeri Water Supply

Scheme Name	Goomeri Water Supply Scheme		
Source	Bores		
Treatment Plant	Process	BAC, Alum, Ozone	
	Capacity	120kL/day	
Reservoirs	Number	2	
	Capacity	210,000 kL	
Pump Stations	1	Length of Mains	10.1 km
Scheme Statistics			
	2009-2010	2010-2011	
Population Serviced ^[*3]	751 (est.)	758	
Connections ^[*3]	313 (est.)	316	
Annual Water Consumption (ML)	49	41	
Estimated Unaccounted Water (kL) ^[*1]	13	17.5	
MD (kL/day)	258	145	
MDMM (kL/day)	169	141	
AD (kL/day)	135	113	
Average Water Consumption (L/EP/day)	179 ^[*2]	148	
Rainfall(mm)	334.8	1,978	

[*1] Total of all unmetered water.

[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

[*3] Better source figures became available this year for calculations.

Tin Can Bay/Cooloola Cove Water Supply

Scheme Name	Tin Can Bay/Cooloola Cove Water Supply Scheme			
Source	Teewah Creek			
Allocation	1950 ML/annum			
Treatment Plant	Process	Coagulation, sedimentation, filtration, pH correction, chlorination and fluoridation.		
	Capacity	3,600 kL/day		
Reservoirs	Number	3	Length of Mains	91.1 km
	Capacity (ML)	6.32		
Reservoir Details	Zone	Location		Capacity (ML)
	Cooloola Cove	Cooloola Cove		5.0
	Tin Can Bay LZ	Tin Can Bay		1.18
	Tin Can Bay HZ	Tin Can Bay		0.14
Pump Stations	4			
Scheme Statistics				
		2009-2010		2010-2011
Population Served ^[*3]		5,500 (est.)		6212
Connections ^[*3]		2500 (est.)		2588
Annual Water Consumption(ML)		510		416
Estimated Unaccounted Water(kL) ^[*1]		106		143.5
Consumption : Allocation		0.26:1		0.21:1
MDMM : System Capacity		0.52:1		028:1
No of Yrs Growth at 3.8% 'til Allocation Exceeded		74		97
MD kL/day		3185		1643
MDMM kL/day		1867		1018
AD kL/day		1398		1141
Average Water Consumption (L/EP/Day)		254 ^[*2]		184
Rainfall(mm)		1,123		1,822
Power Used (kWh)				147,179
Chemical Usage				
Chemical Used (L)	2009-2010	2010-2011	Use per ML Treated (L/ML)	
Alum	48000	45,000	94.1	108
Chlorine	1821	1,507	3.6	3.6
Polymer	-	29.6	0	0.07
Soda Ash	43400	37,201	85.1	89.4

[*1] Total of all unmetered water.

[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

[*3] Better source figures became available this year for calculations.

Rainbow Beach Water Supply

Scheme Name	Rainbow Beach Water Supply Scheme		
Source	4 bores		
Allocation	730 ML/annum		
Treatment Plant	Process	pH correction and chlorination	
	Capacity	2,520 kL/day	
Reservoirs	Number	2	
	Capacity (ML)	2.9	
Reservoir Details	Zone	Location	Capacity (ML)
	Rainbow Beach	Rainbow Beach	0.48
	Rainbow Beach	Rainbow Beach	2.25
Pump Stations	2	Length of Mains	29.3 km
Scheme Statistics			
		2009-2010	2010-2011
Population Served (Year Round Average) ^[*3]		1,533 (est.)	2106
Connections ^[*3]		952 (est.)	916
Annual Water Consumption (ML)		371	317
Estimated Unaccounted Water (kL) ^[*1]		40	50.8
Consumption : Allocation		0.51:1	0.43:1
MDMM : Plant Capacity		0.58:1	0.40:1
No of Years Growth at 5% Before Allocation Exceeded		74	26
MD kL/day		2138	2026
MDMM kL/day		1461	1018
AD kL/day		1016	869
Average Water Consumption (L/EP/Day) ^[*2]		663 ^[*2]	413
Rainfall(mm)		1,123	2,528
Power Used/kWh			182,233
Chemical Usage			
Chemical Used (L)	2009-2010	2010-2011	Use per ML Treated (L/ML)
Chlorine	1259.7	1,059	3.4
Soda Ash	51179	43,550	138
Lime	20.4	-	0.06

[*1] Total of all unmetered water.

[*2] Average water use per equivalent person including unaccounted water and non-residential uses.

[*3] Better source figures became available this year for calculations.

Gympie Sewerage

Scheme Name	Gympie Sewerage		
Population Served	17,706 EP		
Treatment Plant	Process	Trickling filter/lagoons	
	Capacity	18,000 EP	
EPA Effluent Standards	Secondary Treated Sewage BOD ₅ : 15 mg/L TSS: 20 mg/L TN: 15mg/L TP: 10mg/L pH: 6.5 – 8.5 Minimum DO: 2 mg/L min Free Chlorine Residual: 0.3 – 0.7 mg/L FC: av.100 Org/100mL		
Pump Stations	5 main and 41 smaller pumping stations		
Length of Mains	232 km		
Scheme Statistics			
		2009-2010	2010-2011
No of Connections ^[*2]		6,810 (est.)	6,718
Total Annual Flow (ML) ^[#1]		1,773	1,801
Annual Dry Weather Flows(ML)		1,508	1,556
Peak Wet Weather Flow(kL/d)		24,975	23,897
Average Daily Flow(kL)		4,858	4,935
Rainfall(mm)		1,063.6	1,877
Resource Usage			
	2009-2010	2010-2011	Use/ML Treated
Chlorine (kg)	22,995	28,677	13 15.9
Power Used/kWh		140,749	78.2
Sludge Details			
	Volume of Sludge Produced	29,630kL	26,657kL
	% of Effluent Reused	15	15

^[#1] Includes WWF.

^[*2] Better source figures became available this year for calculations.

Tin Can Bay Sewerage

Scheme Name	Tin Can Bay Sewerage		
Population Served	3,144 EP		
Treatment Plant	Process	BNR plant with dosing for phosphorus removal – irrigation to natural vegetation	
	Capacity	4,000 EP	
EPA Effluent Standards	BOD: 20 mg/L ES: 800 TSS: 20 mg/L FC: 4/5<200cfu/100mL pH: 6.5 – 8.5 Minimum DO: 2 mg/L TN: 10mg/L TP: 2mg/L		
Pump Stations	11		
Length of Mains	37.3km		
Scheme Statistics			
		2009-2010	2010-2011
No of Connections ^[*2]		1298 (est.)	1,046
Total Annual Flow (ML) ^[#1]		333	528
Annual Dry Weather Flows(ML)		299	490
Peak Wet Weather Flow(kL/d)		2,932	4,165
Average Daily Flow(kL)		913	1,448
Rainfall(mm)		1,123	1,822
% of Effluent Irrigated		100	100

[#1] Includes WWF.

[*2] Better source figures became available this year for calculations.

Cooloola Cove Sewerage

Scheme Name	Cooloola Cove Sewerage	
Population Served	3,412 EP	
Treatment Plant	Process	BNR plant with dosing for phosphorus removal – irrigation to natural vegetation
	Capacity	4,000 EP
EPA Effluent Standards	Secondary Treated Sewage Minimum Detention – 60 days	
EPA Effluent Standards	BOD ₅ : 20 mg/L ES: 800 TSS: 20 mg/L FC: 4/5<200cfu/100mL pH: 6.5 – 8.5 Minimum DO: 2 mg/L TN: 10mg/L TP: 2mg/L	
Pump Stations	3	
Length of Mains	53.0km	
Scheme Statistics		
	2009-2010	2010-2011
No of Connections ^[*2]	1,551 (est.)	1,475
Total Annual Flow (ML) ^[#1]	275	417
Annual Dry Weather Flows(ML)	233	388
Peak Wet Weather Flow(kL/d)	3,248	4,120
Average Daily Flow(kL)	753	1,143
Rainfall(mm)	1,123	1,822
% of Effluent Irrigated	100	100

[#1] Includes WWF.

[*2] Better source figures became available this year for calculations.

Rainbow Beach Sewerage

Scheme Name	Rainbow Beach Sewerage		
Population Served	1,632 EP ^[*3]		
Treatment Plant	Process	BNR plant with dosing for phosphorus removal – irrigation to natural vegetation	
	Capacity	4,000 EP	
EPA Effluent Standards	BOD ₅ : 20 mg/L ES: 800 TSS: 20 mg/L FC: 4/5<200cfu/100mL pH: 6.5 – 8.5 Minimum DO: 2 mg/L TN: 10mg/L TP: 2mg/L		
Pump Stations	6		
Length of Mains	35.6km		
Scheme Statistics			
		2009-2010	2010-2011
No of Connections ^[*2]		1,020 (est.)	970
Total Annual Flow (ML) ^[#1]		156	216
Annual Dry Weather Flows(ML)		150	216
Peak Wet Weather Flow(kL/d)		814	1,349
Average Daily Flow(kL)		428	593
Rainfall		1,132	2,528
% of Effluent Irrigated		100	100

[#1] Includes WWF.

[*2] Better source figures became available this year for calculations.

[*3] Estimated average.

Kilkivan Sewerage

Scheme Name	Kilkivan Sewerage		
Population Served	580 EP		
Treatment Plant	Process	Imhoff tank/lagoons	
	Capacity	700 EP	
Pump Stations	0		
EPA Effluent Standards	BOD ₅ : 40 mg/L TSS: 60 mg/L pH: 6.5 – 8.5 Minimum DO: 2 mg/L FC: 80 th % 1000Org/100mL TDS: 1000mg/L		
Length of Mains	9.4km		
Connections ^[*2]	125		
Scheme Statistics			
		2009-2010	2010-2011
Total Annual Flow(ML) ^[#1]		26	41
Peak Wet Weather Flow(KL/d)		146	289
Average Daily Flow (KL)		70	113
Rainfall(mm)		801	1,978
% of Effluent Reused		0	0

[#1] Includes WWF.

