



Etheridge Shire Council's Annual Report 2009/2010



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welcome to etheridge shire council's annual report



Welcome to the Etheridge Shire Council's Annual Report for 2009/10. This report has been compiled to provide a snapshot of Council's performance for the past 12 months – what we achieved, for whom and why. The report also aims to provide readers with an indication of how well Council and the Community of Etheridge are moving towards the future.

Council's agenda is shaped directly from the Corporate Plan which is Council's road map. It clearly sets the direction for our journey and focuses our organisation on the ultimate destination.

The plan explains the strategic planning framework Council has used to translate the Community's vision into action. It sets strategic priorities and objectives and builds in measurable checks and balances to gauge success along the way. These objectives are translated into "on the ground" action by operational plans and budgets annually. How effectively Council performs against each priority will appear within the Annual Report.

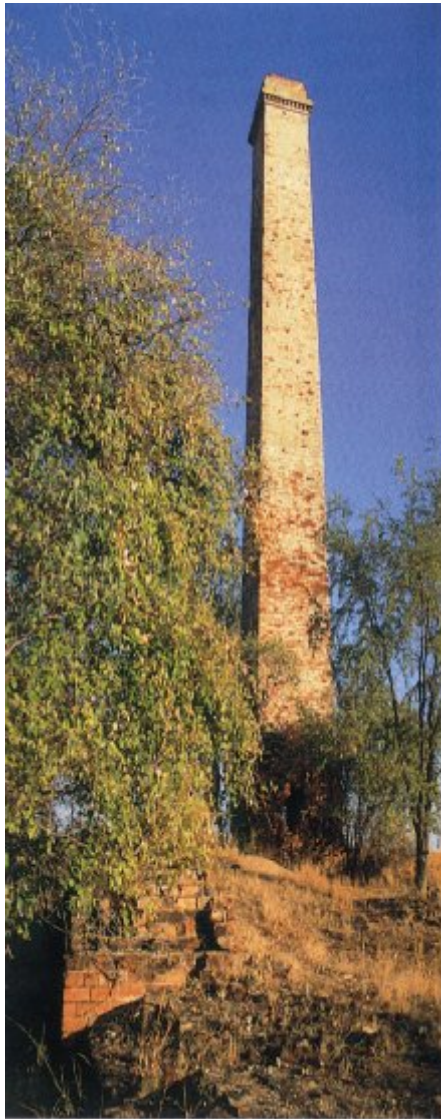
The process also ensures Council takes a good look at the way it conducts its business, encouraging continuous improvement and cost effectiveness. It puts in place an agenda of change necessary for success.

This report has been produced to provide an accurate record of what Council achieved over the past 12 months to meet community expectations and also to celebrate Council's achievements.

The Annual Report is the major accountability tool in Council's corporate governance framework providing non financial and financial information to assess the efficiency, effectiveness and economy of our operations.

Council adopted a new Corporate Plan in June 2010, which will become Council's new roadmap for the next five years.

corporate values and strategic objectives



Vision Statement

“a balanced community with robust economic and environmental assets which supports our youth and the wellbeing of our citizens”

Strategic Priority	Objective
Community and Lifestyle	To provide accessible lifestyle choices through the provision of recreational and public facilities and services that will enhance community health, happiness and connections.
Economic Development	To stimulate investment for existing and new industries creating a sustainable, diverse economy that is regionally significant.
Environmental Sustainability	To ensure environmental assets and ecosystem services are available for future generations.
Strategic Planning	To ensure the aspirations and safety of our community will be achieved through collaborative planning and action.
Infrastructure Services	To ensure that service delivery and infrastructure is rolled out, maintenance and improvement underpins a healthy and growing economy and a comfortable lifestyle in the gulf region.
Commercial Services	To ensure that substantial income is awarded and generated for foundation services, building infrastructure and implementing regional and local priorities.
Organisational Excellence & Governance	To ensure that we deliver excellence as an organisation, embracing exceptional customer service, valuing staff and promoting ethical standards of practice supported by clear policies and strategies.

about etheridge shire



The Etheridge Shire ... the golden heart of the gulf

The early history of the Etheridge Shire is synonymous with famous explorers such as Leichhardt (1844-45), Gregory (1855-56), McKinlay (1862) and Jardine (1864), all of whom traversed the area seeking minerals, timber and good pastoral land.

History also records that in 1869 a young geologist named Richard Daintree explored the area around 41 Mile Creek and the Gilbert and Copperfield rivers, revealing the presence of payable gold. May 1870 saw the establishment of the community of Etheridge, along the banks of the Etheridge River. In November of the same year, this new settlement became known as Georgetown, named after the first gold commissioner in the region, Howard St. George.

The Etheridge Shire covers approximately 40,000 square kilometres of Queensland's Gulf Savannah Region.

It lies over a vast formation of ancient pre-Cambrian rock that is rich in mineral and semi-precious stones and is a Mecca for amateur prospectors.

The Eastern part of the Shire sits on the edge of the immense Undara Lava fields caused by ancient volcanic eruptions in the McBride Plateau some 190,000 years ago. Undara is an Aboriginal term for a 'Long Way'.

The surrounding country is flat wooded savannah grasslands with isolated hills. The whole region is highly regarded by bird watchers; the varied ecosystems providing an ideal habitat for an unusually high number and variety of wading, migratory and resident wood/grassland birds.

The main industries and pastoralism (annual production of approximately \$43M), mining and services (particularly those relating to tourism, which is our most rapidly growing industry).

Shire Population

Etheridge Shire had an estimated population of 936 in 2007. Projections prepared by Department of Local Government indicate that by 2010 the expected population of Etheridge Shire will be between 980 and 1,030 people

about etheridge shire



GEORGETOWN

Situated west of the Newcastle Range, Georgetown owes its existence to the gold that was found in the 1870's. Today it acts as the administration location for the Etheridge Shire Council; it's a lovely country town with an abundance of historic remnants from pioneer times.

There are many interesting historical features in Georgetown, from the restored Shire Hall in St George Street (built in 1908 and restored in 1998), Savannah House, the restored ex-clerk of the Courts dwelling in the same street, the Masonic Temple, the Catholic Church (established in 1913), and the cemetery.

Another picturesque mining relic is found 20km west of the town, the Cumberland Chimney which is all that stands of the gold crushing plant.

The Council owned public swimming pool is open all year round in daylight hours and can be accessed by both residents and tourists free of charge.

Georgetown is also home to the Ted Elliot Mineral Collection which was founded by the Etheridge Shire Council in early 2003. The collection is the work of one man and houses over 4500 mineral specimens. The centre also is an accredited yellow Information centre.

For the gold prospector, Flat Creek Station is less than an hour from town, although it is still advisable to check with the Mining Registrar at the Georgetown Court House or at the TerrEstrial Centre for information regarding regulations and licensing requirements for fossicking.

The Etheridge Heritage Park has been developed in the centre of town and has a free electric BBQ amongst shaded trees with a modern public toilet block including a baby change station. There is also a signed walk around the town which is the 'Georgetown River Walk', this walk is ideal to unwind or to take in our local flora and fauna and native bird life.

about etheridge shire



EINASLEIGH

The township of Einasleigh, originally named Copperfield, was laid out in 1900 by the mining warden on a new township reserve established near the Einasleigh Company's copper mine. Although the company had been formed only in the previous year, already two hotels, a store, a billiard room, and butcher and baker shops were being built and funds were being collected for a school.

The town briefly became the largest population centre in the shire during construction of the Chillagoe Company's Etheridge Railway in the years 1907-10. After the closure of the mine in the 1920s, however, the township almost disappeared and was saved from extinction only by its location on the railway.

Found by Richard Daintree in 1866, the Einasleigh copper deposit was one of the earliest mineral discoveries in north Queensland. It was initially too remote to develop and was abandoned and virtually forgotten after Daintree's death.

The Chillagoe Company rediscovered the Einasleigh shaft when exploring the area and began developing it in 1900 through its subsidiary, the Einasleigh Copper Mines Company. A small blast furnace was erected for smelting in 1902, but until the opening of the Etheridge Railway in 1910 operations proved uneconomical because of high transport costs. The mine closed when the Chillagoe Smelters were shut down in 1914.

Acquired by the Queensland Government in 1919 as part of the assets of the Chillagoe Company, it returned to full production the following year, supplying the reopened Chillagoe Smelters. As the Einasleigh State Mine, it finally closed in 1922 as a result of depleted ore reserves and a post-war drop in the world copper price.

Einasleigh sits on the Eastern edge of the Newcastle Range, on the banks of the Copperfield River. Einasleigh is on the old Chillagoe to Forsayth railway. Once a Copper mining town, it is set among some unusual scenery with flat top hills that rise out of the grasslands

about etheridge shire



FORSAYTH

Forsayth lies at the end of the old Chillagoe to Forsayth railway, which was originally built to transport gold bearing ore from the Etheridge Goldfield to the crushing batteries of Chillagoe.

Historically rich, Forsayth is one of the few remaining towns of a large number which existed on the Etheridge Goldfields at the turn of the century. Gold nuggets are still found today by amateur prospectors using metal detectors.



Located south of Forsayth is Agate Creek, surrounded by towering sandstone walls, lies the mineral reserve which is set aside for agate fossickers. With rich colours and exceptional quality this area is considered to have some of the best specimens obtainable.

Agate Creek is not just for the prospector but for those interested in archaeology, geology, early European history, flora and fauna, photography and native bird life.



Also south of Forsayth is the well renowned Cobbold Gorge, this unique gorge is hidden away within the rugged sandstone formations of North Queensland. What makes Cobbold Unique from other gorges? This is an amazingly narrow gorge, closing to a sheer two meters in some sections, with magnificent thirty meter cliffs on either side. The gorge itself has a length of six kilometres and consists of many waterholes and rock falls, fortunately there is only 500 meters accessible by flat bottom boat.

OAK PARK/ KIDSTON

The community of Oak Park centres on the Oak Part Amateur Picnic Race Club which was formed in 1904. Facilities at Oak Park include private camping grounds, hot and cold showers, race track and a tennis court.



Located 64 kilometres South of the Lynd Junction, the Oak Park Community is a very close knit community accustomed to working together to host the Oak Park Picnic Races, a Melbourne Cup Luncheon, Christmas Party and monthly community social events.

Various training events and meetings are also held at Oak Park.

about etheridge shire



MT.SURPRISE

Ezra Firth took up Mount Surprise sheep run in 1861. Firth converted to cattle after selling his sheep profitably on the new Palmer River Goldfield in 1873. When the Etheridge Railway was built from Almaden to Forsayth in 1910, the Queensland Government resumed a section of the property for Mount Surprise Township. In the same year the Junction Creek telegraph office, built in 1871, was moved to the town.

Mount Surprise developed as an important cattle trucking and telegraph centre for the western section of the Tablelands. The town's importance was reduced as railway traffic from the mining and cattle industries declined in the 1930s. Reconditioning of the railway in 1951 and construction of the Gulf Development Road in the 1960s revitalized Mount Surprise as a livestock trucking centre and, more recently, a tourist stop.