[*2] Better source figures became available this year for calculations.

Goomeri Sewerage

Scheme Name	Goomeri Sewerage	
Population Served	830 EP	
Treatment Plant	Process	Imhoff tank/lagoons
	Capacity	1000 EP
Pump Stations	1	
EPA Effluent Standards	BOD ₅ : 40 mg/L TSS: 60 mg/L pH: 6.5 – 8.5 Minimum DO: 2 mg/L FC: 80 th % 1000Org/100mL TDS: 1000mg/L	
Length of Mains	10.1km	
Connections ^[*2]	291	
Scheme Statistics		
	2009-2010	2010-2011
Total Annual Flow(ML) ^[#1]	23	58
Peak Wet Weather Flow(KL/d)	609	402
Average Daily Flow (KL)	64	158
Rainfall(mm)	335	1,978
% of Effluent Reused	0	0

[#1] Includes WWF.

[*2] Better source figures became available this year for calculations.

Imbil Sewerage

Scheme Name	Imbil Sewerage	
Population Served	612 EP	
Treatment Plant	Process	Biological Element Discs to commercial forest irrigation
	Capacity	1000 EP
Pump Stations	2	
EPA Effluent Standards	BOD ₅ : 20 mg/L EC: 800 TSS: 30 mg/L pH: 6.5 – 8.5 FC: Med. 10,000 Org/100mL Minimum DO: 2 mg/L	
Length of Mains	11.4km	
Scheme Statistics		
	2009-2010	2010-2011
No of Connections ^[*2]	247 (est.)	231
Total Annual Flow(ML) ^[#1]	39	45
Peak Wet Weather Flow(kL/d)	300	240
Average Daily Flow(kL)	107	123
Rainfall(mm)	1,122	1,840
Volume/% of Effluent Reused	100	100

[#1] Includes WWF.

[*2] Better source figures became available this year for calculations.

Appendix D

ANNUAL REPORT ON SAMP AND CSS 2010-2011

Appendix B DEPARTMENT OF ENVIRONMENT AND RESOURCE MANAGEMENT GUIDELINES FOR PREPARING STRATEGIC ASSET MANAGEMENT PLANS

4.1.3 Confidence gradings for level of service data

A service provider should assign a “confidence grading” when reporting the actual level of service achieved against the level of service standards.

The “confidence grading” should identify a “reliability band” and an “accuracy band” for each item of data. Relevant bands include:

Reliability Bands		
A	Highly reliable	Data is based on sound records, procedures, investigations or analyses that are properly documented and recognised as the best available assessment methods.
B	Reliable	Generally as in “A”, but with minor shortcomings eg. some of the documentation is missing, the assessment is old, or some reliance on unconfirmed reports; or there is some extrapolation made (eg. extrapolations from records that cover more than 50% of the service provider’s system).
C	Unreliable	Generally as in “A” or “B”, but data is based on extrapolations from records that cover more than 30% (but less than 50%) of the service provider’s system.
D	Highly unreliable	Data is based on unconfirmed verbal reports and/or cursory inspections or analysis, including extrapolations from such reports/inspections/analysis.

Accuracy Bands	
1	+/- 1%
2	+/- 5%
3	+/- 10%
4	+/- 25%
5	+/- 50%
6	+/- 100%

Example

In reporting on achievement against the level of service target for the number of Drinking Water Quality Complaints per 1000 connections, the confidence grading assigned was A1, ie the data was based on sound records. Highly reliable - Band A) estimated to be within +/- 1% (Accuracy Band - 1). The grading assigned depends on the type and sophistication of monitoring systems that are in place. For example, system water loss could be measured by comprehensive metering (higher grading) or simply by a drop test (lesser grading). The feasibility of employing different measurement tools will vary between service providers depending on the size, nature and complexity of the system and available resources.

Appendix E



APPENDIX E

ANNUAL FINANCIAL STATEMENTS 2010-2011

GYMPIE REGIONAL COUNCIL

Financial Report

For the year ended 30 June 2011

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GYMPIE REGIONAL COUNCIL

Statement of Comprehensive Income

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
Income			
Revenue			
Recurrent Revenue			
Rates and levies	3 (a)	51,317,497	48,074,798
Statutory fees and charges		2,106,816	2,540,471
User fees and charges		1,526,088	1,503,085
Interest received	3 (b)	5,374,301	3,482,778
Sales of contract and recoverable works	3 (c)	9,532,969	5,936,114
Other recurrent income	3 (d)	416,641	131,399
Grants, subsidies, contributions and donations	4 (i)	9,394,701	7,625,186
Total recurrent revenue		<u>79,669,013</u>	<u>69,293,831</u>
Capital revenue			
Grants, subsidies, contributions and donations	4 (ii)	21,876,035	21,744,747
		<u>21,876,035</u>	<u>21,744,747</u>
Total revenue		<u>101,545,048</u>	<u>91,038,578</u>
Capital income	5	-	104,520
Total income		<u>101,545,048</u>	<u>91,143,098</u>
Expenses			
Recurrent expenses			
Employee benefits	7	(28,316,738)	(24,513,745)
Materials and services	8	(36,084,922)	(21,987,700)
Finance costs	9	(1,828,400)	(991,862)
Depreciation	10	(11,756,287)	(15,747,304)
Total recurrent expenses		<u>(77,986,347)</u>	<u>(63,240,611)</u>
Capital expenses	11	(4,962,057)	(1,123,385)
Total expenses	2	<u>(82,948,404)</u>	<u>(64,363,996)</u>
Net result attributable to council		<u>18,596,644</u>	<u>26,779,102</u>
Other comprehensive income			
Increase (decrease) in asset revaluation surplus		(6,987,920)	97,701,553
Total other comprehensive income		<u>(6,987,920)</u>	<u>97,701,553</u>
Total comprehensive income for the period		<u><u>11,608,724</u></u>	<u><u>124,480,655</u></u>

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

GYMPIE REGIONAL COUNCIL

Statement of Financial Position

As at 30 June 2011

	Note	2011 \$	2010 \$	22 June 2009 *
Current Assets				
Cash assets and cash equivalents	14	77,276,186	84,849,732	57,111,541
Trade and other receivables	15 (a)	15,232,426	8,615,953	17,521,433
Inventories	16	2,037,138	2,542,672	2,546,046
		<u>94,545,750</u>	<u>96,008,357</u>	<u>77,179,020</u>
Non-current Assets				
Trade and other receivables	15 (b)	44,550	49,289	74,056
Property, plant and equipment	18 (a)	906,247,434	893,880,774	775,138,559
		<u>906,291,984</u>	<u>893,930,063</u>	<u>775,212,615</u>
TOTAL ASSETS		<u>1,000,837,734</u>	<u>989,938,420</u>	<u>852,391,635</u>
Current Liabilities				
Trade and other payables	19	8,267,757	7,878,225	7,335,122
Provisions	20	4,016,210	4,292,308	3,827,698
Borrowings	21	970,356	1,178,445	1,244,972
Other	22	235,793	222,133	249,597
		<u>13,490,116</u>	<u>13,571,111</u>	<u>12,657,389</u>
Non-current Liabilities				
Trade and other payables	19	1,429,931	1,231,892	1,239,009
Provisions	20	1,157,965	1,013,524	932,751
Borrowings	21	26,260,329	27,231,224	12,340,188
		<u>28,848,225</u>	<u>29,476,640</u>	<u>14,511,948</u>
TOTAL LIABILITIES		<u>42,338,341</u>	<u>43,047,751</u>	<u>27,169,337</u>
NET COMMUNITY ASSETS		<u>958,499,393</u>	<u>946,890,669</u>	<u>825,222,298</u>
Community Equity				
Council Capital	23	575,129,335	561,054,187	544,846,479
Asset revaluation surplus	24	310,095,047	317,082,967	219,381,414
Retained surplus (deficiency)	25	(211,341)	884,976	676,950
General reserves	26	73,486,352	67,868,539	60,317,455
TOTAL COMMUNITY EQUITY		<u>958,499,393</u>	<u>946,890,669</u>	<u>825,222,298</u>

* Council has made a retrospective restatement as a consequence of a correction of an error and therefore, in accordance with AASB 101 has presented a Statement of Financial Position as at the beginning of the comparative period i.e. as at 22 June 2009. Details are disclosed in Note 33.

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

Statement of Changes in Equity

For the year ended 30 June 2011

	Total		Retained surplus (deficit) Note 25		General reserves Note 26		Asset revaluation surplus Note 24		Council Capital Note 23	
	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
Balance at beginning of period	946,890,669	825,222,298	884,976	676,950	67,868,539	60,317,455	317,082,967	219,381,414	561,054,187	544,846,479
Net result attributable to council	18,596,644	26,779,102	18,596,644	26,779,102						
Other comprehensive income for the period										
Revaluations:										
Property, plant & equipment	(6,952,017)	94,889,269					(6,952,017)	94,889,269		
Impairments:										
Property, plant & equipment	(35,903)	-					(35,903)	-		
Total comprehensive income for period	11,608,724	121,668,371	18,596,644	26,779,102	-	-	(6,987,920)	94,889,269	-	-
Transfers of capital amounts arising from council activities:										
Capital income	-	-	-	(104,520)					-	104,520
Capital expenses	-	-	4,962,057	1,123,385					(4,962,057)	(1,123,385)
Capital revenue of physical assets	-	-	(7,193,321)	(11,704,886)					7,193,321	11,704,886
Unfunded depreciation	-	-	-	472,376					-	(472,376)
Capital revenue for asset funding transferred to general revenue	-	-	1,083,895	(420,131)					(1,083,895)	420,131
Reserve funds expended on capital assets	-	-			(12,927,779)	(8,386,216)			12,927,779	8,386,216
Asset reval transferred to capital	-	-					-	2,812,284	-	(2,812,284)
Change in capital capacity arising from council activities in the period	-	-	(1,147,369)	(10,633,776)	(12,927,779)	(8,386,216)	-	2,812,284	14,075,148	16,207,708
Transfers between retained surplus and council reserves:										
Capital revenue of cash			(14,682,714)	(10,039,861)	14,682,714	10,039,861				
General revenue funds available	-	-	(3,862,878)	(6,702,115)	3,862,878	6,702,115				
Transfers from general reserves	-	-	-	804,676	-	(804,676)				
Net transfers to (from) retained surplus	-	-	(18,545,592)	(15,937,300)	18,545,592	15,937,300	-	-	-	-
Balance at end of period	958,499,393	946,890,669	(211,341)	884,976	73,486,352	67,868,539	310,095,047	317,082,967	575,129,335	561,054,187

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

GYMPIE REGIONAL COUNCIL

Statement of Cash Flows

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
Cash flows from operating activities :			
General rates and utility charges		49,953,938	47,681,465
Rental and levies, fees and charges		3,632,904	4,043,556
Grants, subsidies and contributions		9,394,701	7,625,186
Interest received		5,257,102	3,211,423
Other income		5,201,312	6,162,323
GST received		6,034,856	3,977,845
Payments to suppliers		(36,296,459)	(21,374,570)
Payment to employees		(27,537,680)	(24,056,056)
Interest expense		(1,781,825)	(951,952)
GST paid		(6,061,261)	(4,556,601)
Net cash inflow (outflow) from operating activities	32	<u>7,797,588</u>	<u>21,762,619</u>
Cash flows from investing activities:			
State Government subsidies & grants		10,123,450	6,574,198
Capital contributions		4,559,264	3,465,663
Payments for property, plant and equipment		(30,100,842)	(29,650,188)
Proceeds from sale of property plant and equipment	6	1,221,239	735,959
Net movement in loans to community organisations		4,739	25,431
Net cash inflow (outflow) from investing activities		<u>(14,192,150)</u>	<u>(18,848,937)</u>
Cash flows from financing activities:			
Proceeds from borrowings	21	-	26,000,000
Repayment of borrowings	21	(1,178,984)	(1,175,491)
Net cash inflow (outflow) from financing activities		<u>(1,178,984)</u>	<u>24,824,509</u>
Net increase (decrease) in cash held		<u>(7,573,546)</u>	<u>27,738,191</u>
Cash at beginning of reporting period		<u>84,849,732</u>	<u>57,111,541</u>
Cash at end of reporting period	14	<u>77,276,186</u>	<u>84,849,732</u>

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1 Summary of Significant Accounting Policies

1. 1 Basis of Preparation

These general purpose financial statements for the period 21 June 2010 to 30 June 2011 have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other pronouncements issued by the Australian Accounting Standards Board. They also comply with the requirements of the Local Government Act 2009 and the Local Government (Finance, Plans and Reporting) Regulation 2010.

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

1. 2 Statement of Compliance

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

1. 3 Constitution

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

1. 4 Date of authorisation

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

1. 5 Currency

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 6 Adoption of new and revised Accounting Standards

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

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

*Effective for
annual report
periods beginning
on or after:*

AASB 9 Financial Instruments (December 2009)	1 January 2013
AASB 124 Related Party Disclosures (December 2009)	1 January 2011
AASB 1053 Application of Tiers of Australian Accounting Standards	1 July 2013
2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (December 2009)	1 January 2013
2009-12 Amendments to Australian Accounting Standards in relation to AASB 8 Operating Segments (December 2009)	1 January 2011
2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (Interpretation 14) (December 2009)	1 January 2011
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	1 July 2013
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	1 January 2011
AASB 2010-5 Amendments to Australian Accounting Standards	1 January 2011
AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets	1 July 2011
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2013
AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets	1 January 2012
AASB 2010-9 Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 July 2011
AASB 2010-10 Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters	1 January 2013

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

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 7 Critical accounting judgements and key sources of estimation uncertainty

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

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Valuation of property, plant and equipment - note 1.16 and note 18 (b)
 Impairment of property, plant and equipment - note 1.18 and note 18 (a) and note 13
 Provisions - note 20
 Contingencies - note 29

1. 8 Revenue

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

1. 8 (a) Rates and levies

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

1. 8 (b) Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. An equivalent amount is transferred from retained earnings to the Constrained Grants, Subsidies and Contributions Reserve until the funds are expended. When these funds are expended they are transferred from the reserve to Council's Capital account. Council spends all recurrent grants in the year received and therefore Council has not established a reserve for this purpose.

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 8 (c) Non-Cash Contributions

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

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

1. 8 (d) Cash Contributions

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

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

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

1. 8 (e) Rental income

Rental revenue from investment and other property is recognised as income on a periodic straight line basis over the lease term. Council has no revenue from investment properties in the reporting period.

1. 8 (f) Interest

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

1. 8 (g) Sale of contract and recoverable works

Sale of contract and recoverable works are recognised as revenue when the service is delivered. An invoice for the amount of works is raised at that time.

1. 8 (h) Other Revenue

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.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 9 Financial assets and liabilities

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

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

Financial assets

Cash and cash equivalents (note 1.10)

Receivables - measured at amortised cost less any impairment (note 1.11)

Financial liabilities

Payables - measured at amortised cost (note 1.19)

Borrowings - measured at amortised cost (note 1.21)

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

The fair value of financial instruments is determined as follows:

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

The fair value of borrowings, as disclosed in note 21 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

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

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

All other disclosures relating to the measurement and financial risk management of financial instruments are included in note 33.

1. 10 Cash and Cash Equivalents

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 11 Receivables

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

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

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

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

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

1. 12 Inventories

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

1. 13 Other Financial Assets

Other financial assets are recognised at cost. At present Council does not have any other financial assets.

1. 14 Land Held for Resale

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. As inventory this land is valued at the lower of cost or net realisable value. Inventory land is treated as a current asset except where it is anticipated that a material portion of land value will not be sold within 12 months. Land held beyond 12 months is reported as non-current inventory.

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 15 Investments

As term investments are available to Council at Council's discretion, all cash investments are classed as cash equivalents.

1. 16 Property, Plant and Equipment

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

The classes of property plant and equipment recognised by the Council are reported in note 18 (a).

(a) 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.

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

(b) 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.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

(c) Valuation

Land and site improvements, buildings, other assets and all infrastructure assets are measured on the revaluation basis, at fair value. Plant and equipment is measured at cost, in accordance with AASB116 Property, Plant and Equipment.

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

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

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

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

Details of valuers and methods of valuations are disclosed in Note 18 (b).

(d) Major plant

The Council has determined that plant which has an individual cost in excess of \$800,000 is of high value to the Council. Plant which meets this criteria is major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete. The asset class primarily includes specialised earthmoving equipment. Council has no major plant in the period.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

(e) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on land improvements and other property, plant and equipment is based on the pattern in which the asset's future economic benefits are expected to be consumed. This may vary from asset to asset, but where appropriate, is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council.

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

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

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

The 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.

The estimated useful lives of property, plant and equipment are reviewed annually. Details of the range of useful lives for each class of asset are shown in note 18 (a).

(f) Land under roads

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

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

1. 17 Capital Work in Progress

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

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 18 **Impairment of Non Current Assets**

Each non-current physical asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

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

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

1. 19 **Payables**

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

1. 20 **Liabilities - Employee Benefits**

Liabilities are recognised for employee benefits such as wages and salaries, annual leave, sick leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date. Where it is expected that the leave will be paid in the next twelve months the liability is treated as a current liability. Otherwise the liability is treated as non-current.

(a) **Salaries and wages**

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is included in note 19 as a payable.

(b) **Annual leave**

A liability for annual leave is recognised. The current portion (based on the expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non current portion is calculated on projected future wage and salary levels and related employee on-costs, discounted to present values. This liability represents an accrued expense and is reported in note 19 as a payable.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

(c) **Sick leave**

A liability for sick leave is recognised where this entitlement is vested to the employee under their employment contract. The current portion (based on the expected payment date) is calculated on current wage and salary levels and includes related employee on-costs. The non current portion is calculated on projected future wage and salary levels and related employee on-costs, discounted to present values. This liability represents an accrued expense and is reported in note 19 as a payable.

(d) **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 30.

(e) **Long service leave**

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.

This liability is reported in note 20 as a provision.

1. 21 Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

Borrowing costs, which includes interest and administration fees, are expensed in the period in which they arise. Costs that are not settled in the period in which they arise are included in payables.

All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets.

Borrowings are classified as current liabilities except for the principle amount that is due and payable, under the contractual terms of the loan agreement, 12 months after the end of the reporting. This amount is classified as a non current amount. Further details are provided in note 21.

1. 22 Provisions

A provision is made for the cost of the Local Government Election to be conducted in 2012.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 23 Council Capital

Council capital represents the net carrying value of the capital assets less the amount of capital debt at the reporting date and includes the initial value of operating assets and liabilities recognised at its inception.

At the reporting date the Council had unspent QTC loan funds. This unspent cash is a restricted capital asset and is reported in note 23(ii)(b) .

The maintenance of the Council's capital capacity is fundamental to its long term sustainability to continue to deliver essential services to the community, it has therefore been separately identified and the change in value is reported in the Statement of Changes in Equity and note 23.

1. 24 Asset Revaluation Surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

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

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

When an asset is disposed of the amount in this surplus account in respect of that asset is retained in the balance.

1. 25 Reserves held for Funding Future Capital Expenditure

These are cash backed reserves and represent funds, from revenue sources, that are accumulated to meet anticipated future capital asset funding requirements. In each case the amount relates to a perceived future requirement which is not currently a liability.

1. 25 (a) Constrained Grants, Subsidies and Contributions Reserve

This reserve is credited with all non-reciprocal grants, subsidies and contributions of monetary revenue received during the reported period and constrained for the purpose of funding non-specific capital expenditure (eg. headworks.) As the funds are expended on capital assets the equivalent amounts are transferred from the reserve to the capital account. The closing balance reported at the period end represents funds not yet expended and must be retained until the obligation is satisfied.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 25 (b) Grants, Subsidies and Contributions Reimbursed Reserve

This reserve is credited with all grants, subsidies and contributions of monetary revenue received during the reported period which the Council has identified as being a reimbursement of capital funds expended in a prior period.