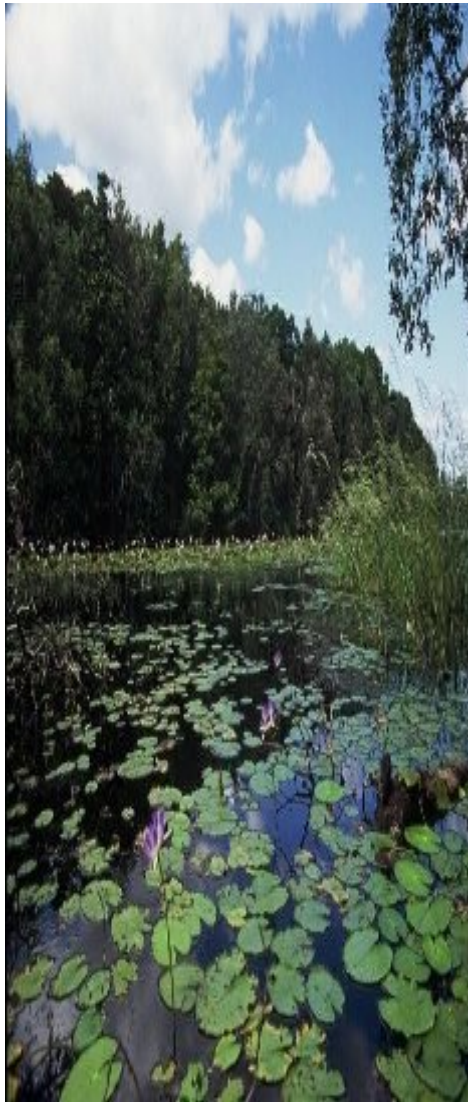
The Mount Surprise Hotel was one of two erected opposite the railway station about 1910 when Mount Surprise was established as a cattle trucking siding on the new Etheridge Railway.

It is the first town within the Gulf Savannah region encountered by visitors travelling from the east. The settlement lives up to its name with a range of adventures including tours to the nearby geological wonders such as the Undara Lava Tubes and fossicking expeditions to O'Brien's Creek.

The Undara Lava field which was caused by ancient volcanic eruptions in the McBride Plateau is now a thriving tourist destination.

For the professional rock hound or amateur collector Mount Surprise also has O'Brien's Creek a mere 37km north west of town. Established in 1995 by the Department of Mines and Energy with the help of the landholder and the Etheridge Shire Council it is now a renowned fossicking area.

message from the mayor



It is with pleasure that I advise the residents and ratepayers of Etheridge Shire Council that Council's operations, for the year ended 30th June 2010 have been in line with the goals set in the Corporate Plan and the provisions of the Operational Plan set for the 2009/2010 year.

The past year has seen some outstanding achievements in a time of great change and challenging times for local government in Queensland. I am very pleased with Council's performance over the past 12 months, and as a Council we have been united and working as a collaborative unit to improve the way we do business, and the way in which decisions are being made.

Over the past 12 months I have been continually working in collaboration with Regional and State Boards to seek more funding opportunities for the Shire and also for the Gulf Region.

Council is also working collaboratively with other Councils in the Gulf Savannah Region to achieve a consistent approach to obtaining additional revenue from the State and Federal Governments for shire roads and regional roads and also additional infrastructure within the Gulf region.

Shire residents would now hopefully have seen and felt the benefits of the new road construction method employed across the Shire. These methods along with sophisticated road maintenance programs have brought the quality of our roads to an unprecedented standard. It has been this Council's goal to spend ratepayer's money as wisely and intelligently as possible and I believe we are delivering our promise of value for money.

Council has been working extremely hard to ensure that those affected roads are rehabilitated to a better standard to ensure that any effects from floods have minimal impacts to our shire road network in the future.

The Gilbert River Irrigation project is gaining momentum, with a number of key meetings being conducted over the past 12 months with the State and Federal governments.

The new Einasleigh River Bridge on the Gulf Development Road is nearing completion and is expected to be open in early December 2010. This infrastructure project is essential to driving sustainable economic development and growth, lifting levels of productivity and boosting employment. This project was funded through the Federal Government's – Regional and Local Community Infrastructure Program and through this funding initiative has given the Gulf communities an all weather access and will provide future economic benefits to the gulf region.



message from the mayor



With the savings from the Einasleigh River Bridge, Council has been able to negotiate with the Federal Government to utilise the residual funds from the Regional and Local Community Infrastructure Program to construct a new bridge over the Copperfield River at the township of Einasleigh. This is an excellent outcome for Council and the community of Etheridge Shire. This project is well under way and is expected to be completed before the New Year.

On land related issues, Council is still in the process of developing approximately 40 residential allotments within Georgetown, approximately 11 rural residential allotments in Mt Surprise, and 5 residential allotments in Forsyth. Further land opportunities for our various communities are being investigated and discussed with the Department of Environment and Resource Management.

On closing, Local Government is continually being exposed to pressure to provide assistance and services which were previously the responsibility of State and Federal Government Departments. This is of course placing an increasing pressure on Councils finances and resources. Council has also been asked to participate at an unprecedented level in regional management issues to ensure that future access to vital resources such as water and development opportunities are available in the Shire. I am confident that we will have a great future and with the continual involvement of Council in planning and development on a regional basis, the area can look forward to an increase in development, population and wealth.

Since being elected Mayor of Etheridge Shire on March 15, 2008, I have been impressed by the professionalism of Council and its staff. Within this organisation is a strong commitment to serve our communities, effectively protect our natural environment and see our towns move forward responsibly.

On behalf of the Councillors and myself, I sincerely convey our thanks to all members of Council's staff for the achievements made to ensure that our goals were met.

Warren Devlin
MAYOR

message from the ceo



It is with pleasure that I provide this summary of Councils 2009/2010 operations.

With the continuing growth of both the Shire and its expanding role as a catalyst for economic development within the Gulf Savannah Region, the 2009/2010 financial year has seen Council working solidly to meet a myriad of diverse challenges. These challenges have included an increase in the area of major infrastructure provisions, planning and development, and the readiness of the new Local Government Act.

The Comprehensive Income Statement and Balance Sheet for the year ending 30th June 2010 reflects an accumulated surplus for the year of approximately \$ 12.334 million compared with last years actual of \$2.092 million.

Council continued to maintain a satisfactory financial position with depreciation fully funded in respect of buildings, houses, roads and infrastructure Assets.

Council needs to continue to work towards eliminating any future forecast operating deficits. Continuous deficits will affect Councils financial flexibility and could potentially transfer a liability to future ratepayers.

Council and staff must work together moving forward to:-

- Ensure a balanced or surplus operating position in all years;
- Develop management strategies to monitor risks associated with Councils large capital works programs; Review the appropriateness of the depreciation expense assumptions and methodology; and Conduct financial sustainability reviews as part of Councils regular review process.

Council's achievements in regards to its Corporate and Operational Plans have been delivered in accordance with Councils desire to provide quality services to the community whilst maintaining a realistic approach to the cost of providing such services. Once again some goals and projects have been delayed due to external issues beyond the control of Council.

message from the ceo



Over the past year Council and Senior Management have been committed to systematically reviewing our performance, practices and processes to continually improve the way we operate and to ensure adequate controls exist to mitigate risks, with the emphasis on compliance, economy, efficiency and effectiveness.

In conclusion, I would like to thank all staff for their contribution to our results and wish to extend my appreciation to the Mayor and Councillors for their assistance and cooperation and indeed the community of Etheridge for their support and confidence over the last year.

Les Edmiston
CHIEF EXECUTIVE OFFICER



our councillors



Mayor Cr Warren Devlin

A local businessman and bulk fuel depot operator, Warren has lived and worked in the region for many years in Mining, Tourism and Retail. A progressive and forward thinking man whose driving ambition is to see the shire grow and prosper during his term in office, and as a first term Mayor, Warren brings to the fore many fresh and innovative ideas to carry us into the future.



Deputy Mayor Cr Warren Bethel (appointed to Deputy Mayor as at 19 May 2010)

A grazier and Rodeo Stock Contractor who's family history dates back more than one hundred years in the Etheridge Shire. Previously a councilor with the Croydon Shire Council, Warren brings a balance of traditional rural skill and temperate modernization in his new role. Warren's strong interest to improve opportunities and skills for young people of the shire provides a much needed rural appreciation to the team.



our councillors



Cr Neil Butler

Local business owner and president of the Georgetown Golf Club and Georgetown Turf Racing Club, Neil grew up in the area and loves the country lifestyle. Having been a councilor for more than 7 years Neil has witnessed many changes and it is his long term experience and commitment to the Council that make him a greatly valued member of the team.



Cr George Ryan (Deputy Mayor from March 2009 to May 2010)

A grazier who's family has a long association with the Kidston area. George worked for the Kidston Gold Mine whilst building and improving his cattle property. His tough work ethic and a desire to create better life styles for the residents of the shire make him a strong driver in our team.

our councillors

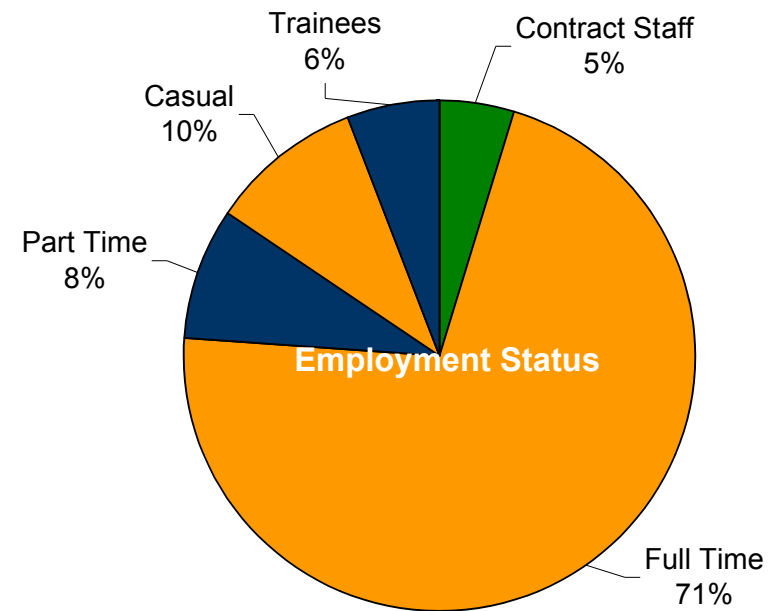
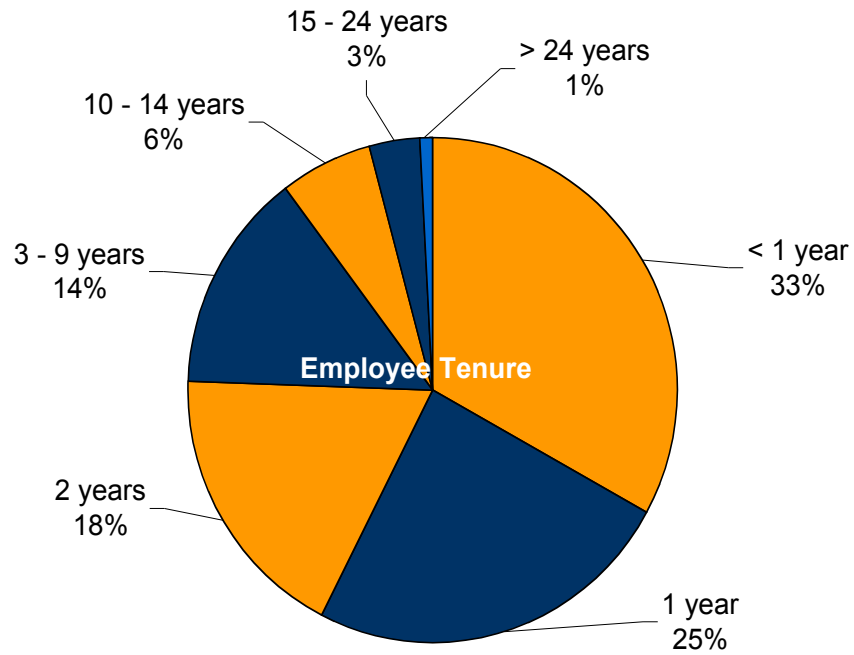


Cr Noeline Gross

Noeline moved to the region with her family several years ago as the General Manager of the Northern Gulf Resource Management Group, Noeline's dedication to the region and her standing in the community sets a new standard. Noeline brings with her many years of experience in dealing with Local and Federal Government issues and continues to contribute greatly in her new role with the Council.



our employees



our community financial report



Purpose

The Community Financial Report is produced each year as part of Council's annual report, to provide members of the community, customers, business partners and employees with a better understanding of Council's financial performance and position over the last financial year. The report uses plain language and pictorial aids such as graphs and tables to give all interested readers and stakeholders an easy to follow summary of the financial statements for the past financial year.