(c) Capital Projects Reserve

This reserve was created and holds funds to contribute to the future replacement of the Council's assets.

(d) Capital Projects - Waste Management Reserve

This reserve was created and holds funds to contribute to the future replacement of the Council's Waste Management assets.

(e) Sewerage Reserve

This reserve was created to provide funds for future extensions to Council's Sewerage System.

(f) Water Reserve

This reserve was created to provide funds for future water reticulation services.

(g) Special Projects Reserve

This reserve was created to contribute to future funding of contingent capital works projects that will arise from time to time.

1. 26 Reserves held for Funding Future Recurrent Expenditure:

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

(a) General Purpose Reserve

This reserve was created to meet the unexpected operational costs throughout the year.

1. 27 Retained Surplus/(Deficiency)

A retained surplus represents the amount of Council's net funds not set aside in reserves to meet specific needs. A retained deficiency represents the additional amount of revenue required to be raised to achieve a total overall balanced funding position.

1. 28 National Competition Policy

The Council has reviewed its activities and has identified 4 activities that are business activities. Details of these activities can be found in note 34.

GYMPIE REGIONAL COUNCIL

Notes to and forming part of the Financial Statements

For the year ended 30 June 2011

1. 29 **Rounding and Comparatives**

Amounts included in the financial statements have been rounded to the nearest \$1 or, where that amount is \$0.50 or less, to zero.

Comparative information is for the 2010 financial period - from 22 June 2009 to 20 June 2010, while the current reporting period is 2011 - from 21 June 2010 to 30 June 2011.

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

1. 30 **Financial Risk Management**

The Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia and are for a period of less than one year. The Council does not invest in derivatives or other high risk investments. When the Council borrows, it borrows from the Queensland Treasury Corporation, taking into account any risk. Borrowing by the Council is constrained by the provisions of the Statutory Bodies Financial Arrangement Act 1982.

Details of financial instruments and the associated risks are shown at note 33.

1. 31 **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 recovery, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodial role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

For details see note 31.

1. 32 **Taxation**

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

The Council pays payroll tax to the Queensland Government on certain activities.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

2 Analysis of results by function

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

Functions	Income		Total income	Total expenses	Net result for period	Assets
	Grants	Other				
	2011 \$	2011 \$	2011 \$	2011 \$	2011 \$	2011 \$
Corporate Governance	5,273,997	30,630,124	35,904,121	6,104,600	29,799,521	144,137,064
Engineering	8,523,100	19,898,938	28,422,038	40,062,224	(11,640,186)	559,680,247
Community Services	1,733,030	10,750,184	12,483,214	18,409,897	(5,926,683)	115,879,182
Planning and Development	-	1,625,346	1,625,346	3,906,973	(2,281,627)	246,586
Water Program	531,092	8,740,851	9,271,943	6,279,796	2,992,147	76,247,500
Sewerage Program	3,337,966	10,500,420	13,838,386	8,184,914	5,653,472	104,647,155
Total	19,399,185	82,145,863	101,545,048	82,948,404	18,596,644	1,000,837,734

Prior Year

Functions	Income		Total income	Total expenses	Net result for period	Assets
	Grants	Other				
	2010 \$	2010 \$	2010 \$	2010 \$	2010 \$	2010 \$
Corporate Governance	3,903,170	27,368,947	31,272,117	7,980,709	23,291,408	151,267,443
Engineering	6,142,634	18,141,588	24,284,222	23,328,507	955,715	557,601,914
Community Services	1,249,619	9,976,023	11,225,642	17,228,172	(6,002,530)	112,254,005
Planning and Development	-	1,992,998	1,992,998	3,360,421	(1,367,423)	246,517
Water Program	1,106,293	9,234,628	10,340,921	6,532,493	3,808,428	73,543,447
Sewerage Program	1,766,198	10,261,000	12,027,198	5,933,694	6,093,504	95,025,094
Total	14,167,914	76,975,184	91,143,098	64,363,996	26,779,102	989,938,420

GYMPIE REGIONAL COUNCIL**Notes to the Financial Statements**For the year ended 30 June 2011

2 (b) Components of council functions

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

Corporate Governance

To set and achieve the Council's goals and objectives for the Citizens of the Gympie Region by providing direction, support, co-ordination, sound resource management policy and achieve effective and efficient management of Council's assets and resources.

Engineering

To provide well constructed safe efficient infrastructure networks and engineering services that will meet community needs.

Community Services

To enhance and preserve the lifestyle of all the Gympie Region's residents and visitors by providing services and facilities for recreation, leisure, sport and cultural enrichment and preserving the entire Region's heritage. To provide and preserve a safe and attractive natural and built environment by preservation, protection, maintenance and development of the Region's open spaces and foreshores in accordance with community needs. To provide opportunities for the Region's residents and visitors to access information that will enhance quality of life and facilitate life long learning.

Planning and Development

To provide a planning framework that stimulates and co-ordinates investments in the Region while respecting the environmental and community values and infrastructure needs and the enhancement of lifestyles of residents.

Water Program

To meet the community needs for potable water by the efficient purchase, treatment, storage and distribution of water to consumers.

Sewerage Program

To protect public health, safety and the environment by the provision of an efficient system for safe collection, transportation, treatment and disposal of sewage waste.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
3 Revenue analysis			
(a) Rates and levies	1.8(a)		
General rates		27,156,018	25,508,040
Separate rates		4,254,614	4,006,734
Environment Levy / Rural Fire Brigade Levy		904,058	869,451
Water		6,716,408	6,410,426
Water consumption, rental and sundries		662,059	711,941
Sewerage		7,701,440	7,072,901
Sewerage trade waste		99,007	179,460
Garbage charges		6,383,734	5,779,598
Rates and utility charge revenue		53,877,338	50,538,551
Less: Discounts		(2,063,170)	(1,959,739)
Less: Pensioner remissions		(496,671)	(504,014)
Net rates and utility charges		51,317,497	48,074,798
(b) Interest received			
Investments		4,934,637	3,136,496
Over due rates and utility charges		439,664	346,282
		5,374,301	3,482,778
(c) Sales of contract and recoverable works			
Revenue		9,532,969	5,936,114
		9,532,969	5,936,114
The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period.			
There are no contracts in progress at the period end.			
The contract work carried out is not subject to retentions.			
(d) Other recurrent income			
Other income		416,641	131,399
		416,641	131,399
4 Grants, subsidies, contributions and donations	1.8(b)		
(i) Recurrent - grants, subsidies, contributions and donations are analysed as follows:			
General purpose grants		6,957,385	5,370,755
State Government subsidies & grants		2,318,350	2,222,961
Donations		107,436	19,685
Contributions		11,530	11,785
Total recurrent revenue		9,394,701	7,625,186

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
4 Grants, subsidies, contributions and donations (continued)			
(ii) Capital - grants, subsidies, and contributions are analysed as follows:			
(a) Monetary revenue designated for capital funding purposes:			
State Government subsidies & grants		10,123,450	6,574,198
Contributions		4,559,264	3,465,663
		<u>14,682,714</u>	<u>10,039,861</u>
(b) Non-monetary revenue received is analysed as follows:	1.8(c)		
Developer assets contributed by developers at fair value		7,193,321	8,443,512
Other physical assets contributed by developers at fair value		-	3,261,374
		<u>7,193,321</u>	<u>11,704,886</u>
Total capital revenue		<u>21,876,035</u>	<u>21,744,747</u>
(iii) Conditions over contributions			
Non-reciprocal grants and contributions which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a general specified manner by the contributor but had not been expended at the reporting date			
Grants for infrastructure		4,785,437	3,551,552
Contributions for infrastructure		4,545,987	3,465,663
		<u>9,331,424</u>	<u>7,017,215</u>
Non-reciprocal grants and contributions which were recognised as revenues during a previous reporting period and were expended during the current reporting period.			
Grants for infrastructure		4,695,100	2,652,720
Contributions for infrastructure		5,084,562	519,334
		<u>9,779,662</u>	<u>3,172,054</u>
5 Capital income			
Gain on the sale of capital assets	6	-	104,520
		<u>-</u>	<u>104,520</u>
6 Gain (loss) on the disposal of capital assets			
(a) Proceeds from the sale of plant and equipment		895,143	565,840
Less: Book value of plant and equipment sold		(769,138)	(444,122)
		<u>126,005</u>	<u>121,718</u>
(b) Proceeds from the sale of land and buildings		326,096	170,119
Less: Book value of land and buildings sold		(480,000)	(187,317)
		<u>(153,904)</u>	<u>(17,198)</u>
Total gain (loss) on the disposal of capital assets	5 & 11	<u>(27,899)</u>	<u>104,520</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
7 Employee benefits			
Total staff wages and salaries		21,812,334	19,650,937
Councillors' remuneration		759,594	762,430
Annual, sick and long service leave entitlements		4,856,509	4,199,454
Superannuation	30	2,967,099	2,896,347
		<u>30,395,536</u>	<u>27,509,168</u>
Other employee related expenses		1,239,405	1,230,908
		<u>31,634,941</u>	<u>28,740,076</u>
Less : Capitalised employee expenses		<u>(3,318,203)</u>	<u>(4,226,331)</u>
		<u>28,316,738</u>	<u>24,513,745</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
Total Council employees at June 2011:			
Elected members		9	9
Administration staff		249	250
Depot and outdoors staff		225	217
Total full time equivalent employees		<u>483</u>	<u>476</u>
8 Materials and services			
Audit fees		117,085	58,777
Donations paid		344,367	432,671
Legal fees		340,118	233,485
Material and services		<u>35,283,352</u>	<u>21,262,767</u>
		<u>36,084,922</u>	<u>21,987,700</u>
9 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		1,781,825	951,952
Bank charges		21,980	13,924
Impairment of receivables and bad debts written off		<u>24,595</u>	<u>25,986</u>
		<u>1,828,400</u>	<u>991,862</u>
10 Depreciation	1.16(e)		
Depreciation of non-current assets			
Land and Site Improvements		408,879	341,190
Buildings		731,689	1,863,412
Plant and equipment		1,948,187	1,978,185
Road, bridge and drainage		4,909,552	6,222,094
Water		1,798,802	2,682,392
Sewerage		1,704,773	1,973,994
Other Infrastructure		168,781	161,780
Other Assets		<u>85,624</u>	<u>524,257</u>
		<u>11,756,287</u>	<u>15,747,304</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
11 Capital expenses			
Loss on the sale of capital assets	6	27,899	-
Loss on write-off of capital assets	12	4,934,158	1,123,385
Total capital expenses		<u>4,962,057</u>	<u>1,123,385</u>
12 Loss on write-off of capital assets			
Land and Site Improvements		2,515	721,000
Buildings		350,740	-
Plant and equipment		2,578	3,346
Road, bridge and drainage		2,889,090	260,272
Water		109,549	-
Sewerage		1,558,073	-
Other Infrastructure		5,930	-
Other Assets		15,683	138,767
		<u>4,934,158</u>	<u>1,123,385</u>
13 Loss on impairments			
Loss on impairment of property plant and equipment	18 (a)	35,903	-
Flood damage to some buildings restricted their use and market value at the reporting date.			
Total impairment losses		<u>35,903</u>	<u>-</u>
Less impairment losses offset against the asset revaluation surplus		<u>(35,903)</u>	<u>-</u>
Impairment losses treated as an expense		<u>-</u>	<u>-</u>
14 Cash assets and cash equivalents	1.10		
Cash in operating bank account		2,710,541	3,724,317
Cash in other banks and on hand		6,760	6,530
Investments with approved deposit taking institutions at variable interest rates		11,000,000	14,000,000
Deposits and investments held with QTC at variable interest rate		<u>63,558,885</u>	<u>67,118,885</u>
Balance per statement of cash flows		<u>77,276,186</u>	<u>84,849,732</u>
Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:			
Unspent government grants and subsidies	26 (i)	4,785,437	4,695,100
Unspent developer contributions	26 (i)	14,296,707	13,877,878
Unspent loan monies	23(ii)(b)	<u>4,571,852</u>	<u>11,030,268</u>
Total unspent restricted cash for capital projects		<u>23,653,996</u>	<u>29,603,246</u>