Summary of key financial performance indicators

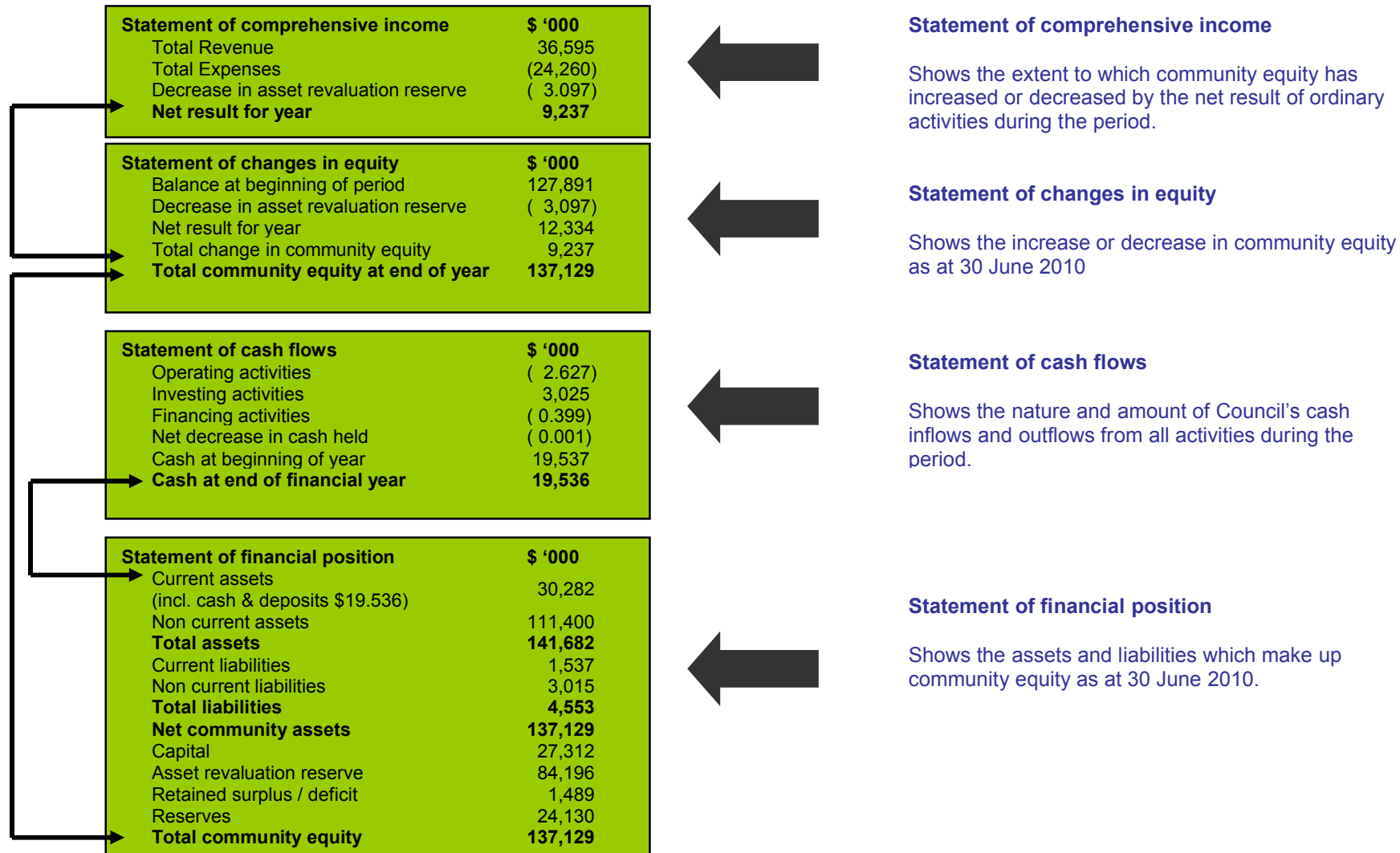
Like any well managed organisation, Council strategically aims to operate within a set of conservative financial parameters to ensure it is financially sustainable in both the short and long term. Council, as part of its financial strategy, has adopted several key financial performance indicators to guide the financial health of the organisation. Throughout the financial year, these indicators are calculated and reported to monthly Council meetings as part of a full suite of financial reports. Should there be any deviation outside these parameters, the executive management and Council will be fully informed to take corrective action if required.

The following table summarises how Council performed against set targets for the key financial performance indicators established in its financial strategy. In summary, Council achieved or bettered all financial targets, performing strongly in its ability to generate cash from day to day operations, meeting all financial commitments in the financial year and keeping debt to manageable levels. This was achieved while still maintaining the ongoing investment in community infrastructure and services.

financial health indicator

	Target	Actual Performance
Level of dependence of rate revenue	$\geq 10\%$	5.13%
Ability to pay our bills (current ratio & or liquidity ratio)	1 : 1	19.7 : 1
Cash balance	$\geq \$1.80 \text{ m to } \2.0 m	\$19.536 million
Sustainability ratio	$> 1\%$	1.77%

our community financial report



The purpose and interrelation of our four key financial statements (Statement of comprehensive income, Statement of changes in equity, Statement of financial position and Statement of cash flows) is set out in the diagram above, with the full statements and accompanying notes included in "our financial report".

our community financial report



Information at a glance

Below is a series of tables and graphs that illustrates Council's major sources of revenue and expenses in addition to the value of Council's assets and liabilities. Comparisons are made between the 2009/10 and 2008/09 financial years.

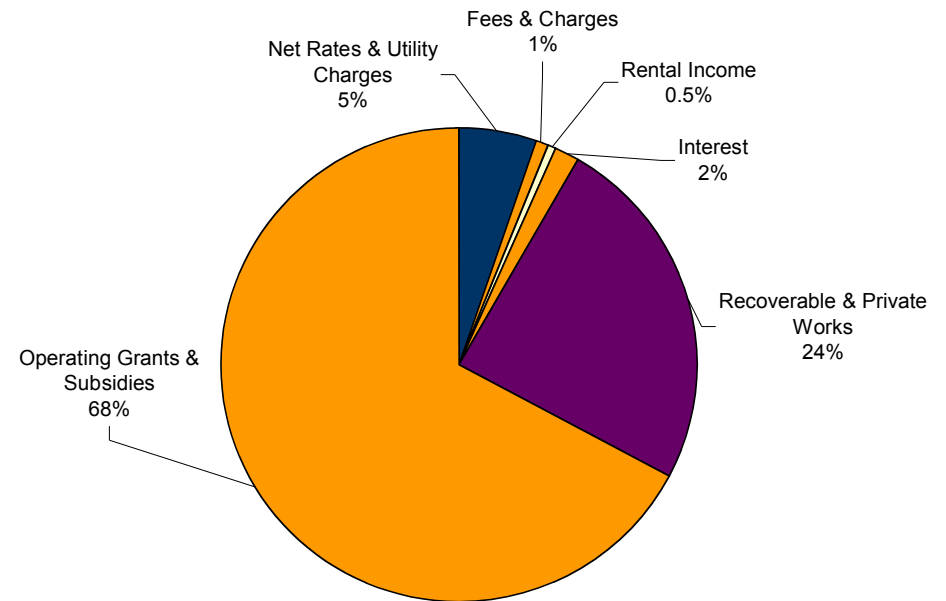
	2009/10 (000's)	2008/09 (000's)
Total revenue	36,782	24,012
Total operating revenue	36,055	23,517
Total operating expenses	24,447	21,926
Loan interest costs	201	31

Total income received was \$36.782 million. In comparison to the 2008/09 financial year, revenue increased from \$24.012 million, a 34% increase.

Rates and utilities income comprised of \$1.851 million, which equates to 5% of total revenue. Recoverable and private Works income comprised of \$8.721 million, which equates to 24% of total revenue. The major source of income was Operating Grants & Subsidies comprising of \$24.252 million, which equates to 68% of total revenue.

Council earned \$0.668 million or 2% of total revenue from interest on investments and overdue rates during the financial year.

**What were the major sources of income to Council?
(Comprehensive Income Statement)**



our community financial report



What expenses did Council have to meet? (Comprehensive Income Statement)

Etheridge Shire Council's operating expenses for the 2009/10 financial year totalled \$24.216 million, and increase of 9% from the previous years' expense total of \$21.926. The reason for the increase is due to expenditure pertaining to the Einasleigh River Bridge.

The associated graph illustrates the breakdown of operating expenses between the major categories materials and services, employee costs, finance costs and depreciation.

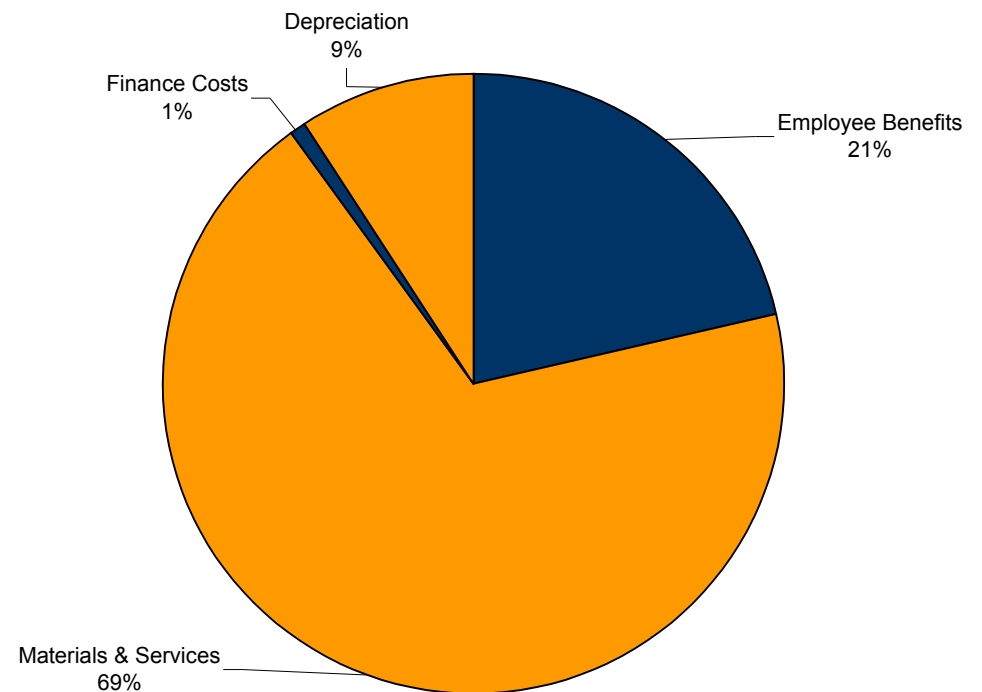
The largest expense Council has to meet was the payment to suppliers for materials and services \$16.618 million or 69% of total costs, employee benefits \$5.177 million or 21% of total costs and depreciation \$2.214 million or 9% of total costs.

Material and services cost is a very large category of expenses and includes, consultancy, contractor and materials consumed in delivering projects and services to the community including roads, parks, water, footpaths, libraries, pools, sports fields, community halls and town planning just to name a few.

Employee costs includes wages and salaries, annual leave, superannuation, remuneration and allowances paid to elected members.

Depreciation expenses refer to the estimated run down in the value of Council assets due to wear and tear or becoming out of date technically. This includes roads & drainage infrastructure, water infrastructure, buildings and plant and equipment.

Where did our money go?



our community financial report



What is the value of the community's assets in Council's care? (Statement of Financial Position)

	2009-10	2008-09
	\$ million	\$ million
Total Assets	141.683	137.492
Total Liabilities	4.553	9.600
Cash Held	19.536	19.537
Loan Borrowings	3.159	3.559

See financial statements 'Statement of Financial Position' for more information

The value of all assets controlled by Council totaled \$141.683 million at 30 June 2010. This figure is broken down between current assets of \$29.855 million (21%) and non-current assets of \$111.827 million (79%).

Current assets are those that are readily available to meet expenses and include mainly cash and amounts owed from customers. Cash assets were \$19.536 million and receivables from customers \$9.203 million at the end of the 2009-10 financial year.

Council's property plant and equipment assets of \$111.827 million include freehold land, buildings, roadwork's and drainage, water, plant and equipment and other infrastructure assets.

Liabilities or amounts owing at 30 June 2010 totaled 4.553 million. The largest single debt that Council owed at 30 June 2010 was to Queensland Treasury Corporation (QTC), the state government-owned lending agency from which most local governments and state authorities borrow to finance their large scale infrastructure projects. At the end of the financial year, Council owed QTC a total of \$3.159 million, after repaying \$0.413 million in principal off the various loans during the financial year.

our community financial report



What were the major sources of cash in and cash out? (Statement of Cash Flows)

The table below outlines the main sources of cash receipts and applications of cash payments between 1 July 2009 and 30 June 2010.

	2009-10 \$ million	2008-09 \$ million
Net cash inflow (outflow) from operating activities	3.779	6.010
Net cash inflow (outflow) from investing activities	(3.381)	(3.490)
Net cash inflow (outflow) from financing activities	(0.399)	3.072
Net increase (decrease) in cash held	(0.001)	5.591
Cash at beginning of reporting period	19.537	13.945
Cash at end of reporting period	19.536	19.537

The cash flow statement is summarized into three activities:

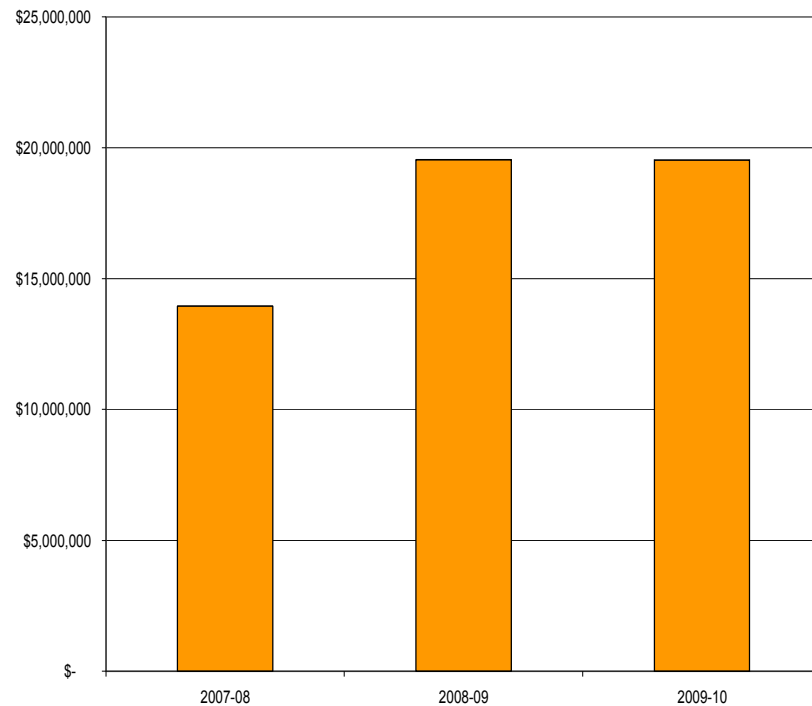
- Operating activities, which are normal day-to-day functions of Council. These include receipts of rates, fees and charges and operating grants offset by payments for employees' costs, materials and services and interest costs.
- Investing activities, which include payments for the purchase and construction of property, plant and equipment and proceeds for the sale of surplus assets.
- Financing activities, which are repayments of principal on Council's loans, as well as the inflows from new loans drawn down in the year.

Council started the 2009-10 financial year with \$19.537 million total cash in the bank and ended the year with \$19.536 million, exceeding the target for cash held.

our community financial report



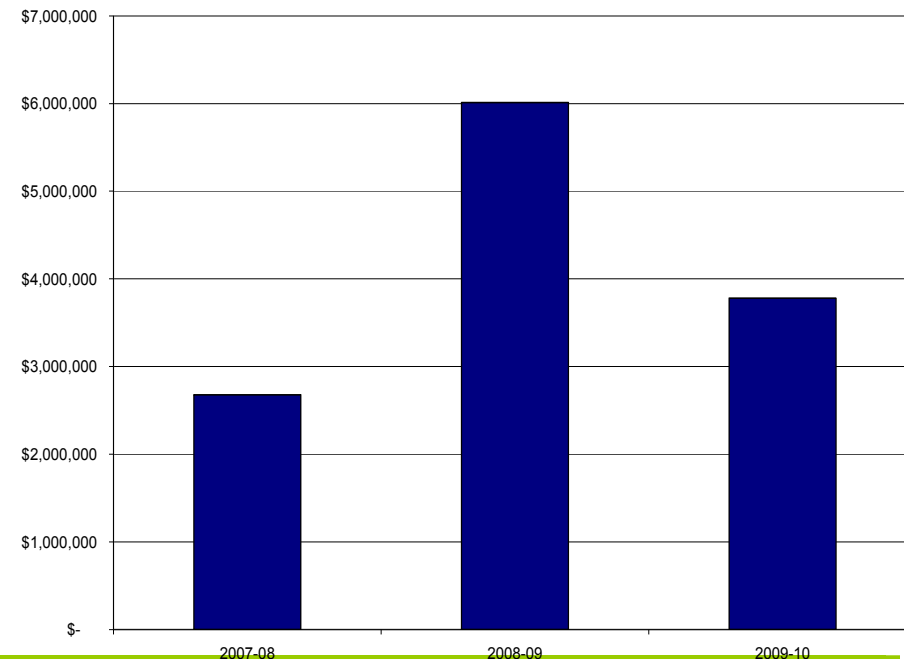
The following graph shows Council's total cash holdings for the past three years



Cash Position from 2007-08 to 2009-10

To maintain its strong financial position on behalf of the community, Council must make enough cash from its day to day operations to fund purchases of property, plant and equipment, repay interest and principal payments on loans and leave enough in reserve for future requirements.

The graph below shows the level of net cash Council has been generating from normal day-to-day operations over the past three years.

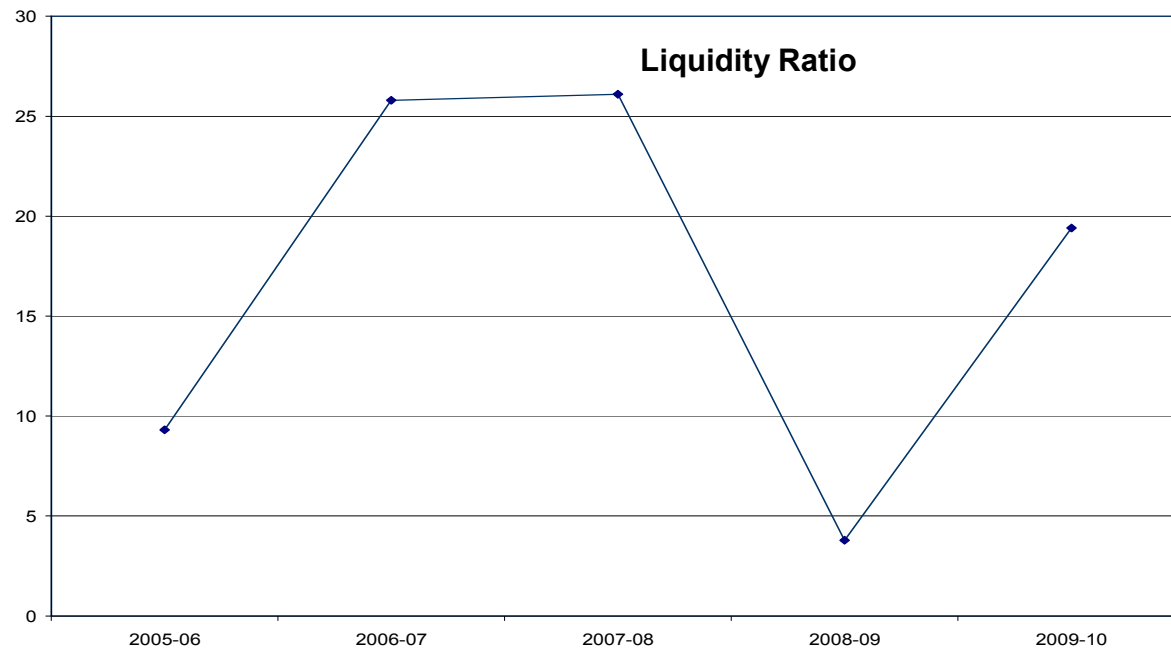


our community financial report



An essential requirement for any business, including Council, is its ability to pay bills as when they fall due. A good benchmark for measuring this capacity is called the current asset ratio which is the ratio of current assets to current liabilities.