Cash and deposits at call are held in the Commonwealth Bank in a normal business cheque account and by investment with various Banks and Building Societies.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

		2011	2010
	Note	\$	\$
15 Trade and other receivables	1.11		
(a) Current			
Rateable revenue and utility charges		4,808,705	3,445,146
Accrued interest		502,720	385,521
GST recoverable		811,470	785,065
Other debtors		8,737,157	4,012,451
Less: Impairment provision		(12,519)	(25,176)
		<u>14,847,533</u>	<u>8,603,007</u>
Prepayments		371,947	-
Loans and advances to community organisations		12,946	12,946
		<u>15,232,426</u>	<u>8,615,953</u>
(b) Non-current			
Loans and advances to community organisations		44,550	49,289
		<u>44,550</u>	<u>49,289</u>
Interest is charged on outstanding rates at a rate of 11% per annum.			
No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.			
All loans and advances relate to loans made to various community bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.			
Movement in accumulated impairment losses (trade and other receivables) is as follows:			
Opening balance		25,176	13,910
Impairment adjustment in period		(12,657)	11,266
Closing balance		<u>12,519</u>	<u>25,176</u>
16 Inventories	1.12		
Current			
Inventories for internal use:			
Stores and materials		1,975,938	2,481,472
		<u>1,975,938</u>	<u>2,481,472</u>
Valued at cost, adjusted when applicable for any loss of service potential.			
Land purchased for development and sale	17	61,200	61,200
		<u>2,037,138</u>	<u>2,542,672</u>
17 Land purchased for development and sale	1.14		
Opening balance		61,200	61,200
Closing balance at period end		<u>61,200</u>	<u>61,200</u>

Land purchased for development and sale is valued at the lower of cost and net realisable value.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

18 (a) Property, plant and equipment

	Land and Site Improvements	Buildings	Plant and equipment	Road, bridge and drainage	Water	Sewerage	Other Infrastructure	Other Assets	Works in progress	Total
Basis of measurement	Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	Cost	
	2011	2011	2011	2011	2011	2011	2011	2011	2011	2011
Asset Values	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value	94,619,488	99,490,364	17,976,412	620,485,074	115,806,778	102,999,775	6,498,512	3,806,666	70,067,163	1,131,750,232
Additions at cost	-	-	-	-	-	-	-	-	30,100,842	30,100,842
Contributed assets at valuation	-	-	-	5,490,842	583,275	1,119,204	-	-	-	7,193,321
Internal transfers from work in progress	1,076,126	1,510,153	2,902,312	6,551,188	200,741	21,120,912	306,688	225,506	(33,893,626)	-
Disposals	(480,000)	-	(1,354,554)	-	-	-	-	-	-	(1,834,554)
Write-offs	(6,300)	(401,854)	(4,807)	(5,441,075)	(242,618)	(4,786,825)	(5,930)	(133,583)	-	(11,022,992)
Revaluation adjustment to the ARS*	-	-	-	(171,046)	-	-	344,317	-	-	173,271
Closing gross value	95,209,314	100,598,663	19,519,363	626,914,983	116,348,176	120,453,066	7,143,587	3,898,589	66,274,379	1,156,360,120
Accumulated depreciation and impairment										
Opening balance	3,125,890	10,913,544	4,119,000	116,759,766	51,878,599	45,486,917	2,738,024	2,847,718	-	237,869,458
Depreciation provided in period	408,879	731,689	1,948,187	4,909,552	1,798,802	1,704,773	168,781	85,624	-	11,756,287
Depreciation on disposals	-	-	(585,416)	-	-	-	-	-	-	(585,416)
Depreciation on write-offs	(3,785)	(51,114)	(2,229)	(2,551,985)	(133,069)	(3,228,752)	-	(117,900)	-	(6,088,834)
Revaluation adjustment to the ARS*	-	-	-	8,534,214	-	-	(1,408,926)	-	-	7,125,288
Impairment adjustment to the ARS*	-	35,903	-	-	-	-	-	-	-	35,903
Closing accumulated depreciation and impairment balance	3,530,984	11,630,022	5,479,542	127,651,547	53,544,332	43,962,938	1,497,879	2,815,442	-	250,112,686
Net value at 30 June 2011	91,678,330	88,968,641	14,039,821	499,263,436	62,803,844	76,490,128	5,645,708	1,083,147	66,274,379	906,247,434
Range of estimated useful life in years	Imp's: 5 - 99	15 - 150	1 - 15	20 - 100	15 - 150	15 - 80	8 - 100	2 - 100	-	-

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

18 (a) Property, plant and equipment - prior year

	Land and Site Improvements	Buildings	Plant and equipment	Road, bridge and drainage	Water	Sewerage	Other Infrastructure	Other Assets	Works in progress	Total
Basis of measurement	Valuation	Valuation	Cost	Valuation	Valuation	Valuation	Valuation	Valuation	Cost	
	2010	2010	2010	2010	2010	2010	2010	2010	2010	2010
Asset Values	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value	94,312,955	86,236,888	15,698,572	604,253,384	134,572,363	99,557,522	6,428,196	4,302,015	51,052,739	1,096,414,634
Additions at cost	-	-	-	-	-	-	-	-	29,650,188	29,650,188
Contributed assets at valuation	-	-	-	8,443,512	1,348,546	1,912,828	-	-	-	11,704,886
Internal transfers from work in progress	1,058,533	1,670,528	2,935,189	4,486,991	56,881	2,988	70,316	354,338	(10,635,764)	
Disposals	(60,000)	(210,000)	(652,694)	-	-	-	-	-	-	(922,694)
Write-offs	(721,000)	-	(4,655)	(532,520)	-	-	-	(849,687)	-	(2,107,862)
Revaluation adjustment to the ARS*	-	11,821,948	-	3,833,707	(20,171,012)	1,526,437	-	-	-	(2,988,920)
Internal transfers between asset classes	29,000	(29,000)	-	-	-	-	-	-	-	-
Closing gross value	94,619,488	99,490,364	17,976,412	620,485,074	115,806,778	102,999,775	6,498,512	3,806,666	70,067,163	1,131,750,232
Accumulated depreciation and impairment										
Opening balance	2,768,700	33,044,540	2,350,696	156,387,654	71,336,348	49,777,512	2,576,244	3,034,381		321,276,075
Depreciation provided in period	341,190	1,863,412	1,978,185	6,222,094	2,682,392	1,973,994	161,780	524,257		15,747,304
Depreciation on disposals	-	(82,683)	(208,572)	-	-	-	-	-		(291,255)
Depreciation on write-offs	-	-	(1,309)	(272,248)	-	-	-	(710,920)		(984,477)
Revaluation adjustment to the ARS*	-	(23,895,725)	-	(45,577,734)	(22,140,141)	(6,264,589)	-	-		(97,878,189)
Internal transfers	16,000	(16,000)	-	-	-	-	-	-		-
Closing accumulated depreciation and impairment balance	3,125,890	10,913,544	4,119,000	116,759,766	51,878,599	45,486,917	2,738,024	2,847,718		237,869,458
Net value at 30 June 2010	91,493,598	88,576,820	13,857,412	503,725,308	63,928,179	57,512,858	3,760,488	958,948	70,067,163	893,880,774
Range of estimated useful life in years	Imp's: 5 - 99	15 - 150	1 - 15	20 - 100	15 - 80	15 - 80	10 - 50	2 - 100		

* ARS denotes - Asset Revaluation Surplus

GYMPIE REGIONAL COUNCIL**Notes to the Financial Statements**For the year ended 30 June 2011

18 (b) Property, plant and equipment valuations were determined by reference to the following:**Land and Site Improvements****Land**

Land assets were last revalued as at 21 June 2009 at current market value by Rushtons Asset Val Pty Ltd, Valuer. No revaluation was processed for this class due to the cumulative change in the index considered not to materially affect the carrying value of this class as at 30 June 2011.