The following diagram illustrates that the ratio has been greater than 1 for the past four years reaching a healthy level of 19.4 in 2009-10.



our community financial report



Key Performance Measures (Financial Ratios)

Ratio	Definition	Information	Target	Result 2009/2010
Working capital ratio	Current assets divided by current liabilities expressed as 1: X, where X = CA/CL.	This is an indicator of the management of working capital (short term financial capital). Measures the extent to which a council has liquid assets available to meet short term financial obligations.	greater than 1:1	19.5 : 1
Operating surplus ratio	Net operating surplus divided by total operating revenue. Expressed as a percentage.	This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes. The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of general and other rates net of (excluding) rate rebates. A positive ratio indicates the percentage of total rates available to help fund proposed capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt.	between 0% and 15%	0.34%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue. Expressed as a percentage.	This is an indicator of the extent to which the net financial liabilities of a Council can be serviced by its operating revenues. A ratio greater than zero (positive) indicates that total liabilities exceed current assets. These net liabilities must be serviced using operating revenues. A positive value less than 60 per cent indicates the council has the capacity to fund the liabilities and appears to have the capacity to increase its loan borrowings. A positive value greater than 60 per cent indicates the council has limited capacity to increase its loan borrowings. A ratio less than zero (negative) indicate that current assets exceed total liabilities and therefore the council appears to have the capacity to increase its loan borrowings.	Not greater than 60%.	- 71%

our community financial report



Key Performance Measures (Financial Ratios)

Ratio	Definition	Information	Target	Result 2009/2010
Interest coverage ratio	Net interest expense on debt service divided by total operating revenue. Expressed as a %.	This ratio indicates the extent to which a council's operating revenues are committed to interest expenses. As principal repayments are not operating expenses, this ratio demonstrates the extent to which operating revenues are being used to meet the financing charges associated with debt servicing obligations.	Between 0% and 10%.	0.55%
Asset consumption ratio	Written down value of infrastructure assets divided by gross current replacement cost of infrastructure assets. Expressed as a %.	The average proportion of as new value remaining in the infrastructure assets. This ratio shows the written down current value of a council's depreciable assets relative to their as new value in up to date prices. This ratio seeks to highlight the aged condition of a council's stock of physical assets.	Between 40% and 80%	85%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense. Expressed as a %.	This is an approximation of the extent to which the infrastructure assets managed by the council are being replaced as these reach the end of their useful lives. Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period. Capital expenditure on renewals (replacing assets that the council already has) is an indicator of the extent to which the infrastructure assets are being replaced. This ratio indicates whether a council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.	greater than 90%	177%

Summary

During the 2009-10 financial year, Etheridge Shire Council once again delivered a large program of operational and capital works to the work. Council achieved this result while still meeting the financial sustainability indicators. Council continued to meet all financial commitments and keep debt at manageable levels. Council continued to generate sufficient cash from its day to day operations in order to meet its financial commitments throughout the financial year. Your Council is in a moderate to strong financial position to deliver the planned program of projects and services throughout the 2010-11 financial year.

key statistics



Key Statistics



key statistics



Key statistics – 3 year trend

	2009-10 \$ million's	2008-09 \$ million's	2007-08 \$ million's
Rate revenue (net)	1.851	1.755	1.066
Interest Received	0.669	0.937	1.001
Operating Revenue	36.055	23.517	10.250
Capital Revenue	0.726	0.494	0.251
Operating Surplus	12.334	2.092	0.162
Total Assets (W.D.V)	111.400	113.549	98.250
Shire Capital	27.315	27.284	26.301
Total Liabilities	4.553	9.600	1.189
Total Equity	137.129	127.891	113.715
Reserves	24.130	13.152	13.066
Number of rateable properties	794	787	787
Unimproved Capital Value	152.376	109.394	109.394

key statistics

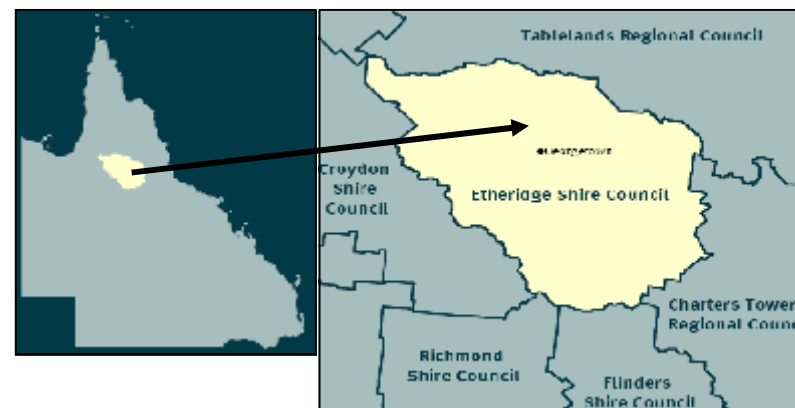


Population Statistics

The preliminary estimated resident population of Etheridge Shire Council at 30 June 2008 was 932 people.

Projections prepared by the State Government indicate that by 2016 the expected population of Etheridge Shire Council will be between 760 and 980 people. By 2031 this is expected to change to between 730 to 1,190 people.

The median age of Etheridge Shire Council's population is projected to increase by 15 years from a median age of 39 years in 2006 up to a median age of 54 years in 2031.



Population Projections

Population Trends

Year at 30 June	Est. Resident Population
2002	995
2003	965
2004	922
2005	911
2006	900
2007	937
2008	932

	Projected Population		
	Low	Medium	High
2011	813	876	929
2016	767	883	970
2021	747	900	1,026
2026	741	929	1,098
2031	737	968	1,184

Etheridge Shire Council covers part of Queensland's outback Gulf Savannah region and is bordered by Tablelands & Charters Towers Regional Council's, Flinders, Richmond, Croydon & Carpentaria Shire Councils.

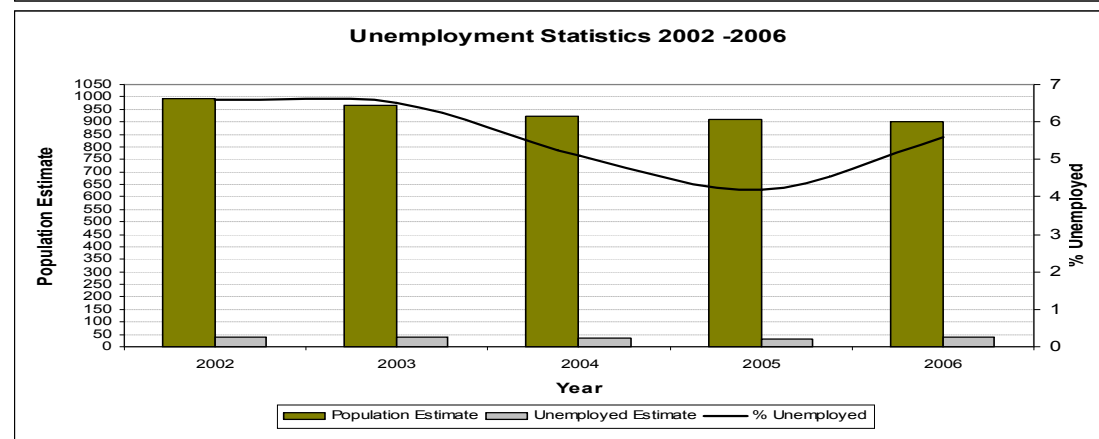
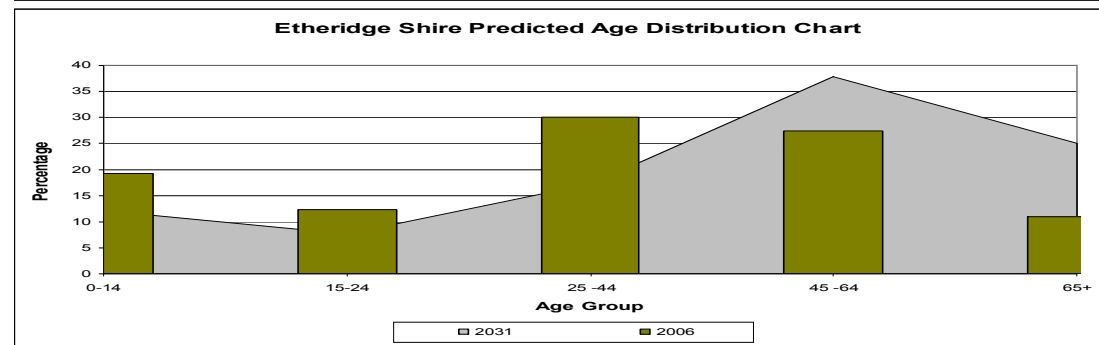
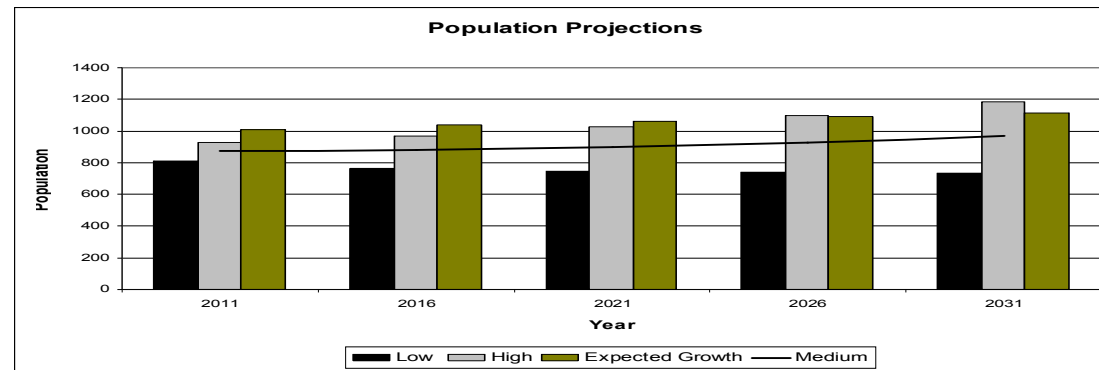
Main Industries:

Mining
Agriculture (beef, small crops)
Tourism

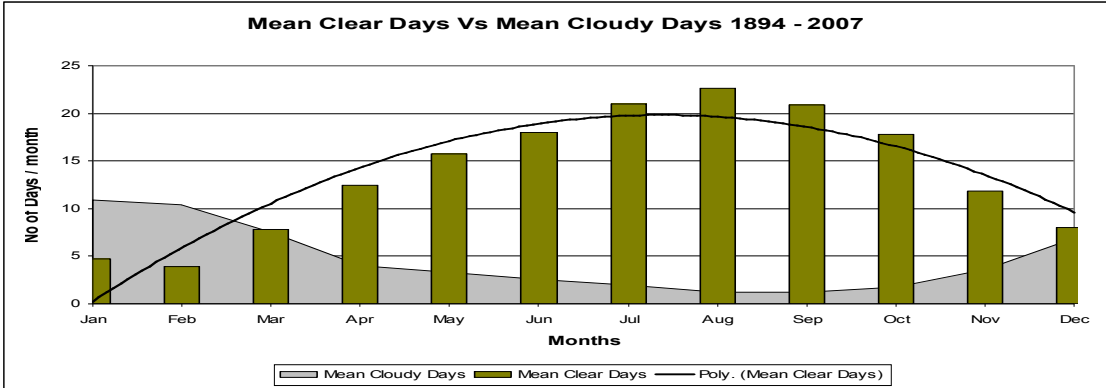
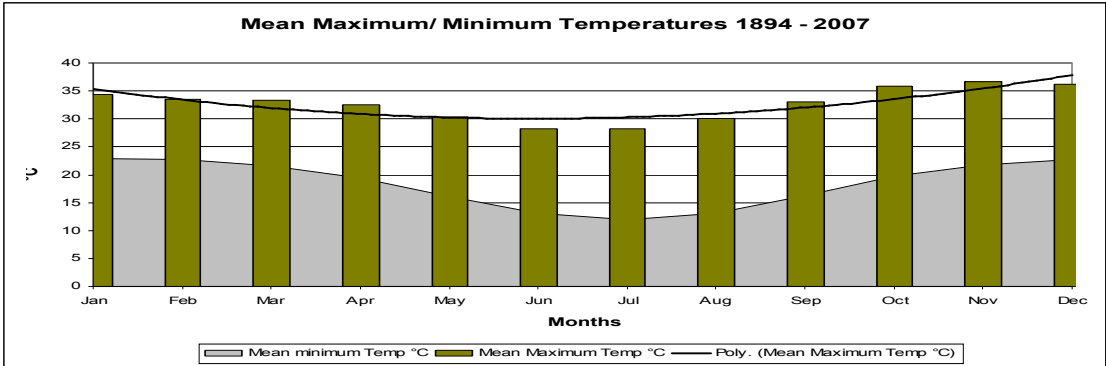
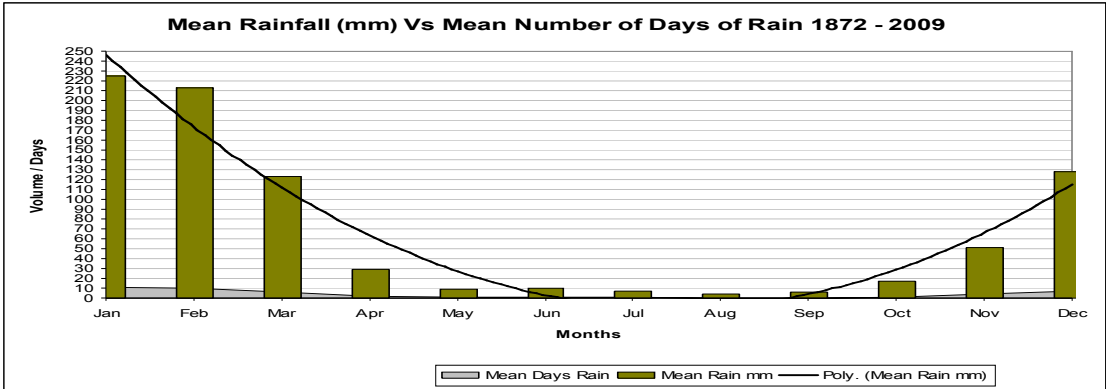
Main Townships:

Georgetown Mt Surpsie
Forsayth Einasleigh
Kidston Oak Park

key statistics



key statistics



corporate governance



Corporate Governance



corporate governance



General Meetings of Council

The General Meeting of Council is responsible for managing the business of Council. Council must ensure decision making that supports the achievement of the community vision and the corporate plan in accordance with the Local Government Act 1993 and other legislation.

The Local Government Act requires elected members to declare any material personal interests, in matters before Council and to remove themselves from any discussions or decision making on that matter. For a Councillor to have a material personal interest there must be an expectation of personal benefit gain or loss for the Councillor or an associate. A register listing Councillors material personal interests is maintained.

Councillors Code of Conduct

It is so important the Community has confidence in its Council and Councillors. The Local Government Act 1993 sets out specific rules Councillors must follow to ensure transparency and accountability, particularly in relation to receiving gifts and conflicts of interest.

Consultation with the community showed that people want repercussions for Councillors who behave inappropriately during the day-to-day business of Council.

Amendments to the Local Government Act 1993 which were passed into law on 31 May 2005 provided a regulatory framework for the adoption and enforcement of Councillor Codes of Conduct in Queensland.

Etheridge Shire Council has adopted the Councillor Code of Conduct in accordance with the procedures set down in the Act and further that Councils existing Code of Conduct was rescinded.

The Code provides Councillors with a frame of reference about their roles, obligations and acceptable behavioural standards.

The following statistics are required to be reported in accordance with the requirements of Section 534(1)(n) of the Local Government Act 1993 for the Councillors Code of Conduct and Section 501E(1)(j) of the Act for General Complaints.

corporate governance



During 2009/2010 financial year;

- I. There were no breaches of the Local Government’s Code of Conduct committed by Council;
- II. No names need to be reported as none of the Councillors breached the code;
- III. There were no complaints about alleged code of conduct breaches by Councillors that were referred to the conduct review panel during the year;
- IV. There were no recommendations made by the conduct review panel;
- V. There were no complaints resolved under the Local Governments General Complaints process during the year and there were no complaints that related to an alleged breach by a Councillor under the Local Government’s Code of Conduct;
- VI. There were no complaints made to the ombudsman during the year about decisions made by the Council in relation to enforcement of its Code of Conduct

Remuneration to Councillors

Council resolved on 20 January 2010 in accordance with S.236A of the Local Government Act 1993 to provide remuneration to the Mayor and Councillors in accordance with the Local Government Remuneration Tribunal Report.

Council resolved on 22 January 2009 to adopt the Transitional Expenses Reimbursement Policy for Local Government Councillors as developed by the Department of Local Government.

Councillors Meeting Attendance and Remuneration—2009/10

Councillor	Meetings Attended	Remuneration 2009/10
Cr Warren Devlin	12	\$57,818.73
Cr Warren Bethel	13	\$21,788.40
Cr George Ryan	12	\$46,340.16
Cr Neil Butler	13	\$18,615.00
Cr Noeline Gross	10	\$19,277.18

corporate governance



Employee Code of Conduct

The Employee Code of Conduct assists Council in maintaining public trust and confidence in the integrity and professionalism of its employees by ensuring all employees maintain and enhance Councils reputation.

Employees are required to display the personal and professional behaviours that could be reasonably expected from persons holding positions that serve the community. More specifically, it requires employees to perform professional duties with care, skill, fairness and diligence. Employees are required to engage in ethical conduct, treat all others with courtesy, respect and with due regard to the rights of others.

The Code of Conduct is taken into account in the development and preparation of Councils Policies and guidelines. All new employees are provided with training regarding their obligations under the Code of Conduct. Any alleged breaches of the code are investigated in accordance with Councils guidelines.

External Audit

Council is audited annually by either the State Government's Queensland Audit Office or a duly authorised representative of the Queensland Audit Office.

This provides a statutory mechanism for external review of Councils financial operations and other corporate matters affecting the sound management of the organisation.

Council has received an "Unqualified Audit" Report for 2009-2010.

Tenders

Changes to Tenders in accordance with S.488(2) of the LGA 1993

Council had no occasion to invite tenderers to change their submissions in the manner contemplated in the Act.

Expressions of Interest in Accordance with S.489(1) of the LGA 1993

Council had no occasion to call for Expressions of Interests in accordance with Section 489(1) of the Local Government Act 1993 during the financial year.

corporate governance



Revenue Policy

Differential Rating System

Council has used Differential General Rates for some years and including – Rural Rate, Urban Rate – Durham, Einasleigh and Georgetown, Urban Rate – Forsayth, Urban Rate – Mt Surprise.

Council recognises that different classes of landholder have different needs and requirements for services and facilities and that Council will incur different levels of cost in providing these things.

In common with other local governments, Etheridge Shire Council has moved much of the way from cash based accounting systems to systems that provide better measurements. This process is complete although depreciation still remains a contentious issue. At this stage of development, it has not been possible to identify with any great precision exactly what the differences between levels of cost are. Indeed, it is considered probable that a lot of time and expenses could be devoted to gathering data to support a decision and to find that subjective judgments remained necessary in order to allocate large blocks of expense.

Council believes that the existing distribution of the rate burden is generally equitable as it reflects incremental changes going back over very many years, as well as the results of many years of accounting by financial division.

Minimum Rate

Council proposes therefore to levy differential rates and to ensure that the rate burden is distributed in similar fashion to the pattern in recent years. It will continue to gather data and to consider this information in order to further refine this process. In this regard, Council uses Unimproved Capital Value (UCV) as determined by Department of Natural Resources (DNR) to distribute the rate burden, this being consistent across the shire, in all rate categories.

In order to ensure that different classes of landholder make an equitable contribution and to recover some of the costs associated with maintaining separate land records, Council will adopt a minimum rate for each class of differential rate.

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Special Rates & Charges

A Special Waste Management Charge shall be applied for the provision of waste management services in the urban areas of the Towns of Forsayth (Rate Group 3), Einasleigh (Rate Group 2) and Mt Surprise (Rate Group 5) as follows:-

- a) Council will levy a Waste Management Charge on the owner of each parcel of **occupied land or occupied** structure within the area of the Towns of Forsayth, Einasleigh and Mt Surprise. Such special charges will be levied equally on all such **occupied parcels or occupied structures**.
- b) Council considers that the occupied land contained within the areas defined above receives an equal special benefit from access to the waste management facilities. Council also considers that the benefit is shared equally by all **occupied parcels of land and occupied structures** regardless of the value of such land.
- c) The costs incurred in the operation and maintenance of all of the waste management functions of the Towns of Forsayth, Einasleigh and Mt Surprise will be substantially funded by these cleansing charges however Council may determine to subsidise the service in view of the high costs of this service provision and the undue hardship that may result if full cost recovery was sought from the service charges.

Waste Management Charge - 116.82

Utility Charges – Water Services – Georgetown

A utility charge will be applied for the supply of water services to the town of Georgetown (Rate Group 4) and any surrounding properties in the Rural Rate Group 6 which are connected to the town water supply system.

Water Charges shall be applied on a user pays basis utilising a Two Part Tariff System comprising a Water Base Access Charge Georgetown plus a Water Consumption Charge Georgetown for each kilolitre (1000 litres) of water used. Whilst the aim of the charges will generally be to achieve full cost recovery, Council may decide not the set charges to achieve full cost recovery due to the following 2 factors.

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- 1) The poor economies of scale associated with small water supply systems and the resultant costs to consumers should full costing be applied and
- 2) As some of the Water Infrastructure has been fully funded from SCAP grants, it is expected that under current Government policy grants of approximately 80% of replacement cost will be available when this infrastructure requires replacement. Therefore it would be inappropriate for ratepayers to fund the replacement of this funded water infrastructure for which grants are expected to be available. The remaining 20% of the infrastructure will be funded from other revenue sources at the time the infrastructure requires replacement.

It is the view of Council that it is equitable for all properties within the water areas to contribute to the fixed costs of the water supply operation by way of the Access Charge, while the Consumption Charge for all water consumed conforms to user pays principles.

The Access Charge for each separately connected parcel of land within the water area (including Council owned or controlled land) shall be based upon the size of the service connection to such land. Such charges will be based on a base charge per unit with a standard 20mm service connection equating to 20 units. The Schedule of units applicable to different size meters shall be, unless exempted or reduced by Council resolution.