Land acquired since that date is recorded at cost.

Site Improvements

Site Improvement assets were last revalued as at 21 June 2009 at current market value by Rushtons Asset Val Pty Ltd, Valuer. No revaluation was processed for this class due to the cumulative change in the index considered not to materially affect the fair value of this class as at 30 June 2011.

Site Improvements acquired since that date are recorded at cost.

Buildings

Building assets were last revalued at their written current market value as at 20 June 2010 by Lachlan Black and Michelle Bertini of APV Valuers and Asset Management. No revaluation was processed for this class due to the index referenced considered not to materially affect the fair value of this class as at 30 June 2011. Buildings acquired since that date are recorded at cost.

During January 2011 some of Council's buildings were damaged by flooding. After all buildings were assessed for damage, Council had APV Valuers and Asset Management review the amount of damage that remained at the 30 June 2011 and impaired their value to reflect their condition.

Plant and equipment

Plant and Equipment is measured at cost less accumulated depreciation.

Infrastructure**Road and Drainage Infrastructure**

Road and Drainage Infrastructure assets were last revalued at their written down current replacement cost as at 20 June 2010. The revaluation was conducted by Council's engineers, with the process controlled by Neil Weller (RPEQ 1689).

Road and Drainage Infrastructure acquired since that date are recorded at cost. Included in the balances are some off-street carparks that have been revalued by APV Valuers and Asset Management on 30 June 2011 as per the note under the Other Infrastructure category.

During January 2011 some of Council's road and drainage network was damaged by flooding. Any damage still outstanding as at the 30 June 2011 has been reflected in the current values of these roads and drainage assets and the asset revaluation surplus adjusted to reflect their condition.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

18 (b) continued**Water & Sewerage Infrastructure**

Water and Sewerage Infrastructure assets were last revalued at their written down current replacement cost as at 20 June 2010. The revaluation was conducted by Council's engineers, with the process controlled by Neil Weller (RPEQ 1689).

Water and Sewerage Infrastructure acquired since that date are recorded at cost.

Other Infrastructure

Other Infrastructure assets were revalued as at 30 June 2011 at their written down current replacement cost by Lachlan Black and Bryce McLaren of APV Valuers and Asset Management. Assets covered by this class include swimming pools, off street carparks, playing surfaces etc.

Other Assets

Other assets were last revalued at their written down current replacement cost as at 21 June 2009 by Rushtons Asset Val Pty Ltd, Valuer. No revaluation was processed for this class due to the cumulative change in the index considered not to materially affect the fair value of this class as at 30 June 2011.

Other Assets acquired since that date are recorded at cost.

19 Trade and other payables**Current**

	Note	2011 \$	2010 \$
Creditors and accruals	1.19	3,010,823	3,358,967
Employee related accruals		1,349,968	524,260
Superannuation defined contributions		107,241	-
Annual leave	1.20(b)	2,303,148	2,538,318
Sick leave		1,496,577	1,456,680
		<u>8,267,757</u>	<u>7,878,225</u>

Non Current

Annual leave	1.20(b)	936,388	823,285
Sick leave		493,543	408,607
		<u>1,429,931</u>	<u>1,231,892</u>

Employee benefit expenses are calculated at current pay levels and adjusted for inflation and likely future changes in salary level. The non-current portion of sick leave and long service leave is then discounted to the present value.

Further details on employee entitlements are reported in Note 1.20

20 Provisions**Current**

Future election costs	1.22	135,000	110,000
Long service leave	1.20(e)	3,881,210	4,182,308
		<u>4,016,210</u>	<u>4,292,308</u>

Non-Current

Long service leave	1.20(e)	1,157,965	1,013,524
		<u>1,157,965</u>	<u>1,013,524</u>

Details as to the long service leave liability are reported in note 1.20(e)

Approximately 50% of the liability is funded.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
20 Provisions (continued)			
Details of movements in provisions:			
Long service leave			
Opening balance		5,195,832	4,705,449
Amount provided for in the period		461,751	261,102
Amount paid in the period		(618,408)	229,281
Balance at the end of period		<u>5,039,175</u>	<u>5,195,832</u>
Future election costs			
Opening balance		110,000	55,000
Net movement during the reporting period		25,000	55,000
Balance at the end of period		<u>135,000</u>	<u>110,000</u>
Current portion		135,000	110,000
Non-current portion		-	-
		<u>135,000</u>	<u>110,000</u>
21 Borrowings	1.21		
(a) Bank overdraft			
The council has an approved overdraft facility with the Commonwealth Bank of Australia of:		200,000	200,000
The unexpired balance (excess) of the facility at the reporting date was:		200,000	200,000
This facility is available in the next reporting period.			
(b) Unsecured borrowings			
Unsecured borrowings are provided by the Queensland Treasury Corporation.			
All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 11 July 2013 to 3 June 2030.			
There have been no defaults or breaches of the loan agreement during the period.			
Principal and interest repayments are made quarterly in arrears.			
Details of borrowings at balance date are:			
Current			
Queensland Treasury Corporation		<u>970,356</u>	<u>1,178,445</u>
Non Current			
Queensland Treasury Corporation		<u>26,260,329</u>	<u>27,231,224</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
21 Borrowings (b) continued			
Details of movements in borrowings:			
Queensland Treasury Corporation			
Opening balance		28,409,669	13,585,160
Loans raised		-	16,000,000
Principal repayments		(1,178,984)	(1,175,491)
Book value at period end		<u>27,230,685</u>	<u>28,409,669</u>
Classified as :			
Current		970,356	1,178,445
Non-current		<u>26,260,329</u>	<u>27,231,224</u>
		<u>27,230,685</u>	<u>28,409,669</u>
 <i>The loan market value at the reporting date was \$28,107,352.</i>			
<i>This represents the value of the debt if Council repaid it at that date.</i>			
<i>As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.</i>			
 <i>Borrowings are all in \$A and are underwritten by the Queensland State Government.</i>			
22 Other liabilities			
Current			
Unearned revenue		<u>235,793</u>	<u>222,133</u>
		<u>235,793</u>	<u>222,133</u>
23 Council capital	1.23		
(i) Calculation of capital value and retained surplus:			
Cash and cash equivalents		77,276,186	84,849,732
Less restricted cash:			
Reserves (excluding the asset revaluation surplus)		(50,313,904)	(48,206,986)
Capital sustainability reserve		(23,172,448)	(19,661,553)
Unspent loan capital fund reserve		(4,571,852)	(11,030,268)
Revenue received in advance		(235,793)	(222,133)
Working capital cash (including employee entitlements)		<u>806,470</u>	<u>(4,843,816)</u>
Retained surplus (deficit) available for distribution	25	(211,341)	884,976
Total council capital	23 (ii)	<u>575,129,335</u>	<u>561,054,187</u>
Total capital and retained surplus at end of period		<u>574,917,994</u>	<u>561,939,163</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
23 Council capital			
(ii)(a) Movement in council capital account			
Balance at beginning of period		550,023,919	543,807,766
Adjustments from (to) retained surplus:			
Transfer of capital income in the period		-	104,520
Transfer of capital expenses in the period		(4,962,057)	(1,123,385)
Transfer of non monetary capital revenue		7,193,321	11,704,886
Transfer of revenue expended on capital assets		-	420,131
Transfer of unspent capital revenue		(1,083,895)	-
Transfer of unfunded depreciation		-	(472,376)
Total transfers (to) from retained surplus		<u>1,147,369</u>	<u>10,633,776</u>
	23		
Transfer (to) from unspent loan cash	(ii)(b)	6,458,416	(9,991,555)
Transferred from the asset revaluation surplus	24	<u>-</u>	<u>(2,812,284)</u>
		<u>6,458,416</u>	<u>(12,803,839)</u>
Transfer (to) from reserves:	26		
Future Capital Sustainability Reserve		(3,510,895)	(1,448,932)
Constrained Grants and Subsidy Reserve		14,173,548	5,894,327
Grants, Subsidies and Contributions Reimbursed Reserve		944,127	1,621,263
Capital Projects Reserve		1,077,552	2,319,558
Capital Projects - Waste Management Reserve		241,065	-
Water Reserve		2,382	-
Total transfers (to) from reserves		<u>12,927,779</u>	<u>8,386,216</u>
Balance at period end		<u>570,557,483</u>	<u>550,023,919</u>
(ii)(b) Movement in unspent loan cash account			
Opening balance		11,030,268	1,038,713
Cash unspent (expended) in period.		<u>(6,458,416)</u>	<u>9,991,555</u>
Balance at end of period		<u>4,571,852</u>	<u>11,030,268</u>
Total council capital		<u>575,129,335</u>	<u>561,054,187</u>
The amount by which the Council has increased (decreased) its capital capacity to deliver future services to the community before inflation adjustments		<u>17,586,043</u>	<u>18,695,353</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
24 (i) Asset revaluation surplus	1.24		
Movements in the asset revaluation surplus were as follows:			
Balance at beginning of period		317,082,967	219,381,414
 (a) Net adjustments to property, plant and equipment through revaluations:	18		
Buildings		-	35,717,673
Road, bridge and drainage		(8,705,260)	49,411,441
Water		-	1,969,129
Sewerage		-	7,791,026
Other Infrastructure		1,753,243	-
		<u>(6,952,017)</u>	<u>94,889,269</u>
 (b) Net adjustments to property, plant and equipment through impairments:	18		
Buildings		(35,903)	-
		<u>(35,903)</u>	<u>-</u>
		310,095,047	314,270,683
Revaluation on asset sold transferred to the capital		-	2,812,284
Balance at end of the year		<u>310,095,047</u>	<u>317,082,967</u>
 (ii) Asset revaluation surplus analysis			
The closing balance of the asset revaluation surplus is comprised of the following asset categories:			
Land and Site Improvements		53,386,348	53,386,348
Buildings		49,973,866	50,009,769
Road, bridge and drainage		176,960,456	185,665,716
Water		14,585,665	14,585,665
Sewerage		13,083,482	13,083,482
Other Infrastructure		1,753,243	-
Other Assets		351,987	351,987
		<u>310,095,047</u>	<u>317,082,967</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	2011	2010
Note	\$	\$
25 Retained surplus		
Movement in retained surplus		
Retained surplus (deficit) at the beginning of period	884,976	676,950
Net result attributable to council	18,596,644	26,779,102
	<u>19,481,620</u>	<u>27,456,052</u>
Transfers (to) from capital account:	-	-
Transfer of capital income	-	(104,520)
Transfer of capital expenses	4,962,057	1,123,385
Non monetary capital revenue	(7,193,321)	(11,704,886)
General revenue used for capital funding purposes	-	(420,131)
Unspent capital revenue transferred from capital	1,083,895	-
Adjustment for unfunded depreciation	-	472,376
Net capital account transfers	<u>(1,147,369)</u>	<u>(10,633,776)</u>
Transfer from (to) the constrained grants and subsidy reserve	<u>(14,682,714)</u>	<u>(10,039,861)</u>
Retained surplus (deficiency) available for transfer to reserves	3,651,537	6,782,415
Transfers (to) from reserves for future capital funding:		
Capital projects reserve	(2,548,373)	(4,761,501)
Capital Projects - waste m'gnt reserve	(1,114,505)	(736,549)
Special projects reserve	(200,000)	(200,000)
Transfers (to) from reserves for future recurrent funding purposes:		
General purpose reserve	-	(199,389)
	<u>(211,341)</u>	<u>884,976</u>
26 General reserves		
(a) Future capital sustainability reserve		
This cash forms part of council's capital value as the balance represents accumulated funded unspent depreciation cash plus additional cash funding, if required, to maintain the council's capital value under its' long term asset management plans.		
Opening balance	19,661,553	18,212,621
Funded depreciation on capital assets in period	11,756,287	15,274,928
Less: Funds utilised in the period	<u>(8,245,392)</u>	<u>(13,825,996)</u>
Balance at end of period	<u>23,172,448</u>	<u>19,661,553</u>
(b) Summary of capital reserves held for funding future projects:		
(i) Constrained Grants, Subsidies and Contributions Reserve	19,082,144	18,572,978
(ii) Grants, Subsidies and Contributions Reimbursed Reserve	2,702,169	3,646,296
(iii) Capital Projects Reserve	20,422,491	18,951,670
(iv) Capital Projects - Waste M'gnt Reserve	4,399,619	3,526,179
(v) Sewerage Reserve	120,422	120,422
(vi) Water Reserve	-	2,382
(vii) Special Projects Reserve	1,792,638	1,592,638
	<u>48,519,483</u>	<u>46,412,565</u>
(c) Summary of reserves held for funding future recurrent expenditure:		
(i) General Purpose Reserve	1,794,421	1,794,421
	<u>1,794,421</u>	<u>1,794,421</u>
Total reserves	<u>73,486,352</u>	<u>67,868,539</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
26 General reserves (continued)			
Movements in capital reserves are analysed as follows:			
(i) Constrained Grants, Subsidies and Contributions Reserve			
Balance at the beginning of period		18,572,978	14,427,444
Transfer from retained earnings grants, subsidies and contributions received in the period which restricted to specific capital projects		14,682,714	10,039,861
Transfers to the capital account funds expended in the period		(14,173,548)	(5,894,327)
Balance at period end		19,082,144	18,572,978
(ii) Grants, Subsidies and Contributions Reimbursed Reserve			
Balance at the beginning of period		3,646,296	5,267,559
Transfer to the capital account funds expended in the period		(944,127)	(1,621,263)
Balance at period end		2,702,169	3,646,296
(iii) Capital Projects Reserve			
Balance at the beginning of period		18,951,670	16,509,727
Transfer from retained earnings for future expenditure		2,548,373	4,794,930
Transfer to the capital account funds expended in the period		(1,077,552)	(2,319,558)
Transfer to retained earnings		-	(33,429)
Balance at period end		20,422,491	18,951,670
(iv) Capital Projects - Waste M'gmt Reserve			
Balance at the beginning of period		3,526,179	2,789,630
Transfer from retained earnings for future expenditure		1,114,505	1,507,185
Transfer to the capital account funds expended in the period		(241,065)	-
Transfer to retained earnings		-	(770,636)
Balance at period end		4,399,619	3,526,179
(v) Sewerage Reserve			
Balance at the beginning of period		120,422	120,422
Balance at period end		120,422	120,422
(vi) Water Reserve			
Balance at the beginning of period		2,382	2,382
Transfer to the capital account funds expended in the period		(2,382)	-
Balance at period end		-	2,382
(vii) Special Projects Reserve			
Balance at the beginning of period		1,592,638	1,392,638
Transfer from retained earnings for future expenditure		200,000	200,000
Balance at period end		1,792,638	1,592,638
Movements in recurrent reserves are analysed as follows:			
(i) General Purpose Reserve			
Balance at the beginning of period		1,794,421	1,595,032
Transfer from retained earnings for future expenditure		-	200,000
Transfer to retained earnings		-	(611)
Balance at period end		1,794,421	1,794,421

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
27 Commitments for expenditure			
Contractual Commitments			
Contractual commitments at balance date but not recognised in the financial statements are as follows:			
Contract for Refuse Disposal - expires June 2014 - per year		3,580,925	3,520,000
Contract for Refuse Disposal - expires September 2013 - per year		203,720	177,230
		<u>3,784,645</u>	<u>3,697,230</u>
Capital Commitments			
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:			
Buildings		2,689,599	82,127
Infrastructure & Other infrastructure		7,560,110	16,575,766
Plant		131,420	55,600
Land & improvements		133,940	183,229
		<u>10,515,069</u>	<u>16,896,722</u>
These expenditures are payable :			
Within one year		10,515,069	14,707,280
Later than 1 year but not later than 5 years		-	2,189,442
Later than 5 years		-	-
		<u>10,515,069</u>	<u>16,896,722</u>

28 Events after balance date

There were no material financial adjusting events after balance date.

29 Contingent liabilities

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

Local Government Workcare

The Gympie Regional Council is a member of the Queensland local government workers compensation 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 and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise.

The Council's maximum exposure to the bank guarantee is:

<u>935,619</u>	<u>789,233</u>
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Local Government Mutual

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

As at 30 June 2011 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

		2011	2010
	Note	\$	\$
30 Superannuation			
<p>The Gympie Regional Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 Employee Benefits.</p> <p>The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.</p> <p>The scheme has two elements referred to as the Defined Benefits Fund (DBF) and the Accumulation Benefits Fund (ABF). The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the Local Government Act 2009.</p> <p>The DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs.</p> <p>Any amount by which either fund is over or under funded would only affect future benefits and contributions to the DBF, and is not an asset or liability of the Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.</p> <p>The audited general purpose financial report of the scheme as at 30 June 2010 (the most recent available) which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the vested benefits.</p> <p>The most recent actuarial assessment of the scheme was undertaken as at 1 July 2009. The actuary indicated that “the DBF is in a very modest financial position with regard to the net asset coverage of vested liabilities. Investment returns will be volatile under the required investment strategy, particularly over short periods. The DBF therefore needs sufficient reserves to be able to withstand a reasonable range of such influences. Because the DBF is now running down and cash flows are negative, the VBI (vested benefit index) should not be allowed whenever possible to retreat below 100%. Once below 100%, benefits drawn reduce the available assets for remaining members and hence the net asset coverage of vested benefits declines further.</p> <p>In order to withstand a one in ten ‘low return’ outcome, the DBF would need reserves of the order of 8% to 10% having regard to the investment strategy adopted. Given the current position of the DBF, such reserve can essentially only eventuate from either excess investment returns over salary increases or additional employer contributions.</p>			