Because of the generally reduced level of use of water facilities by Religious, Charitable and Community Organisations, such organisations shall be levied 50% of the Annual Access Charge applicable. Water Consumption Charges however will not attract any subsidy. The approved Religious, Charitable and Community Organisations in Georgetown are The Roman Catholic Diocese of Cairns, The Corporation of the Synod of the Carpentaria Diocese, The Queensland Country Women's Association and the William Wallace Lodge No 64 of the Ancient Free and Accepted Masons of Queensland.

Properties with more than one service connection shall be required to pay the applicable Access Charge for each such connection. Where, in the opinion of the Director of Engineering Services, a larger than normally required water meter is fitted in order to allow for adequate pressure at a premises because of the substandard nature of the mains at that location, then the Chief Executive Officer may reduce the base access charges applicable for the connection down to the base access charge applicable to the next lowest category meter. (for example; a 50mm connection could be reduced to a 40mm connection).

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An Unconnected Water Base Access Charge Georgetown shall apply to each unconnected parcel of land within the water area not currently connected to the reticulation system where Council is able to provide a connection. As the ongoing costs of providing the capacity for connection to each unconnected site is not considered to be the same as for a connected site (as there is no meter maintenance involved) the Unconnected Access Charge shall be equivalent to one half the Access Charge for a 20mm Service Connection.

In setting the charges at the time of establishing a Council budget each year the following principles shall be used:-

- Access Charge to be based on the anticipated ongoing costs of providing, maintaining and improving the reservoir and reticulation system.
- Consumption Charge to be based on anticipated recurrent short term costs incurred in the maintenance and operations of pumping and treatment systems (including water quality testing).

Council may determine to charge a lesser charge for the first 700 kilolitres per 6 month billing cycle and fund any resultant shortfall from a mix of General Revenue Grants in recognition of the poor economies of scale applicable to providing water to townships in the region and the hardship that would result in seeking full cost recovery for these services. Water use of more than 700 kilolitres per 6 months will be charged at a higher rate per kilolitre to ensure that fuller cost recovery is achieved for amounts considered as excessive.

Utility Charges – Water Services - Forsayth

A utility charge will be applied for the supply of water services to the town of Forsayth (Rate Group 3) and any surrounding properties in the Rural Rate Group 6 which are connected to the town water supply system. Water Charges shall be applied on a user pays basis utilising a Two Part Tariff System comprising a Water Access Charge Forsayth plus a Water Consumption Charge Forsayth for each kilolitre (1000 litres) of water used. Whilst the aim of the charges will be to achieve full cost recovery Council will vary this at budget time bearing in mind the poor economy of scale associated with small water supply systems and the resultant costs to consumers should full costing be applied.

It is the view of Council that it is equitable for all properties within the water areas to contribute to the fixed costs of the water supply operation by way of the Access Charge, while the Consumption Charge for all water consumed conforms with user pays principles.

corporate governance



The Access Charge for each separately connected parcel of land within the water area (Including Council owned or controlled land) shall be based upon the size of the service connection to such land. Such charges will be based on a base charge per unit with a standard 20mm service connection equating to 20 units. The Schedule of units applicable to different size meters shall be, unless exempted or reduced by Council resolution.

Because of the generally reduced level of use of water facilities by Religious, Charitable and Community Organisations, such organisations shall be levied 50% of the Access Charge applicable. Water Consumption Charges will not attract any rebate. The approved Religious, Charitable and Community Organisations in Forsayth are The Roman Catholic Diocese of Cairns, The Corporation of the Synod of the Carpentaria Diocese and The Queensland Country Women's Association.

Properties with more than one service connection shall be required to pay the applicable Access Charge for each such connection. Where, in the opinion of the Director of Engineering Services, a larger than normally required water meter is fitted in order to allow for adequate pressure at a premises because of the substandard nature of the mains at that location, then the Chief Executive Officer may reduce the base charges applicable at that connection down to the base charge applicable to the next lowest category meter. (for eg a 50mm connection could be reduced to a 40mm connection).

An Unconnected Access Charge Forsayth shall apply to each unconnected parcel of land within the water area not currently connected to the reticulation system where Council is able to provide a connection. As the ongoing costs of providing the capacity for connection to each unconnected site is not considered to be the same as for a connected site (as there is no meter maintenance involved) the Unconnected Access Charge shall be equivalent to one half the Access Charge for a 20mm Service Connection. In setting the charges at the time of establishing a Council budget each year the following principles shall be used:-

- | | |
|--------------------|--|
| Access Charge | to be based on the anticipated ongoing costs of providing, maintaining and improving the reservoir and reticulation system. |
| Consumption Charge | to be based on anticipated recurrent short term costs incurred in the maintenance and operations of pumping and treatment systems (including water quality testing). |

Council may determine to charge a lesser charge for the first 700 kilolitres per 6 month billing cycle and fund any resultant shortfall from a mix of General Revenue Grants in recognition of the poor economies of scale applicable to providing water to townships in the region and the hardship that would result in seeking full cost recovery for these services. Water use of more than 700 kilolitres per 6 months will be charged at a higher rate per kilolitre to ensure that fuller cost recovery is achieved for amounts considered as excessive.

corporate governance



Utility Charge – Cleansing - Georgetown

Council will levy a Cleansing Charge Georgetown on the owner of each parcel of **occupied land or occupied structure** within the area of the Town of Georgetown and on such other lands outside of the Town of Georgetown where a collection service is supplied by Council. Council shall supply each such parcel of occupied land or occupied structure with a separate 240 litre mobile bin for collection purposes.

Annual charges for the collection of each 240 litre bin will be based on the frequency of collection of such bin and the number of such bins collected in the normal course of rubbish collection.

Rubbish collection frequency for bins shall be once per week.

Where a service is provided for part of the year it shall be levied on a pro-rata basis calculated in minimum stops of three months of the applicable charge. Where a service is discontinued during the year the levy shall be credited on a pro-rata basis calculated in maximum stops of one month of the applicable charge. The period for calculating any such credit or refund shall commence from the date of receipt of written advice by Council of the cessation of such use or occupation of the land or structure.

The costs incurred in the operation and maintenance of all of the waste management functions of the town of Georgetown (including rubbish collection activities) will be substantially funded by these cleansing charges however Council may determine to subsidise the service in view of the high costs of this service provision and the undue hardship that may result if full cost recovery was sought from the service charges.

Interest

Interest on arrears will be calculated at the maximum rate applicable as set by the Local Government Act 1993 (currently 11%), shall be applied on all overdue rates and charges including water consumption levies. Interest shall be applied and be payable from and including the day after rates and charges become due, i.e. from the day after the close of the discount period for rate notices. Interest on water consumption charges shall be applied to such charges unpaid after the 30 day period allowed for payment on the notice has expired.

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Rebates and Concessions

Council will allow 15% discount on the general rates, utility charge - cleansing, water utility charges, provided that full payment of both the current year's levies and any prior years levies (arrears) is received by Council on or before the due date for discount specified on the rate notice.

No Prompt Payment Discount is applicable to the following Charges:

- a) Special Waste Management Charge
- b) Water Consumption Charges-Georgetown and Forsayth

Council Pensioner Remissions

Council will allow a remission of 50% of the total of General Rates, Cleansing Utility Charges, Water Utility Annual Access Charges, Special Charges Waste Management and Special Charges to qualifying pensioners only subject to a maximum remission of two and one half times the maximum State Government Pensioner Rate Subsidy allowable in the year.

Currently the maximum State Government Pensioner Rate Subsidy is \$180 per annum so the comparative maximum Council Pensioner Remission is \$450 per annum.

Other matters concerning Rates and Charges

Collection of Outstanding Rates and Charges

Council requires payment of rates and charges within the specified period and it is Council's policy to actively pursue the collection of outstanding rates and charges, subject to the exercise of due concern for financial hardship that some members of the community may face from time to time.

To this end Council has established administrative procedures that allow payment of rates by instalments and for the selection of various options including legal action for the recovery of debts.

Payments in Advance

Payments in advance by way of lump sum or instalments will be accepted. Interest is not payable on any credit balances held.

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New Development - Funding of Associated Physical and Social Infrastructure Costs

Council does not encounter major or significant land developments in the Shire area on a frequent enough basis to warrant the establishment of a detailed developer contribution policy. Any new land development will be considered on its merits as and when it occurs and in accordance with relevant legislation at that time.

Operating Capability Outcomes

Council has a strong demand for improved infrastructure in the Shire and in order to finance this infrastructure, needs to increase its operating capability. Council will therefore seek to maintain its operating expenses at a level that allows it to achieve an excess of income over expenses in order to increase its operating capability.

Depreciation and Non Cash Expenses

Council will fully fund depreciation by a combination of rates and charges and the allocation of part of the General Purpose Grants received by Council with the exception of depreciation relating to Water Supply Infrastructure which has been constructed with 100% SCAP grants.

The reason for not funding depreciation on these assets is that Council expects that grants totalling approximately 80% of the replacement value of the infrastructure will be available at the time the infrastructure requires replacement.

This expectation is based on the assumption that State Government will continue its present policy of providing approximately 80% of grants funding towards the provision of Water Infrastructure in rural and remote regions. Therefore it would be inappropriate to fund the full replacement cost of these SCAP funded assets out of rates or General Purpose Grants. Other non cash expenses such as provisions for employee entitlements will be fully funded at the time that they become due and payable.

Provisions

Council's accounts show due provision for leave and employment entitlements. The funds necessary to satisfy future needs are held as part of investments.

corporate governance



Borrowing Policy Borrowing Strategies

To minimise the amount of debt, all new borrowing will be restricted to funding projects which are

- a. unusual by nature of their large size, infrequency of occurrence of long term benefits.
- b. will generate a cash flow to create a cash stream to contribute to repayment of the interest and principal.

To minimise the amount of debt, borrowing for general road works, plant and equipment and other minor capital works will be used only where such works cannot be reasonably funded from existing reserves or other operational surpluses.

To minimise the ongoing cost of debt Council will continue to utilise the services of Queensland Treasury Corporation (QTC) for managing existing debt and financing any new borrowing.

To utilise the benefits of Council's borrowing capacity, whilst minimising the resultant debt servicing costs, extensions of Rural Electrification Schemes or similar such schemes, when Council enters into such schemes, will be financed by borrowing for a maximum five to seven year period to allow repayments via Special Rates on benefited properties to be spread over that period. Such borrowing will be carried out of an individual debt pool for such project with Queensland Treasury Corporation.

To minimise the annual cost of debt servicing new borrowing will be taken out for the maximum allowable term allowable by Queensland Treasury for the class of asset for which the funds are borrowed, provided that the period of the loan is not to exceed the estimated life of the asset.

When seeking long-term funding for the construction of infrastructure assets, Council will, wherever possible, avail itself of its own internal reserves (where such utilisation would not cause any financial impediment to the Reserves' requirements). Where internal reserves are utilised the following is to apply:

- Interest will be payable to the reserve at the existing ten (10) year loan borrowing interest rate at the time of borrowing, on the reducing balance of the amount borrowed.
- Principal repayments will be made (together with interest) on a half yearly basis on 31 December and 30 June each year.
- The annual principal repayments will be the equivalent of one-tenth of the original principal amount borrowed.
- Repayments of the outstanding balances may be made at any time during the 10 year period when funds are made available for such purposes. The repayments will be at the face value of the outstanding amount.

corporate governance



Existing Borrowings

Details of Council's existing borrowings, including the purpose of the loans, the sum originally borrowed, the outstanding balance and the period over which it is planned to repay the borrowings are shown in the table below:

Etheridge Shire Council

Budget Interest and Redemption by Fund and Function

	A	B	C	D	C(1)	D (A-D+C(1))
FUNCTION DESCRIPTION	EST BOOK DEBT BALANCE 30/06/2010	QTC INTEREST	QTC ADMIN	QTC REDEMPTION	NEW ADVANCES	EST BOOK DEBT BALANCE 30/06/2011
WATER FUNCTIONS	132,018.	7,831	127.05	4,745	0	127,273
DEPOT FUNCTIONS	314,807	19,467	307.18	25,932	0	288,875
PLANT FUNCTIONS	2,783,917	155,661	2,726.65	381,297	0	2,402,620
TOTAL ALL FUNDS	3,260,768	182,959	3,160.88	411,974	0	2,818,768



registers and documents

Register	Comments
Personal Interest of Councillors	Records certain financial and other personal interests of Councillors. Available on written request. Councillors affected must be notified by Chief Executive Officer
Personal Interest of Councillors related persons	Restricted access – Councillors
Personal Interests of Chief Executive Officer and certain other senior staff.	Restricted access – Councillors and limited range of others permitted by law.
Minutes of Council Meetings	Available to any person ten days after the Council Meeting.
Delegation of Authority to Mayor or Chief Executive Officer	Available to any person.
Corporate and Operational Plans	Available to any person.
Budget	Available to any person.
Statements of Accounts	Available to any person.
Annual Report	Available to any person.
Road Register	Available to any person.
General Charges	Available to any person.
Delegations of Authority made by Chief Executive Officer.	Available to any person.
Land Record	Available to any person. A fee is required except for a person's own land or adjoining blocks.
Local laws and Local Law Policies	Available to any person.
Town Planning and planning documents – as prescribed under the Integrated Planning Act 1993 (and the earlier Act)	The <i>Integrated Planning Act 1993</i> requires a local government to make a comprehensive range of documents available for inspection and (generally) for purchase. These documents are described in Section 5.7 of the Act.
Code of Conduct for Councillors	Available to any person.



reportable issues



reportable issues



Issues required to be reported on by the Local Government Finance Standards 2005

1. Purchasing Policy

Council has in place a purchasing policy to comply with the amendments set out in Section 481 of the Local Government Act 1993. Council has undertaken a number of reviews of this policy since its inception and changes to the Local Government Act 1993.

Council's purchasing policy outlines different procedures to be followed in the purchase of goods.

1. Items from \$1 to \$15,000 in value;
2. Items from \$15,001 to \$150,000 in value;
3. Items in excess of \$150,001 in value; and
4. Exemptions apply in accordance with Section 486 of the Local Government Act 1993.

2. Internal Audit and Audit Committee

Council passed a resolution in February 2005 (Resolution No. 205/G27) to appoint an Internal Auditor pursuant to Section 6 of the Local Government Finance Standard 2005.

Council passed a resolution in February 2005 (Resolution No. 205/G05) to establish an Audit Committee pursuant to Section 7 of the Local Government Finance Standard 2005.

3. Land and Roads prescribed not to have a value

Etheridge Shire Council has control of:

1. 6,689 hectares of reserve land under the Land Act 1994. (Includes Reserves for Parks, Recreation, Water Supply, Rubbish Disposal and Local Government Purposes); and
2. 1,797.1 km of Roads. This land does not have a value in the financial statements.

reportable issues



4. National Competition Policy

Activities to which the Code of Competitive Conduct applies.

A “business activity” of a Local Government is divided into two categories:

a) Roads business activity means.

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

b) Business activity means.

- i) Trading in goods and services to clients in competition with the private sector; or
- ii) Submission of a competitive tender in the Local Government’s own tendering process in competition with others for the provision of goods and services to itself.

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

These business activities are referred to as type 3 activities.

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

The Council has resolved not to apply the CCC to the following activities.

- Plant Hire
- Waste Services
- Road Services
- Water Services

reportable issues



5. Principles of Financial Management

To comply with statutory requirements outlined in the Local Government Finance Standard 2005, Council continually takes into consideration the five principles of financial management while at the same time bearing in mind the financial constraints imposed by local economic conditions which are a result of long term drought, commodity prices and the restricted capacity of ratepayers to meet any additional financial commitment.

The financial result for year ending 30 June 2010 and the Auditors Report reflect the effectiveness of the operation of internal control.

The depreciation of non current assets and the amount of funded depreciation demonstrates Council's awareness of the need to have regard for the equity between people presently living in the area and between different generations. Council's corporate and operations plans set out their aims and objectives which together with the implementation of strategic management results in Council becoming very conscious of the importance of ensuring that every effort is made to achieve efficient, effective and proper management of the Local Government in the interests of all people living in the area, and the planning for those who will live in the area in the future.

Additional Matters Required for Reporting under the Local Government Finance Standard 2005—(Section 24)

Amendments to the Local Government Finance Standard 2005 were introduced as at 1 July 2005.

Section 24 of the Local Government Finance Standard 2005 states –

“A Local Government's annual report for a financial year starting on or after 1 July 2006 must contain”

The details for overseas travel undertaken during the financial year by a Councillor or Employee of the Local Government.

A summary of its expenditure for the financial year, for each of the following –

- a) Services rendered by a consultant, summarized by reference to categories of service;
- b) Entertainment or Hospitality Services;
- c) Advertising;
- d) Grants to Community Organisations

The following information is provided below to satisfy the requirements under Section 24(1)(a) &(b) of the Local Government Finance Standard 2005.

reportable issues



Overseas Travel

During the 2009 - 2010 financial year there was no overseas travel undertaken by a Councillor and or an Employee of Etheridge Shire Council for business purposes.

Advertising

Council's Policy on "Advertising Expenditure" is in accordance with the requirements under Section 10 of the Local Government Finance Standard 2005. Council may incur expenditure for advertising only if –

- the advertising is for providing information or education to the public;
- the information or education is provided in the public interest; and
- the advertising falls into one of the categories set out below.

Acceptable uses of the Council money for advertising are:

- I. To advise the public of a new or continuing service or facility provided by the Council;
- II. To advise the public about changes to an existing service or facility provided by the Council;
- III. To increase the use of a service or facility provided by the Council on a commercial basis with a view to profit;
- IV. To change the behaviour of people in the Council's area for the benefit of all or some of the community or to achieve the objectives of the Council;
- V. To advise the public of the time, place and content of scheduled meetings of the Council;
- VI. To advise the public of the decisions made by the Council at its meetings;
- VII. To request comment on proposed policies or activities of the Council; and
- VIII. To advertise matters required by legislation to be advertised.

During the 2009 - 2010 financial year, Etheridge Shire Council expensed a total of **\$ 23,100.00** on advertising.

reportable issues



Entertainment or Hospitality Services

The definition of Entertainment or Hospitality Services in the Local Government Finance Standard 2005 is not intended to be an exclusive definition. Merely to ensure certain items are included.

For the purpose of this reporting requirement the following will be regarded as entertainment or hospitality where the cost is borne by Council.

- The provision of food or drink other than as a commercial transaction for full payment;
- The provision of a performance other than as a commercial transaction for full payment;
- Attendance by a councillor or employee of the local government at a function as part of the councillor's or employee's official duties or obligations as a councillor or employee of the Council.

For the 2009 - 2010 financial year, Council spent a total of **\$ 4,217.22** on Entertainment and or Hospitality in accordance with Councils Policy and the Local Government Finance Standard 2005.

Grants to Community Organisations

During the 2009 - 2010 financial year, Council did not implement this policy within its Community Services Section.

Council provides Community Assistance through other mediums such as –

- Community Assistance Donations;
- Concessions to Community Groups through Rating

recognition & awards



recognition & awards



recognition & awards



Council Service Delivery – *Infrastructure Development*

About the category award

Since its inception in 2008, the Regional and Local Community Infrastructure Program (RLCIP) through the Nation Building Economic Stimulus Plan has made more than \$1 billion available to local government authorities to build and modernise community infrastructure. To date, it has delivered more than 3,300 small and large scale projects.

This award recognises innovative RLCIP infrastructure projects that meet the future needs of their community through supporting and creating jobs and contributing to quality of life in the community.

The role of local government in infrastructure development

Local Government plans, develops and maintains key infrastructure for its communities, such as local roads, bridges, footpaths, water and sewerage (in some states), drainage, waste disposal and public buildings. Local Government also has planning responsibilities that affect the provision of infrastructure, whether by government or by business. These responsibilities include rezoning of land, subdivision approval, and town and environmental planning, development assessment and building regulation. Local Government also provides a range of social infrastructure such as recreational and cultural facilities and in smaller communities, through its leadership; it makes a major contribution to human capital infrastructure.



Category Winner - *Infrastructure Development Award* (small council, under 15,000 rateable properties) **Einisleigh River Bridge**

What is unique about this project is the collaborative method by which Etheridge Shire Council obtained its funding for this important local infrastructure. Council obtained the support of its neighbouring shires and communities to lodge an application to the Federal Government under the Regional and Local Community Infrastructure Program.

This project is one of the first projects to connect all tiers of government working collaboratively together. The Einisleigh River Bridge is a State Government asset, which needed to be upgraded to allow for all-weather access to enable the movement of goods and services to the Gulf communities all year round as the old bridge flooded during the monsoon season.

recognition & awards



The Bridge – The new Einasleigh River Bridge comprises of:-

- 416 metre x 8 metre high x 9 metre wide, two lane concrete structure on 900 mm diameter columns with rock protected embankment and road approaches joining into the existing Gulf Development Road. A large saving in cost has been realised by the innovative use of pre-cast concrete elements to reduce on-site works in this remote area.
- Delivery of fresh concrete to the site involves a 5 hour round trip from the nearest supplier, and therefore to extend the life of the concrete “Retarders and Superplasticizers” were added to the mixture

Previous development plans for the Gulf Region have emphasised that the fortunes of the Gulf will depend fundamentally on the continuing development and diversifications of its resource based industries.

All of these opportunities will be facilitated by replacing the Einasleigh River Bridge which is the weak link on the Gulf Development Road.

- The economic viability of the Gilbert River Irrigation area in the Etheridge Shire would be significantly enhanced through improved transport corridors, particularly removing the seasonal closures into the region caused by flooding. The Gulf Regional Water Advisory Committee has said that the potential benefits of irrigation projects to the local populace could, with careful planning, be at least equivalent to other existing industries such as cattle and mining.
- Improving seasonal access to the region by a higher bridge over the Einasleigh River would open up much of the region to green “wet” season tourism. The seasonality of the Gulf Tourism Industry is a major impediment to development of the industry and greatly impacts on the viability of tourism operators in the Gulf whose season is restricted by access issues.

Infrastructure projects are essential to driving sustainable economic development and growth, lifting levels of productivity and boosting employment. This project was funded through the Federal Government’s – Regional and Local Community Infrastructure Program. This funding initiative has given the Gulf communities an all weather access, provided future economic benefits, provided much needed economic stimulus to the region which has been greatly impacted by the Global Financial Crisis.

recognition & awards