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
30 Superannuation (continued)			
Council has been advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of DBF members. Under the Local Government			
on councils which have employees in the DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits.			
The next actuarial investigation will be made as at 1 July 2012.			
The amount of superannuation contributions paid by Gympie Regional Council to the scheme in this period for the benefit of employees was:		<u>2,967,099</u>	<u>2,896,347</u>
31 Trust funds	1.31		
Trust funds held for outside parties:			
Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		56,106	507,131
Security deposits		<u>2,058,231</u>	<u>2,036,891</u>
		<u>2,114,337</u>	<u>2,544,022</u>
The Gympie Regional Council performs only a custodial role in respect of these monies, and because the monies cannot be used for Council purposes, they are not brought to account in these financial statements.			
32 Reconciliation of net result attributable to council to net cash flow from operating activities			
Net result attributable to council		<u>18,596,644</u>	<u>26,779,102</u>
Non-cash operating items:			
Depreciation and amortisation	10	<u>11,756,287</u>	<u>15,747,304</u>
		<u>11,756,287</u>	<u>15,747,304</u>
Investing and development activities:			
Capital grants, subsidies and contributions	4	(21,876,035)	(21,744,747)
Capital income	5	-	(104,520)
Capital expenses	11	<u>4,962,057</u>	<u>1,123,385</u>
		<u>(16,913,978)</u>	<u>(20,725,882)</u>
Changes in operating assets and liabilities :			
(Increase) decrease in receivables		(6,616,473)	(1,095,184)
(Increase) decrease in inventories (excluding land)		505,534	3,374
Increase (decrease) in payables		587,571	535,986
Increase (decrease) in provisions		(131,657)	545,383
Increase (decrease) in other liabilities		13,660	(27,464)
		<u>(5,641,365)</u>	<u>(37,905)</u>
Net cash inflow from operating activities		<u>7,797,588</u>	<u>21,762,619</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
33 Error correction			
During a review of infrastructure assets in 2010/11 the Council became aware that asset values reported at June 2010 were understated.			
The following adjustments have made to the asset values at June 2010 and a corresponding change to the respective asset class balances in the asset revaluation surplus.			
Details of these adjustments made to the comparative period figures are as follows:			
Property, plant and equipment note 18			
Roads, bridge and drainage network			
Revaluation adjustment to the gross value per the audited statements			(868,236)
Retrospective correction made			<u>4,701,943</u>
Revised revaluation adjustment to the gross value	18		<u>3,833,707</u>
Revaluation adjustment to accumulated depreciation value per the audited statements.			(903,610)
Retrospective correction made			<u>(44,674,124)</u>
Revised revaluation adjustment to the accumulated depreciation	18		<u>(45,577,734)</u>
Change to net value of roads, bridge and drainage in the asset revaluation surplus			<u>49,376,067</u>
Water			
Revaluation adjustment to the gross value per the audited statements			1,152,483
Retrospective correction made			<u>(21,323,495)</u>
Revised revaluation adjustment to the gross value	18		<u>(20,171,012)</u>
Revaluation adjustment to accumulated depreciation value per the audited statements.			46,598
Retrospective correction made			<u>(22,186,739)</u>
Revised revaluation adjustment to the accumulated depreciation	18		<u>(22,140,141)</u>
Change to net value of water in the asset revaluation surplus			<u>863,244</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011	2010
33 Error correction (continued)			
Sewerage			
Revaluation adjustment to the gross value per the audited statements			799,171
Retrospective correction made			<u>727,266</u>
Revised revaluation adjustment to the gross value	18		<u>1,526,437</u>
Revaluation adjustment to accumulated depreciation value per the audited statements.			509,029
Retrospective correction made			<u>(6,773,618)</u>
Revised revaluation adjustment to the accumulated depreciation	18		<u>(6,264,589)</u>
Change to net value of sewerage in the asset revaluation surplus			<u>7,500,884</u>
Total change to the net value of property, plant and equipment			<u>57,740,195</u>
Asset revaluation surplus note 24			
Total asset revaluation surplus per the audited statements			259,342,772
Retrospective corrections made per above			<u>57,740,195</u>
Revised balance at June 2010	24		<u>317,082,967</u>
Statement of comprehensive income			
Net result attributable to council per audited statements			<u>26,779,102</u>
Increase in asset revaluation surplus per audited statements			39,961,358
Retrospective correction made to asset revaluation surplus			<u>57,740,195</u>
Total other comprehensive income			<u>97,701,553</u>
Revised total comprehensive income for the period			<u>124,480,655</u>

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

34 Financial Instruments

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

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

The Council minimises its exposure to financial risk in the following ways:

- Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia. The Council does not invest in derivatives or other high risk investments.
- When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the Statutory Bodies Financial Arrangements Act 1982.

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

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

(i) Credit Risk

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

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

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

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

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely agriculture and tourism, there is also a concentration of risk in the agriculture and tourism sectors.

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

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

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
34 Financial Instruments (continued)			
(i) Credit Risk (continued)			
The following table represents the Council's maximum exposure to credit risk:			
Financial Assets			
Cash and cash equivalents - Bank	14	2,717,301	3,730,847
Cash and cash equivalents - QTC		63,558,885	67,118,885
Investments with approved deposit taking institutions	14	11,000,000	14,000,000
Receivables - rates	15	4,808,705	3,445,146
Receivables - other	15	10,096,324	5,220,096
Other credit exposure			
Guarantee	29	935,619	789,233
Total		<u>93,116,834</u>	<u>94,304,207</u>

Past due or impaired

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

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

	Fully Performing \$	Past due				Less Impaired \$	Total \$
		Less than 30 days \$	31 to 60 days \$	61 to 90 days \$	Over 90 days \$		
Receivables:							
2011	9,914,479	-	9,524	79,025	4,914,520	(12,519)	14,905,029
2010	8,334,234	-	4,335	15,291	336,558	(25,176)	8,665,242

(ii) Liquidity risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in the borrowings note 21.

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

34 Financial instruments (continued)

(ii) Liquidity risk (continued)

The following table sets out the liquidity risk of financial liabilities held by the Council in a format as it might be provided to management. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date (excluding employee entitlements as defined by AASB132 Financial Instruments para 4(b)):

2011	\$	\$	\$	\$
Trade and other payables	4,468,032	-	-	4,468,032
Loans QTC	2,697,821	10,772,350	32,609,964	46,080,135
	7,165,853	10,772,350	32,609,964	50,548,167

	0 to 1 year	1 to 5 years	Over 5 years	Total
2010	\$	\$	\$	\$
Trade and other payables	3,883,227	-	-	3,883,227
Loans QTC	2,960,950	10,778,804	34,905,471	48,645,225
	6,844,177	10,778,804	34,905,471	52,528,452

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

Financing Arrangements

Unrestricted access was available at balance date to the lines of credit listed below:

	2011	2010
	\$	\$
QTC unused loan facility		
Bank overdraft facility	200,000	200,000

(iii) Interest rate risk

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

The risk in borrowing is effectively managed by borrowing from financial institutions which provide access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

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

Interest Rate Sensitivity Analysis

The following interest rate sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss should there be a 1% increase in market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

Council	Net carrying amount		Profit/(loss)		Equity	
Financial assets and liabilities held	2011	2010	2011	2010	2011	2010
at variable interest rates total:	\$	\$	\$	\$	\$	\$
Financial assets	74,558,885	81,118,885	745,589	811,189	745,589	811,189
Financial liabilities	27,230,685	28,409,669	(272,307)	(284,097)	(272,307)	(284,097)
Net total	47,328,200	52,709,216	473,282	527,092	473,282	527,092

GYMPIE REGIONAL COUNCIL

Notes to the Financial Statements

For the year ended 30 June 2011

35 National Competition Policy**(a) Activities to which the code of competitive conduct is applied**

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

(a) Roads business activity:

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

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

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

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

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

Recoverable Works
Building Services
Water & Sewerage
Refuse Management

The following table summaries the financial results for these, including competitive neutrality adjustments if applicable.

Full information is available for inspection at the council offices.

GYMPIE REGIONAL COUNCIL**Notes to the Financial Statements**

For the year ended 30 June 2011

35 National Competition Policy - continued**(b) Financial performance of activities subject to competition reforms:**

	Recoverable Works		Building Services		Water & Sewerage	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
Revenue for services provided to the Council						
Revenue for services provided to external clients	739,115	1,012,416	232,797	358,573	15,945,272	14,643,028
* Community service obligations					748,765	794,518
	739,115	1,012,416	232,797	358,573	16,694,037	15,437,546
Less : Expenditure	759,546	1,046,777	316,720	320,063	12,460,977	12,311,644
Surplus (deficiency)	(20,431)	(34,361)	(83,923)	38,510	4,233,060	3,125,902

	Refuse Management	
	2011	2010
	\$	\$
Revenue for services provided to the Council		
Revenue for services provided to external clients	8,101,371	7,366,967
* Community service obligations	452,564	444,090
	8,553,935	7,811,057
Less : Expenditure	6,795,796	5,442,854
Surplus (deficiency)	1,758,139	2,368,203

(c) CSO's were paid during the reporting period to the following activities.

Activities	CSO description	Actual
Water & Sewerage	Council Services	748,765
Refuse Management	Cleaning & Refuse Collection Services	452,564

GYMPIE REGIONAL COUNCIL**FINANCIAL STATEMENTS**For the year ended 30 June 2011

MANAGEMENT CERTIFICATE

For the year ended 30 June 2011

These general purpose financial statements have been prepared pursuant to Section 102 of the Local Government (Finance, Plans and Reporting) Regulation 2010 (the Regulation) and other prescribed requirements

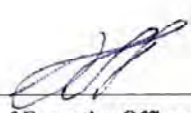
In accordance with Section 161 of the Regulation we certify that these general purpose financial statements:

- (i) have been prepared in accordance with the relevant accounting documents; and
- (ii) accurately reflect the local government's financial performance and position for the financial year.

In addition we certify that, in our opinion:

- (i) the prescribed requirements of the Local Government Act 2009 and associated Regulations for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out herewith, have been prepared in accordance with Australian accounting standards (including Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board); and
- (iii) the general purpose financial statements present a true and fair view of the Council's financial position as at 30 June 2011 and of its financial performance and cash flows for the financial year ended on that date.



Mayor

Chief Executive Officer

Date: 22 February 2012

Date: 22 February 2012

INDEPENDENT AUDITOR'S REPORT

To the Mayor of Gympie Regional Council

Report on the Financial Report

I have audited the accompanying financial report of Gympie Regional Council, which comprises the statement of comprehensive income, the statement of financial position as at 30 June 2011, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government (Finance, Plans and Reporting) Regulation 2010*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Basis for Qualified Opinion

As disclosed in Note 18(b), the January 2011 floods caused extensive damage to the Council's road, bridge and drainage assets. While the Council has attempted to quantify the impact the floods had on its road, bridge and drainage assets, the Council was not in a position to undertake a full condition assessment of these assets. Accordingly, there was insufficient documentation available to support the reported revaluation decrement to this class of (\$8,705,260) reported in Note 24(i)(a). As a result, the Council is unable to demonstrate that the written down value of its road, bridge and drainage assets of \$499,263,436, reported in Note 18(a), does not differ materially from their fair value at 30 June 2011 as required by Australian Accounting Standard AASB 116 *Property, Plant and Equipment*. I am therefore unable to and do not express an opinion on the reported written down value of these assets and the associated asset revaluation surplus balance of \$176,960,456, disclosed in Note 24(ii). The impact on the financial report is unable to be quantified due to the absence of reliable data.

Qualified Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion except for the effects of the matters described in the Basis for Qualified Opinion paragraphs –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Gympie Regional Council for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Gympie Regional Council for the year ended 30 June 2011. Where the financial report is included on Gympie Regional Council's website the Council is responsible for the integrity of Gympie Regional Council's website and I have not been engaged to report on the integrity of Gympie Regional Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.



P BRAHMAN CPA
Assistant Auditor-General
as Delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane