



# 2018/19 Annual Report



## Banana Shire Council

## CONTENTS

Council Contacts	1
Vision, Mission Statement & Values	2
Australia Day Awards	3 - 5
Shire Profile	6 - 7
Council Services, Shire Statistics & Map	8
Sister Shire	9
Native Title	10 - 11
Council Structure	12
Councillors	
– Elected Members	13 -14
– Representation on Committees	15 -18
– Remuneration & Superannuation	19
– Expenses & Facilities Provided	20 - 21
– Meeting Attendance	22
– Overseas Travel	22
– Conduct & Performance	23 - 24
Administrative Action Complaints	25 - 27
Community Grants & Discretionary Funds	28
Mayor's Message	29 - 30
Chief Executive Officer's Report	31 - 32
Employees	
– Senior Management	33
– Overseas Travel	33
Corporate Planning	
– Corporate & Operational Plans - Assessment of Implementation	34
– Operation and Performance – Other Issues	35
– Key Strategies	36 - 40

---

– Key Actions	41
<b>Corporate Strategy 1 - GOVERNANCE</b>	
– Governance and Administration	42 - 43
– Human Resource Management	44
– Workforce Statistics	45
– Learning and Development	46 - 47
– Work Health and Safety	48
– Records Management	49
– Information and Communication Technology	50
– Community Development	51 - 56
– Customer Service	57
– Financial Services	58
– Stores and Procurement	58
– Disaster Management	59 - 60
<b>Corporate Strategy 2 – SOCIAL WELLBEING</b>	
– Art Collection & Exhibition	61 - 63
– Shire Promotion - Focus	64
– Library	65 - 69
– Community Resource Centre	70 - 72
– RADF-Regional Arts Development Fund	73
– HACC - Home and Community Care	74
– Parks & Open Spaces	75 - 78
– Environmental Health Services	79 - 80
– Cemeteries	81
– Animal Control	81 - 82
<b>Corporate Strategy 3 – ENVIRONMENT</b>	
– Land Protection	
○ Invasive Pest Control	83 - 84
○ Stock and Stock Route Management	84

---



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○ Washdown Facilities	84
○ Tick Clearing	84
Corporate Strategy 4 – ECONOMIC	
– Development Services	
○ Town Planning	85 - 86
○ Plumbing	87
○ Building	87
○ Swimming Pool Certification	87
– Tourism Development	88
– Economic Development	
○ Broad Direction	89
○ Economic Development Management	89
○ Industrial Summit	89 - 90
○ Future Intentions and Projects	90
Corporate Strategy 5 – INFRASTRUCTURE	
– Water Supply & Sewerage	91 - 92
– Built Environment	93
– Infrastructure Services	
○ Infrastructure Technology	94
• Survey & Design	94
• Strategic Planning	94 - 95
• Operational Works	95
○ Infrastructure Delivery (Roads)	
• Project Delivery and Infrastructure Maintenance	
➤ Capital Works	96 - 101
– Waste	102 - 105
– Aerodromes	106
– Plant	107

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## Other Matters

– Beneficial Enterprises, Business Activities, Commercial Business Units	108
– Joint Local Government	109
– Invitations to Change Tenders	109
– Registers	110
– Financial Assistance Grants	111 - 112
– Concessions on Rates and Charges	113
– Internal Audit	113
– Competitive Neutrality	114
– Ethics	115

## Financial Statements

– General Purpose Financial Statement	116
– Current Year Financial Sustainability Statement	116
– Long Term Financial Sustainability Statement	116
– Auditor General's Report about the General Purpose Financial Statement	116
– Community Financial Report	117-123
– Valuation of Non-Current Physical Assets	124
– Borrowings & Debt	125 - 126
– Annual Financial Report	127 - end

## Council Contacts

**Email:** [enquiries@banana.qld.gov.au](mailto:enquiries@banana.qld.gov.au)

**Web Page:** [www.banana.qld.gov.au](http://www.banana.qld.gov.au)

Location	Telephone	Hours of Operation
<b>Administration Centre</b> 62 Valentine Plains Road Biloela Qld 4715	Telephone: 4992 9500 Fax: 4992 3493	8.00 am – 5.00 pm Monday to Friday
<b>ON CALL - (After Hours Only)</b>		
Works		0408 067 196
Water & Sewerage		
➤ Maintenance: All reticulated sites excl Taroom, Theodore & Cracow		0417 641 994
➤ Water Quality: Baralaba, Biloela, Callide Dam, Goovigen, Thangool, Wowan		0418 787 033
➤ Water Quality: Banana & Moura		0419 021 584
➤ Water Quality & Maintenance: Taroom		0409 376 344
➤ Water Quality & Maintenance: Cracow & Theodore		0418 986 107
➤ Sewer Maintenance: Biloela & Moura		0417 641 994
Dog Attacks		0448 701 140
Stock Routes		0427 148 783
<b>Other Centres</b>		
Taroom Office 18 Yaldwyn Street Taroom Qld 4420	Telephone: 4992 9500	8.00 am – 5.00 pm Monday to Friday
Moura Office 43 Gillespie Street Moura Qld 4718	Telephone: 4992 9500	8.30 am – 12.00 noon & 1.00 pm – 4.30 pm Monday to Friday
Community Resource Centre 102 Rainbow Street Biloela Qld 4715	Telephone: 4992 7360 Fax: 4992 9502	9.00 am – 5.00 pm Monday to Friday
Biloela Library Cnr Grevillea & Melton Streets Biloela Qld 4715	Telephone: 4992 7362 Fax: 4992 4725	9.00 am – 5.30 pm Monday to Wednesday 9.00 am – 7.00 pm Thursday 9.00 am – 5.30 pm Friday 9.15 am – 1.00 pm Saturday
Moura Library McArthur Street Moura Qld 4718	Telephone: 4997 3197	9.30 am – 12 noon & 1.00 pm – 5.30 pm Tuesday, Wednesday & Thursday 9.30 am – 12.30 pm Saturday
Taroom Library 24 Yaldwyn Street Taroom Qld 4420	Telephone: 4627 3355	9.30 am – 1.00 pm & 2.00 pm – 5.00 pm Tuesday, Thursday & Friday
Theodore Library The Boulevard Theodore Qld 4719	Telephone: 4993 1229	1.00 pm – 5.00 pm Thursday 9.00 am – 12.00 pm Saturday

**Mobile Library** - The Banana Shire Mobile Library visits the townships of Banana, Baralaba, Cracow, Dululu, Goovigen, Jambin and Wowan. It also visits several schools in the Banana Shire. The timetable is on a fortnightly basis. Copies are available at all Shire Libraries and on Council's website.

## Vision, Mission Statement & Values

### Our Vision

*“Shire of Opportunity”*

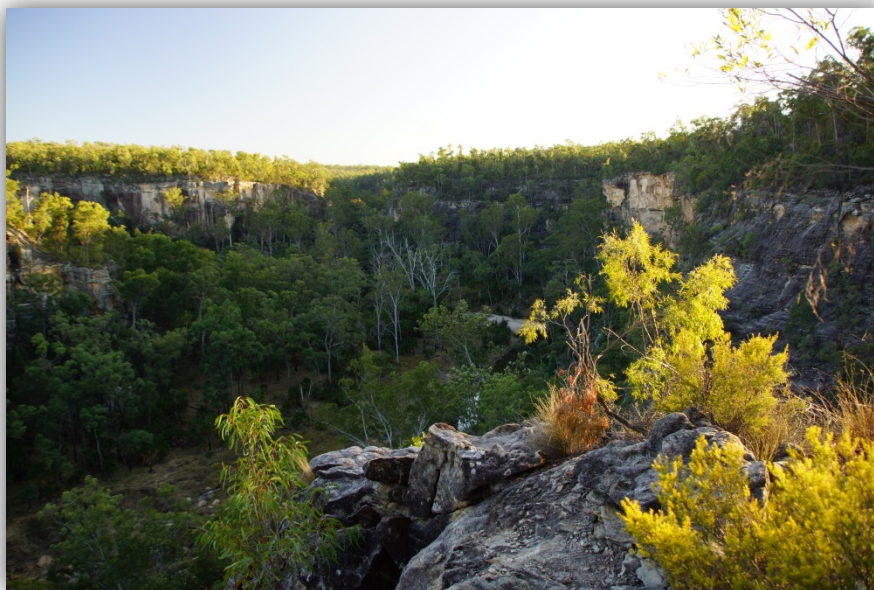
“To improve the quality of life for our communities through the delivery of efficient, effective and sustainable services and facilities”

### Our Mission Statement

Our Council is committed to promoting and striving for continuous improvement in all that we do, for the benefit and growth of the whole of our Shire.

### Our Values

- Advocacy for our people
- Effective and responsive leadership
- Integrity and mutual respect
- Honesty, equity and consistency in all aspects of Council's operations
- Quality of service to our citizens
- Work constructively together, in the spirit of teamwork
- Sustainable growth and development



## Australia Day Awards 2019

### Recognising our achievers

Congratulations to the Thangool Community on hosting the outstanding Australia Day celebrations this year at the Thangool Race Track. Huge crowds were in attendance to enjoy the family fun on offer and to congratulate award winners and nominees for the Banana Shire Australia Day Awards.

Thirty-seven nominations were received across nine of the ten categories in the Australia Day Awards with several nominees receiving multiple nominations.



2019 Citizen of the Year Winner – Debra Elliott pictured with Mayor Nev Ferrier.

2019 Australia Day Awards	
Citizen of the Year Award	Debra Elliott (Winner)
	Angela Fredericks
	Brian Hanna
	Kenneth John Walker
	Robert Price

AUSTRALIA DAY





<b>Young Citizen of the Year Award</b>	<b>Caitlyn Donohoe (Winner)</b>
	Amelija Swaffer-Selff
<b>Volunteer Award</b>	<b>Allan Tappin (Winner)</b>
	Dorothy Vernon
	Edwina Devine
	Gregory Shearer
	Jessica Stevens
	Kenneth John Walker
	Kevin Brackley
	Robert Price
<b>Cultural Award</b>	<b>Sarah Larsen (Winner)</b>
<b>Junior Cultural Award</b>	<b>Katelyn Ninness (Winner)</b>
	Caitlyn Donohoe
<b>Senior Sportsperson</b>	<b>Ryan Yanko (Winner)</b>
	Marina Wright
<b>Junior Sportsperson</b>	<b>Samuel Atwell (Winner)</b>
	Paige Mallet
<b>Sports Coach, Official and/or Administrator</b>	<i>No nominations received</i>
<b>Community Group or Team</b>	<b>Rotary Club of Biloela (Winner)</b>
	Biloela Bandits Men's Fours Team
	Biloela Junior Cricket Association
	Moura Community Progress Inc
	Team Biloela – Tour de Cure and Cycling for a Cure
	Theodore Sports and Recreation Association



<b>Community Event of the Year Award</b>	<b>Nu-Tank presents Broncos vs Capras Rugby League Day (Winner)</b>
	2018 Autofeste
	2018 Banana Shire Australia Day Celebrations
	Baralaba Saratoga Classic Fishing Competition
	Baralaba State School Centenary
	Moura Miners' Memorial Official Opening
	Thangool Cup Race Day



2019 Citizen of the Year Nominees pictured with Mayor Nev Ferrier.



## Profile of the Banana Shire

Banana Shire has a rich history and a strong future built on the back of grazing and cropping agricultural enterprises and the continuing expansion and development of mining, gas and manufacturing industries.

The region opened up in 1853 when sheep stations were established in the region and the township of Banana appeared in 1881 with a population of 122 people.

Today sheep have been replaced by a wide variety of beef cattle breeds, open country has been cultivated for the production of wheat, sorghum and legume crops while the flood plains along the Dawson River produce fertile ground and easy access to irrigation for cotton.

The key to Banana Shire's economic success has been its diversity.

Coal was first discovered in 1860, but not mined until the 1920s when the underground mine at Baralaba opened. Coal deposits in the Callide Basin near Biloela were opened up in 1945 and in the Bowen Basin near Moura in 1950. Over the years gold was discovered and mined at Cracow, coal seam gas wells put down in the Dawson Valley, meat processing facilities and power generating plants established at Biloela - all diluting the region's reliance on the agricultural sector.

A number of speciality agricultural enterprises have also prospered in recent times with redclaw crayfish production, herbs and spices and squab (meat pigeon) processing all selling to southern markets.

Banana Shire is located in Central Queensland, Australia and covers 28,577 square kilometres with a sparsely spread population of 15,209 people.

The majority of these people live within the mix of larger towns and rural villages that service the agricultural and resource sectors.

Biloela is the largest community, with a population of 5,800 and is home to the Shire's administration centre. It is the dormitory town for the Callide Power Stations, Callide and Boundary Hill coal mines and Tey's Bros Meatworks and is the main service centre for the Callide Valley boasting a number of retail and service businesses.

Moura has a population of 1,700 and serves the mining and rural industries of the area. It is the home of the Dawson coal mine and also the second largest grain depot in Queensland. Also located adjacent to Moura is the Queensland Cotton processing gin, Queensland Nitrates ammonium nitrate manufacturing plant and significant gas resources.

Taroom has a population of 580 and is richly endowed with natural attractions, thriving rural sector and range of quality community and business facilities.





Theodore, with a population of 450, supports a diverse rural community with its main industries being cotton growing and saw milling.

Other centres besides these four significant urban centres include Thangool, population 300 and Baralaba population 260, Banana, Dululu, Goovigen, Jambin, Wowan and Cracow.

The Shire supports 2559 registered businesses, nine public primary schools, three public P10- schools, two state high schools, one private primary school and one private P-10 school, one Central Queensland University centre, most mainstream Christian churches and their associated groups, five public hospitals, and a number of popular sports. Biloela also has a high standard PCYC complex.

Banana Shire provides a variety of recreation, employment, education and lifestyle options. Sport and recreation play a major role in the lifestyle of Banana Shire residents with over 390 community and sporting groups to choose from. See Councils website [www.banana.qld.gov.au](http://www.banana.qld.gov.au)

Numerous natural and man-made attractions make Banana Shire region an ideal tourist destination.

The magnificent gorges and sandstone vistas of the Isla Gorge and Expedition Nation Park, beautifully carved by wind and water are a must see. There is something serenely special about sitting among the palms that line sections of the Dawson River, watching as the water slowly flows north. You cannot surpass the magically enchanting Mt Scoria or the breathtaking scenery from up on Kroombit Tops National Park. For fishing enthusiasts there is nothing better than hooking a large barramundi in Lake Callide and topping off a day on the water with a feed of redclaw crayfish.

For everything there is to do in the Banana Shire visit our Sandstone Wonders website provides the full picture, [www.sandstonewonders.com](http://www.sandstonewonders.com). Here you can download our detailed self-drive trails and town maps.

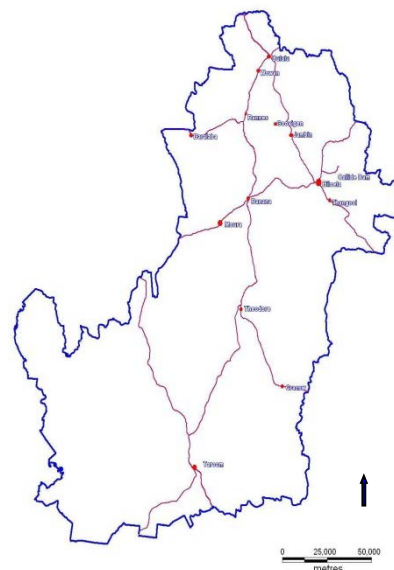




## Council Services

### Road Network:

State	838 km
Council – Sealed	1,123 km
– Unsealed	2,885 km
Aerodromes – Certified	4,008 km
– Other	3
Water Treatment Plants	3
Sewerage Treatment Plants	5
Public Swimming Pools	4
Community Centres/Halls	3
Community Resource Centre	6
Libraries	1
Mobile Library	4
	1



## Shire Statistics

- Area 28,577 km<sup>2</sup>
- Population 14,291
- Main Administration Centre Biloela
- Other Towns & Villages Banana, Baralaba, Cracow, Dululu, Goovigen, Jambin, Moura, Taroom, Thangool, Theodore & Wowan

### The major industrial activities contributing to the economy of the Banana Shire include:

- Electricity Production
- Coal and Coal Seam Gas Production
- Ammonium Nitrate Production
- Livestock Production
- Crop Production
- Gold Mining

## Schools

Banana	Banana State School
Baralaba	Baralaba P-10 State School
Biloela	Biloela State School
	Biloela State High School
	Redeemer P-12 School
	St Joseph's Primary School
Goovigen	Goovigen State School
Jambin	Jambin State School
Moura	Moura State School
	Moura State High School
Taroom	Taroom P-10 State School
Thangool	Thangool State School
Theodore	Theodore P-10 State School
Wowan	Wowan State School
Rural	Mount Murchison State School
	Prospect Creek State School



## Sister Shire

The Sister Shire agreement between Banana Shire and Boulouparis in New Caledonia reached a significant milestone in March 2018.

The Twinning Agreement recently celebrated its 20<sup>th</sup> anniversary and the past two decades have been beneficial for both local government organisations.

The Commune of Boulouparis is located on the island nation of New Caledonia, a French Territory due east of Mackay, about two hours flying time from Brisbane.

Boulouparis is 862 square kilometres in area with a population of 3005 people.

[Source: National Institute of Statistics and Economic Studies France (web), Institute of Statistics and Economic Studies New Caledonia (web)].



The Sister City relationship was the brainchild of former Banana Shire Councillor Tom Hosking who fostered the relationship during the early years and ensured its success by coordinating the initial delegations and visits.

In the early stages trade agreements, particularly based around grain and seed, helped cement the relationship, while subsequent delegations led to Boulouparis primary producers replicating the redclaw crayfish production models that were successful in Banana Shire.

The relationship also gives Banana Shire residents a chance to understand and accept the differences in culture between both countries together with the possibility to exploit trade opportunities as they arise. A recent example is the establishment of a successful deer abattoir that is investigating the opportunity of exporting meat to Australia and importing kangaroo carcasses for processing through the abattoir. Both local governments must remain vigilant to capitalise on unique opportunities like this when they arise.

The relationship between Boulouparis and Banana Shire also allows both Local Government authorities to gain an understanding of each other's challenges and concepts on how to handle situations which are similar to both authorities.

Large solar farms have been constructed in Boulouparis over the past few years and this similar type of development is set to proceed in Banana Shire in the coming years.

A delegation from Banana Shire travels to Boulouparis once every four years, while return trade visits from Boulouparis officials occurs a little more frequently.

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## Native Title and Aboriginal Cultural Heritage

### Native Title

Progress has been ongoing by the descendants of the original inhabitants of Banana Shire towards legal, cultural and community recognition.

A number of claims have been lodged with the National Native Title Tribunal and are in various stages of working towards full recognition. These include Gaangalu Nation, Iman People #4, Wadja People and Wulli Wulli #2 and #3 of those claims which have not been determined.

The Wulli Wulli People #2 claim was originally filed on 23 September 2011 and registered on 16 December 2011. A report will be made to Council for the August Council meeting towards a consent determination for Wulli Wulli #2.

The Wulli Wulli People #3 claim was originally filed on 14 November 2017 over an area which includes a section of Banana Shire. The Wulli Wulli People #3 claim is split into three parts.

Part A – Overlaps with GNP claim and is programmed for a trial on connection on a date to be advised.

Part B – Does not overlap with other claims, but is subject to issues within the Wulli Wulli People and other indigenous respondents. The applicant proposes that an expert conference be convened to attempt to resolve these issues.

Part C – Overlaps with Wakka Wakka People #4 (Part B) claim. The Wulli Wulli People have agreed to amend their claim boundary to remove that overlap. On that basis, the issue has now been resolved.

As the Iman People #4 Claim has been accepted for registration by the NNTT. The Claim overlapped with the Wadja People Claim (QUD 422/2012) and was proceeding towards a trial on connection. However, the Iman People recently agreed to amend their Claim area and the two claims are no longer overlapped.

The applicant is still in the process of collating the claim group's connection material. The claim group has advised that it will be in a position to provide its connection material to the State and other respondents by 13 December 2019.

The Gangulu People lodged a claim on 20 August 2012 over an area which includes a section of Banana Shire including the towns of Banana, Baralaba, Biloela, Dululu, Goovigen, Jambin, Moura, Rannes, Thangool and Wowan. This claim has not been determined to date, and consequently an ILUA has not been negotiated.

Discussions are soon to recommence with the Gangulu People in regards to formulating an ILUA even though a consent determination has not been finalised. This will assist with the management of a large portion of the shire that the Gangulu people have a claim over.

The Wadja People claim is progressing towards a trial on the separate question of connection which involves Gangulu Nation People and Western Gangulu People.

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## Aboriginal Cultural Heritage

Council is very conscious of its obligations and responsibilities under the *Aboriginal Cultural Act 2003*. Depending on the level of impact, prior inspection with subsequent identification, clearance, relocation, monitoring or other outcome may be necessary for certain projects.

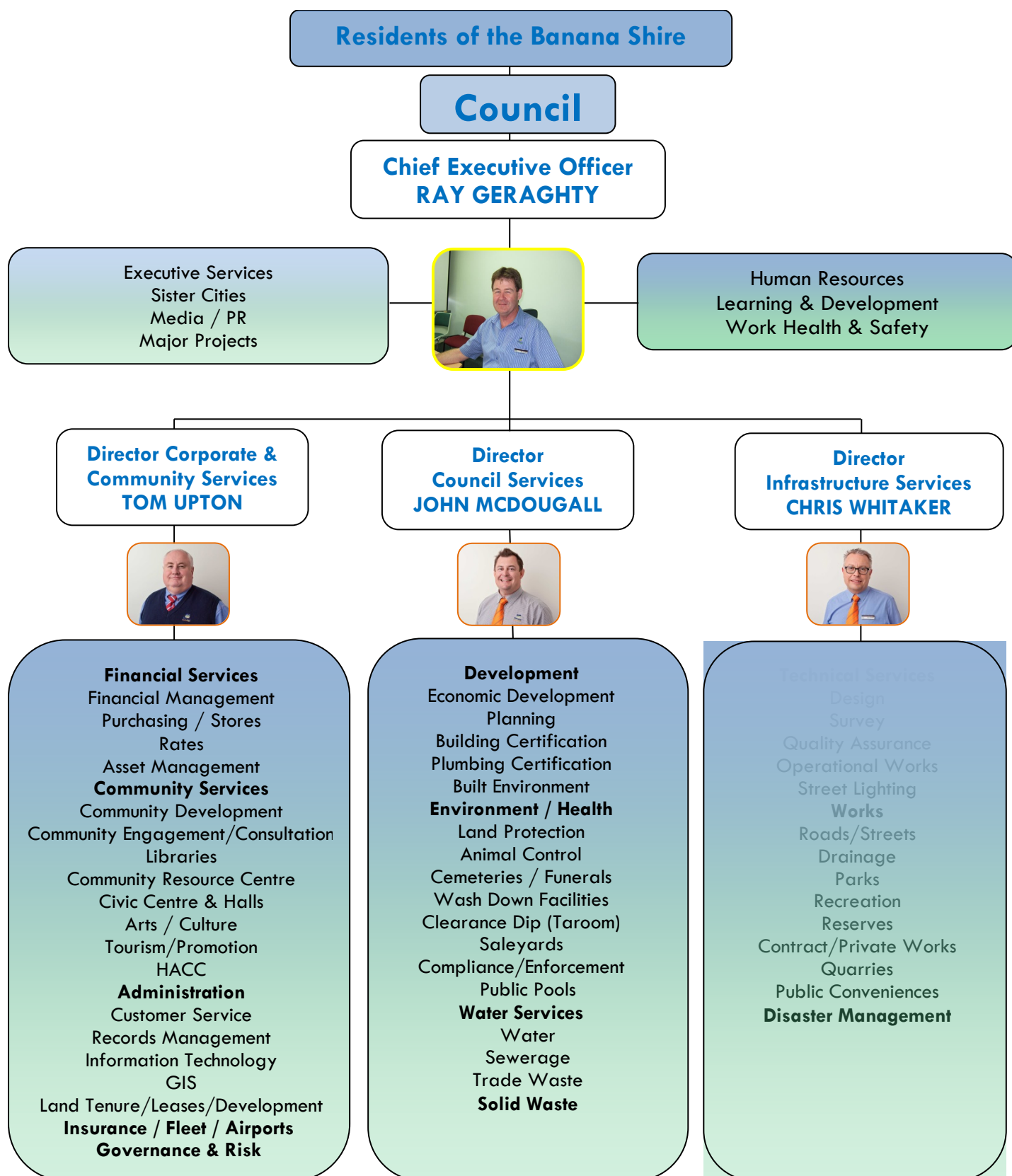
Whilst this is a completely separate matter to Native Title, the indigenous party to consult with on Aboriginal Cultural Heritage issues for a specific site is determined by the native title determination. Consequently Aboriginal Cultural Heritage has been included in the ILUAs with the Iman and Wulli Wulli people with proposed capital projects to be presented to the relevant forums.

It is anticipated negotiations on the same or similar approach will apply to any future discussions on ILUAs.





## COUNCIL STRUCTURE AND LEADERSHIP GROUP



## Elected Members

Councillor		Portfolio
	<p><b>MAYOR – CR NEV FERRIER</b></p> <p><b>Mobile:</b> 0448 011 814</p> <p><b>Email:</b> mayor@banana.qld.gov.au</p>	Executive Management, Economic Development, Media/PR, LDMG, assist all Portfolio Councillors, Work Health & Safety
	<p><b>DIVISION 1 – CR DAVID SNELL</b></p> <p><b>Mobile:</b> 0427 922 176</p> <p><b>Email:</b> david.snell@banana.qld.gov.au</p>	Water, Sewerage, Public Pools, Trade Waste, Solid Waste, Biloela Civic Centre, Land Tenure & Land Development, Public Conveniences, Fleet, Native Title
	<p><b>DIVISION 2 – DEPUTY MAYOR CR WARREN MIDDLETON</b></p> <p><b>Mobile:</b> 0488 410 275</p> <p><b>Email:</b> warren.middleton@banana.qld.gov.au</p>	Planning & Environment (including Planning, Plumbing, Building, Animal Control, Cemeteries/Funerals), Compliance Enforcement, Disaster Management (including SES), Human Resources, Learning & Development, Governance & Risk
	<p><b>DIVISION 3 – CR PAT BRENNAN</b></p> <p><b>Mobile:</b> 0419 156 958</p> <p><b>Email:</b> pat.brennan@banana.qld.gov.au</p>	Infrastructure (including Roads, Streets, Drainage, Parks, Recreation, Reserves, Contract/Private Works, Quality Assurance, Quarries, Operational Works, Street Lighting, Design, Survey), Airports, Land Protection, Wash Down facilities, Saleyards, Clearance Dip (Taroom)

	<p><b>DIVISION 4 – CR COL SEMPLE</b></p> <p><b>Mobile:</b> <b>0437 740 189</b></p> <p><b>Email:</b> <a href="mailto:colin.semple@banana.qld.gov.au">colin.semple@banana.qld.gov.au</a></p>	<p>Infrastructure (including Roads, Streets, Drainage, Parks, Recreation, Reserves, Contract/Private Works, Quality Assurance, Quarries, Operational Works, Street Lighting, Design, Survey), Airports, Land Protection, Wash Down facilities, Saleyards, Clearance Dip (Taroom)</p>
	<p><b>DIVISION 5 – CR BROOKE LEO</b></p> <p><b>Mobile:</b> <b>0438 110 325</b></p> <p><b>Email:</b> <a href="mailto:brooke.leo@banana.qld.gov.au">brooke.leo@banana.qld.gov.au</a></p>	<p>Finance, Information Technology, Purchasing/Stores, Rates, Asset Management, GIS, Tourism/Promotion, Arts/Culture, Insurance</p>
	<p><b>DIVISION 6 – CR TERRI BOYCE</b></p> <p><b>Mobile:</b> <b>0427 283 202</b></p> <p><b>Email:</b> <a href="mailto:terri.boyce@banana.qld.gov.au">terri.boyce@banana.qld.gov.au</a></p>	<p>Libraries, CRC, HACC, Customer Service, Records Management, Halls (excluding Biloela Civic Centre), Community Development, Community Engagement, Community Consultation, Sister Cities</p>



## Councillor Representation on Committees

### Advisory Committees

Committee / Group	Councillor/s
Banana Shire Community Resource Centre Advisory Committee	Boyce
HACC - Banana Shire Home and Community Care Advisory Committee	Boyce
RADF - Banana Shire Regional Arts Development Fund	Boyce Leo

*Council has approved by resolution that Councillors, other committee members, employees and other persons may take part by teleconferencing at all Advisory Committee meetings.*

### Statutory Committees

Committee / Group	Legislation	Councillor/s
Banana Shire Council Local Disaster Management Group	<i>Disaster Management Act 2003</i> Section 29	Mayor Leo Middleton
Banana Shire Council Audit Committee	<i>Local Government Act 2009</i> Section 105	Leo (Chairperson) Boyce

### Council Portfolio Briefings / Working Groups / Workshops

Group	Councillor/s
Banana Shire Aerodromes Working Group	Brennan Semple
Banana Shire Industry Summit Working Group	Mayor Middleton (Chair) Semple
Banana Shire Council Aboriginal Consultative Group	Mayor Snell
Banana Shire Tourism Working Group	Mayor Leo
Cockatoo Coal Working Group (i.e. Transport Corridor Working Group)	Mayor (Chair) Semple
Cockatoo Coal Baralaba Community Advisory Group	Semple (Chair) Leo
Road Safety Management Reference Group	Brennan Semple
Native Title & Cultural Heritage Representative	Snell



Group	Councillor/s
Wulli Wulli ILUA	Mayor (or delegate) Boyce <u>Staff</u> • CEO (or delegate) • Land and Lease Coordinator • Relevant Director
Gladstone Area Water Board Working Group	Snell (Chair) Mayor
Leichhardt Centre Working Group	Boyce
Callide Dam Recreation Area Working Group	Mayor Brennan Middleton Snell Leo

Where not a member, the Mayor is invited to all advisory committee meetings & Council working group meetings.

## Community & Other Organisations Committees

Committee / Association / Group	Facilitator / Patron / Instigator / Controlling Body	Councillor/s
<b>ARTS and CULTURE</b>		
Banana Shire Art Gallery Assn Inc	Community	Leo
Banana Shire Community Arts Assn	Community	Leo
<b>COMMUNITY</b>		
Callide Coalfields Community Liaison Forum	Environment	Mayor Middleton
SunWater Community Liaison Group for Nathan Dam & Pipelines Project	SunWater	Boyce
<b>DISASTER MANAGEMENT</b>		
Recovery Sub Group - Economic	BSC Local Disaster Management Group	Leo
Recovery Sub Group – Environmental	BSC Local Disaster Management Group	Brennan
Recovery Sub Group – Human Social	BSC Local Disaster Management Group	Boyce
Recovery Sub Group – Infrastructure	BSC Local Disaster Management Group	Semple
Baralaba/Rannes LECC	BSC Local Disaster Management Group	Semple
Jambin/Goovigen LECC	BSC Local Disaster Management Group	Semple

Committee / Association / Group	Facilitator / Patron / Instigator / Controlling Body	Councillor/s
Moura/Banana LECC	BSC Local Disaster Management Group	Leo
Theodore/Cracow LECC	BSC Local Disaster Management Group	Boyce
Taroom LECC	BSC Local Disaster Management Group	Boyce
Wowan/Dululu LECC	BSC Local Disaster Management Group	Semple
<b>Note: Appointment of Councillors to LECC groups is not a Council appointment.</b>		
<b>GOVERNANCE and PLANNING</b>		
Bowen Basin Regional Road & Transport Group	Infrastructure	Mayor Crs Brennan and/or Semple
Central Queensland Regional Planning Committee	Dept of Infrastructure, Local Government & Planning	Mayor Brennan
CQROC –Central Queensland Regional Organisation of Councils	Gladstone Regional Council	Mayor Middleton
Native Title	Dept of Aboriginal and Torres Strait Islander Partnerships	Snell
Valuation Consultative Group	Queensland Valuer-General	Leo
<b>LANDCARE and PEST MANAGEMENT</b>		
Baralaba Landcare	Dept of Environment & Heritage Protection	Semple
CPMG - Capricorn Pest Management Group	Capricorn Pest Management Group	Brennan Semple
Dee River Restoration Committee (a sub-committee of the Wowan/Dululu Landcare Group)	Wowan/Dululu Landcare Group	Mayor Semple
Wowan/Dululu Landcare	Dept of Environment & Heritage Protection	Semple
Taroom Landcare	Dept of Environment & Heritage Protection	Boyce
<b>RIVER CATCHMENT and WATER RESOURCES</b>		
Callide Sub-catchment Community Reference Panel	Dept of Energy, Biofuels & Water Supply	Snell
Callide Valley Water Supply Scheme Customer Committee	Dept of Energy, Biofuels & Water Supply	Snell
Central Queensland Regional Water Supply Strategy Committee	Dept of Energy, Biofuels & Water Supply	Mayor Snell
Dawson Catchment Co-ordinating Association Inc	Dept of Energy, Biofuels & Water Supply	Semple
Dawson Valley Water Supply Customer Committee	Dept of Energy, Biofuels & Water Supply	Snell
Don River, Dee River & Alma Creek Advisory Committee	Dept of Energy, Biofuels & Water Supply	Mayor Semple

Committee / Association / Group	Facilitator / Patron / Instigator / Controlling Body	Councillor/s
<b>SPORTS and RECREATION</b>		
Magavalis Sports Club Committee	Community	Snell
Taroom Showgrounds Improvement Committee	Taroom Show Society	Boyce
<b>TOURISM and PROMOTION</b>		
Drive Inland Promotions Association Inc (previously known as Country Way Promotions Committee and Leichhardt Hwy Promotions Assn Inc Committee)	Drive Inland Promotions Association	Leo



## Councillors' Remuneration and Superannuation

*Local Government Regulation 2012 Section 186 (a)*

Remuneration levels for Mayors and Councillors are determined by the Local Government Remuneration Tribunal. Council is obliged to pay according to the remuneration schedule prepared and published by this Tribunal. (*Local Government Regulation 2012 Section 247 - Remuneration payable to councillor*)

Banana Shire is a Category 3 Council.

Councillors' remuneration for the financial year was based on the schedule below -

Position	% of MLA Rate	Remuneration Rate (This rate applied as from 01/07/2018)
Mayor	65	\$103,918
Deputy Mayor	37.5	\$59,952
Councillor	32.5	\$51,958

Council contributes Superannuation on behalf of all Councillors (*Local Government Act 2009 Section 226*).

The remuneration as listed was paid to Councillors during 2018/19:

Councillor	Remuneration	Superannuation	Total
PJ Brennan	\$51,933	\$6,232	\$58,165
NG Ferrier	\$103,867	\$12,464	\$116,331
B Leo	\$51,933	\$6,232	\$58,165
W Middleton	\$59,923	\$7,190	\$67,113
CG Semple	\$51,933	\$6,232	\$58,165
D Snell	\$51,933	\$6,232	\$58,165
TS Boyce	\$51,933	\$6,232	\$58,165



## Councillors' Expenses Reimbursement

### Copy of Councillor Expenses Reimbursement Resolutions

*Local Government Regulation 2012 Section 186 (1) (b)*

No resolutions were made during the year to adopt or amend the Expenses Reimbursement Policy.

### Councillor Expenses Incurred and Facilities Provided

*Local Government Regulation 2012 Section 186 (1) (b)*

The following expenses were incurred and facilities provided to each councillor under Council's Reimbursement Expenses Policy.

#### Reimbursements direct to Councillors

Councillor	Internet Allowance	Mobile Phone Allowance	Incidental Allowance	Travel Expenses	Out of Pocket Expenses	Insurance Claim Excess	TOTAL
T Boyce	300.00	300.00					<b>600.00</b>
PJ Brennan	300.00	300.00		1,242.92			<b>1,842.92</b>
NG Ferrier	300.00			50.00	118.11		<b>468.11</b>
B Leo	300.00	300.00		3,049.15			<b>3,649.15</b>
W Middleton	300.00	300.00					<b>600.00</b>
C Semple	300.00	300.00		2,957.78			<b>3,557.78</b>
D Snell	300.00	300.00					<b>600.00</b>
<b>TOTAL</b>	<b>2,100.00</b>	<b>1,800.00</b>		<b>7,299.85</b>	<b>118.11</b>		<b>11,317.96</b>

**Facilities provided to Councillors  
(additional to Remuneration and Expenses Reimbursed)**

Councillor	Facilities Provided
T Boyce	Vehicle (for Council use only)
	Accommodation (in Biloela for meetings)
	Tablet computer
PJ Brennan	Tablet computer
NG Ferrier	Office at Administration Centre
	Vehicle (for Council use only)
	Mobile phone
	Tablet computer
	Mayoral corporate credit card
B Leo	Tablet computer
W Middleton	Tablet computer
C Semple	Tablet computer
D Snell	Tablet computer



## Councillors Meeting Attendance

*Local Government Regulation 2012 Section 186 (c)*

The following Local Government meetings were attended by Councillors.

Councillor	Ordinary Meetings	Special Meetings	Committee Meetings	Council Workshops
T Boyce	12	1	4	13
PJ Brennan	12	n/a	17	12
NG Ferrier	12	1	23	12
B Leo	12	1	8	11
W Middleton	11	1	13	11
C Semple	12	1	21	13
D Snell	12	1	1	13

## Overseas Travel – Councillors

*Local Government Regulation 2012 Section 188 (1)*

Overseas travel made by a councillor in an official capacity during the financial year.

Name	D Snell	<i>Local Government Regulation 2012 Section 188 (1)(a)</i>
Destination	Boulouparis	<i>Local Government Regulation 2012 Section 188 (1)(c)</i>
Purpose	Visit to Sister City Boulouparis, New Caledonia	<i>Local Government Regulation 2012 Section 188 (1)(d)</i>
Cost	\$1162.86	<i>Local Government Regulation 2012 Section 188 (1)(e)</i>
Other relevant Information		<i>Local Government Regulation 2012 Section 188 (2)</i>

## Conduct and Performance of Councillors

A) *Local Government Act 2009 Chapter 5A*  
*Local Government Regulation 2012 Section 186*

I) *Local Government Regulation 2012 Section 186(d)*

<b>Unsuitable Meeting Conduct</b>	Local Government Regulation 2012 Section 186 (d) (i)	Orders made under section 150 I (2) of the <i>Local Government Act 2009</i> .	Nil
<b>Inappropriate Conduct</b>	Local Government Regulation 2012 Section 186 (d) (ii)	Orders made under section 150 AH(i) of the <i>Local Government Act 2009</i> .	Nil
<b>Misconduct</b>	Local Government Regulation 2012 Section 186 (d) (iii)	Number of decisions, orders, recommendations made under 5150 AR (i) of the <i>Local Government Act 2009</i> .	Nil

II) *Local Government Regulation 2012 Section 186 (e)*

	(e) (i)	(e) (ii)	(e) (iii)
	The name of each Councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made.	A description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each Councillor.	A summary of the decision, order or recommendation made for each Councillor.
	Nil	Nil	Nil

B) *Local Government Regulation 2012 Section 186 (f)*

The number of each of the following during the financial year.

	<b>Details</b>	<b>Number</b>
S186(f)(i)	Complaints referred to the assessor under Section 150 P9(2)(a) of the Act by Local Government entities for the Local Government.	Nil
S186(f)(ii)	Matters, mentioned in Section 150P(3) of the Act, notified to the Act, notified to the Crime and Corruption Commission.	Nil
S186(f)(iii)	Notices given under Section 150R(2) of the Act.	Nil





S186(f)(iv)	Notices given under Section 150S(2)(a) of the Act.	Nil
S186(f)(v)	Notices given under Section 150W (a)(b)(d) of the Act.	Nil
S186(f)(vi)	Referred notices accompanied by a recommendation mentioned in Section 150 AC (3) (a) of the Act.	Nil
S186(f)(vii)	Occasions in formation was given under Section 150AF (4)(a) of the Act.	Nil
S186(f)(viii)	Occasions the Local Government asked another entity to investigate under Chapter 5A, Part 3, Division 5 of the Act for the Local Government, the suspected inappropriate conduct of a Councillor.	Nil
S186(f)(ix)	Applications heard by the conduct tribunal about the alleged misconduct of a Councillor.	Nil



## Administrative Action Complaints

### Administrative Action Complaints Commitment to Dealing Fairly

*Local Government Regulation 2012 Section 187 (1) (a)*

Banana Shire Council intends to provide a level of customer service that does not attract complaints, but acknowledges the right of persons to provide feedback, both positive and negative, on its services and/or to lodge a complaint about a decision or other action it takes.

#### Objectives

In regards to complaints, Council has the following Objectives:

- To manage and resolve complaints about administrative actions of Council in a process that covers all administrative action complaints made to Council;
- To quickly and efficiently respond to complaints in a fair and objective way;
- To include the criteria considered when assessing whether to investigate a complaint;
- To inform an affected person of Council's decision about the complaint and the reasons for the decision, unless the complaint was made anonymously; and
- To enhance the community's confidence in the complaints process and of the reputation of the Council as being accountable and transparent.

#### Principles

When addressing complaints, Council is committed to the following principles:

##### **Fairness and Objectivity**

All complaints received by Council are considered on their merits and addressed in an equitable and unbiased manner whilst observing the principles of natural justice.

##### **Accessibility**

The Complaints Management Policy and Procedures are easy to access and can be understood by all people, including those with special needs.

##### **Visibility**

Information about lodging a complaint or feedback, and the complaints management process, is publicised to the Shire community.

##### **Confidentiality**

All complaints/feedback are treated with relevant level of confidentiality.

##### **Client Focus**

Receipt of each complaint/feedback is acknowledged in accordance with Council's Customer Service Policy at that time, and customers are treated courteously and kept informed of progress with their complaint or the outcome of their feedback.

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### **Integration into Business Improvement Processes**

The outcomes under the Administrative Action Complaints Management Process are analysed and Council's systems, policies and procedures amended if improvements are identified as contributing to business effectiveness.

### **Openness and Accountability**

Council believes in openness and accountability so that the process for reporting on the actions and decisions of Council is clearly established, including the outcome of investigations under this Administrative Action Complaints Management Process.

### **Natural Justice**

The Administrative Action Complaints Management Process complies with the principles of natural justice so that all parties directly affected by the complaint have an opportunity to present their views and the process is conducted without bias.

### **Courtesy to Council Officers**

Procedures are in place to protect officers from the small percentage of customers who may display an unacceptable level of rudeness or aggression.

### **Reprisal**

Complainants will not suffer any reprisal from Council or its Officers for making a complaint.

### **Commitment**

Council commits to:

- A complaints process that is easy to understand and is readily accessible to all;
- A structured process for complaints management to ensure anyone who is dissatisfied about a decision or other action of Council, a Council Officer or a Councillor can easily and simply lodge a complaint;
- An increase in awareness of the complaints process for Council's staff and the community;
- The fair, efficient and consistent treatment of complaints about decisions and other administrative actions of Council;
- Providing complainants with information on the complaints process and, if necessary, assistance to make their complaint;
- Enhancement of the community's confidence in the complaints process and of the reputation of Council as being accountable and transparent;
- Identifying and allocating the management resources needed for an effective Administrative Action Complaints Process;



- The training of officers to deal with complaints and to record and analyse complaints data by building the capacity of staff to effectively manage complaints in an environment of continuous improvement;
- Training Council officers on Good Decision Making in Government;
- Council Officers receiving complaints in a professional manner;
- Detection and rectification, where appropriate, of administrative errors;
- Identification of areas for improvement in Council's administrative practices;
- Welcoming valid feedback as an opportunity for improvement of Council's administrative practices;
- Responding to complaints as quickly as possible and in accordance with the timeframes set out in the complaints procedure;
- Monitoring complaints with a view to continuous improvement of Council's business processes; and
- Providing information to affected people as to their statutory rights of review if they are not satisfied with the outcome of the Administrative Action Complaints Management Process.

## **Administrative Action Complaints Implementation and Assessment**

*Local Government Regulation 2012 Section 187 (1) (b)*

Council adopted its Complaint Management Policy by Council resolution 29 March 2006 (Minute Ref 31041). It was reviewed and amended on 24 February 2010 (Minute Ref OM000852), 29 October 2013 (Minute Ref OM002550) and 23 November 2016 (Minute Ref OM003620).

This policy can be viewed at Council's Administration Centre, 62 Valentine Plains Road, Biloela or on Council's website.

The Chief Executive Officer is authorised to appoint a Complaints Management Officer to deal with each complaint received. All complaints are dealt with in accordance with the policy.

Council has dealt with all complaints received in a timely and effective manner.

## **Administrative Action Complaints Statistics**

*Local Government Regulation 2012 Section 187 (2) (a) (i) to (iii) & 187 (2) (b)*

(a)(i) Number of Administrative Action Complaints made	(a)(ii) Number of Administrative Action Complaints resolved	(a)(iii) Number of Administrative Action Complaints not resolved	(b) Number of Administrative Action Complaints in (a) (iii) made in a previous year and not resolved
1	1	1	1



## Grants to community organisations

*Local Government Regulation 2012 Section 189 (a)*

### Summary of Grants to Community Organisations

*Local Government Regulation 194-195 & Community Grants Policy*

Account Number	Name	Amount	Notes
3190-2120-0001	Community Development – Grants to Community Organisations	116,024.84	
3190-2120-0002	Community Development – In Kind Assistance	2,484.17	Actual spend less than what was approved.
3450-2380-0000	Regional Arts Development Fund – Grants to locals in 2018/19 Financial Year.	11,252.35	This figure includes approved grants from both the 2017/18 and 2018/19 RADF program as this operates September-September (see page 73).
	<b>TOTAL</b>	<b>\$129,761.36</b>	



Members of the Biloela and District Band alongside the new bass drum which was purchased using a Community Grant. Pictured also is the old drum which the band have used for the last 83 years before it was retired in early 2019 due to irreparable heat damage.

## Councillors' discretionary funds

*Local Government Regulation 2012 Section 189 (b) (i) & (ii)*

*Local Government Act 2009 Section 109 Local Government Regulation 2012 Section 202*

To date, Council has not allocated Discretionary Funds to Councillors; consequently no Councillors' Discretionary Funds were expended during this year.



## Mayor's Message

Banana Shire enjoys a diverse economic base.

Coal and gold mining, coal seam gas extraction, power generation, ammonium nitrate production, meat processing combined with beef cattle production, grain cropping and a number of smaller niche crops, including herbs, provides this diversity.

This protects us, to some degree, from major slumps in individual industries.

However, one element that will always impact heavily on our local economy is drought and unfortunately we are living through one of the driest periods in modern times.

This resulted in Banana Shire being fully drought declared in May 2019.

A series of floods from 2011 through to 2017 ensured that underground water levels were replenished, but there has been very little rain since and the Shire is suffering from a lack of sufficient feed for livestock, water in on-property dams and sufficient sub-soil moisture to plant crops.

The effects of the drought felt by rural producers flows onto local business and the community and everybody is hoping the dry breaks and sufficient rain falls.

The prolonged dry has not only had a negative impact on ratepayers but it has also started impacting on Council's ability to deliver several key services including maintenance grading on rural roads in the outer reaches of the shire.

The major objective of my fellow councillors this year was to keep rates at an affordable level.

As a result a lot time and effort went into our budget deliberations and collectively we were able to apply an average increase of 1.85% across the board on general rates and utility charges.

The major conundrum in restraining the rate rise was the revaluation of properties which came into effect on 1 July 2018. The impact of revaluations varied widely across the Shire and subsequently Council had to apply rate capping in several categories to smooth the impact of the revaluation. Further, Council introduced a number of new rating categories in an effort to achieve equitable rating charges across the Shire.

One of the biggest challenges for Council moving forward is the cost associated with securing raw water to augment into town drinking water.

Council's current contract for raw water has expired. We have secured an extension on the contract to enable us to review the pricing model put forward by the supplier and costs incurred by Council in delivering drinking water to households.

This council is entering into the final nine months of its term and will be working towards maintaining Council's delivery of quality services to our ratepayers, while also finalising some of the key projects Council want to deliver during this term of governance.

Cr Nev Ferrier  
**MAYOR**







## Chief Executive Officer's Report

The 2018/19 financial year has been one of consolidation for Council in a number of areas.

Firstly, during the course of the year Council appointed Tom Upton as Director Corporate and Community Services and Chris Whitaker as Director Infrastructure Services. Both Tom and Chris have settled well into their roles with Council and bring a broad range of knowledge and experience to Council.

Council also completed the flood restoration works in the Callide Valley from events in previous years. This has resulted in Council reverting to its normal operational levels and preparing its 2019/20 budget with no programmed disaster recovery works for the first time in many years.

One particular challenge for both Council and the wider Banana Shire area is the ongoing drought. Council has been partially drought declared for some time, and towards the end of the financial year the whole of the Banana Shire area was drought declared. The impact of the drought on our rural sector should not be underestimated and Council will continue to monitor the situation moving forward.

Council successfully completed all of the round two Works 4 Queensland projects during the year. Submissions for the round three projects have been lodged and Council is awaiting approval of these projects.

Once again I take this opportunity to sincerely thank the State Government for this funding program which enabled Council to fast track a range of projects.

Waste Management continues to be a challenge to Council moving forward. Council has undertaken a community consultation program and will implement upgrades to a number of transfer stations, and during the course of the next financial year phase in revised opening times and operational management at the transfer stations.

As part of its revision of the transfer station operations, Council will be improving recycling opportunities at these sites in order to reduce the amount of waste going to land fill.

Finally, as part of its overall waste management strategy, Council will commence rehabilitation of a number of old rubbish tip sites next financial year. It is estimated that it will take approximately eight to ten years to complete this rehabilitation program.

On reviewing its financial position Council took the opportunity to pay out two of its loans during the year.

This has resulted in Council having a loan balance of \$6.58million at the end of the year and remaining on track to be debt free by the end of the 2024/25 financial year. This of course is subject to Council borrowing further funds to undertake major capital works in the interim.



It is also worth noting that Council has once again received an unqualified audit from its auditors and I take this opportunity to note the efforts of Council staff in achieving this result.

The resource industry sector within the shire has been relatively stable over the past twelve months with a couple of new projects progressing to feasibility and environmental impact statement stages. Further, several renewable energy projects including solar and wind farms are progressing towards approval and eventual construction.

Through a combination of Federal, State and Council funding the next stage of the Raedon Street Industrial estate in Biloela is nearing completion and when completed will offer a variety of blocks for industrial/commercial use.

Another challenge for Council has been the cost of purchasing raw water for treatment and distribution to the various urban water supplies throughout the shire.

For this financial year Council was charged just under \$1million for the supply of raw water. The contract for the purchase of water has expired and Council has negotiated a twelve month extension to the agreement for the 2019/20 financial year whilst there is a review of pricing structures by the supplier and operational costs by Council undertaken.

This review will be closely monitored by Council as the potential cost impact on consumers/rate payers could be significant and drive the cost of water up even further than the current levels.

The positive and proactive approach of Councillors and staff has greatly assisted in continuing to move forward and meet the ongoing challenges that are a direct result of the rapidly changing environment that we live and operate in.

I would also take this opportunity to thank both Councillors and staff for their support and commitment over the last twelve months.

Ray Geraghty  
**CHIEF EXECUTIVE OFFICER**

## Senior Management

### Employees Remuneration Packages

*Local Government Act 2009 Section 201*

Number of remuneration packages payable to senior management - 4

Number of employees in senior management who are being paid within each band of remuneration.

Package Range	Number
\$100,000 to \$199,999	2
\$200,000 to \$299,999	2

(The **senior management**, of a local government, consists of the chief executive officer and all senior executive employees of the local government.

A **senior executive employee**, of a local government, is an employee of the local government—

- (a) who reports directly to the chief executive officer; and
- (b) whose position ordinarily would be considered to be a senior position in the local government's corporate structure)

## Overseas Travel – Employees

*Local Government Regulation 2012 Section 188*

Overseas travel made by a local government employee in an official capacity during the financial year.

Name		<i>Local Government Regulation 2012 Section 188 (1)(b)</i>
Destination		<i>Local Government Regulation 2012 Section 188 (1)(c)</i>
Purpose	<i>No overseas travel was made in an official capacity by any Council employee during this year</i>	<i>Local Government Regulation 2012 Section 188 (1)(d)</i>
Cost		<i>Local Government Regulation 2012 Section 188 (1)(e)</i>
Other relevant Information		<i>Local Government Regulation 2012 Section 188 (2)</i>

## Corporate Planning

### Assessment of implementation of 5 Year Corporate Plan and Operational Plan

*Local Government Regulation 2012 Section 190 (1) (a)*

The 2014-2019 Corporate Plan was reviewed, amended and adopted in November 2016 to take effect from 1 July 2017 to 30 June 2019. The Corporate Plan was developed to reflect Council's strategic direction and vision for the future and also the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

The 2014-2019 Corporate Plan was again reviewed in April 2018 following advice from the Local Government Association of Queensland that the Corporate Plan be aligned with Local Government Elections.

The 2014-2019 Corporate Plan was amended and renamed to the 2016-2021 Corporate Plan and adopted on 28 April 2018 for Banana Shire Council for the five year period 2016/2021 (1 July 2016 to 30 June 2021).

Council's Annual Operational Plan and Budget for 2018/19 were prepared to be consistent with the 2016-21 Corporate Plan.

An Operational Statement, Balance Sheet and Cash Flow, including a percentage comparison of budget with actual is presented to, and considered by, Council each month.

A comprehensive review of progress in implementing the Operational Plan is presented to, and considered by, Council each quarter.

Detailed reports and assessment on the status of the various functions of Council are included in the following pages of this Annual Report.



## Council's Operations and Performance

*Local Government Regulation 2012 Section 190 (1) (b)*

### Other Issues Relevant to Making an Informed Assessment

Council has finalised flood restoration works from previous events in the Callide Valley, and drought conditions continue throughout the shire, with the shire now being fully drought declared.

The social impacts of the drought in particular continue to impact the rural community and consequently Council's operations and budget.

The resource industry showed signs of a significant upturn during the course of the year. The existing mining operations have scaled up production.

Exploration for coal and gas throughout the shire has also continued during the year.

This combined ongoing activity has had a resultant increase in both the resident and itinerant workforce, and continues to provide some positive impacts on sections of the shire.

Government subsidy and grants for infrastructure development continue at relatively consistent levels, whilst it remains difficult to obtain contributions from resource companies.

Innovative funding programs, such as the Queensland Government 'Works 4 Queensland Program' has however, enabled Council to fast track a number of projects throughout the shire.

Council continues to consider and respond to any new funding opportunities where appropriate and affordable.

The attraction and retention of staff continues to be a challenge to Council as it is still difficult to attract staff to rural and regional areas.





## Corporate Plan – Key Strategies

A review of the 2014-2019 Corporate Plan was conducted in November 2016 which resulted in an updated Corporate Plan being adopted to take effect from 1 July 2017 to 30 June 2019. The 2014-19 Corporate Plan was again reviewed in April 2018, resulting in it being amended and renamed the 2016-2021 Corporate Plan, which was adopted on 28 April 2018 for Banana Shire Council for the five-year period 2016-2021 (1 July 2016 to 30 June 2021).

Following are the Key Strategies from the 2016-2021 Corporate Plan.

### Key Strategies

#### 1. Governance

##### 1.1. Strategic Direction

To ensure Council demonstrates leadership and is accountable to internal and external key stakeholders, including the community through transparent and inclusive decision making processes and effective service delivery and operations.

- a. Manage Council in a cost effective and efficient manner.
- b. Undertake continuous financial assessment, and increase the financial sustainability focus by being more business orientated, look for opportunities to generate supplement income and increasing efficiency and use of technology.
- c. Manage debt levels and rate increases.
- d. Review and monitor the costs of service delivery.
- e. Undertake engagement and communication with stakeholders and the community, and strive to improve the relationship between Council and its constituents.
- f. Demonstrate Council's passion for the community and the services it provides through continued or enhanced service delivery.
- g. Undertake continuous improvement of Council's processes and services.
- h. Use technological solutions to provide modern and cost effective service delivery.
- i. Respect and develop staff through training and definition of roles and responsibilities and through the provision of safe, healthy and injury free workplaces and facilities.
- j. Maintain appropriate staffing levels, plant and equipment, and administrative or operative facilities to preserve and improve on the current level of services, functions and activities in line with community needs and good governance practices.
- k. Manage the whole of the local government area through effective and efficient planning and development management.
- l. Operate with probity and integrity while achieving legislative compliance.
- m. Acknowledge that cost shifting from other spheres of government is an increasing issue and make representation in relation to the impacts on the Council and its local service delivery.

- n. Ensure the operations and services of Council are delivered within a safety framework.
- o. Deliver a range of governance support systems and Council services that meet the community's needs and fall within Council's jurisdiction and affordability.

### **1.2. Performance Indicators:**

- a. Meeting the governance requirements of legislation.
- b. Obtaining unqualified financial audits.
- c. Financial management that meets the Government's expectations in relation to the sustainability ratios.
- d. Expenditures are managed within the adopted budget.
- e. Service delivery that reflects Council's standards.
- f. Employee accident/injury levels and staff turnover at an acceptable level.

## **2. Social Wellbeing**

### **2.1. Strategic Direction**

To deliver our shared future and cultural vision, which is encapsulated by the following:-

- a. Develop partnerships and relationships with the community, business and government.
- b. Build relationships with traditional owners and facilitate the resolution of ILUA matters.
- c. Encourage healthy and happy communities through provision, encouragement or support of a range of well-being services and facilities including community resources, arts and culture, recreation and sport, commemorations, communication facilities, festivities and events.
- d. Encourage healthy and balanced communities through effective and efficient planning and development management.
- e. Consider strategies for determining appropriate levels of service and methods of delivering services in the smaller communities and rural areas.
- f. Undertake a lobbying and advocacy role in relation to well-being services that are traditionally provided by the State and Commonwealth Government including, but not limited to, health and education.
- g. Lobby the State and Commonwealth Governments to deliver reliable internet and phone connectivity to support community wellbeing.
- h. Encourage community resilience through information sharing and promotion.
- i. Subject to sustainability and financial resources, maintain and where appropriate improve the current level of services, activities and functions to meet community needs.
- j. Manage disaster management and preparedness by developing community resilience, understanding the flood zone and patterns, the impact on property and the cost to the community and Council.

## **2.2. Performance Indicators:**

- a. Service delivery that reflects Council's standards.
- b. Council has responded to stakeholders within the specified timelines.

## **3. Environment**

### **3.1 Strategic Direction**

To promote and manage the unique natural resources of Banana Shire, ensuring a healthy and sustainable environment where the community's social, physical and economic well-being is enhanced for present and future generations.

- a. Undertake environmental assessments of services to ensure that they meet the legislated performance requirements and can continue to deliver adequate services to the community.
- b. Use technological solutions to moderate impacts on the environment.
- c. Consider environmental sustainability and life-cycle when designing, purchasing, developing, operating and maintaining Council assets and services.
- d. Monitor and report on environmental impacts of Council operations.

### **3.2. Performance Indicators**

- a. Meeting water, sewerage solid waste and recycled waste environment standards.
- b. Meeting the environmental standards for Council construction sites.

## **4. Economic**

### **4.1. Strategic Direction**

Support the retention, expansion and diversification of businesses and industries to provide long term economic sustainability.

- a. Encourage local employment by promoting the benefits and opportunities of the Shire.
- b. Negotiate positive outcomes for development opportunities and actively communicate with potential developers to encourage positive development outcomes.
- c. Monitor, understand and plan for pressure on Council's infrastructure created by existing and new development.
- d. Capitalise on government land availability, natural and other resources to attract industry and visitors to the Shire.
- e. Encourage local development that provides enhanced services to the community.
- f. Consider the long term affordability of services when undertaking economic modelling and planning.

- g. Lobby the State and Commonwealth Governments to deliver reliable internet and phone connectivity to promote fair and equal opportunities for local businesses.
- h. Provide and maintain effective transport infrastructure subject to sustainability and financial resources.
- i. Encourage economic diversity by focussing on tourism and agricultural activities.
- j. Identify options for moving to renewable energy and other innovations that increase the efficiency and reduces the long running cost of Council's operations.
- k. Ensure planning schemes reflect the needs of a rural community and that development processes are applicant / user friendly and result in positive outcomes.
- l. Lobby the State and Commonwealth Governments in relation to securing local water supplies for domestic and industry use, e.g. Nathan Dam and allocations.

#### **4.2. Performance Indicators:**

- a. Development applications processed within set service standards.
- b. Marketing activities completed within budget and marketing plan.

## **5. Infrastructure**

### **5.1. Strategic Direction**

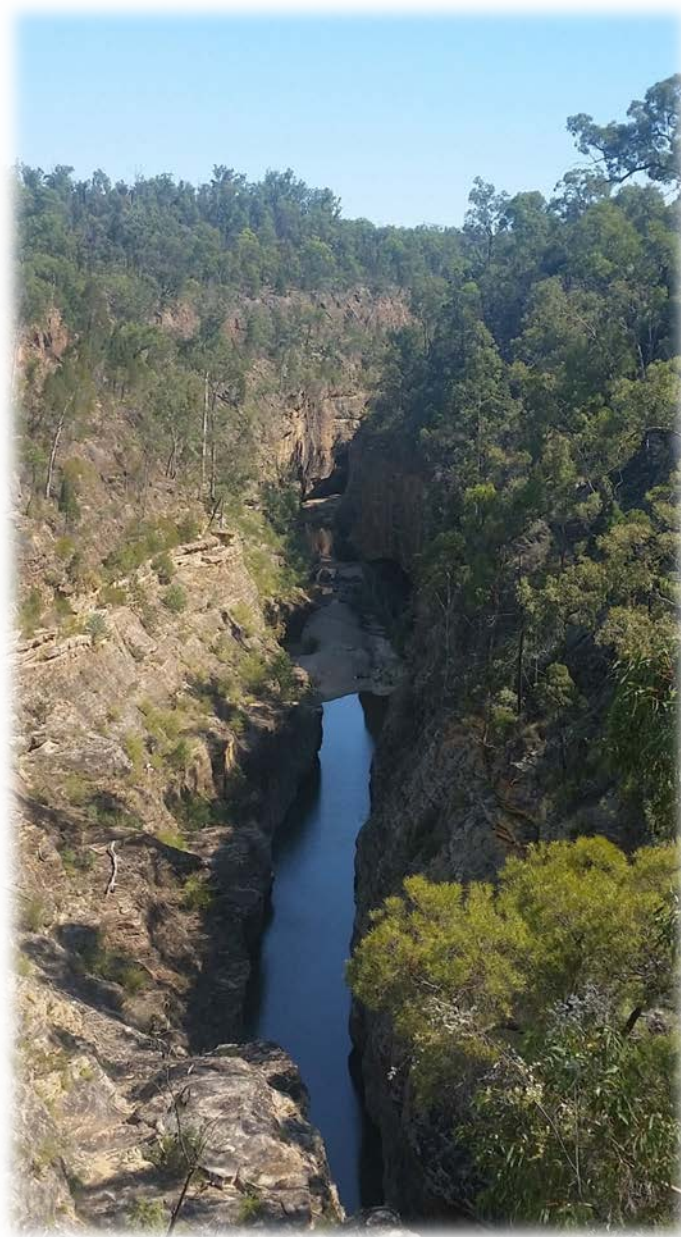
Plan and deliver effective and efficient infrastructure services.

- a. Manage and develop infrastructure at levels of service which meet community expectations and ensure long term sustainability subject to financial resources.
- b. Focus on essential service delivery especially transport including road, street and bridges network and aerodromes, water and sewerage treatment and supply systems and waste including garbage and water.
- c. Lobby the State and Commonwealth Governments regarding funding for programs relating to local safety issues.
- d. Seek funding to assist delivery of essential infrastructure where the cost places an unrealistic burden on Council and the community.
- e. Place an increased focus on asset management including monitoring and managing the condition of assets, costs of service and service delivery on a regular and continuing basis.
- f. Provide information to the business and community in relation to service levels and service performance.
- g. Undertake risk management of essential service delivery.
- h. Provide and maintain effective transport infrastructure.
- i. Subject to sustainability and financial resources, maintain and where appropriate, improve the current level of services, activities and functions to meet community needs.



## 5.2. Performance Indicators:

- a. Meeting required water and wastewater quality standards.
- b. Responding in accordance with Council's customer charter and service standards.
- c. Achieving the CASA requirements at Council's airports where required.
- d. Managing Council's assets within the levels of service as set out in the asset management plans.
- e. Buildings are maintained at a determined service level.



## Corporate Plan – Key Actions

1. Deliver a budget surplus while maintaining realistic service levels.
2. Continuously review the long term financial forecast, asset management plans and service standards.
3. Monitor costs and undertake process improvement.
4. Communicate with the community with a focus on improving the relationship with constituents.
5. Promote the Shire to encourage tourism and investment.
6. Secure sustainable long term water supply for urban communities and rural businesses.
7. Lobby for improved main roads outcomes including heavy vehicle bypasses for Biloela and Taroom, improved intersections and passing bays on main roads.
8. Continue to investigate the use of new technologies to increase efficiencies.
9. Lobby for improved communication connectivity for phones and internet.
10. Lobby for improved medical, education and transport services.
11. Facilitate the implementation of local ILUAs.
12. Monitor the use of air services within the Shire and advocate for continued and suitable scheduling of the flight timetable to suit community needs.
13. Maintain all weather and safe roads as defined in Council's service standards.



## Governance

### 1.1 Strategic Direction

To ensure Council demonstrates leadership and is accountable to internal and external key stakeholders, including the community through transparent and inclusive decision making processes and effective service delivery and operations.

### Governance and Administration

Council operates under the *Local Government Act 2009* which came into force on 1 July 2010 and was substantially amended by the Queensland Government following the change of government with the state elections. The amended Act received assent on 24 November 2012. The accompanying regulations were consolidated into one new *Local Government Regulation 2012*. The purpose of this Act is to ensure that local government is accountable, effective, efficient and sustainable.

Council is required to act in accordance with the Local Government Principles, namely:

- (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; and
- (e) ethical and legal behaviour of councillors and local government employees.

The Minister for Local Government has substantial powers over Council in monitoring and enforcing these principles.

The 2017/18 year continued with the same corporate structure.

Open, honest and accountable government continues to be provided through public access to Council meetings and to meeting agendas, minutes and other relevant documents posted on Council's website or available for inspection at Council's offices. Hard copy agendas are also available to the public prior to the respective meetings.

Council is required under the *Integrity Act 2009* to record contact with lobbyists and to report any contact with unregistered lobbyists to the Queensland Integrity Commissioner. To achieve this Council maintains a register of any contact.

The *Public Interest Disclosure Act 2010* along with the *Public Sector Ethics Act 1994* place requirements on Council both in its operations and reporting.

To ensure compliance with these and other changes in legislation Council continues to review much of its governance operations.



In other key governance areas, Council continues to operate under the local laws and subordinate local laws adopted on 26 October 2011, which are compliant with the *Local Government Act 2009* and are based on the models provided by the Department of Local Government and Planning.

The Audit Committee has met as required by legislation to assist in monitoring Council's compliance with legislation and the guiding principles. Council's financial records are audited by the Queensland Auditor General.

Council has continued to review its policies by removing any policies made obsolete by legislation or changing circumstances and to adopt relevant new or amended policies. This will continue in 2019/20.

Council will also continue to focus on risk management in 2019/20 as it seeks to minimise its exposure to risk and insurance liability through the delivery of compliant risk management strategies throughout its operations.





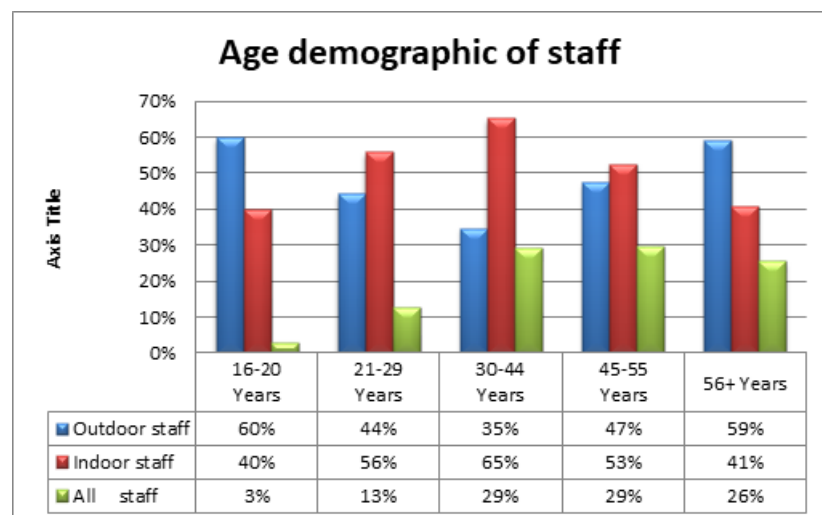
## Human Resources Management

Our workforce statistics indicate a head count number of 323 employees at the end of the financial year, exclusive of vacancies (30).

Of this total of 323 head count, we have 241 permanent employees (75%), 25 permanent part time employees (8%), 23 fixed term employees (7%), 27 casual employees (8%), and seven trainees / apprentices (2%).

Our workforce profile also indicates predominant numbers in our outdoor workforce, as well as customer and community facing roles.

An issue facing all organisations, (with Council no exception) is the ageing workforce. Our data below shows the following status at the end of the financial year:



The ageing workforce will be a challenge for Council to manage, including managing transition to retirement, fitness for role, and social and economic challenges for our workforce. These are challenges that will need to be considered in workforce planning, job skills required, and the changing nature of work in respect of technology and the modern workplace.

Council finalised our Enterprise Bargaining negotiations in late 2018, with a resounding “yes” vote from eligible employees. The new Agreement was certified on 6 March 2019, and represents a very good set of bargaining outcomes for the parties.

The November 2018 bi-annual cycle of Performance Reviews were distributed from HR to business areas, with a high participation rate from employees. The November cycle included the “training needs assessment” (TNA) which is undertaken each year to establish mandatory learning and development needs, professional development and overall training needs related to job roles and individual employees. This is fed into the budget development process.

Leave accruals continued to be monitored and proactively managed on an ongoing basis. These included annual leave, long service leave and time in lieu balances.

## Workforce Statistics

The following tables provide a breakdown of the composition of Council's workforce and the number of employees in each Department as at 30 June 2019.

Full-time equivalent = 262.42

Employment Status	Male	Female	Total
Full Time	172	69	241
Part Time	1	24	25
Fixed Term	10	13	23
Casual	4	23	27
Apprentice	3	0	3
Trainee	2	2	4
<b>TOTAL</b>	<b>192</b>	<b>131</b>	<b>323</b>

Unfilled Vacancies	30
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Department	Number of Positions (Exclusive of Vacancies)
Executive Services	19
Corporate & Community Services	94
Council Services	76
Infrastructure Services	134
<b>TOTAL</b>	<b>323</b>

## Learning and Development

### Trainees, Apprentices and Cadets

Banana Shire Council was successful in obtaining two Traineeships with the State Government's First Start Funding as part of the Skilling Queenslanders for Work initiative.

Council also recruited a School Based Apprentice and a full time Apprentice who are studying a Cert III in Mechanical Engineering – Diesel Fitter.

Council has an Environmental Health Cadet working full time at the Biloela Office whilst studying part time through the University of Central Queensland.

### Professional Development

Banana Shire Council recognises that training, learning and development are a continual and progressive process, and that new opportunities and methods must constantly be sought to ensure that Council is offering the most efficient and applicable training, learning and development program.

This year, staff participated in the Ignite Programme and Propeller Programme conducted by the Local Government Managers Association. These programmes are employee development and recognition programmes for staff who are new Managers or Supervisors. Banana Shire Council also entered a team in the LGMA Rural Management Challenge which was held in Rockhampton in November 2018. This team went on to compete in the Australasian Management Challenge.

In addition to training opportunities, Council encourages the development of employees by providing financial assistance for professional association membership. This is designed to expose employees to networking opportunities and industry information.

### Mandatory Training

Completion of mandatory training by Banana Shire Council staff, helps maintain a safe and healthy working environment and supports Council in meeting its obligations under Queensland's Work Health and Safety Act 2011.

All Banana Shire Council staff must complete the core mandatory training modules with additional training requirements for specific staff, dependent on their occupation or responsibilities within their workplace. Regular training provides continuous improvement and allows Council supervisors to keep well-informed of legislative responsibilities and changes.

### Careers Market

Learning and Development has successfully coordinated Council's contribution to this year's Careers Market held on 24 June 2019 at the Biloela Civic Centre. Staff from across the Council assisted to ensure that the Careers Market was not only a success, but provided interesting and interactive displays for all students who attended.

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## Work Experience

Each year Banana Shire Council encourages local students to participate in our work experience programme. To provide them with a “real life experience of a workplace”, Council also holds a mock interview with students, to give them exposure and tips that may assist them in the future.

Workloads and staff availability sometimes prevent a student being placed. Council does not place students in high risk work areas.

Banana Shire Council also takes work experience students from the special needs class at Biloela State High School.

Staff from Learning and Development also attends a workshop every year for the year 12 students and talk about Interviewing Tips and how to write Selection Criteria.

## Disaster Management Training

Disaster Management training continues as a priority to assist Council staff who work in the Banana Shire Local Disaster Coordination Centre. The training covers QITPlus Guardian Control Centre Software, QLD Disaster Management Framework Modules, and Roles and Responsibility training for those with designated positions.

A training needs analysis is conducted annually by Learning and Development in consultation with the Disaster Management Coordinator. Gap training and refresher courses are provided to staff for continuous improvement ensuring the Disaster Coordination Centre has the capability and capacity to respond should a disaster situation occur within the Banana Shire.

## Fleet Training

Learning and Development coordinates and monitors internal and external training requirements relating to plant operations.

External training providers are sourced if the training is outside the scope of qualifications of staff.

Training for specialist or high risk equipment is also outsourced to a “Registered Training Organisation”.



## Work Health and Safety (WH&S)

Supporting Council in the provision of advice and assistance across the organisation in WH&S is the team below:

Mayuri Gosalia  
Principal WHS Business  
Partner



Ian Coulson  
WHS Business  
Partner



Peter Galdal  
WHS Business  
Partner



Nikki Ryrie  
WHS Support Officer



### **WHS – the year in review included:**

- Audit of the WHS Intranet System and improvement in document search capability
- Documentation gaps identified and being rectified
- Implementation of a structured WHS Induction, delivered weekly
- Myosh Safety Data System upgrade to the new Myosh Viking platform
- Incident and Hazard – Closing out of actions improved
- Random Drug and Alcohol Testing in place
- Occupational Hygiene Program
- Assistance with non-compliant incidents and investigation
- Substantial number of procedure reviews completed with strong consultation within the business

### **WHS - planned for the next year:**

- WHS Intranet 100% populated
- TAKE 5s all Completed
- Tool Box presentations completed
- 2019 WHS Internal Audit completed
- Wellness Program launched
- Silica and Asbestos Awareness completed
- Noise and Light Monitoring reviewed
- Continuous improvement in reporting of all Incidents, Hazards and Actions

### **Our staff help us by active contribution:**

- Being proactive in reporting incidents, injuries and near misses
- Discussing with their manager if a gap in a procedure or risk assessment is identified
- Proactive communication and consultation with the WHS Team, and via the safety committee

### **Our goal is to:**

- Have a WHS System that is easy to navigate
- Have “one source of truth” within the WHS System for all documents required relating to WHS
- Ensure people implement the training that they have received & model safety behaviours
- Lead by example - Employees are prepared to stop a workmate getting injured

## Records Management

Council's Records Management Section continued to strive through sound operational procedures to comply with the requirements of the *Public Records Act 2002*. This Act sets the requirements for Council in relation to creating, capturing, storing, retrieving and disposing of records.

The volume of incoming and outgoing correspondence processed by the Records Management Team has increased by 9% over the 2018/19 year.

Banana Shire Council continued to utilise the MagiQ Records Management Software system for recordkeeping. During 2018/19, training for new employees in MagiQ was delivered by a select group of advanced users, or "champions", to allow departments to provide targeted and specific training to their teams. Refresher training was also delivered to all users, focusing on both the use of MagiQ as well as legislative requirements for all employees to make and keep records of their business decisions and activities.

In response to recommendations from the Royal Commission into Institutional Responses to Child Sexual Abuse, the Queensland State Archivist issued a Disposal Freeze for all records pertaining to Council's contact with children. The Records Management team assessed Banana Shire Council's records against the scope of the disposal freeze and made appropriate changes to the retention and disposal schedules applied to these records.

Council's documents continue to be housed by ZircoData Pty Ltd, a third party storage company based in Brisbane which is responsible for the housing, maintenance and destruction of these documents. Retrievals and lodgements were organised as required using the ZircoBridge online web portal.

One Right to Information application was received and finalised during the year. This application was processed within the legislative timeframes.



## Information and Communication Technology

The Information and Communication Technology Section (ICT) completed numerous projects and upgrades throughout the year in an effort to meet the rapidly growing resource requirements of the organisation.

ICT staff are continuing to source cost effective and relevant corporate technologies which will ensure the needs of the users are met now and in the future. Core network and corporate applications were available for more than ninety-nine per cent of work hours throughout the year. 1002 logged user support requests were completed during the year.

Some projects completed and made operational during the year included:

- Exchange Email server hardware and software upgrade.
- Upgrade of 39 smart phones.
- Upgrade of 10 copiers.
- Further upgrades to new and existing CCTV coverage.
- Begun upgrades migrating to Microsoft Windows 10 and Server 2019.





## Community Development

### Networking

Council continue to coordinate quarterly interagency meetings in Biloela, Moura and Taroom as a tool for both Council and the community to receive regular updates on services available and general community information. The Community Development Advisor also attends similar community meetings in Theodore and Baralaba which are coordinated by local community services.

The Community Development Advisor has been actively involved in planning and delivery of several community projects and initiatives including the CQ Suicide Prevention Banana Leadership Group and the Lutheran Services Dementia Unravalled Pilot Project.



Participants at the second 'If A Painting Could Talk' session with Lutheran Services Clare Apelt reciting the created story and Council's Community Development Advisor Melinda Petty facilitating the session. 'If A Painting Could Talk' was one of the numerous community education and participation initiatives delivered through the Dementia Unravalled project.

### Online Services

The Community Development section provides tools for the community to assist in promotion and connectivity. The Community Events Calendar on Council's website is promoted as a one-stop shop to advertise events across the Shire with an online form enabling community groups to submit local event information for inclusion.

Council pay an annual subscription to provide the Banana Shire Community Directory to the community via Council's website and as a mobile app. The Directory lists services and organisations across the community and is categorised for easy navigation. The Directory is free for organisations to list their services and upon registration are given log-in details to maintain the currency of their information. Currently there are 350 organisations listed as providing 463 different services across 433 locations in the Shire.

## Community Grants Program

Council approved a total of \$119,015.77 in grants to community groups across the Shire in the 2018/19 financial year. Fifty-six grant applications were received under the program, with ten of those being withdrawn, incomplete or unsuccessful. The below table details approved applications, along with additional Annual Contributions and Council Resolutions Contributions.

<b><i>Applicant</i></b>	<b><i>Project/Event</i></b>	<b><i>Financial Contribution</i></b>	<b><i>Committed In Kind Assistance Contribution</i></b>
<b><i>Council Resolutions Contributions</i></b>			
Moura Hospital Auxiliary	Emergency Landing Site pathway at Moura Community Hospital	\$ 3,000.00	
<b><i>Annual Contributions</i></b>			
Chaplaincy Vehicle	Annual budget for maintenance - Council minute OM003428 - approved contribution to 30.06.20	\$ 2,000.00	
Child Safety Handbook	Annual contribution - subject to request - processed operationally as per Community Grants Procedures	\$ 440.00	
RACQ Capricorn Helicopter Rescue Service	Annual contribution - Council minute OM003599 - approved contribution for the remainder of Council's Term (2020)	\$ 5,500.00	
Special Children's Christmas Party	Annual contribution - subject to request - processed operationally as per Community Grants Procedures	\$ 250.00	
Theodore Pool	Annual contribution for public use & supervision - Council minute OM003523 - approved contribution for the remainder of Council's term (2020).	\$ 20,913.20	
<b><i>Grant Applications</i></b>			
Banana Shire Art Gallery Assoc	2017 Brigalow Arts Festival (payment never processed - May 2017 application)	\$ 300.00	
Baralaba Local Ambulance Committee	Baralaba LAC Bush Christmas Carnival	\$ 4,480.00	
Biloela & District Band Inc	Purchase of new bass drum	\$ 1,000.00	
Biloela Community Dance Club	Spring Time Dance Weekend	\$ 1,046.50	
Biloela Community Kindergarten	Dive-In Movie	\$ 845.00	





<b><i>Applicant</i></b>	<b><i>Project/Event</i></b>	<b><i>Financial Contribution</i></b>	<b><i>Committed In Kind Assistance Contribution</i></b>
Biloela Community Kindergarten	That Dam Run	\$ 5,000.00	
Biloela District Baptist Church	Construction of barrier fence	\$ 2,500.00	
Biloela District Baptist Church	Easter Event	\$ 395.00	
Biloela Eisteddfod Society	Music Eisteddfod, Speech & Drama Eisteddfod, Dance Eisteddfod	\$ 4,500.00	
Biloela Enterprise	2018 Biloela Christmas Festival		\$ 811.76
C&K Coo-Inda Community Kindergarten	Kindy Excursions and Experiences	\$ 2,500.00	
Callide Valley Agricultural & Pastoral Society	2019 CV Show	\$ 1,500.00	
Callide Valley Hack and Pony Club	Clem Smith Show Jumping Clinic	\$ 1,500.00	
Callide Valley Hack and Pony Club	Kitchen Upgrade	\$ 2,500.00	
Callide Valley Minister's Fellowship	2018 Carol's By Candlelight	\$ 1,500.00	
CQ Gliding Club	Electrical Upgrade	\$ 4,950.00	
CQ Rural Health	CALM Suicide Awareness & Prevention Workshops	\$ 2,500.00	
Dawson Jockey Club	Rubbish truck for Sept & Dec race meets		\$ 264.00
Dawson Jockey Club	One-Off Race Meet		\$ 132.00
Jambin State School P&C	Jambin P&C Bullarama	\$ 5,000.00	
King & Queen of CQ Big Boar Inc	King & Queen of CQ Big Boar Comp	\$ 1,500.00	
Leichhardt Branch - Australian Stock Horse Society Inc	Meagan McIntosh Equestrian Clinic	\$ 1,500.00	
Moura Amateur Swimming Club	Moura 25m Pool starting blocks	\$ 5,000.00	
Moura Fish Stocking Group Inc	2019 Moura Muddy Water Classic Family Fishing Competition	\$ 1,500.00	
Moura Men's Shed	Water Connection	\$ 2,500.00	
Moura Men's Shed	Installation of water tank	\$ 1,250.00	
Prospect Creek State School P&C	Prospect Creek State School Market Day Fair	\$ 1,500.00	
Rotary Club of Biloela	Annual Market Day venue hire	\$ 623.00	

<b><i>Applicant</i></b>	<b><i>Project/Event</i></b>	<b><i>Financial Contribution</i></b>	<b><i>Committed In Kind Assistance Contribution</i></b>
Rotary Club of Biloela	2019 Beer & Wine Festival	\$ 4,630.00	
Rotary Club of Biloela	2019 Careers Market	\$ 800.00	
Taroom & District Historical Society Inc	The Raised Bed	\$ 775.50	
Taroom Fishing & Restocking Club Inc	Taroom Fishing Competition		\$ 1,265.25
Taroom Golden Horse Shoe Campdraft Assoc	Taroom Golden Horse Shoe Campdraft	\$ 1,345.50	\$ 154.50
Taroom Men's Shed	Electrical upgrade	\$ 850.45	
Taroom Rodeo Club Inc	Taroom Rodeo	\$ 440.00	\$ 154.50
Taroom Show Society	2019 Taroom Show	\$ 1,207.00	\$ 293.00
Taroom State School P&C	Annual Presentation Night	\$ 200.00	
Thangool State School P&C	Purchase air-conditioner	\$ 3,000.00	
Theodore Council on the Ageing	Growing Our Village Project - raised garden beds	\$ 1,100.00	
Theodore Early Childhood Centre Assoc	Purchase of play equipment	\$ 1,384.61	
Theodore Junior Roosters Rugby League Football Club	Upgrade to irrigation system for rugby league fields	\$ 5,000.00	
Theodore State School	Refund of unspent grant money - 2016 Trail Ride	-\$ 126.50	
Wahroonga Retirement Village	Purchase of marquee	\$ 1,155.00	
Wowan Agricultural Society	Photography Comp Sponsorship for 2017 Show (payment never processed - May 2017 application) (see doc no 1419292)	\$ 56.50	
Wowan Agricultural Society	2018 Wowan Show (May 2018 application)	\$ 700.00	
Wowan State School P&C	Community Christmas Tree	\$ 3,930.00	

## Community Project Support

Twenty-five letters of support or references were provided throughout the period for a variety of community groups to strengthen their applications for funding from external sources.

## Events

### Festival of Small Halls

Banana Shire Council was the underwriter for the Festival of Small Halls tour in November 2018. The Goovigen State School P&C hosted the concert which enabled them to fundraise for their E-Kindy Pod. The event was a huge success with 139 tickets sold and all who attended expressing what a great atmosphere the event had.



**Left: Audience members watch the closing performance at the Festival of Small Halls event in Goovigen.**

### Queensland Youth Week

Council's Community Development Advisor assisted Anglicare Central Queensland's Biloela Youth Worker to deliver an event at the Biloela Skate Park as part of Queensland Youth Week on Wednesday 3 April. The free event included skate demonstrations and prizes from Australian Skateboarding Community Initiative, a sausage sizzle and skate/scooter comp. The event was well received by the community and feedback confirmed that there is plenty of interest for these events to occur again in future.

### Garage Sale Trail

Banana Shire participated in Garage Sale Trail for the third year in 2018 with eleven sales registered across the Shire from the communities of Biloela, Thangool and Theodore. 569 residents participated as either a shopper or seller representing 430 households. Banana Shire was ranked in the top ten of 150 participating Queensland Councils for number of sales per capita of population. 93% of sellers and 94% of shoppers advised that they would participate again. A total of \$4,347 was generated from the collective garage sales and an average of \$454 was made per household sale. Garage Sale Trail nationwide for 2018 resulted in 3,289 tonnes of items being reused instead of going to landfill.

### Australia Day

The 2019 Australia Day celebrations were held in Thangool. Significant time is required from numerous staff in the Corporate and Community Services department in the planning for this event each year. This varies from organising the Citizenship Ceremony and official requirements, collating award nominations,

planning the photo competition and generally making sure the celebrations comply with regulations. Planning commences in July/August and continues past the event date of 26 January.



**Left: Long term Thangool resident Kath Moller cuts the official Australia Day cake.**

**Right: Dog High Jump second place winner Ashleigh Farmer with dog Shiloh and Director of Council Services John McDougall.**



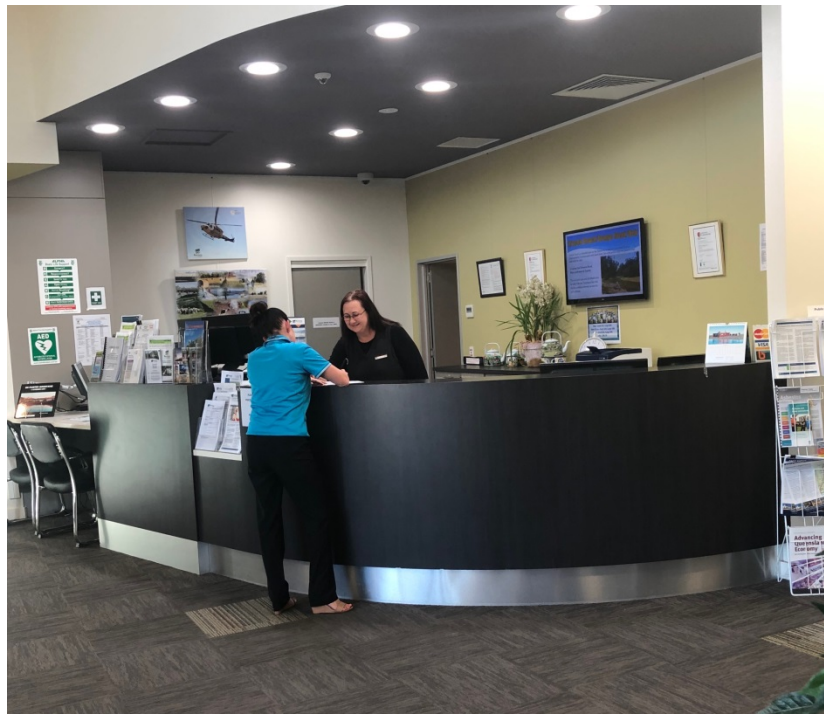
## Customer Service

Customer Service Officers answered approximately 23,083 calls, which equates to approximately 89 calls per work day and approximately 4,616 calls per Customer Service Officer annually. There has been a 6.22% decrease in calls through the phone system during this financial year.

These statistics include calls made to the Moura and Taroom offices and do not include direct calls made to internal numbers or mobiles. Call statistics will continue to be monitored to ensure an efficient and effective service is provided to ratepayers.

Resident visitation to Banana Shire Administration Buildings has decreased slightly this financial year with 12,537 face-to-face customers attending our facilities to undertake their business; which equates to a 0.97% decrease against the 2017/18 financial year. Biloela Office attended to 9,274, Moura 1,332 and Taroom 1,931. Counter statistics will continue to be monitored to ensure an efficient and effective service is provided to ratepayers.

Our teams issued 5,568 receipts. This is a 1.42% decrease from the 2017/18 financial year - the receipts from the Biloela Administration Office 4,030, from the Moura Customer Service Centre 784 and from the Taroom Customer Service Office 754.





## Financial Services

Operational and capital financial reports were presented to Council on a monthly basis in accordance with the *Local Government Regulation 2012*. Financial Services staff have reviewed Council's Asset Management Strategy to ensure that all Asset Management Plans align with Council's direction for asset management. The continual development of long term Asset Management Plans remains a high priority within the Financial Services section of Council.

Council's 2018/2019 Financial Statements have been audited without qualification and all other statutory reports were completed in accordance with relevant legislation.

## Stores / Procurement

Staff have conducted their yearly review of Council's Procurement Policy and Procedures with some minor changes to reflect Council's everyday requirements. The team continue to conduct training sessions for all new employees and have implemented internal training for staff that have been given a new delegated financial delegation on procurement. This has allowed internal staff a better understanding of their obligations and adherence to Local Government legislation and Council's Procurement Policy and Procedures.

Procurement continues to monitor stock levels and regularly discuss with other departments on any new procurement processes and stock levels. Procurement have implemented a Green Workplace with their first step to tackle excess paper usage. Implementing this new procedure of recycling paper in their everyday work life, has considerably cut down on paper wastage and has implemented conversations with other departments on better ways to conduct their way of printing and save on waste. Paper that cannot be reused is shredded and use in gardens.



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## Disaster Management

### Local Disaster Management Group

All local governments are required to establish a Local Disaster Management Group (LDMG) to support and coordinate disaster management activities within their relevant area.

Banana Shire Local Disaster Management Group consists of Banana Shire Council Mayor as chairperson of the group, a senior officer of Council appointed as the Local Disaster Coordinator (LDC) local emergency service agencies, Council representatives, local industry representatives and non-government welfare organisations

During November and December 2018 the LDMG was activated to support Queensland Fire and Emergency Services, in response to the potential effect of bushfires within the Gladstone region.

Council has also formed an LDMG Executive Management Team to oversee, promote and ensure the implementation of Council's disaster management programmes and responsibilities. The LDMG Executive Team comprises the Local Disaster Management Group Chairperson, Deputy Chairperson and Local Disaster Coordinator with each of these positions having legislated functions under the Disaster Management Act.

### Rain and River Gauges

Council maintains a significant rain and river gauge network throughout the Dawson River and Callide Valley catchments, to ensure the Local Disaster Management Group's access to "real time" rain and river height data and situational intelligence in relation to flood events. This network was funded by Council, State and Federal Governments.



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## Public Engagement and Awareness Activities

It is a function of the Local Disaster Management Group to ensure the community is aware of ways of mitigating the adverse effects of an event, and preparing for, responding to and recovering from a disaster.

To support the LDMG in this area, Council has endorsed a detailed public awareness and educational strategy to ensure local communities have access to information and resources to ensure that they are able to take appropriate actions in dealing with and recovering from such events.

## Exercises

Disaster Management exercises are required to be conducted on an annual basis and are an essential component of disaster preparedness. Exercises are used by the LDMG and member agencies to enhance capacity and contribute towards continuous improvement.

## Training

Disaster Management training is an essential means through which agencies can develop and maintain their disaster management capabilities and capacity.

Queensland Fire and Emergency Services (Emergency Management) maintains responsibility, for ensuring persons involved in disaster management are appropriately trained in accordance with the Queensland Disaster Management Training Framework.

Council supports this training through coordination and development of an annual training calendar and the provision of training facilities.

Council ensures that other local disaster management stakeholders are also offered the opportunity to participate in any training coordinated by Banana Shire Council.

## SES (State Emergency Service)

Local SES groups are invaluable in contributing to Council's disaster response capabilities and Council continues to support local State Emergency Service groups in accordance with a Memorandum of Understanding with the State Government.

As part of this support Council accepts responsibility for the provision of SES facilities, vehicles and relevant equipment.



## SOCIAL WELLBEING

### 2.1 Strategic Direction

To deliver our shared future and cultural vision, which is encapsulated by the following statement relating to strong communities:

*“A shared community journey, where our past is revered, our present is strengthened, and our future is forged through living creatively together in a bountiful and vital location”.*

### Banana Shire Regional Art Gallery



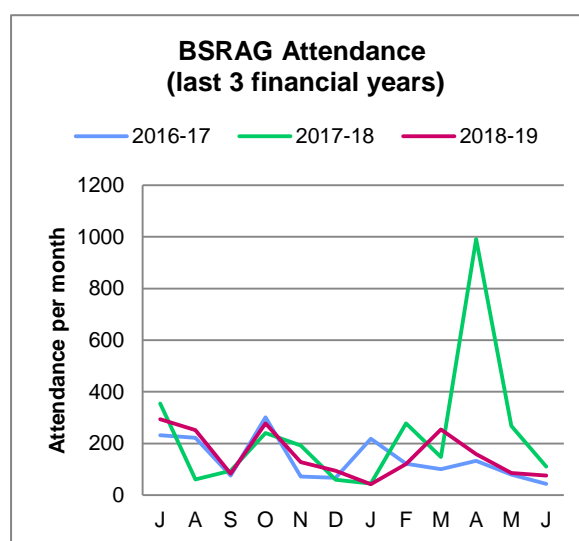
The Banana Shire Regional Art Gallery experienced another busy year with steady attendance and a variety of exhibitions and public programs on offer. The annual attendance was lower than the previous year (attributed to very successful 2017-18 exhibitions and the subsequent peak in attendance), however it remains on par with the overall yearly average for the gallery.

In August 2018 the gallery reached its fifth birthday, a special weekend of public programs was held to celebrate reaching this key milestone.

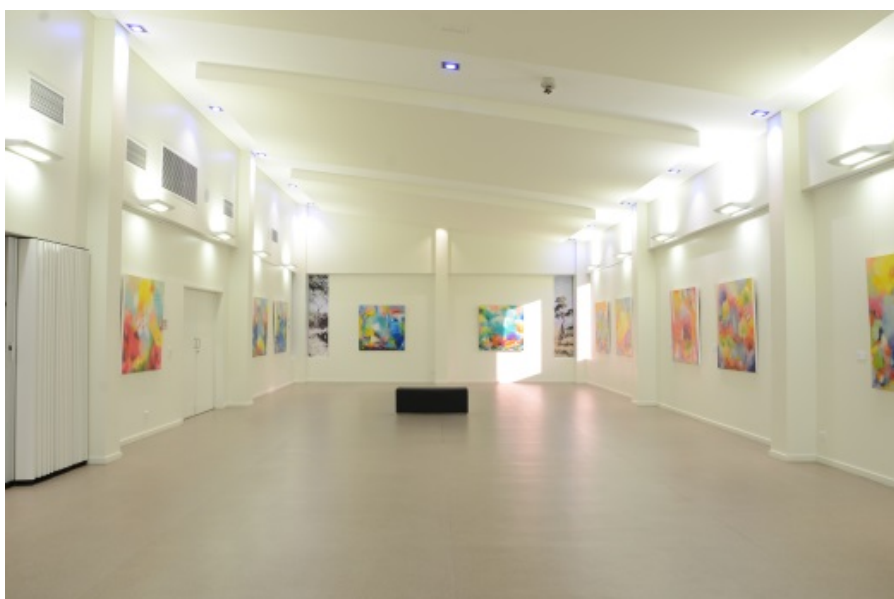
The gallery delivered a diverse exhibition schedule including the touring shows *Physical Video* (Queensland Art Gallery | Gallery of Modern Art) and Vincent Serico, *Some people are stories* (Museums & Galleries Queensland). The annual exhibitions *Art Mix* and *Brigalow Arts Festival* continued alongside a variety of exhibitions by artists from across Central Queensland.

Volunteer support continues to play a major role in the success of the gallery with a significant amount of hours contributed by the community. Banana Shire Regional Art Gallery and Council would like to acknowledge this contribution and thank the volunteer team for their time and dedication.

Total Attendance	1862
Adults	1497
Children (18 & U)	365
Number of Group Visits	5
Number of Educational Visits	1
Number of Public Programs	21
Number of Weekends Open	14
Public Programs Attendance	810
Weekend Hours Attendance	266
Outreach Program Attendance	93
Number of Exhibitions	12
BSC Presented (collection/curated)	2
BSC Presented (touring)	2
External	8
Number of volunteers	17
Volunteer hours contributed	293







Images (L to R) Top : Gallery volunteers Rodney and Donna, *Undercurrent* by Chris Hurst.  
Bottom: Gabriel and Helen Rowling celebrate the opening of Helen's solo exhibition *Art of Being There*, Kassie Warren celebrates her award at the 2018 *Brigalow Arts Festival* (Photo courtesy of Banana Shire Art Gallery Association).



## Banana Shire Art Collection

The Banana Shire Art Collection comprises of 364 works. *Shadows of My Past* by local artist Michele Lyons (Briggs) was selected for acquisition through the Brigalow Arts Festival Acquisition Program.



Image: Mayor Nev Ferrier and Michele Lyons (Briggs) with her work *Shadows of My Past* at the 2018 *Brigalow Arts Festival* (Photo courtesy of Banana Shire Art Gallery Association).

The cost of providing the service to the community over the course of the year is summarised below.

Revenue	\$ 3,320.44
Expense	\$103,603.91
Net Cost	- \$100,283.47

## Focus

Council's *Focus on the Banana Shire* newsletter was circulated quarterly. The newsletter is one of the ways that Council shares news and information to the Shire.

The newsletter is mailed to all mailing addresses within the Banana Shire (approximately 4,000) and is also available from Shire Offices and Libraries (including the Mobile Library), the Community Resource Centre, as well as Visitor Information Centres, Lake Callide Retreat and the Thangool Airport. It is also available to view on Council's website, along with past issues.

The newsletter can also be emailed. It will still arrive in the mailbox but an email can be forwarded to family and friends, so it is a convenient way of sharing our Shire's news. To have an email address added to our newsletter sharing list you can email [enquiries@banana.qld.gov.au](mailto:enquiries@banana.qld.gov.au).

*Focus on the Banana Shire* newsletter always includes a Community Calendar of Events. Items from the Community Calendar of Events can be viewed on Council's website by accessing the Community Calendar menu on the front page. All clubs and organisations within the Shire seeking publicity for their event in the *Focus* can do so by emailing [enquiries@banana.qld.gov.au](mailto:enquiries@banana.qld.gov.au).





## Library

Hours of operation include:

- Biloela branch 5.5 days/week
- Mobile Library 3 days/week
- Taroom Library 3 days/week
- Moura Library 3.5 days/week
- Theodore Library 7 hrs/week.

The Mobile Library supplements library services at the following schools: Mt Murchison, Prospect Creek, Banana, Goovigen, Jambin, and Wowan. It services the townships of Banana, Baralaba, Goovigen, Jambin, Wowan, Dululu and Cracow on a rotating two week roster.

### Larrikin Puppets – F5F Family Fun Day.



Mitchell Summers and Sandra Sedayu with puppeteers.

The Home Library Service caters to housebound community members and residents at Wahroonga fortnightly, on a Tuesday. Items delivered included: books, magazines, CDs, DVDs and audio books. Library staff enjoy a quick chat with housebound community members as they do their pick-up and delivery; for some of the oldies, library staff may be the only person these residents speak to all day. The service has beneficial health affects for those with limited mobility and opportunities to socialise.

### Rural Seniors Communicating Digitally - Biloela



Barb Wilson, John Robers and Sharon Swift.

Attendance numbers for these programs (all branches, full year) are below:

Program Theme	Attendance
Story Time	Adults and children: Biloela 1198; Moura 1419; Taroom 361; Theodore 235
Baby Bounce	Biloela 335; Moura (6 mths only) 275; Taroom 66
School Holiday Activities	Biloela 448; Theodore 25; Moura 58; Taroom 39
Programs for Disability Group ( Monday Meet-Up group – formerly Disability Art Group)	23
School & Kindy Visits	Biloela 35; Taroom 265
Self-Serve Crafts	Biloela 636; Moura 28; Taroom 6
<b>Total</b>	<b>5452</b>



Story Time at Taroom Library.



## Special Events

Event Name	Attendance
Blue Gum Farm TV Show (F5F)	Biloela 134; Moura 57; Theodore 27; Taroom 54
Under-5s Moura (F5F)	56
Morning Melodies (F5F)	Biloela 196; Theodore 67; Moura 87; Taroom 72; Baralaba 44; Wowan 29; Goovigen 34; Jambin 34; Thangool 66
Larrikin Puppet (F5F)	Biloela 130; Moura 102; Taroom 55; Baralaba 62
Family Fun Day in the Park (F5F)	Biloela 400
Hot Chocolate and Stories (F5F)	Biloela 58
Summer Reading Club	Biloela launch and wrap parties 31; Taroom launch 18.
Animal Encounters	Biloela 70
Banana Shire Writers & Illustrators Festival (Micro Grant)	Biloela 103
Brain Training Program (Micro Grant)	Biloela 10
Rural Seniors Communicating Digitally! (Micro Grant)	Taroom 8; Biloela 7; Baralaba 10 ; Moura 4
Santa Story Time Visit	Biloela 62
<b>Total</b>	<b>2087</b>

Balloon, toolkit and craft stations at the F5F Family Fun Day.





## Grants

Other than the annual Public Libraries Grant, three *Realising Our Potential Micro Grants* were awarded. They were acquired to have deeply local outcomes, engaging more of the community in the libraries.

The first was used to purchase two Epson V800 scanners to enable the digitisation of visual media including photographs, film, slides, microfiche, etc. The equipment will assist in the preservation of historical images and help keep a public record appropriate for historical societies, sporting clubs, community groups and individuals. The ability to digitally preserve visual media will also enable Council to add to, and better preserve, part of its local history collection. The scanners are based in Biloela and Taroom Library branches, but as they are portable, library staff are able to move them to other branches within the Shire when the demand arises.

The second Micro Grant was used to design and implement the “Brain Training” program. Run over a 10-week period, 24 April – 26 June, 2019, in the Biloela Library, participants experienced a number of timed activities such as crosswords, sudoku, drawing with the 'other' hand, colouring in, etc to exercise both sides of the brain with the aim to improve brain function and memory.

Participants thoroughly enjoyed the program and the special graduation gifts – a certificate and a T-shirt (promoting the program and the library). The program was so well received Council will be running it at the Taroom Library commencing in October, and potentially in the two other branches in 2020.



Some of the “Brain Training” graduates: Back: Diane Langens, Lynne Cowen, Gaye Ziebell Front: Marilyn Cupitt and Lexie Howard.

The third grant was used to host the Banana Shire Writers & Illustrators Festival and Giant Book Sale, 24-25 May 2019. Our aim was to promote our local literary talent (either born or living in the Shire), foster literacy skills, encourage our budding authors and illustrators, and inspire community to revisit their local library and investigate all it has to offer. Local talent at the festival included, authors Christine Bongers, Therese Creed, Glee Sellin and authors and illustrators Debbie Graving, Sarah Hart and Hannah Seth.

A number of events were planned during the Festival; on Friday, local schools were invited to attend and meet our authors and illustrators at workshops, and an adult's only evening soiree was held. Saturday a number of workshops were on offer again.

## Statistics

Comparative statistics 2017-18 to 2018-19 provide evidence that membership throughout the Shire has increased, as have visits to the library. According to these statistics loans are down, however, these statistics do not include e-borrowings which have increased.

	Physical Loans (not including ebooks, eaudio)		User visits (p.a.)		Membership (June 2019)	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Biloela	45676	38439	52556	51798	3133	3239
Mobile	7510	6085	2104	1752	457	454
Moura	12032	11082	6207	7851	727	809
Theodore	2257	2811	1063	1282	214	194
Taroom	5328	6244	3455	4132	395	445
Total	72803	64661	65385	66474	4926	5141

The cost of providing the service to the community over the course of the year is summarised below.

Revenue	\$117,983.84
Expense	\$992,972.24
Net Cost	- \$874,988.40

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## Community Resource Centre 2018/19

The Community Resource Centre (CRC) provides access to services and resources to support and empower individuals and families in the community to meet their needs. This is achieved via:

### Resource Library

The CRC Library currently holds 6,051 catalogued resources, including 219 new resources accessioned during the 2018/19 financial year. During this period 2,238 items were borrowed. These statistics represent borrowings throughout the Shire and include toys and games, classroom and therapy resources and specialised equipment. This community wide support is testament to the value placed on the CRC by the residents of Banana Shire.

### CRC Programs

The CRC provides services to individuals in our community who have an identified physical, intellectual or social need. Clients are referred to the CRC through a wide network of professionals, groups and organisations who visit and use the CRC facilities to provide centre based programs and activities.

### CRC – Specialist Disability Services to Schools (SDSS) Programs

These funded programs are designed to enhance access to and participation in the curriculum and as a result, enhance educational outcomes of eligible children with disabilities in schools. Programs are accessed by schools via a request for service.

#### School Support Services Program

Individual and group therapy services provided included Speech Language Pathology, Occupational Therapy, Physiotherapy, Exercise Physiology, Music Therapy, Educators and therapy assistants to schools in Biloela (four schools), Moura (two schools), Mount Murchison, Prospect Creek, Thangool and Theodore. Banana, Baralaba, Jambin, Goovigen, and Taroom schools did not request services during the 2018/2019 year. Services included a range of delivery models including face to face therapy, mentoring, consultative and advisory interactions, provision of resources and specialised equipment. Programs targeted areas such as social skills, gross and fine motor skill development and community engagement to support educational programs and lifelong learning, and to provide support to enable students with disabilities to participate in educational activities on the same basis as their peers. This program facilitated activities such as horse riding therapy, music therapy, supported socialising, Move and Play, and holiday programs during the reporting period.

#### Specialised Equipment Program

This program continues to lend a range of specialised equipment to the people of Banana Shire to assist access to community activities and learning opportunities. Acquisitions during the 2018/2019 year have included specialised communication support devices and seating to promote inclusion and participation in learning activities in classrooms.

In February, CRC Physiotherapists held a Positioning for Learning Expo to showcase the range of seating options available at the CRC. The Expo was attended by staff and families from schools in Biloela, Monto, Moura and from CQ Hospital and Health Service.



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## **CRC – Fee for Service**

The CRC is a registered provider of therapeutic and early childhood services under the National Disability Insurance Scheme (NDIS). This year has seen ongoing delivery of therapy services, including Speech Language Pathology, Occupational Therapy, Physiotherapy and Early Childhood Educator.

## **CRC - Callide Dawson Special Needs Support Group Inc.**

The Callide Dawson Special Needs Support Group Inc. (CDSNSG) continues to provide the CRC with wonderful support and resources through their advocacy, successful funding applications and community donations. This year CDSNSG has provided invaluable support to advocate and raise funds to extend the CRC.

## **Programs Run by other Organisations at the CRC**

The CRC plays a vital role facilitating services into the Banana Shire. Outreach and local organisations access resources and facilities to enhance and support delivery of services to people in our community.

Allied health services for residents of Banana Shire were provided at the CRC by a number of organisations, including speech pathology, psychology, counselling, occupational therapy, and exercise physiology services delivered by Live Better, Lifestyle Therapies & Training Solutions and all Sorts Developmental. Queensland Regional Sleep Clinic, Converge, Roseberry House, MDA Parents Next, and the Family Relationships Centre provided outreach services to Banana Shire from the CRC premises. Speech therapy was provided by Dr Amanda Heit Speech Pathologist, Psychology Services by Jaime Parnell, Psychologist and physiotherapy by Physiotherapy2gO.

Other services to utilise the CRC to provide services included employment agency APM, Callide Valley Chaplaincy, C & K, CQ Guidance Officers, Janice Creed Art Therapy, Youth Justice, Centre Care, Family Relationships Centre, OCTEC Employment.

A number of organisations also used the CRC meeting rooms to run training sessions and workshops. These included NDIA, Master Electricians and Janice Creed.

## **CRC Volunteers**

Volunteer contributions to the CRC are priceless. Our Volunteers accession and process returned resources and review and update the collection and its management systems under the guidance of CRC staff and therapists.





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## In Closing

The 2018/2019 year has been an exciting time for the CRC. We continue to respond to changing community needs and are excited about the future for our service. This year Federal Member for Flynn, Ken O'Dowd, announced a grant of \$750,000 for the CRC Extension Project which aims to extend the existing building to provide a reconfiguration of the existing workspaces, designed to improve the working environment to ensure efficiency, security and reduce overcrowding; additional space to provide therapy services to meet community need; increased Resource Library storage; and improved flow of people and resources through the building.

The cost of providing the service to the community over the course of the year is summarised below.

Revenue	\$373,357.00
Expense	\$610,731.96
Net Cost	- \$237,374.96

## Regional Arts Development Fund (RADF)

The Regional Arts Development Fund (RADF) is a partnership between the Queensland Government and the Banana Shire Council to support local arts and culture in regional Queensland. RADF promotes the role and value of arts, culture and heritage as key drivers of diverse and inclusive communities and strong regions. RADF invests in local arts and cultural priorities as determined by local communities.

The Banana Shire RADF Program includes Council initiatives and a Community/Individual Grants Program. The Program operates September-September, reporting includes information from the 2017-18 and 2018-19 programs.

RADF GRANTS APPROVED IN 2018-19			
Program	Applicant	Project	Grant
2017-18	Biloela Eisteddfod Society	Melissa Philp Choral Workshop	1,019.35
2018-19	BSC Initiative	Theodore Public Artwork Stage 1	14,172
	Kilburnie Homestead	Kilburnie Artist Residency Weekend	2,000
	Sarah Larsen	Abstract Painting With Cold Wax Medium	1,000
	Wahroonga Aged Care	Marks In Time	1,877
	Laney Siegmeier	Riley Baldwin Dance Company	1,000
	Queensland Music Teachers Association Inc. – Biloela Teachers Group	String Workshop & Developing Musicality	1,681
	Great Girls Giving Back – GIRLACTS Inc.	Time Out	800 (up to)
	Deb Graving	McFuddle's Farm Book Launch and Family Fun Day	1,875



Community Choir at the Melissa Philp Choral Workshop.

## HACC - Home and Community Care

Council continued to provide HACC services to the towns of Taroom, Wandoan and surrounding areas as per funding agreements. Services are being delivered in line with funding service agreements for both the Commonwealth Home Support Program and the State Queensland Community Care Program. Both programs are meeting their financial and governance targets. This service is of great benefit to these communities where other providers are not available.

The cost of providing the service to the community over the course of the year is summarised below.

Revenue	\$312,290.98
Expense	\$299,748.65
Net Cost	\$ 12,542.33

## Parks and Open Spaces

Significant projects that have been carried out in the Parks and Open Spaces area this year have included:

### Capital Works

#### Biloela

- Installation of three additional skate pads for use by the mobile skate park in Goovigen, Jambin and Baralaba



Goovigen Skate Pad



- Upgrading of the Biloela Skate Park – including the repair of the existing concrete park, the establishment of a new junior skate area and the installation of shade over both the old and new areas.



**Biloela Skate Park During Construction**



**Biloela Skate Park After Construction**

## PARKS AND OPEN SPACES







New Junior Skate Area at Biloela Skate Park

### Theodore

- Installation of new pathway along the eastern river bank of Junction Park.



Junction Park Pathway, Theodore – During Construction

## Operational Works

### Biloela

#### **Biloela town area**

- Synthetic turf has been installed in the roundabout at the intersection of Kariboe Street and Washpool Street.

#### **Melton Park**

- Repaired and replaced (tables and chairs) vandalism in the park
- Tree lopping to remove dead trees from the park, replacement trees have been planted in the same locations
- Additional eight LED lights installed to provide additional illumination in the park



Junction Park Pathway, Theodore – Complete

#### **Lions Park**

- Replace the fence around the toddlers area at Lions Park

#### **Possum Park**

- Replacement of the volleyball net and water fountain due to vandalism

### Theodore

- Planted new citrus trees along the river bank in Junction Park to help limit erosion
- Installation of new pathway along the eastern river bank of Junction Park
- Upgrading of garden surrounds in Neville Hewitt Park



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## **Environment Health Services**

### **Sharps Disposal Program**

Council's sharps disposal program continued throughout the year.

A review of the program saw a change in the type of containers provided by Council, which aimed to improve the safety of the public and Council staff.

This program aims to promote appropriate disposal of sharps, in order to reduce the risk of needle stick and other such injury to the community and Council staff. It involves the provision of sharps disposal containers in various public toilets for use by the public, and a sharps disposal container exchange program, involving the provision of new containers and an avenue for disposal of filled containers, free of charge to diabetics or those with similar health needs, through a number of locations within the Shire.

### **Vector and Vermin Control**

With limited rainfall over the year only minimal mosquito control activities were undertaken, with these involving the application of larvicide to potential breeding sites and the use of ULV equipment to treat adult mosquitoes.

Council utilised social media to speedily disseminate general advice to the community on mosquito avoidance and breeding prevention where relevant.

Between January and April, Council officers assisted Queensland Health in conducting an alpha virus program to detect the presence of Ross River Virus and Barmah Forest Virus in the local mosquito population. This program involved the trapping of mosquitoes and the analysis of honey-soaked feeding cards for the presence of viruses.

Council also assisted Queensland Health in conducting a mosquito monitoring program in Taroom for species identification.

Council continues to be proactive in reducing the public health and safety threats posed by vermin by identifying overgrown allotments throughout Shire townships, responding to complaints, issuing notices where appropriate, and undertaking enter and clear action where necessary.

### **Public Health, Environmental and Local Law Nuisance**

Council officers continued to respond to complaints in relation to environmental nuisances, littering and water pollution, and public health risks, issuing directions or notices where appropriate, in an effort to protect the environment and the quality of life for the community.

Council officers continued monitoring water quality for Council's reticulated supply, Council swimming pools, and food premises on a non-reticulated supply.



## Flying Fox and Magpie Management

Council continued to undertake quarterly monitoring of flying fox roosts within the Shire as coordinated by the Department of Environment and Science, which aligns with the CSIRO National Flying-Fox Monitoring Program.

The Department of Environment and Science provided training to Council staff during the year to assist Council is managing both magpie and flying fox issues.

Reports of flying foxes in the Shire during the year were addressed in accordance with Council's Flying Fox Roost Management Plan. Council intervention included monitoring and providing advice in relation to a population of Black flying foxes in Biloela, and Thangool and an established roost in Wowan.

Council received a number of reports of magpies swooping during their nesting season of July to December. Warning signs were erected where necessary, and several complaints of dangerous birds were investigated with no relocations undertaken.

## Licensing

Licensed activities have continued to be monitored for compliance with legislative requirements to ensure safe, hygienic food and accommodation services and the minimisation of environmental harm or nuisance.

The number of facilities/businesses that held licenses by the end of the 2018/19 financial year was as follows:

Food business license	122
Temporary food business license (commercial)	14
Environmental registration	0
Share accommodation permit	1
Caravan park operator permit	8
Higher risk personal appearance service	1
Footpath permit	45
Commercial activity permit	4

## Free Online Food Safety Training – I'M ALERT

To assist food businesses and charity groups in ensuring they and their staff have appropriate skills and knowledge in food hygiene, Council continued to provide access to a free online food safety training program called "I'm Alert" via Council's website.

## Cemeteries

Improvement works continued at Shire cemeteries, with the installation of new beams, signage and display boards at a number of cemeteries.

The signs and display boards were placed at the entrance to the cemeteries where visitors can easily see them. All signage is orientated from the entrance point for ease of locating particular graves. The display boards contain a list of burials in alphabetical order.

Signs were installed at:

- Banana
- Baralaba
- Biloela Lawn
- Biloela Monumental
- Jambin
- Moura
- Wowan

All of the cemeteries within the Shire will have signs and display boards installed; the above locations were the first stage of the project. Positive feedback has been received from residents since the installation of the boards and signs.

Beams were installed at the Biloela Lawn Cemetery and Wowan Cemetery.

Council undertook a total of 72 burials and 13 ashes were placed in columbarium walls throughout the Shire during the year.

## Animal Control

Responsible pet ownership and Council's local law requirements for animal control continued to be enforced throughout the year, resulting in a total of:

- 2461 dogs registered (1598 of these are both desexed and microchipped);
- Four dangerous dog declarations (three dangerous and one menacing);
- 40 dog attack complaints made during the year. Many of these dog attack complaints were finalised by way of warning notices.

Of the animals that were impounded the following apply:

- 38 animals destroyed (eight less than the previous year);
- 128 animals rehomed;
- 203 animals released (returned to owner).

70 infringement notices were issued (27 more than the previous year).

There continued to be a significant decrease in animals destroyed (eight less than the previous year). This decrease is due to the continuation of positive relationships with rescue organisations within the Central Queensland region.



The delivery of the Petpep Program into local primary schools and kindergartens educated children on responsible pet ownership and the appropriate actions to take when approached by a strange dog. Seven visits were made during the financial year reaching 380 students from Biloela State Primary School, Moura State Primary School, St Joseph's Catholic Primary School, the C&K Biloela Community Kindergarten and the C&K Coo-Inda Community Kindergarten.

## Dog Events

Council held their second annual Dog Walk for Breast Cancer in October 2018. Over \$1000 was raised for the McGrath Foundation whilst promoting and encouraging responsible dog ownership in our Shire. Many local businesses provided support via the donation of items for a raffle. The event was a success with many residents and their dog/s dressing in the theme of 'pink' to support the event.

In May 2019 Council hosted their third annual Dog Walk for Breast Cancer. A total of \$790.30 was raised for Cancer Council Pink Ribbon. Council decided to hold the walk on the Mother's Day Weekend and trial a new time of year to hold the event. The event was not as well attended as previous years.

In August 2018 Council assisted with the Dog High Jump event at the Moura Coal and Country Festival. There were nine entries and the winning height reached was 2.08 metres.

In January 2019 Council hosted the Dog High Jump event at the Shire's Australia Day Celebrations in Thangool. This event attracted five entries and was well supported by the crowd on the day that thoroughly enjoyed the spectacle.

In May 2019 Council hosted the Dog High Jump event at the Callide Valley Show. The event attracted six entries and drew a considerable audience. The winning height reached was 2.08 metres.



## Environment

### 3.1 Strategic Direction

To promote and manage the unique natural resources of Banana Shire, ensuring a healthy and sustainable environment where the community's social, physical and economic well-being is enhanced for present and future generations.

## Rural Services

### Invasive Pest Control

Council's Land Protection staff continued the fight against invasive pest plants with extensive treatment programs targeting; Giant Rats Tail Grass, Parthenium, Mother of Millions, Prickly Acacia, Rubbervine, Lantana, Bellyache Bush, Parkinsonia, and Harrisia Cactus.

Council also completed a significant Weed Project targeting the treatment of Parkinsonia along the Don River, Harrisia Cactus along the Dululu, Wowan, Rannes and Banana catchment areas, and Willow Cactus at Theodore.

Follow-up inspections of the Giant Rats Tail Grass strategic control program were ongoing.

Council staff conducted 43 wash down inspections, which target the prevention of weed seed spread.

A coordinated effort towards pest management was also assisted by Council's continued involvement in the Capricorn Pest Management Group. The group supported the African Love Grass Fertiliser trial at Vale Royal which was implemented by Council staff.

Council reviewed and discussed the Banana Shire Council Biosecurity Management Plan 2019-2024 at the February 2019 Council Workshop.

Programs for the control of declared pest animals continued, including:

- 1080 baiting, with the quantity of baits provided to properties during the year adding up to 7,690 kg, which included the following break-up:-

Properties	Type of bait	Amount
33 properties	Dog meat	2860 kg
40 properties	Pig meat	3670 kg
9 properties	Pig grain	1160 kg

There was a significant increase in the amount of baits distributed from last year due to the impact of dry conditions on pest behaviour. The Fitzroy Basin Association (FBA) assisted with funding for helicopter application of 1080 in the Taroom area.



- Council's bounty system for dingo/wild dog, fox and feral cat scalps continued.

Species	Male	Female	Total
Dingo/Wild Dog	464	347	811
Fox	18	24	42
Feral Cat	64	49	113

- Council staff also undertook a number of trapping programs to reduce feral cat numbers within the Shire.

## Stock and Stock Route Management

Conditions continued to be dry over an extensive area of the Shire, resulting in a large number of applications for stock route agistment, with 266 stock route grazing permits involving 10,825 head for drought purposes being issued and 21 travel permits involving 13,604 head, totalling 24,450 head of stock.

Council continued its improvement to water facilities on the Stock Routes, with the upgrading of Bridge Creek water facility being completed with the addition of a new dam, two storage tanks, two water troughs and fencing.

A large number of stock were reported wandering on Shire roads during the year and were subsequently attended to by Council's Land Protection staff.

## Wash down bays

Wash down bays continued to receive high usage for the prevention of weed seed spread.

## Tick Clearing Yards

Maintenance of the Taroom tick clearing yards and dip was ongoing.

Cattle dipping usage:

Number of head through yards – 27,073

Number of head dipped – 34,123

Number of head quarantined – 4,581



## Economic

### 4.1 Strategic Direction

Support the retention, expansion and diversification of businesses and industries to provide long term economic sustainability.

### Town Planning

Council provides a variety of Statutory Planning and Strategic Planning services to our key stakeholders.

#### Statutory Planning - Development Permit Applications

All Development Permit Applications are processed in accordance with the *Planning Act 2016* and are assessed against the Banana Shire Planning Scheme 2005 or the Taroom Shire Planning Scheme 2006.

The number of Development Permit Applications Council received is a minor decrease on the previous financial year however the nature of applications, particularly the combined applications, has become more complex due to their nature or as a response to enforcement action.

Development Permit Type	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Material Change of Use	34	23	9	12	13	8	7
Reconfiguration of a Lot	15	9	6	7	8	8	4
Combined (i.e. both Material Change of Use and Reconfiguration of a Lot)	0	2	3	1	0	2	3
Total	49	34	18	20	21	18	14

\* 22 Concurrence Agency Responses were also issued in the 2018/19 period.



## Town Planning Certificates

The total number of certificates increased slightly and the number of full certificates is the highest since the 2012/13 financial year.

Certificate Type	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Limited	42	26	19	15	30	21	8
Standard	7	3	1	0	2	1	18
Full	5	2	0	1	0	0	3
Total	54	31	20	16	32	22	29

## Strategic Planning - New Planning Scheme

Preparation of the new Banana Shire Planning Scheme to combine and replace the existing Banana Shire Planning Scheme 2005 and Taroom Shire Planning Scheme 2006 is underway and will align with the requirements and changes introduced by the commencement of the *Planning Act 2016* on 3 July 2017

Having one scheme will simplify processing and provide a more measured approach towards development throughout the whole Shire, however, in the meantime Council will continue to operate under the two existing schemes whilst preparing the new planning scheme under the new legislation.

The new planning scheme will establish the overall strategic direction (economic, social and environmental) for the Local Government area for the next 15 to 25 years.

The draft planning scheme was sent to the State Government in April 2019 for a review of State interests. The State has provided an informal response to several issues and Council is currently working with State officers to resolve these prior to release of the draft for public consultation which is expected in the first half of the 2019/20 financial year.

Council finalised the preparation of its Local Government Infrastructure Plan (LGIP) and subjected it to public consultation. The Minister for State Development, Infrastructure and Planning provided permission for Council to adopt the LGIP and that occurred on 22 August 2018. The current Banana Shire Planning Scheme and the Taroom Shire Planning Scheme were amended to include the LGIP.



## Plumbing

The number of Plumbing Approvals continues to decrease.

Financial Year	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Plumbing Approvals	142	42	53	63	50	43	33

## Building

The number of Building Approvals has decreased from the previous financial year. The decrease in both plumbing and building approvals is inline with the general decline in these approvals nationwide. It is possible that the recent interest rate cuts will translate into increased activity in the new financial year.

Financial Year	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Building Approvals	216	171	155	175	138	144	124
Council Certified Approvals	34	45	58	81	85	97	80
Privately Certified Approvals	182	126	97	94	53	47	44

## Swimming Pool Safety Certification

Financial Year	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Certificates Issued	0	4	9	17	15	18	21





## Tourism Development

The Banana Shire Tourism Working Group now comprises of representatives from Biloela, Moura, Theodore, Baralaba, Wowan, Cracow, Outback Queensland Tourism Association, Tourism and Events Queensland and Banana Shire Council. The group held three meetings this year, one each during October, March and June, chaired by Mayor Nev Ferrier.

The meetings discuss future directions and priorities for tourism in our Shire. The Working Group has worked on the development of different tourism projects and will soon review the refreshed Sandstone Wonders Tourist Guide due to be released in March 2020. In addition to this, hopes are to apply for Outback Queensland funding for development of an App to accompany the creation of the Sandstone Wonders Safari.

Information Bureaus continue to receive funding annually as per Council's Tourism Support Policy and Budgetary Procedure.

Statistical information is currently being collected via WiFi ports at Visitor Information Centres, Council Offices and Libraries as well as various camping locations throughout the Shire. This has been undertaken via both wireless and paper data collection. The use of postcode data now enables targeted marketing. Council-supplied WiFi not only attracts visitors who wish to stay connected on their travels but also allows regional councils to utilise this faster and more efficient way of data collection.



**sandstone**  
**WONDERS**



## Economic Development

### Broad Direction

Council continued to support the four pillar economic development strategy for the shire based on:

- Tourism
- Agriculture
- Resources
- Construction

To foster development in these areas, Council has taken the following approach:

- Communication and engagement with economic development and community organisations, industry and government
- Promote a positive framework to support development and facilitate an enabling environment for business and industry growth
- Preparation of strategies to enable long term aspirations and economic goals for the Banana Shire local government area

### Economic Development Management

The Economic Development function is a key area of focus for Banana Shire Council.

The Economic Development operational function within Council is managed by the Development and Environmental Services area as this role is closely aligned with the Development and Planning functions. Regular engagement with business and economic development groups along with advocacy and leadership and development facilitation have formed part of the department's activities. As applicable, Council has disseminated business and industry related information to the public.

The Economic Development Strategy (EDS) to highlight strategic policies that will support a strong, forward moving economy and long term economic prosperity was adopted by Council in October 2017. The EDS provides the policy basis for the development of action plans for each town/district by individual commerce chambers or progress associations.

### Industry Summit

The 17<sup>th</sup> Banana Shire Industry Summit was held on 16 October 2018 with the theme being Future Energy Solutions – Powering Ahead in Banana Shire “Affordable, Reliable & Sustainable Energy”. The day commenced with a breakfast followed by the summit. Following the presentations the five speakers, as a panel, took questions from the floor. The event concluded with lunch and networking, with attendees being treated to an amazing array of mouth-watering food provided by chef Matt Golinski, using local produce.

The following five speakers with a wealth of knowledge, were excellent -

- Emeritus Professor Ian Plimer, The University of Melbourne
- Carl Duncan, Group Manager Resources, Teys Australia
- Jeremy Tranter, Lead Hybrid Engineer, juwi Renewable Energy Pty Ltd
- Max Barnes, Process Engineer, All Energy Pty Ltd
- Bonson Lam, Manager Pricing and Tariff Products, Ergon Energy Retail

The speakers' topics covered –

- The climate change delusion and the great electricity rip-off
- Resource efficiencies
- Solar and battery storage
- Waste to energy and landfill levy implications
- Tariffs and pricing



A sponsor's dinner, also catered for by chef Matt Golinski was held the night before, with local off-stream water storage developer and irrigator Greg Hutchinson the guest speaker. Greg spoke about developing off-stream storages and flood irrigation on his family owned properties at Moura.

### **Future Intentions and Projects**

- Establish a purpose-built organisation for the facilitation and promotion of economic activity across Banana Shire.
- Continue engagement with key local, regional, state and federal stakeholders.
- Advance new planning scheme to further facilitate development within the Shire.

## Infrastructure

### 5.1 Strategic Direction

Plan and deliver effective and efficient infrastructure services.

### Water Supply & Sewerage

Council operates and maintains 11 water supply schemes and four sewerage schemes that have a total asset (replacement) value of over \$206 Million.

- The communities of Banana, Baralaba, Moura and Theodore are provided with treated water from the Dawson River.
- Taroom is supplied with chlorinated groundwater from the Great Artesian Basin.
- Biloela, Thangool and Callide Dam communities are provided with a combination of treated water from the Callide Dam and chlorinated groundwater obtained from the Callide Valley Aquifer.
- Water supplied to the towns of Goovigen and Wowan (non-potable) is chlorinated water obtained from local groundwater bores.
- A non-potable trickle feed water supply scheme is provided for Cracow, and
- Additional raw water schemes supply a number of community-based users at Taroom and Baralaba.

Reticulated sewerage schemes are operated and maintained for the towns of Biloela, Moura, Taroom and Theodore.

Council monitors and reports water quality parameters to the Water Supply Regulator in accordance with the *Water Supply (Safety & Reliability) Act 2008*.

Ongoing focus remained on asset replacement, necessitated by the deterioration with age, of Council's water supply scheme infrastructure and included significant water main replacement and augmentation works.

Other work highlights for this financial year include, but are not limited to:-

- Commenced installation of Automated Meter Reading hardware at Biloela, Moura, Callide Dam and Thangool (partly funded by the Queensland State Government Work for Queensland Program).
- Completion of Sewage Pump Station Replacement & Upgrade SPS1, Taroom – Major upgrade included new pump station and emergency overflow storage.
- Water main replacements – Miller Street, Taroom, Riverside Park pipework replacement (Baralaba).
- SCADA Server Replacement
- Contract awarded and preliminary works commenced for the Moura Raw Water Supply Upgrade (Intake/Pump Station). This project is jointly funded by Council and the Queensland



State Government under the 'Building Our Regions' program.

- Thangool Booster Pump – pump control panel replacement
- Moura Water Treatment Plant – Backwash Pump Replacement, Air Blower Replacement
- Wowan – Bore headworks and bore pump replacement
- Biloela Water Treatment Plant – chemical dosing improvements
- Baralaba WTP – Sludge Settling Pond Improvements
- Commenced establishment of microwave communications network (various schemes)
- Sewer manhole refurbishment (various schemes).
- Sewer main relining (Biloela, Moura)
- Biloela Sewage Treatment Plant – metalwork replacement.
- Moura Sewage Treatment Plant – Replacement of membrane units.
- Moura STP – solar power installation works.
- Replacement of damaged sewer property connections (various schemes).
- Programmed water meter replacement and large diameter meter upgrades (various schemes).
- Hydrant and valve replacement program (various schemes).
- Work Health & Safety improvements (various schemes).

Operational efficiencies continue to be pursued for all water supply and sewerage schemes, and there is a continued focus on replacement of ageing infrastructure to assist in the reduction of maintenance costs and repair costs, particularly the replacement of old pipelines and infrastructure that are no longer serviceable.

There was ongoing focus on drinking water quality management and compliance as implementation of Council's Drinking Water Quality Management Plan progressed in accordance with the *Water Supply (Safety and Reliability) Act 2008*.

**Taggle Receiver**



**Moura WTP backwash pump replacement**



**Biloela STP Metalwork**



## Built Environment

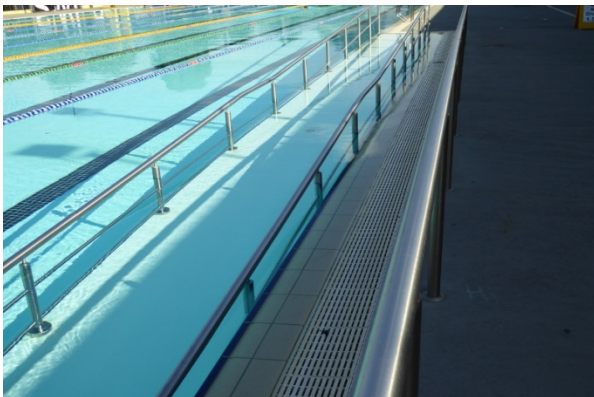
Built Environment is responsible for the repairs and maintenance of Council buildings and facilities, as well as all new capital works relating to structural buildings and other work as required.

Last financial year works were undertaken throughout the Shire under the Works for Queensland Program (W4Q) and various State Government grants. This work included the installation of a 30Kw solar system at the Moura Sewage Treatment Plant, Magavalis netball court stabilisation in Biloela, the installation of a disability access ramp at the Biloela 25m Pool and the installation of an amenities building at the Lake Callide Retreat.

95% of capital projects were completed and are at a 85% close out rate for Building Maintenance across the Shire.

Council is continuing to investigate energy management by utilising LED, energy efficient appliances and future solar projects. Built Environment is currently investigating options to reduce costs to Council's infrastructure.

Council continues a very proactive approach to maintaining a high standard of maintenance to Council facilities for the safety and enjoyment of users and the community, and to strengthen relationships with Shire residents.



**Biloela 25m Pool disability access ramp**



**Moura Sewage Treatment Plant 30Kw solar system**

## Infrastructure Services

Infrastructure Services has two primary functions:

1. Infrastructure Technology (Infrastructure planning and design)
2. Infrastructure Delivery (Project delivery and infrastructure maintenance)

### Infrastructure Technology

The Infrastructure Technology section provides Council with a strategic framework for roads, bridges, drainage, parks and associated public infrastructure.

The Infrastructure Technology section's core functions are:

- Surveys and design for capital improvements to the Shire's road, stormwater and pathway networks;
- Strategic planning for parklands, road safety, urban parking, heavy vehicle management, development projects and street lighting;
- Operational works assessment and compliance, and development advice to the town planning section of Council.

The infrastructure technology team also perform other technical duties including rain/river gauge maintenance/monitoring, bridge inspection, flood modelling and National Heavy Vehicle Regulator road use consent.

### Design and Survey

Survey and design is required to accurately and efficiently construct and maintain Council assets. Surveyors provide detailed measurements for civil engineers to design the most efficient structures to Council and Australian standards and guidelines. Surveyors and engineers then provide survey control and technical advice to infrastructure delivery crews.

In 2018/19 the design team increased their skill base and experience through the completion of a number of infrastructure design projects, road safety audits, bridge inspections, project management, rain/river gauge maintenance and attending customer requests. Survey requirements increased with the design and project delivery support. The increased demand has been met through a combination of utilising multi-skilled engineers, targeted contractor engagement and machine guidance technology.

### Strategic Planning

Technical staff collate information including population growth predictions, traffic counts, future development opportunities and asset condition to develop strategic direction for maintenance and construction activities within the Shire.

In 2018/19 the Infrastructure Technology team completed a review of the current road network with the assistance of the BSC asset management team, this will form the basis for the 2019/20 Infrastructure Development Plan and the 10-year Infrastructure Development Plan (IDP) review. The road network

review consisted of a detailed road assessment including the International Roughness Index, seal condition and gravel coverage (unsealed roads). The rural stormwater structure audit also commenced in 2018/19, the stormwater maintenance/reconstruction schedule will be prioritised from the audit results.

### **Operational Works**

Operational Works assessment is a service undertaken by the technical team. Operational works vary from power pole replacement to shopping centre construction.

Major operational works assessment and monitoring in 2018/19 included the Three Chain Road upgrade and the realignment of Inverness Road.



## Infrastructure Delivery

### Project Delivery

#### Capital Works

Banana Shire Council's Infrastructure Services department completed an Infrastructure Capital Program in excess of \$11M for 2018/19, highlights for the year include:

- Jambin-Dakenba Road, Biloela, Callide Creek bridge – The opening of Callide Creek bridge through the construction of the approaches and rehabilitation, widening and seal of 3.3km of Shepherds and Jambin Dakenba Road; total \$1,960,000.
- Banana Shire unsealed roads – approximately 15km of gravel resheeting across various roads; value \$921,000.
- Theodore-Moura Road – 6km pavement rehabilitation, widening and reseal; value \$732,000.
- Banana-Baralaba Road – 4.2km pavement rehabilitation, widening and seal; value \$603,000.
- Deearne Road, Taroom – 2km pavement reconstruction, culvert upgrade and bitumen seal; value \$1,000,000.
- Blacks Road, Thangool – Replacement of the damaged concrete floodway; value \$110,000
- Baileys Lane – Installation of a stabilised bitumen sealed floodway to improve the stormwater flow away from the houses; value \$100,000.
- Orange Creek Road - Replacement of the damaged concrete floodway; value \$75,000.
- Defence Road – Repair of Delusion Creek bridge, new deck and repair/replacement of deteriorated support structures; value \$510,000.
- Callide Lane, Biloela – Improvement of the stormwater drainage along the lane and the rehab and asphalt sealing; value \$135,000.
- Dunn Street and Quarrie Road intersection, Biloela – improvement of the alignment and widening of the intersection of Dunn Street and Quarrie Road to improve use by heavy vehicles, value \$176,000.
- Miller Street, Taroom – Replacement of 120m of kerb and channel on the hospital side of Miller Street from Yaldwyn Street to Kinnoul Street and the installation of a new 2m wide concrete pathway from Yaldwyn Street to Ford Street (250m); value \$130,000.

- Don Street, Wowan - Repair of Pocket Creek bridge, new deck and repair/replacement of deteriorated support structures; value \$560,000.
- Banana Shire bikeways and footpaths – Completion of the off street DTMR bikepath project along Dawson Highway, Biloela and the installation of new concrete pathways along Dawson and Kelman Streets, Taroom and along the river bank in Junction Park, Theodore; value \$583,000.
- Community infrastructure – Construction of new carpark for the Baralaba Hospital and Thangool Community Hall; value \$250,000.
- Urban Reseals – Reseals of various streets around Biloela and Moura; value \$420,000.

Jambin Dakenba Road and Shepherdsons Road, Biloela, Callide Creek Bridge Approaches

**Jambin Dakenba Road during construction**



**Shepherdsons Road complete**



Banana Shire rural roads

**Ghinghinda Road after construction**



**Barfield Road after construction**



**Dearne Road during construction**





**Banana Baralaba Road during construction**



Banana Shire urban roads

**Callide Lane, Biloela during construction**





**Miller Street, Taroom – New kerb and channel and pathway**



**Don Street, Wowan Pocket Creek bridge during construction**





**Dawson Highway off street bikepath (Eden Park Section) complete**



**Junction Park pathway complete**



## Waste Management

### Collection

Banana Shire Council provides a wheelie bin collection service to 4162 residential properties and 544 non-residential properties in 11 towns within the Shire, collecting a total of 2773.83 tonnes of waste over the 2018/19 year.

### Disposal

Council operates eight transfer stations and three landfills for the disposal of waste:

TRANSFER STATIONS		LANDFILLS
<ul style="list-style-type: none"> <li>• Biloela</li> <li>• Jambin</li> <li>• Thangool</li> <li>• Wowan</li> </ul>	<ul style="list-style-type: none"> <li>• Banana</li> <li>• Moura</li> <li>• Baralaba</li> <li>• Theodore</li> </ul>	<ul style="list-style-type: none"> <li>• Biloela (Trap Gully)</li> <li>• Cracow</li> <li>• Taroom</li> </ul>

In 2018/19 Council undertook the following improvements and activities at transfer stations and landfills within the Shire:

#### Biloela Transfer Station

- Retaining wall to building waste disposal area replaced.
- Local kindergarten students visited the transfer station to learn about waste, and how to reduce, reuse and recycle.

#### Taroom Landfill

- This year saw the completion of a design for the new Taroom waste transfer station and stage 1 of the earthworks to establish the new site.

#### Trap Gully Landfill, Biloela

- A new, lined landfill cell was designed and construction completed.
- All onsite stormwater has been captured with new stormwater drainage designed and implemented.
- A landfill gas investigation was undertaken and a management plan has been implemented.
- An investigation was undertaken into landfill conceptual cover design, including phytocapping, to assist in determining the most feasible method of rehabilitation of Council's landfills.
- Old landfill areas have been completely covered and rehabilitation has commenced.
- Funding was received from the Queensland Government to assist in the provision of infrastructure necessary for the implementation of the Queensland Waste Levy. The Trap Gully Landfill (levy ready) project was a joint initiative of Banana Shire Council and the Queensland Government and funded the construction of a new security fence with litter catchment, new cameras to check in-



coming loads, establishment of a dedicated resource recovery area, and upgrades to weighbridge software and IT systems to enable the administration of the levy.

## Security and Enforcement

Misuse of waste facilities, such as incorrect disposal, disposal of hazardous material or lighting of fires, can be both costly and hazardous to the public and Council staff.

As many of Council's waste facilities are unmanned, Council relies on the use of security cameras to monitor the use of these facilities for both maintenance and enforcement.

With the assistance of these cameras Council issued numerous warning notices and seven infringement notices to offenders.

The greatest issue for Council at unmanned facilities this year was the large number of incidents of inappropriate dumping of unwrapped asbestos. All incidents were investigated and costs passed on to offenders, where possible. Appropriate clean-up was undertaken of all dumped asbestos to ensure the safety of facility users and Council staff, and responsible asbestos handling and disposal was promoted to the community.

## Diversion from Landfill

The diversion of waste from landfill through recycling and reprocessing activities provides both economic and environmental benefits to the Shire.

The following quantities of material were diverted from landfill in 2018/19:

Waste type	Quantities diverted
Green waste	9634 m <sup>3</sup> (mulched)
Scrap metal	369 tonnes
Cardboard	133 tonnes
Container Refund Scheme	Over three million containers from within the Shire
Tyres	411 tyres

The following waste streams were also diverted from landfill:

- Car batteries, waste oil and paint collected for recycling at Biloela and Moura Transfer Stations.
- eWaste collected at Biloela and Moura Transfer Stations.
- Biloela Transfer Station operates a tip shop to divert any reusable goods from landfill.
- Concrete waste stockpiled at various locations ready for crushing and reuse.
- Council support and promote the ChemClear and DrumMuster programs for management of unwanted chemicals and collection of empty chemical containers.

Other recycling and waste diversion initiatives and promotions included:



- **Cardboard** – in addition to drop off points at both Moura and Biloela Transfer Stations, Council provided a limited cardboard collection service to a number of Shire schools, community facilities, and a few local businesses operating as centralised collection points. This collection continued to expand during the year.
- **Container Refund Scheme:** The state government's container refund scheme commenced on 1 November 2018, with three container refund points operating within the Shire, including the Biloela Waste Transfer Station. Council assisted in promoting this program and are very pleased with the response within the Shire.
- **National Recycling Week:** Council promoted National Recycling Week during 12-18 November with a colouring in competition for school age children, delivering talks to schools based around the 3Rs (recycle, reuse and reduce) and conducting a library activity, "Creative Creatures" using recyclable materials. All of the competition entries were displayed in the Council foyer of the main administration building and posts were placed on Facebook throughout the week. The activities were well received by the community and were a great avenue in promoting better behaviours toward recycling.
- **Callide Valley Show display** – Council's Waste Section provided a display at the Callide Valley Show to promote changes to waste management within the Shire, including the introduction of the Queensland Waste Levy and proposed restricted access and supervision at waste facilities, as well as opportunities for recycling and waste diversion from landfill such as the Container Refund Scheme. This display provided a positive way for Council staff to interact with the local community and receive valuable feedback.
- **A-Z recycling fact sheet:** An A-Z of Banana Shire Waste Recycling and Disposal fact sheet was developed to assist residents and businesses in identifying recycling options within the Shire and disposal options for problem wastes not suitable for disposal to landfill. This fact sheet was an important facet in encouraging recycling and recovery of as much material as possible which is in line with Queensland's new waste strategy and the ultimate goal of the Queensland Waste Levy. The fact sheet was promoted through numerous avenues.

## Strategic Waste Management

- **Waste Management Masterplan:** Council was pleased to receive funding from the Queensland Government under their Maturing the Infrastructure Pipeline Program 2 for the development of a Waste Management Masterplan during the year. This project, which is a joint initiative of the Banana Shire Council and the Queensland Government, commenced on 1 February and the masterplan is scheduled to be completed towards the end of 2019. The purpose of the masterplan is to create a comprehensive plan of action for the next 15 years to provide the Banana Shire with sustainable waste management services. An important part of the masterplan development to date has included stakeholder engagement incorporating an online survey, information sessions and interviews.
- **Queensland Waste Levy:** With the announcement of a Queensland Waste Levy scheduled to commence on 4 March 2019 initially and then rescheduled to 1 July 2019, Council staff were busy during the year ensuring Council's waste facilities and services were levy ready. Funding was received from the Queensland Government to assist in providing infrastructure at Council's

Trap Gully Landfill to ensure that the facility would be levy ready by 1 July. Council developed fact sheets, undertook promotions through social media and local avenues and incorporated waste levy information into a show display and information sessions held at waste facilities.

- **Supervision at waste facilities:** The upcoming introduction of the Queensland waste levy, together with ongoing misuse of waste facilities and environmental compliance issues, prompted Council to resolve to provide restricted opening hours and supervision at all waste facilities, initially at their March 2019 Ordinary Meeting and then further at the May 2019 Ordinary Meeting. Proposed opening hours were developed and information sessions were conducted at all waste facilities to inform local communities of changes and seek feedback on proposed hours. Feedback was sought through a number of avenues including the online survey feeding into the waste management masterplan. Changes are scheduled to be introduced in the new financial year.



## Aerodromes

Banana Shire maintains five aerodromes located at Thangool, Taroom, Moura, Theodore and Baralaba, and one aircraft landing area (ALA) located at Taroom. Passenger services are conducted from the Thangool Aerodrome.

Fly Corporate provided seven weekly, commercial flights between Thangool and Brisbane.

Taroom, Thangool and Theodore Aerodrome have been utilised by fly-in fly-out charter aircraft servicing the resource industries. The remaining aerodromes are maintained for general aviation with a primary focus on availability for emergency services aircraft.

In January 2019, Theodore Aerodrome was certified by the Civil Aviation Safety Authority (CASA). Theodore Aerodrome is now Council's third certified aerodrome, together with Thangool Aerodrome and Taroom Aerodrome.

Council is actively committed to the improvement and maintenance of all Shire aerodromes with regular maintenance occurring to uphold the excellent condition of these facilities.





## Plant and Fleet Operations

Banana Shire Council has a wide range of fleet vehicles from the humble lawn mower to light vehicles, trucks, large earthmoving and road building equipment. The Council has a fully equipped workshop in Biloela and is fitted out with a fully functional engineering workshop and designated work bays and vehicle hoists to carry out all servicing and repair needs of the Council fleet.

The Biloela workshop services the Plant and Fleet in Wowan, Moura, Theodore and Baralaba using two fully equipped service trucks. Taroom's plant and fleet is currently maintained by local businesses. Council provides a fleet maintenance, replacement and acquisition program for its fleet, ensuring Council maintains its responsibility for a safe fleet, balanced with efficient cost management.

The workshop supports several office staff, highly trained diesel fitters and apprentices. Council also works with the local high schools and has a school based apprentice program and has the capacity for more opportunities for apprentices and qualified personnel.

The council fleet and workshop operations are active in supporting local businesses from buying oils, parts and consumables to buying new fleet and equipment.





## Beneficial Enterprises

*Local Government Act 2009 Section 41*

Council did not conduct any Beneficial Enterprises during the Financial Year.

## Business Activities

*Local Government Act 2009 Section 45 (a) to (d)*

Schedule of business activities conducted during the financial year -

45 (a) List of Business Activities	45 (b) Significant Business Activity (Sect 43)	45 (c) ** Competitive Neutrality Principle Applied (Sect 43)	45 (d) New Business Activity (Sect 46)	Code of Competitive Conduct Applied (Sect 47)
Aerodromes	No	No	No	No
Building Certification	No	No	No	Yes
Cemeteries, Funerals & Undertaking	No	No	No	No
Land Development	No	No	No	No
Plant	No	No	No	Yes
Roads *	No	Yes	No	Yes
Roads-Other	No	No	No	Yes
Sewerage	Yes	Yes	No	Yes
Stock Dip	No	No	No	No
Wash down Facilities	No	No	No	No
Library Operations	No	No	No	No
Waste Management	No	No	No	No
Water	Yes	Yes	No	Yes

\* Constructing or maintaining State roads or other roads that are put out to competitive tender

\*\* Reason must be supplied if Competitive Neutrality Principle is not applied to a Significant Business Activity

## Commercial Business Unit – Annual Operational Reports

*Local Government Regulation 2012 Section 190 (1) (c)*

Council did not conduct any Commercial Business Units during the Financial Year.

## Commercial Business Unit – Information to Allow Informed Assessment

*Local Government Regulation 2012 Section 190 (2) (a) to (d)*

Council did not conduct any Commercial Business Units during the Financial Year.

## Joint Local Government Activity

*Local Government Regulation 2012 Section 190 (1) (d)*

Council does not have any arrangement or agreements for conducting a joint local government activity and accordingly no other Local Government has taken any action for, and expenditure on, a service, facility or activity for Council under an arrangement for conducting a joint government activity; for which Council levied special rates or charges during the financial year.

## Invitations to Change Tenders

*Local Government Regulation 2012 Section 190 (1) (e)*

The number of invitations to change tenders under section 228(7) of the *Local Government Regulation 2012* during the financial year;

(Section 228 (7) If—

(a) an invitation to tender under subsection (4) or (6)(b) states that the local government might later invite all tenderers to change their tenders to take account of a change in the tender specifications; and

(b) the local government does change the tender specifications;

the local government may invite all the persons who submitted a tender to change their tender to take account of the change, before making a decision on the tenders.

Council made the following changes to tender specifications during the last financial year:

CHANGE	NUMBER
Changed the specifications	0
Extended the closing date	5
Clarified queries	7
Attached plan inadvertently missed in original documents	1

Council advised by email and via Notices to all parties that had requested tender documents of the changes in the tender specifications.

## List of Registers

*Local Government Regulation 2012 Section 190 (1) (f)*

Council keeps the following registers:

- Administrative Action Complaints
- Asset
- Conflict of Interest
- Contact with a Lobbyist
- Cost Recovery Fees
- Delegations
- Gifts and Sponsored Hospitality Benefits
- Instruments of Appointment
- Interests of a Councillor
- Interests of a Related Person of a Councillor
- Interests of the CEO
- Interests of a Related Person of a CEO
- Interests of a Senior Executive Employee
- Interests of a Related Person of a Senior Executive Employee
- Local Laws
- Material Personal Interest (at a Meeting of Council)
- Policies, Procedures and Protocols
- Pre Qualified Suppliers
- Public Interest Disclosures
- Rate Write-Offs
- Right to Information and Information Privacy Applications
- Roads (Included in Asset Register)

## Financial Assistance Grants - FAGS

Financial Assistance Grants are monies received from the Federal Government annually. Council takes this opportunity to acknowledge the valuable contribution that these funds make towards the maintenance and upgrade of Council infrastructure and assets. These monies are distributed by the Queensland Grants Commission using an approved methodology.

Council received the following Financial Assistance Grants:

Financial Assistance Grant	Reference	Grant
General Purpose Grant	2200-1010-0000	\$4,708,691
Identified Road Grant	5050-1010-0000	\$2,537,829
<b>Total</b>		<b>\$7,246,520</b>

The Identified Road Grant component of \$2,537,829 has been utilised as a contribution to capital road works totalling of \$11.3M on the following roads:

Annandale Crt U/Reseal 18/19	12,077	Dodsons Rd F/Way 18/19	11,562
Baileys Lane F/Way 18/19	100,551	Dodsons Rd-Betterment-Floodway	124,620
Banana Baralaba Rd RC 18/19	602,795	Dunn St UC 18/19	172,698
Baralaba Hospital Carpark 18/19	122,991	Exhibition Ave Extn - UD 18/19	29,172
Baralaba Primary School Sfty 18/19	4,199	Fairview Rd Floodway RD 18/19	32,527
Barfield Rd - Gvl Pvmt 18/19	160,996	Geigers Rd Floodway 18/19	20,386
Barfields Rd F/Way 18/19	13,940	Ghinghnda Rd - Grvl Pvmt 17/18	6,351
Barrett St Biloela UD 18/19	30,679	Gilchrist St U/Reseal 18/19	87,968
Bears Lagoon Rd - Grv Pvmt 17/18	1,476	Ginghinda Rd Grv Pvmt 18/19	159,677
Bears Lagoon Rd - Grv Pvmt 18/19	181,540	Glenmoral R/Stone F/Way 18/19	9,309
Behrendorffs Rd - Gvl Pvmt 17/18	124	Glenmoral R/Stone Grv Pvmt 17/18	21,263
Bell St Biloela UC 16/17	261,576	Glenmoral R/stone Rd-GrvPvm18/19	61,098
Blacks Rd F/Way 18/19	107,623	Glenmoral Roundstone Fwy 18/19	4,039
Callide Lane UC 18/19	134,333	Grevillea St U/Reseal 18/19	144,881
Callide St - (Stage A) UD 16/17	157,455	Hamilton St U/Reseal 18/19	73,706
Callistemon St Extn - UC 18/19	850,452	Hicks St U/Reseal 18/19	61,788
Callistemon&Raedon St-UD 18/19	262,482	Hornet Bank Rd - Gvl Pvment 18/19	40,332
Collard St Biloela - UC 16/17	1,401	Injune Rd R/Reseal 18/19	112,305
Colombo Rd - Floodway RD 18/19	19,919	Jambin Dakenba Rd 18/19 Stage 2	306,073
Colombo Rd - Floodway RD 18/19	5,497	Jambin-Daken Callide Ck - RD 15/16	975,924
Columbo Rd - Grvl Pvment 18/19	174,429	Jules St U/Reseal 18/19	39,468
Crowsdale Camboon Rd GrvPvt18/19	141,772	Junction Park Pathway	61,981
Dawson Hwy Pathway FP 17/18	52,720	Kariboe Lane UC 18/19	23,049
Dawson Hwy Cycle Path FP 17/18	277,160	Kariboe st Pathway 18/19	68,150
Dawson St Taroom P/W - 18/19	34,212	Kelman St Pathway 18/19	55,125
Deearne Rd - Grvl Pvmt 17/18	1,093	Kokotungo don River RC 18/19	356,145
Deearne Rd RC 18/19	997,323	Kroombit St Bilo -UD 17/18	7,285
Defence Rd Delusion CI RD18/19	511,552	Lawrence St UC 18/19	27,919



Malakoff Rd-RC-Grv Pvmt 19/20	417
Martin St UC 18/19	17,284
Miller St Pathway 18/19	48,933
Miller St Taroom UD 18/19	80,815
Nobb st UD 18/19	137,065
Nott st Pathway 18/19	8,453
On-Street Bike Path-Dawson Hwy	32,948
Orange Ck Rd F/Way 18/19	74,837
Procket Ck Bridge 18/19	560,721
Raedon St Biloela UC 16/17	60,682
Saleyards Rd R/C LCS 17/18	30,050
Shepherdsons Rd HV UG-LCS 18/19	682,495
Shirley St Moura UD 17/18	40,958
Shirley St Pathway 18/19	7,557
Thangool Hall Carpark 18/19	96,353
Thangool S/W Drain U/G 18/19	93,028
Theodore Moura Rd R/C LCS17/18	261,867
Theodore Moura Rd R/C LCS18/19	730,976
Theodore Moura Rd -R/C-LCS 19/20	16,544
Theodore Pathway 18/19	28
Tourism Sign MRD Spc	13,827
Walkers Rd - Grvl Pvmt 17/18	24,054
Wowan Westwood Gogango Ck Bridge 18/19	34,103

## Concessions on rates and charges

Local Government Regulation 2012 Section 190 (1) (g)

Council granted the following concessions on rates to not-for-profit organisations and for eligible pensioners:

<b>Function</b>	<b>Reference</b>	<b>Concessions</b>	
Retirement Homes	2010-1195-0000	\$301,723.65	Plus water consumption and general rates on applicable parcels
Council Pensioner Rebate	2010-1180-0000 2010-1181-0000 2010-1182-0000	\$190,829.89	
Rates Based Financial Assistance	2010-1194-0000	\$128,817.10	
Approved Subdivider Vacant Land		\$55,469.47	
<b>Total Council Concessions</b>		<b>\$676,840.11</b>	
State Government Pension Rebate	2010-1170-0000	\$125,791.63	

## Internal Audit - Report for the Financial Year

Local Government Regulation 2012 Section 190 (1) (h)

Council's Internal Audit Committee met two times during the financial year to consider the status of items on the Audit Action Plan and to report to Council.

The internal Audit Plan for the year involved engagement of an external party to assist in the development of a Strategic Risk Register. This register included Strategic Risks and Executive Level Operational Risks and has been implemented to assist in the mitigation of risk for Council.

## Competitive Neutrality Complaints

### Summary of Investigation Notices

*Local Government Regulation 2012 Section 190 (1) (i)*

No investigation notices were given in the financial year under Section 49 of the *Local Government Regulation 2012* for competitive neutrality complaints.

### Council's Response

*Local Government Regulation 2012 Section 190 (1) (j)*

No recommendations for competitive neutrality complaints under Section 52 (3) of the *Local Government Regulation 2012* were received from the QCA during the financial year.



## Ethics

*Public Sector Ethics Act 1994 Section 23*

### Implementation Statement

Detailing action taken to comply with:

- Section 15 Preparation of Codes of Conduct
- Section 21 Education and Training
- Section 22 Procedures and Practices for Public Sector Entities

Council adopted a Code of Conduct on 4 March 2015 to meet the principles of the *Public Sector Act 1994* for employees and other persons who have a contract or other agreement with Council.

The provisions for employees, volunteers and other persons carrying out work for Council are based on the compliant Code of Conduct prepared by the LGAQ HR Advance Service.

All employees and other relevant persons have ready access to the ethics principles and values and the standards of conduct stated in Council's Code of Conduct on Council's web site and its internal intranet. As well hard copies are readily available for those requiring this medium. Training sessions have been held for staff and the Code of Conduct is part of the induction process for all new employees.

Although not required under this *Public Sector Ethics Act 1994*, Council had completed and adopted a separate Code of Conduct for Councillors

Councillors had received appropriate training on the provisions of their relevant Code.

A Code of Conduct for Councillors in Queensland was implemented by the Minister of Local Government effective from 3 December 2018.

This Code of Conduct sets out the principles and standards of behaviour expected of Councillors and Mayors when carrying out their roles, responsibilities and obligations as elected members of their communities.

Appropriate training on the provisions of this code has been provided.

The administrative procedures and management practices of Council will have proper regard to the Public Sector Act 1994, in particular the ethics principles and values and also the relevant code of conduct.





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## Financial Statements

### **General purpose financial statement**

*Local Government Regulation 2012 Section 183 (a)*

See Attached Documents (*At end of Annual Report*)

### **Current year financial sustainability statement**

*Local Government Regulation 2012 Section 183 (b)*

See Attached Document (*Included in the Financial Statements*)

### **Long term financial sustainability statement**

*Local Government Regulation 2012 Section 183 (c)*

See Attached Document (*Included in the Financial Statements*)

### **Auditor General's report about the general purpose financial statement**

*Local Government Regulation 2012 Section 183 (d)*

See Attached Document (*Included in the Financial Statements*)

## Community Financial Report

*Local Government Regulation 2012 Section 184*

The Community Financial Report is a plain English summary of Council's Financial Statements prepared in accordance with Section 179 of the *Local Government Regulation 2012*.

### 1. About Council's End of Year Financial Statements

#### What you will find in the Financial Statements

The Audited Financial Statements of Council set out the financial performance, financial position, cash flows and the net wealth of Council for the financial year ended 30 June 2019.

#### About the Management Certificate

The Financial Statements must be certified by both the Mayor and the Chief Executive Officer as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for and ownership of the Financial Statements by management and elected representatives.

#### About the Financial Statements

The Financial Statements incorporate four primary financial statements and accompanying notes.

##### 1. A Statement of Comprehensive Income

A summary of Council's financial performance for the year, listing both (i) regular income and expenses and (ii) other comprehensive income which records items such as changes in the fair values of Council's assets and investments.

##### 2. A Statement of Financial Position (Balance Sheet)

A 30 June snapshot of Council's Financial Position including its assets and liabilities.

##### 3. A Statement of Changes in Equity

This statement represents the overall change for the year (in dollars) of Council's "net wealth".

##### 4. A Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

##### 5. Notes to the Financial Statements

These provide greater detail to the line numbers of the four primary financial statements.

## About the Auditor's Reports

Council's Financial Statements are required to be audited by the Queensland Audit Office. The audit of many Queensland Councils is contracted to Audit firms that specialise in Local Government. The Auditor provides an audit report which gives an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

## Where to find a complete version of Council's 2018/19 Financial Statements?

A complete version of Council's Financial Statements for the 12 months to 30 June 2019 can be found in the 2018/19 Annual Report on our website:

<http://www.banana.qld.gov.au>

or at Council's administration offices:

- 62 Valentine Plains Road, Valentine Plains, Biloela Qld 4715
- 18 Yaldwyn Street, Taroom Qld 4420
- Gillespie Street, Moura Qld 4718

## 2. An Overview of this year's Financial Result and Financial Position

### 2.1 Council's Statement of Comprehensive Income (Profit & Loss) for 2018/19

Council's result for the 2018/19 year was a \$5,981,915 deficit. This includes capital income and expenses.

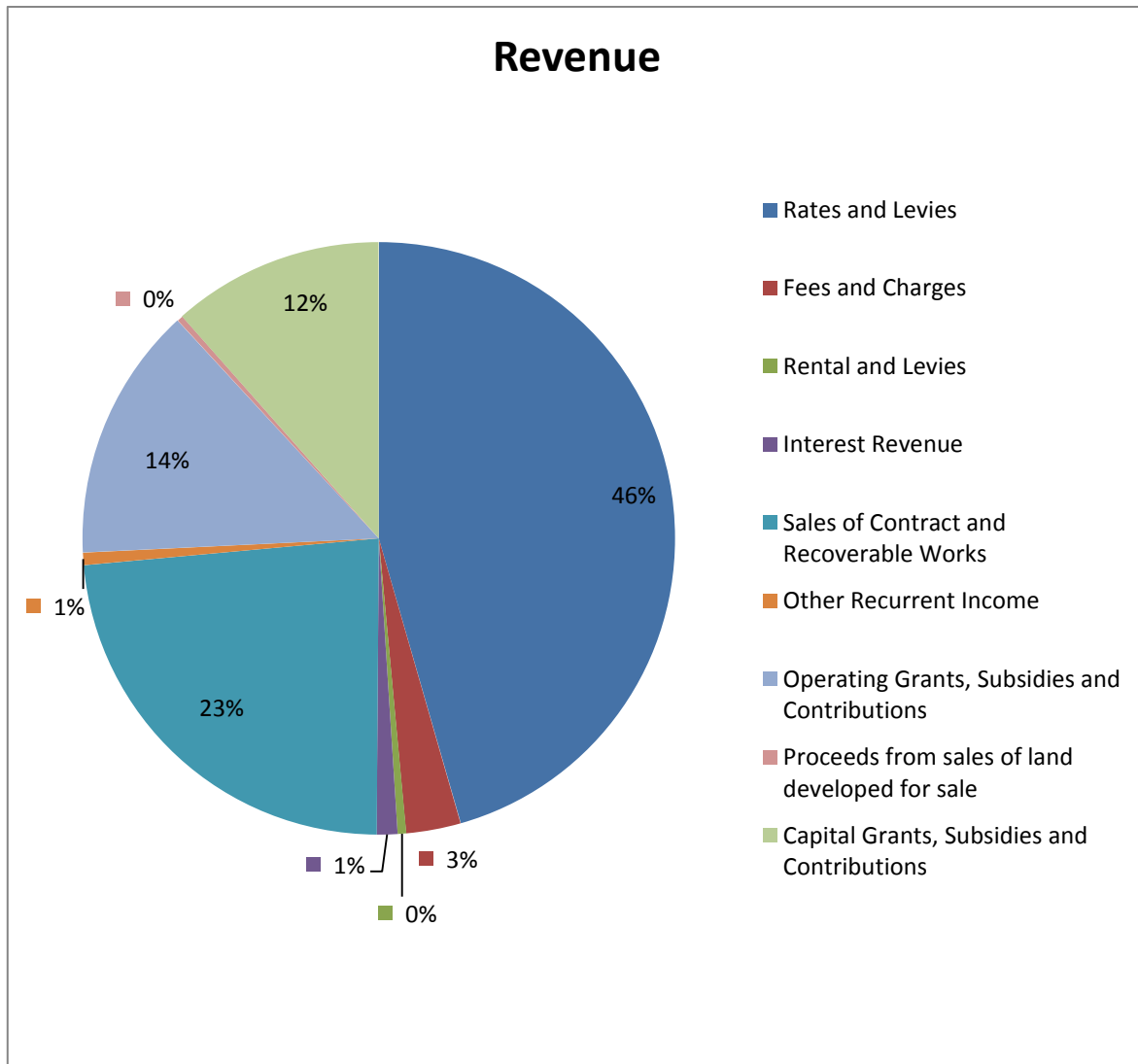
#### Council's Operating Result

\$	Actual 2019	Original Budget 2019	Actual 2018
Expenditure (excl. capital expenses)	(72,805,843)	(63,893,139)	(61,884,104)
Revenues (excl. capital income)	69,087,442	60,451,787	56,832,215
<b>Operating Surplus/(Deficit) for the period</b>	<b>(3,718,401)</b>	<b>(3,441,352)</b>	<b>(5,051,889)</b>

The operational deficit for the year represents an excess of annual income after annual operating expenses have been met.

### Council's Revenue Sources for the 2018/19 year

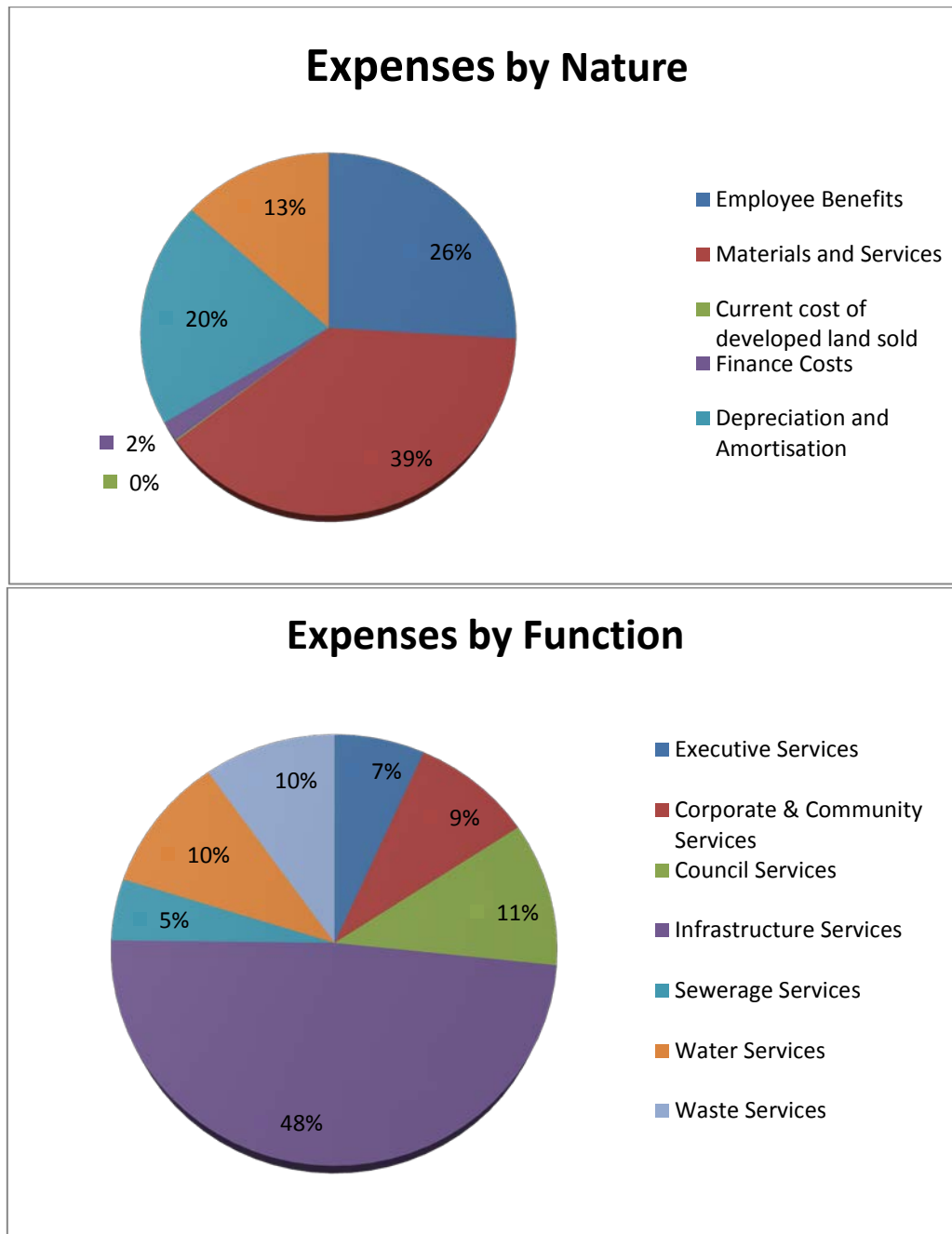
The chart below summarises where Council's revenue came from:





### Council's Expenditure for the 2018/19 year

Council's total expenditures (operating and capital) covered the following activities/functions:



## 2.2 Councils Statement of Financial Position (Balance Sheet) for 2018/19

### Council's Net Wealth

The Statement of Financial Position (Balance Sheet) discloses the Net Community Equity of Council, which represents it's wealth as measured by a dollar value of its assets less liabilities.

The total of Council's Wealth (Net Community Equity) as at 30 June 2019 was \$836,851,364 (\$677,021,606 at 30 June 2018).

The major items that make up Council's Wealth include the following assets:	Actual 2019	Actual 2018
Available Cash & Investments	10,691,094	8,557,088
Cash & Investments "restricted" for future funding purposes	15,373,649	17,861,333
Trade Debtors	5,301,497	4,823,639
Infrastructure, Property Plant and Equipment	829,051,470	682,877,182

### Council has funded some of its operations and assets by the following liabilities:

Loans & Borrowings	6,581,440	9,827,287
Provisions for Restoration of Refuse and Quarry sites	28,819,710	23,894,498

### 3. Financial Sustainability Measures

(Sec 169(5) *Local Government Regulation 2012*)

**The financial sustainability of Council is a cornerstone of the Local Government Act and a core responsibility of individual Councils across Queensland.**

Financial sustainability is defined as when a **"Local Government is able to maintain its financial capital and infrastructure capital over the long term"** [source: *Local Government Act 2009* section 104(2)].

The Financial Sustainability indicators (in accordance with the *Local Government Regulation 2012*) that Council must publish are as follows:

#### **Operating Surplus Ratio - Net Result divided by Total Operating Revenue**

This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.

#### **Asset Sustainability Ratio - Capital Expenditure on the Replacement of Assets (Renewals) divided by Depreciation Expense**

This is an approximation of the extent to which the infrastructure assets managed by the local government 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 local government already has) is an indicator of the extent to which the infrastructure assets are being replaced.

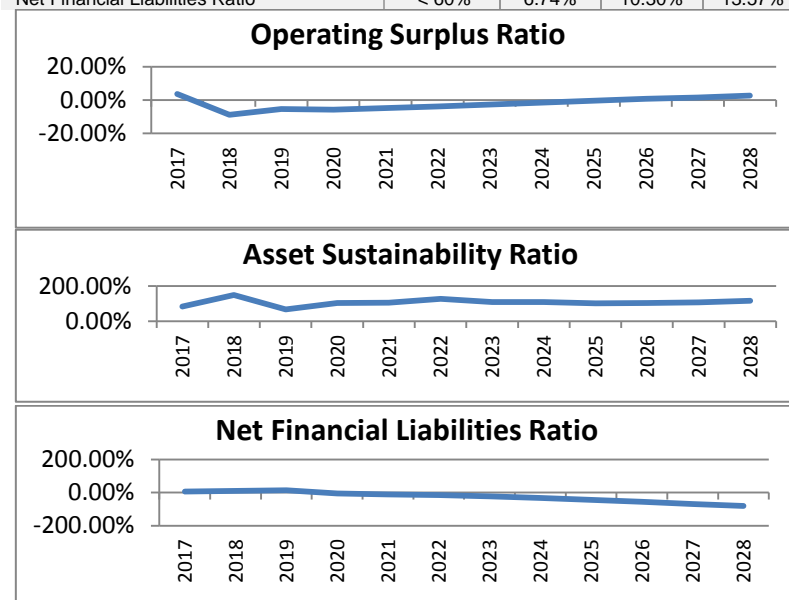
This ratio indicates whether a local government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.

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

This is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues.

Financial Sustainability  
Indicators  
for the year ended 30 June 2019

	Target	Actual 2017	Actual 2018	Actual 2019	Long Term Financial Plan Projections								
					BUDGE T 2020	Yr 2 2021	Yr 3 2022	Yr 4 2023	Yr 5 2024	Yr 6 2025	Yr 7 2026	Yr 8 2027	Yr 9 2028
<b>Ratio</b>													
Operating Surplus Ratio	0 - 10%	3.56%	-8.89%	-5.38%	-5.70%	-4.80%	-3.90%	-2.70%	-1.50%	-0.40%	0.70%	1.60%	2.60%
Asset Sustainability Ratio	> 90%	84.28%	149.57%	67.22%	103.30%	105.40%	127.20%	108.30%	108.70%	102.00%	102.90%	108.10%	116.70%
Net Financial Liabilities Ratio	< 60%	6.74%	10.30%	13.57%	-5.20%	-10.00%	-14.10%	-22.00%	-32.40%	-43.70%	-55.60%	-68.20%	-81.40%





## Valuation of Non-Current Physical Assets

*Local Government Regulation 2012 Section 185 (b)*

List of Council resolutions, under section 206 (2) of the *Local Government Regulation 2012*, setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense made during the year.

Council Meeting Date	Resolution Number	Resolution
No resolutions setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense were made during the year.		

The following policies of Council applied for the financial year:

- Asset Management Policy adopted 27 July 2016, and
- Non-Current Asset Threshold Policy adopted 14 December 2017.

These policies are available on Council's website: <http://www.banana.qld.gov.au>



## Council's Borrowings & Debt

### Debt, Interest & Redemption by Fund and Function

#### FOR THE YEAR TO 30 JUNE 2019

Banana Shire Council's loan portfolio is raised solely with the Queensland Treasury Corporation. The current repayment terms to the individual loan accounts are as follows:

	A	B	C	D	A + B + C - D
FUNCTION DESCRIPTION	BOOK DEBT	QTC INTEREST ACCRUED	QTC LOAN CHARGES AND ADJUSTMENTS	QTC REPAYMENTS	BOOK DEBT
	BALANCE 30/06/2018 \$			(BORROWINGS) \$	BALANCE 30/06/2019 \$
<b>GENERAL FUNCTIONS</b>					
Consolidated Account	7,739,945	483,912	8,340	1,632,547	6,599,650
Callide Creek Bridge, Biloela	1,606,898	33,002	34,575	1,674,475	-
<b>WATER FUNCTIONS</b>					
Baralaba WTP	478,586	13,836	21,563	513,985	-
<b>TOTAL</b>	<b>9,825,429</b>	<b>530,750</b>	<b>64,478</b>	<b>3,821,007</b>	<b>6,599,650</b>

Council's Consolidated Account listed above is a combination of pre-existing loans that were amalgamated on 30 September 2014. During the 2014/15 year, Council secured a loan for the Baralaba Water Treatment Plant for \$654,000 and during the 2016/17 year Council secured a loan for the Callide Creek Bridge, Biloela for \$1,850,000. Both of these loans were not consolidated in our portfolio and during the 2018/19 financial year Council resolved to pay out both of these loans.

In the 2015/2016 financial year Council's Generic Debt Pool account changed to be now reported as a Generic Debt Pool – Fixed Rate Loan. This change provides for improved financial forecasting and reporting.

New borrowings will lengthen the term of our debt pool unless taken as a separate loan account. This will allow the term of the loan to better match the repayment structure of the asset being funded.

The total repayment amounts for the 2018/2019 financial year are indicated in the table below.

<b>Loan Description</b>	<b><u>Debt Pool</u></b>	<b><u>Approximate Remaining Term</u></b>
Consolidated Account	9 years	4 years 9 months
Baralaba Water Treatment Plant	10 years	Nil
Callide Creek Bridge, Biloela	7 years	Nil







# BANANA SHIRE COUNCIL



## 2018/2019 FINANCIAL REPORT





# Banana Shire Council

Financial Statements

For the year ended 30 June 2019

## **BANANA SHIRE COUNCIL**

### **Financial Statements**

**For the year ended 30 June 2019**

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### **Table of Contents**

#### **Note**

**Statement of Comprehensive Income**

**Statement of Financial Position**

**Statement of Changes in Equity**

**Statement of Cash Flows**

**Notes to the Financial Statements**

1	Significant accounting policies
2	Analysis of results by function
3	Revenue
4	Grants, subsidies, contributions and donations
5	Gain (loss) on the disposal of capital assets
6	Employee benefits
7	Materials and services
8	Finance costs
9	Capital expenses
10	Loss on write-off of capital assets
11	Cash and cash equivalents
12	Trade and other receivables
13	Inventories
14	Land purchased for development and sale
15	Property, plant and equipment
16	Fair value measurements
17	Trade and other payables
18	Provisions
19	Borrowings
20	Other liabilities
21	Asset revaluation surplus
22	Commitments for expenditure
23	Contingent liabilities
24	Superannuation - Regional Defined Benefit Fund
25	Reconciliation of net result for the year to net cash from operating activities
26	Financial instruments and Financial Risk Management
27	National competition policy
28	Related Parties
	Management Certificate
	Independent Auditor's Report
	Current year measures of financial sustainability
	Independent Auditor's Report on Current Year Measures of Financial Sustainability

#### **Addendum to the financial statements**

The following unaudited statements and reports are attached to provide additional information that the Council considers will provide the reader with more useful information in the process of interpreting these financial statements. These additional reports are not required under the Australian Accounting Standards and therefore do not form part of the audited financial statements.

Long-term measures of financial sustainability

Statement of Operating Performance

Statement of Appropriations

Statement of Capital Funding

Financial indicators and ratios of the accounts

**BANANA SHIRE COUNCIL**

**Statement of Comprehensive Income**

**For the year ended 30 June 2019**

		2019	2018
	Note	\$	\$
<b>Income</b>			
<b>Recurrent revenue</b>			
Rates and levies	3 (a)	35,568,211	34,664,653
Fees and charges	3 (b)	2,319,131	2,220,479
Rental and levies		365,446	467,399
Interest received	3 (c)	880,901	867,582
Sales of contract and recoverable works	3 (d)	18,309,199	6,386,777
Other recurrent income		526,810	389,406
Grants, subsidies, contributions and donations	4 (a)	10,863,586	11,835,919
Proceeds from sales of land developed for sale		254,158	-
<b>Total operating revenue</b>		<u>69,087,442</u>	<u>56,832,215</u>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	4 (b)	9,006,625	14,880,607
		<u>9,006,625</u>	<u>14,880,607</u>
<b>Total income</b>	2 (b)	<u>78,094,067</u>	<u>71,712,822</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(21,818,944)	(20,843,660)
Materials and services	7	(32,479,641)	(23,269,525)
Current cost of developed land sold		(81,193)	-
Finance costs	8	(1,484,940)	(1,372,833)
Depreciation	15	(16,900,760)	(16,395,877)
Amortisation		(40,365)	(2,209)
<b>Total operating expenses</b>		<u>(72,805,843)</u>	<u>(61,884,104)</u>
<b>Capital expenses</b>			
Other capital expenses	9	(11,270,139)	(11,396,186)
<b>Total expenses</b>	2 (b)	<u>(84,075,982)</u>	<u>(73,280,290)</u>
<b>Net result</b>		<u>(5,981,915)</u>	<u>(1,567,468)</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase / (decrease) in asset revaluation surplus	21	148,806,250	(15,750,319)
<b>Total other comprehensive income for the year</b>		<u>148,806,250</u>	<u>(15,750,319)</u>
<b>Total comprehensive income for the year</b>		<u>142,824,335</u>	<u>(17,317,787)</u>

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

**BANANA SHIRE COUNCIL**

**Statement of Financial Position  
As at 30 June 2019**

	Note	2019 \$	2018 \$
<b>Current assets</b>			
Cash and cash equivalents	11	26,064,743	26,418,421
Trade and other receivables	12 (a)	9,656,020	9,189,370
Inventories	13	2,772,764	1,892,007
		<u>38,493,527</u>	<u>37,499,798</u>
Non-current assets held for sale		160,000	160,000
<b>Total current assets</b>		<u>38,653,527</u>	<u>37,659,798</u>
<b>Non-current assets</b>			
Trade and other receivables	12 (b)	202,500	-
Property, plant and equipment	15	828,649,699	682,651,796
Intangible assets		199,271	225,386
<b>Total non-current assets</b>		<u>829,051,470</u>	<u>682,877,182</u>
<b>TOTAL ASSETS</b>		<u>867,704,997</u>	<u>720,536,980</u>
<b>Current liabilities</b>			
Trade and other payables	17	8,042,914	6,343,207
Provisions	18	2,640,809	2,582,093
Borrowings	19	1,216,326	1,449,840
Other	20	1,565,748	669,985
<b>Total current liabilities</b>		<u>13,465,797</u>	<u>11,045,125</u>
<b>Non-current liabilities</b>			
Provisions	18	29,040,878	24,092,803
Borrowings	19	5,365,114	8,377,447
<b>Total non-current liabilities</b>		<u>34,405,992</u>	<u>32,470,250</u>
<b>TOTAL LIABILITIES</b>		<u>47,871,789</u>	<u>43,515,375</u>
<b>NET COMMUNITY ASSETS</b>		<u>819,833,208</u>	<u>677,021,605</u>
<b>Community equity</b>			
Asset revaluation surplus	21	616,868,784	468,062,534
Retained surplus (deficiency)		<u>202,964,424</u>	<u>208,959,071</u>
<b>TOTAL COMMUNITY EQUITY</b>		<u>819,833,208</u>	<u>677,021,605</u>

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



**BANANA SHIRE COUNCIL**

**Statement of Changes in Equity  
For the year ended 30 June 2019**

	Note	Total		Retained surplus (deficit)		Asset revaluation surplus	
		2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$
Balance at beginning of the year		677,021,605	693,646,598	208,959,071	209,833,745	468,062,534	483,812,853
Corrections to opening balances		(12,732)	692,794	(12,732)	692,794	-	-
Restated opening balances		677,008,873	694,339,392	208,946,339	210,526,539	468,062,534	483,812,853
Net result		(5,981,915)	(1,567,468)	(5,981,915)	(1,567,468)	-	-
Other comprehensive income for the year							
Revaluations							
Property, plant & equipment	15	148,806,250	(15,095,033)			148,806,250	(15,095,033)
Change in value of future rehabilitation costs		-	(655,286)			-	(655,286)
Total comprehensive income for the year		142,824,335	(17,317,787)	(5,981,915)	(1,567,468)	148,806,250	(15,750,319)
Balance at end of the year		819,833,208	677,021,605	202,964,424	208,959,071	616,868,784	468,062,534

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

**BANANA SHIRE COUNCIL**

**Statement of Cash Flows**

**For the year ended 30 June 2019**

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from customers		61,433,736	49,499,758
Operating grants, subsidies and contributions		10,863,586	11,835,919
Interest received		877,429	838,927
Proceeds from sales of land developed for sale		254,158	-
<b>Payments</b>			
Payments to suppliers and employees		(57,694,018)	(48,537,403)
Interest expense		(512,285)	(615,455)
<b>Net cash inflow (outflow) from operating activities</b>	25	<u>15,222,606</u>	<u>13,021,746</u>
<b>Cash flows from investing activities</b>			
Commonwealth government grants		2,030,290	3,222,233
State government subsidies and grants		5,161,281	6,348,717
Other non-government subsidies		1,041,708	4,439,657
Capital contributions		388,936	870,000
Payments for property, plant and equipment		(21,025,335)	(24,800,896)
Payments for intangible assets		(14,250)	(2,835)
Net transfer (to) from cash investments		-	2,000,000
Proceeds from sale of property, plant and equipment	5	139,351	626,431
Non-current assets held for sale - Proceeds from sale	5	-	67,965
<b>Net cash inflow (outflow) from investing activities</b>		<u>(12,278,019)</u>	<u>(7,228,728)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings	19	(3,298,265)	(1,370,846)
<b>Net cash inflow (outflow) from financing activities</b>		<u>(3,298,265)</u>	<u>(1,370,846)</u>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<u>(353,678)</u>	<u>4,422,172</u>
Cash and cash equivalents at beginning of the financial year		26,418,421	21,996,249
<b>Cash and cash equivalents at end of the financial year</b>	11	<u><u>26,064,743</u></u>	<u><u>26,418,421</u></u>

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

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

---

#### 1 Significant accounting policies

##### 1. 1 Statement of compliance

These general purpose financial statements are for the period 1 July 2018 to 30 June 2019 and have been prepared in compliance with the requirements of the Local Government Act 2009 and the Local Government Regulation 2012.

They comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB). 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). Therefore in some instances 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.

Except where stated, these financial statements have been prepared under the historical cost convention.

##### 1. 2 Constitution

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

##### 1. 3 New and revised Accounting Standards

This year Council has applied AASB 9 Financial Instruments for the first time. AASB 9 replaces AASB 139 and relates to the recognition, classification and measurement of financial assets and financial liabilities. Implementing AASB 9 has resulted in a change to the way council calculates impairment provisions, which are now based on expected credit losses instead of incurred credit losses. Council has not restated comparative figures.

On 1 July 2018 (the date of initial application), council re-assessed the classification, measurement category and carrying amount of each financial instrument (listed below) in accordance with AASB 9. There were some changes to classification, but this did not result in changes to measurement categories (listed below). Carrying amounts were also unchanged including Receivables where movement was not considered material.

#### Financial asset/liability

Cash and cash equivalents  
Receivables  
Other financial assets  
Borrowings

#### Measurement category

Amortised cost  
Amortised cost  
Amortised cost  
Amortised cost

##### 1. 4 Date of authorisation

The financial statements are authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate is signed.

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

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

---

#### 1. 5 Adoption of new and revised Accounting Standards

##### Standard and impact

Date council will  
apply the standard

##### **AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities**

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15, and AASB 2016-8. These Standards supersede the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

01-Jul-19

Identifiable impacts at the date of this report are:

Some grants received by the Council will be recognised as a liability, and subsequently recognised progressively as revenue as the Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants from the Federal Government and State Government for which there are no sufficiently specific performance obligations these are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of the Council's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that the Council has received payment but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime).

Prepaid rates will not be recognised as revenue until the relevant rating period starts. Until that time these receipts will be recognised as a liability (unearned revenue). There will be no impact upon the recognition of other fees and charges.

A range of new disclosures will also be required by the new standards in respect of the Council's revenue.

##### Transition method

The Council intends to apply AASB 15, AASB 1058 and AASB 2016-8 initially on 1 July 2019, using the modified retrospective approach. The recognition and measurement principles of the standards will be retrospectively applied for the current year and prior year comparatives as though the standards had always applied, consistent with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The Council intends to apply the practical expedients available for the full retrospective method. Where revenue has been recognised in full under AASB 1004, prior to 1 July 2019, but where AASB 1058 would have required income to be recognised beyond that date, no adjustment is required. Further, Council is not required to restate income for completed contracts that start and complete within a financial year. This means where income under AASB 1004 was recognised in the comparative financial year (i.e. 2018/19), these also do not require restatement.



## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

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#### 1. 5 Adoption of new and revised Accounting Standards - continued

##### AASB 16 Leases

The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until the Council presents its first financial statements that include the date of initial application.

01-Jul-19

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

##### Leases in which the Council is a lessee

Council has no operating leases of motor vehicles nor has Council elected to recognise IT leases under the AASB 16 as they have been assessed as being low-value assets under the standard.

Consequently there will be no significant impact for the Council's from the adoption of this standard.

##### Leases in which the Council is a lessor

No significant impact is expected for other leases in which Council is a lessor.

##### Peppercorn Leases

Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to elect to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

##### Transition method

The Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained surplus at 1 July 2019, with no restatement of comparative information.

The Council intends to apply the practical expedient for the definition of a lease on transition. This means that it will apply AASB 16 on transition only to contracts that were previously identified as leases applying AASB 117 Leases and Interpretation 4 Determining whether an Arrangement contains a

#### 1. 6 Estimates and judgements

Where necessary judgements, estimates and assumptions have been used in preparing these financial statements. Those that have a significant effect, or risk of causing an adjustment to council's assets or liabilities relate to:

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

Valuation and depreciation of property, plant and equipment - note 16

Provisions for restoration and long service leave - note 18

Contingencies - note 23

## **BANANA SHIRE COUNCIL**

### **Notes to the Financial Statements For the year ended 30 June 2019**

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**1. 7 National competition policy**

The Council has reviewed its activities and has identified 5 activities that are business activities. Details of these activities can be found in note 27.

**1. 8 Rounding and comparatives**

The financial statements have been rounded to the nearest \$1.

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

**1. 9 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.

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

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#### 2 (a) Components of council functions

The activities relating to the Council's components are reported in Note 2 (b).

##### **Executive Services**

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

##### **Corporate & Community Services**

The objective of Corporate & Community Services is to provide professional finance, plant, aerodrome and community services across council and the shire. This function includes: customer service, financial management and services, records management, stores and procurement, information technology, library and education services, community development, plant management, aerodrome planning and maintenance, asset management and geographic information systems and mapping.

##### **Council Services**

This function facilitates the shire growth and prosperity through well planned and quality development. The objective of planning and development is to ensure that Banana Shire Council is well designed and efficient yet also preserves the character and natural environment on the shire. This function includes: services related to the environmental health, public building maintenance, animal control, planning and management of the developmental approval processes.

##### **Infrastructure Services**

The objective of the infrastructure services is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network; parks; public toilets; technical services; disaster management and SES support.

##### **Sewerage Services**

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

##### **Water Services**

The goal of this program is to support a healthy, safe community through sustainable water services. This function includes all activities relating to managing Council's water infrastructure.

##### **Waste Services**

The goal of this function is to protect and support our community and natural environment by sustainably managing refuse. The function provides refuse collection and disposal services.

**BANANA SHIRE COUNCIL**

Notes to the Financial Statements  
For the year ended 30 June 2019

**2 Analysis of results by function**

(b) Income and expenses defined between recurring and capital, and assets are attributed to the following programs:-

	(b) Assets and expenses related to the programs										
	Gross program income				Total income	Gross program expenses		Total expenses	Operating surplus/(deficit) from recurrent operations	Net result for year	Assets
	Recurrent revenue		Capital revenue			Recurrent	Capital				
	Grants	Other	Grants	Other							
Programs	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$	2019 \$
Executive Services	44,500	23,119	-	-	67,619	(5,674,239)	-	(5,674,239)	(5,606,620)	(5,606,620)	-
Corporate & Community Services	6,077,816	23,907,254	-	1,041,708	31,026,778	(6,617,769)	(995,213)	(7,612,982)	23,367,301	23,413,796	50,697,261
Council Services	-	691,610	277,500	523,346	1,492,456	(8,231,006)	(891,555)	(9,122,561)	(7,539,396)	(7,630,105)	82,397,561
Infrastructure Services	4,668,543	18,318,352	5,881,505	-	28,868,400	(36,926,581)	(3,881,183)	(40,807,764)	(13,939,686)	(11,939,364)	599,958,666
Sewerage Services	-	3,633,079	430,000	50,000	4,113,079	(3,633,079)	(251,875)	(3,884,954)	-	228,125	43,252,105
Water Services	8,171,061	208,888	200,000	200,000	8,579,949	(8,171,061)	(501,449)	(8,672,510)	-	(92,561)	89,015,986
Waste Services	72,727	3,479,381	393,678	-	3,945,786	(3,552,108)	(4,748,864)	(8,300,972)	-	(4,355,186)	2,383,419
Total	10,863,586	58,723,856	7,191,571	1,815,054	78,094,067	(72,805,843)	(11,270,139)	(84,075,982)	(3,718,401)	(5,981,915)	867,704,997

For the year ended 30 June 2018

	For the year ended 30 June 2010										
	Gross program income				Total income	Gross program expenses		Total expenses	Operating surplus/(deficit) from recurrent operations	Net result for year	Assets
	Recurrent revenue		Capital revenue			Recurrent	Capital				
	Grants	Other	Grants	Other							
Programs	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$	2018 \$
Executive Services	76,977	22,325	-	-	99,302	(5,460,026)	-	(5,460,026)	(5,360,724)	-	-
Corporate & Community Services	6,621,740	23,552,723	200,000	2,878,777	33,253,240	(5,819,478)	(5,330,222)	(11,149,700)	24,354,985	22,103,540	64,167,576
Council Services	18,181	657,748	48,043	125,000	848,972	(6,436,457)	(615,910)	(7,052,367)	(5,760,528)	(6,203,395)	79,340,365
Infrastructure Services	5,119,021	6,353,008	6,984,360	2,259,145	20,715,534	(28,362,648)	(3,636,534)	(31,999,182)	(16,890,619)	(11,283,648)	444,049,260
Sewerage Services	-	3,661,535	100,000	-	3,761,535	(3,668,346)	(71,167)	(3,739,513)	(6,811)	22,022	42,802,209
Water Services	7,548,671	7,548,671	2,035,282	250,000	9,833,953	(8,724,117)	(953,648)	(9,677,765)	(1,175,446)	156,188	88,437,432
Waste Services	-	3,200,286	-	-	3,200,286	(3,413,032)	(788,705)	(4,201,737)	(212,746)	(1,001,451)	1,740,140
Total	11,835,919	44,996,296	9,367,685	5,512,922	71,712,822	(61,884,104)	(11,396,186)	(73,280,290)	(5,051,889)	(1,567,468)	720,536,982



# BANANA SHIRE COUNCIL

## Notes to the Financial Statements For the year ended 30 June 2019

	Note	2019 \$	2018 \$
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### 3 Revenue

#### (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.

General rates	24,624,630	23,985,145
Water	7,769,452	7,403,318
Sewerage	3,854,603	3,856,304
Environmental Levy	725,225	706,368
Garbage charges	2,480,450	2,419,143
Rates and utility charge revenue	39,454,360	38,370,278
Less: Discounts	(3,393,306)	(3,333,369)
Less: Pensioner remissions	(492,843)	(372,256)
Net rates and utility charges	35,568,211	34,664,653

#### (b) Fees and Charges

Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

Statutory fees and charges include		
Development Application Fees	64,742	85,057
Building fees & charges	126,910	134,889
Animal Registrations	51,486	64,219
Fines and infringements	12,223	7,442
Saleyard fees	77,128	69,950
Disposal fees	505,283	385,434
Other statutory fees	213,375	166,465
User fees and charges	1,267,984	1,307,023
	2,319,131	2,220,479

#### (c) Interest received

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

Investments	695,571	638,951
Over due rates and utility charges	185,330	228,631
	880,901	867,582

#### (d) Sales of contract and recoverable works

The council generates revenues from a number of services including contracts for road and earthworks. Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

Transport and Main Roads	18,175,826	6,223,184
Private works	85,746	116,134
Other	47,627	47,459
	18,309,199	6,386,777

# BANANA SHIRE COUNCIL

## Notes to the Financial Statements For the year ended 30 June 2019

	2019	2018
<b>4 Grants, subsidies, contributions and donations</b>		
Grants, subsidies and contributions are recognised as revenue in the year in which Council obtains control over them. Council only receives grants, subsidies and contributions that are non-reciprocal in nature.		
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.		
Developers also pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received.		
<b>(a) Recurrent</b>		
General purpose grants	7,246,520	7,524,113
State government subsidies and grants	1,591,920	1,749,092
NDRRA flood damage grants for operational repairs	2,025,146	2,544,533
Other non-government subsidies	-	18,181
<b>Total recurrent revenue</b>	<b>10,863,586</b>	<b>11,835,919</b>
The 1st quarter of the 2019/20 Financial Assistance Grant for the amount of \$3,2595,317 was paid to Council in June 2019.		
<b>(b) Capital</b>		
<b>(i) Monetary revenue designated for capital funding purposes</b>		
Commonwealth government grants	2,030,290	3,222,233
State government subsidies and grants	5,009,763	6,145,452
NDRRA flood damage grants for capitalised repairs	151,518	203,265
Other non-government subsidies	1,041,708	4,439,657
Contributions	388,936	870,000
	<b>8,622,215</b>	<b>14,880,607</b>
<b>(ii) Non-monetary revenue received -</b>		
Donations from third parties at fair value	384,410	-
	<b>384,410</b>	<b>-</b>
<b>Total capital revenue</b>	<b>9,006,625</b>	<b>14,880,607</b>
<b>5 Gain (loss) on the disposal of capital assets</b>		
<b>(a) Proceeds from sale of non-current assets held for sale</b>		
Less carrying value of asset sold	-	67,965
	-	(120,000)
	-	(52,035)
<b>(b) Proceeds from the sale of plant and equipment</b>	123,151	540,310
Less book value of plant and equipment sold	(194,258)	(624,049)
	(71,107)	(83,739)
<b>(c) Proceeds from the sale of land and buildings</b>	16,200	86,121
Less book value of land and buildings sold	(31,350)	(227,356)
	(15,150)	(141,235)
<b>Total gain (loss) on the disposal of capital assets</b>	<b>9 (86,257)</b>	<b>(277,009)</b>

# BANANA SHIRE COUNCIL

## Notes to the Financial Statements For the year ended 30 June 2019

		2019	2018
<b>6 Employee benefits</b>			
Total staff wages and salaries		17,015,797	16,131,008
Councillors' remuneration		413,362	423,539
Annual, sick and long service leave entitlements		3,828,083	3,789,304
Superannuation	24	2,219,060	2,145,186
		23,476,302	22,489,037
Other employee related expenses		1,044,550	1,074,835
		24,520,852	23,563,872
Less capitalised employee expenses		(2,701,908)	(2,720,212)
Total employee benefits		21,818,944	20,843,660
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
<b>Total Council employees at 30 June</b>		<b>2019</b>	<b>2018</b>
Elected members		7	7
Administration staff		105	106
Depot and outdoors staff		150	150
Total full time equivalent employees		262	263
<b>7 Materials and services</b>			
Audit of annual financial statements by the Auditor-General of Queensland		89,178	91,345
Internal Audit		6,931	33,545
Council Road Maintenance		6,198,445	5,349,660
Contractors and Private Works		13,610,916	8,186,943
Donations and Contributions Paid		144,057	166,155
Public Liability Insurance		156,647	185,108
Electricity		1,509,294	1,612,748
Contractors (non Works)		1,643,746	1,261,237
Flood Restorations		4,658,337	2,001,658
Plant Operation and Maintenance		3,748,301	3,409,710
Impairment of land for sale (classified as inventory)		-	387,790
Other material and services		713,789	583,626
Total materials and services		32,479,641	23,269,525
<b>8 Finance costs</b>			
Finance costs charged by the Queensland Treasury Corporation		564,703	615,455
Bank charges		102,302	108,710
Impairment of receivables and bad debts written-off		161,649	6,457
Refuse sites - change in present value over time		610,262	597,045
Refuse sites - change in present value over time		46,024	45,166
Total finance costs		1,484,940	1,372,833
<b>9 Capital expenses</b>			
Loss on the disposal of capital assets	5	86,257	277,009
Loss on write-off of capital assets	10	6,353,992	5,269,128
Loss on impairment of capital assets		-	100,000
Revaluation down of property, plant and equipment	15	-	5,085,158
Increase in rehabilitation provision (discount rate) relating to council controlled site but no asset revaluation surplus available in the related asset		4,829,890	664,891
Total capital expenses		11,270,139	11,396,186
<b>10 Loss on write-off of capital assets</b>			
Buildings		871,349	561,688
Road, bridge and drainage network		3,800,157	3,679,501
Water		501,449	953,648
Sewerage		251,875	71,167
Environmental Infrastructure Assets		5,056	3,124
Other Assets NC		924,106	-
Total loss on write-off of capital assets	9	6,353,992	5,269,128

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

	2019	2018
<b>11 Cash and cash equivalents</b>		
Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.		
Operating cash accounts are held with the National Australia Bank (NAB) and Bendigo Bank. At call funds are held with Queensland Treasury Corporation (QTC).		
Cash at bank and on hand	659,562	566,403
Deposits at call	20,405,181	20,852,018
Term deposits	5,000,000	5,000,000
Total cash and cash equivalents per statement of cash flows	26,064,743	26,418,421
Total cash assets	26,064,743	26,418,421
Council's cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use. These include externally imposed expenditure restrictions:		
Cash at bank and on hand at 30 June 2019 includes \$505,705 received from the State government to mitigate the direct impacts on households of the State Waste Levy, which comes into effect from 1 July 2019. This money has been set aside to help fund the Council's 2019-20 levy expense.		
Unspent government grants and subsidies	595,025	166,875
Unspent other contributions	2,455,208	2,958,914
Council has resolved to set aside revenue to provide funding for specific future projects that will be required to meet delivery of essential services and meet day to day operational requirements.		
Funds set aside by council to meet specific future funding requirements	23,014,509	23,292,632
Total cash held to contribute to identified funding commitments	26,064,742	26,418,421
<b>Trust funds</b>		
In accordance with the Local Government Act 2009 and Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages). The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.		
<b>Trust funds held for outside parties</b>		
Security deposits	407,194	350,320
	407,194	350,320

## 12 Trade and other receivables

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

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

Although Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding rate debts, Council deemed in prudent to take up a provision on: State leasehold land, where Council may have limited recourse in selling the land and recovering the debt; and on land where the outstanding rates debt exceeds the likely realisable gain from the sale of the property.



# **BANANA SHIRE COUNCIL**

## **Notes to the Financial Statements For the year ended 30 June 2019**

	2019	2018
<b>12 Trade and other receivables - continued</b>		
<b>(a) Current</b>		
Rateable revenue and utility charges	1,853,036	1,868,042
Less: Impairment provision	(167,239)	-
Net Rates and Utility Charges	1,685,797	1,868,042
Water charges yet to be levied	2,147,312	1,997,693
Accrued interest	97,010	93,538
GST recoverable	99,898	114,490
Other debtors	5,301,497	4,823,639
Less impairment provision	(1,573)	(127,754)
	<u>9,329,941</u>	<u>6,901,606</u>
Prepayments	326,079	419,722
	<u>9,656,020</u>	<u>9,189,370</u>
<b>(b) Non-current</b>		
Deferred debtors	202,500	-
	<u>202,500</u>	<u>-</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.		
Movement in accumulated impairment losses (trade and other receivables)		
Balance at beginning of the year	127,754	170,461
Impairment adjustment in year	41,058	(42,707)
Balance at end of the year	<u>168,812</u>	<u>127,754</u>
Further disclosures on credit risk are contained in note 26.		
<b>13 Inventories</b>		
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.		
Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.		
Inventories for internal use-		
Quarry and road materials	606,091	368,379
Stores and materials	872,509	873,627
	<u>1,478,600</u>	<u>1,242,006</u>
Valued at cost, adjusted when applicable for any loss of service potential.		
Land purchased for development and sale	14	1,294,164
Total inventories		<u>650,001</u>
	<u>2,772,764</u>	<u>1,892,007</u>
<b>14 Land purchased for development and sale</b>		
Balance at beginning of the year	650,001	1,037,791
Transferred from other asset category	725,000	-
Development costs	356	-
Less cost of developed land sold	(81,193)	-
Impairment adjustment as at 30 June 2019	-	(387,790)
Balance at end of the year	<u>1,294,164</u>	<u>650,001</u>
Land purchased for development and sale is valued at the lower of cost and net realisable value.		

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

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#### 15 Property, plant and equipment

##### 15 (a) Recognition

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 \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

##### 15 (b) 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 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 is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

##### 15 (c) Capital and operating expenditure

Direct labour, materials and overheads incurred in the acquisition or construction of assets are treated as capital expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life 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.

Expenditure incurred in accordance with Natural Disaster Relief and Recovery Arrangements on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

##### 15 (d) Valuation

Land and improvements, buildings, major plant and all infrastructure assets are measured at fair value in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. Other plant and equipment and work in progress are measured at cost.

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 engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3-5 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses internal engineers, asset managers and other professionals to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound. Further details in relation to valuers, the methods of valuation and the key assumptions are disclosed in note 16.

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 of 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.

Further information on the fair value measurement is contained in note 16

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

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**15 (e) 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.

**15 (f) Depreciation**

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets 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. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date.

**15 (g) Impairment**

Property, plant and equipment 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.

**15 (h) 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 Banana Shire 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.

**BANANA SHIRE COUNCIL**

Notes to the Financial Statements  
For the year ended 30 June 2019

**15 Property, plant and equipment**

	Land		Site improvements		Buildings		Plant and equipment		Road, bridge and drainage network		Water		Sewerage		Environmental Infrastructure Assets		Other Assets NC		Works in progress		Total
	Valuation Level 2	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Cost	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Cost	Cost	2019
<b>Assets Values</b>																					
Opening gross value as at 1 July 2018	6,222,965	5,588,766	104,896,299	24,435,118	525,738,322	133,738,844	78,732,465	869,936	11,164,770	15,024,787	14,003,506	384,410	21,025,335	384,410	609,408	10,365,624	195,410,299	1,111,506,134			
Minor correction to opening balance	-	-	-	-	(1)	(26,152)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(26,150)
Additions	387,246	-	1,166,262	866,701	1,717,896	859,731	513,356	-	-	-	-	-	-	-	-	-	-	-	-	-	21,025,335
Contributed assets at valuation	-	-	384,410	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Internal transfers from work in progress	-	16,055	1,339,111	-	5,741,017	1,457,806	1,011,778	-	-	-	-	-	-	-	-	-	-	-	-	-	14,003,506
Disposals	(31,350)	-	-	(578,058)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Write-offs	-	-	-	(1,737,278)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Revaluation adjustment to other comprehensive income. (refer the ARS*)	-	-	-	2,122,767	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Revaluation adjustment to capital loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Internal transfers between asset classes	-	(148,257)	89,545	-	14,790,294	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Transfer to land inventory asset	(725,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
Closing gross value as at 30 June 2019	5,853,861	5,456,564	108,261,116	24,723,761	731,778,959	137,256,332	80,989,754	-	-	-	-	-	-	-	-	-	-	-	-	-	384,410
<b>Accumulated depreciation and impairment</b>																					
Opening balance as at 1 July 2018	-	3,381,085	30,180,665	12,801,132	89,753,217	47,881,435	37,260,964	439,376	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652	2,062,652
Minor correction to opening balance	-	685	(929)	1	-	(14,111)	1	2	933	933	933	933	933	933	933	933	933	933	933	933	933
Depreciation provided in year	-	462,103	2,589,926	1,232,289	7,697,992	3,154,254	1,531,766	17,455	214,975	214,975	214,975	214,975	214,975	214,975	214,975	214,975	214,975	214,975	214,975	214,975	214,975
Depreciation on disposals	-	-	-	(383,800)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation on write-offs	-	-	(865,929)	-	(1,416,605)	(963,553)	(604,004)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)	(14,562)
Revaluation adjustment to other comprehensive income. (refer the ARS*)	-	-	638,538	-	44,200,576	1,001,160	763,775	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal transfers between asset classes	-	(43,542)	16,417	-	2,600,927	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 30 June 2019	-	3,800,331	32,588,688	13,649,622	142,836,107	51,059,185	38,952,502	(442,221)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)	(2,131,581)
<b>Total written down value as at 30 June 2019</b>	5,853,861	1,656,233	75,702,428	11,074,139	588,942,852	86,197,347	42,037,252	0	294,392	294,392	294,392	294,392	294,392	294,392	294,392	294,392	294,392	294,392	294,392	294,392	294,392
Range of estimated useful life in years	Not depreciated	0 - 60	5 - 146	4 - 25	4 - 225	3 - 100	10 - 150	7 - 80	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225	10 - 225
Addition of renewal assets	-	-	798,790	-	1,655,644	802,335	503,934	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition of other assets	387,246	-	751,882	866,701	62,252	57,396	9,422	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total additions in year	387,246	-	1,550,672	866,701	1,717,896	859,731	513,356	-	-	-	-	-	-	-	-	-	-	-	-	-	-
* ARS denotes - Asset Revaluation Surplus																					



**BANANA SHIRE COUNCIL**

Notes to the Financial Statements  
For the year ended 30 June 2019

**15 Property, plant and equipment - prior year**

		Note	Land	Site improvements	Buildings	Plant and equipment	Road, bridge and drainage network	Water	Sewerage	Environmental Infrastructure Assets	Other Assets NC	Works in progress	Total
Basis of measurement			Valuation Level 2	Valuation Level 3	Valuation Level 3	Cost	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Valuation Level 3	Cost	
Fair value category			2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
<b>Asset Values</b>			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2017			11,290,598	5,073,668	99,782,839	24,598,670	532,112,581	129,274,166	76,804,092	5,952,813	13,578,536	9,101,619	907,569,602
Minor correction to opening balance			-	-	-	-	354,191	(16,599)	(9,467)	-	-	-	328,125
Additions at cost			37,925	66,150	975,724	1,421,041	4,638,672	4,406,165	318,347	9,223	2,815	12,924,834	24,800,896
Internal transfers from work in progress			-	529,795	777,618	-	3,960,864	1,188,098	504,021	41,270	-	(7,001,666)	-
Disposals		5	(20,400)	(80,847)	(131,948)	(1,584,593)	-	-	-	-	-	-	-
Write-offs		9	-	-	(1,093,316)	-	(5,565,687)	(3,606,645)	(352,552)	(29,389)	-	-	(1,817,788)
Revaluation adjustment to other comprehensive income, (refer the ARS*)		21	-	-	-	-	(10,005,901)	2,493,659	1,468,024	-	348,297	-	(8,735,816)
Revaluation adjustment to capital loss		9	(5,085,158)	-	-	-	-	-	-	(5,103,981)	(2,764,898)	-	(5,085,158)
Internal transfers between asset classes			-	-	7,625,277	-	243,602	-	-	-	-	-	-
Closing gross value as at 30 June 2018			6,222,965	5,588,766	104,896,299	24,435,118	525,738,322	133,738,844	78,732,465	869,936	11,164,770	15,024,787	906,412,272
<b>Accumulated depreciation and impairment</b>													
Opening balance as at 1 July 2017			-	3,058,609	13,707,650	12,340,500	92,354,458	46,643,538	35,302,343	1,679,367	2,568,430	-	207,714,895
Minor correction to opening balance			-	-	-	(112,945)	(192,178)	(56,290)	(3,256)	-	-	-	(364,669)
Depreciation provided in year			-	322,476	1,636,882	1,534,121	7,842,408	3,054,400	1,488,504	166,863	350,223	-	16,395,877
Depreciation on disposals		5	-	-	(5,839)	(960,544)	-	-	-	-	-	-	-
Depreciation on write-offs		9	-	-	(531,628)	-	(1,886,186)	(2,632,997)	(281,385)	(26,265)	-	-	(966,383)
Revaluation adjustment to other comprehensive income, (refer the ARS*)		21	-	-	13,076,728	-	(8,371,139)	892,784	694,758	-	66,086	-	6,359,217
Internal transfers between asset classes			-	-	2,296,872	-	5,854	-	-	(1,380,639)	(922,087)	-	-
Accumulated depreciation as at 30 June 2018			-	3,381,085	30,180,665	12,801,132	89,753,217	47,881,415	37,260,964	439,126	2,062,652	-	223,760,476
<b>Total written down value as at 30 June 2018</b>			6,222,965	2,207,681	74,715,634	11,633,986	435,985,105	85,857,409	41,471,501	430,610	9,102,118	15,024,787	682,651,796
<b>Range of estimated useful life in years</b>													
• ARS denotes - Asset Revaluation Surplus			Not depreciated	0 - 60	5 - 146	4 - 25	4 - 225	3 - 100	10 - 150	7 - 80	10 - 225		

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

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#### 16. Fair Value Measurements

##### (a) Recognised fair value measurements

Council measures and recognises the following assets at fair value on a recurring basis:

##### Property, plant and equipment

- Land
- Site improvements
- Buildings and other structures
- Road, bridge, drainage and Aerodrome network
- Water
- Sewerage
- Other non-current assets

Council does not measure any liabilities at fair value on a recurring basis.

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 19 is provided by the Queensland Treasury Corporation and represents the contractual undiscounted cash flows at balance date (level 2).

The carrying amounts of trade receivables and trade payables are, due to their short-term nature, assumed to approximate their fair value.

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land previously used as an administration centre. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading "Land (level 2)".

In accordance with AASB 13 fair value measurements are categorised on the following basis:

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

The following table categorises fair value measurements as either level 2 or level 3 in accordance with AASB 13. Council does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as level 1.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value of an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

The table presents the Council's assets measured and recognised at fair value at 30 June 2019.

**BANANA SHIRE COUNCIL**

**Notes to the Financial Statements**  
For the year ended 30 June 2019

16

**Fair Value Measurements - continued**

**Recurring fair value measurement**

Category	Note	Level 2 (Significant other observable inputs)		Level 3 (Significant unobservable inputs)		Total	
		2019	2018	2019	2018	2019	2018
Recurring fair value measurements							
Land	15	5,853,861	6,222,965	-	-	5,853,861	6,222,965
Site Improvements	15	-	-	1,656,233	2,207,681	1,656,233	2,207,681
Buildings and other structures	15	-	-	75,702,428	74,715,634	75,702,428	74,715,634
Road, bridge and drainage network	15	-	-	588,942,852	435,985,105	588,942,852	435,985,105
Water	15	-	-	86,197,347	85,857,410	86,197,347	85,857,410
Sewerage	15	-	-	42,037,252	41,471,502	42,037,252	41,471,502
Environmental infrastructure assets	15	-	-	-	430,610	-	430,610
Other Assets NC	15	-	-	294,392	9,102,118	294,392	9,102,118
		<u>5,853,861</u>	<u>6,222,965</u>	<u>794,830,504</u>	<u>649,770,060</u>	<u>800,684,365</u>	<u>655,993,025</u>
Non-recurring fair value				-	-		
Non-current assets classified as held for sale		160,000	160,000	-	-	160,000	160,000

The revaluation of Land assets resulted in the fair value of this class having predominantly observable inputs (level 2). This table reflects that assessment.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

**16 Fair Value Measurements - continued**

**(b) Valuation techniques used to derive fair values for level 2 and level 3 valuations**

Specific valuation techniques used to value Council's assets comprise:

**Land, Site Improvements and Buildings and other structures (Levels 2 and 3)**

Land, Buildings and Other Structures

Opteon Property Group Pty Ltd conducted a full revaluation of Council's land, buildings and other structures for the year ending 30th June 2018.

In this financial year, Council has taken into account the following when making a determination on movements in fair value for the 2018-2019 financial year:

- Department of Natural Resources and Mines information concerning both urban and rural land valuations over the previous 12 months
- CPI for increase of 1.5% in the year to December 2018
- Local observations
- Recent project costs and tendered outcomes ; and
- The 2019 Local Government Cost Index of 2.00%

Given these factors, Council has applied an indexation increase of 2.00% to buildings and other structure assets only for the 2018-2019 financial years.

**Infrastructure assets (Level 3)**

All Council infrastructure assets were fair valued using written down current replacement cost (CRC). This valuation comprises the asset's current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or were redundant an adjustment was made so that the resulting valuation reflected the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output within the council's planning horizon.

The CRC was determined using methods relevant to the asset class as described under individual asset categories below.

Annual reviews of these values are completed to determine material differences.

**Roads, Drainage and Aerodrome Infrastructure**

In the 2018-2019 financial year, Shepherd Services revalued Council's Roads, Drainage and Aerodrome assets, having regard to the following:

- AASB 116 – Property Plant and Equipment
- AASB 13 – Fair Value Measurement
- The determination of asset condition using a combination of sample visual inspections and RACAS (Road Asset Condition Assessment System).
- The assessment of appropriate unit rates using, where possible, recent historic costing (2015-2019) of completed projects or from first principle estimates
- Using industry standards and sampling of Council's assets to determine appropriate useful lives

Council personnel were involved throughout the valuation process and reviewed and agreed that:

- Given the specified nature of the assets that written down current replacement cost was the appropriate method to assess fair value;
- The condition assessments and revised unit rates were appropriate;
- Assessments of Fair Value, Depreciation, and Remaining Useful Life together with any associated assumptions were reasonable.

**BANANA SHIRE COUNCIL****Notes to the Financial Statements**  
For the year ended 30 June 2019**16 Fair Value Measurements – continued**

Based on these interactions and other internal reviews Council has accepted the results of the valuation as an accurate reflection of the Fair Value of Council's Roads, Drainage and Aerodrome assets at 30 June 2019.

The valuation summary follows:

Subclass	Current Replacement Cost	Accumulated Depreciation	Written Down Value	Annual Depreciation
Pathways	\$12,338,495	\$3,432,185	\$8,906,310	\$188,999
Sealed Roads	\$362,876,502	\$94,264,105	\$268,612,397	\$5,875,799
Traffic Management Devices and Road Furniture	\$2,111,541	\$864,887	\$1,246,654	\$47,134
Unsealed Roads	\$205,022,246	\$909,520	\$204,112,726	\$1,951,728
Bridges and Other Structures	\$86,634,705	\$26,355,944	\$60,278,761	\$1,050,264
Sealed Facility Access	\$5,258,184	\$1,505,129	\$3,753,055	\$71,936
Unsealed Facility Access	\$821,576	\$554	\$821,022	\$6,853
Stormwater Drainage	\$40,839,095	\$11,596,511	\$29,242,584	\$341,258
Road Equipment	\$2,164,831	\$68,607	\$2,096,224	\$26,698
Runway	\$13,711,785	\$3,838,664	\$9,873,121	\$316,985
<b>Grand Total</b>	<b>\$731,778,959</b>	<b>\$142,836,107</b>	<b>\$588,942,852</b>	<b>\$9,877,654</b>

**Water and Sewerage Infrastructure**

A fair value assessment of Council's active and passive water and sewerage assets was last undertaken in 2016 - 2017 financial year. The next full revaluation will not occur until the 2020-2021 financial year at the earliest.

In this financial year, the nature of construction activity in the passive and active asset areas is not representative of the broader nature of the asset classes and accordingly does not provide useful information for comparative valuation purposes.

Accordingly, Council took into account the following indices when determining the movement of fair value for the 2018-2019 financial year:

- 2.2% increase in Asset Revaluation Index Machinery & Equipment for 12 months to December 2018;
- Engineering Construction QLD Index increase of 5% for 12 months to December 2018;
- It was also noted that the LGAQ Council Cost Index 2019 has been calculated at 2%.

Having regard for the available information considered relevant to the Banana Shire Council's locality and activities, Council has decided to index its Water and Sewerage active and passive assets by 2%.

The indexation resulted in the following adjustments to the Current Replacement Cost of Water and Sewerage assets:

- Water indexation: \$2,691,305
- Sewerage indexation: \$1,588,034



## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

	2019	2018
<b>17 Trade and other payables</b>		
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.		
Liabilities for employee benefits such as wages and salaries, annual and long service leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.		
Council does not have an unconditional right to defer settlement of annual leave beyond twelve months after the reporting date. Accordingly, annual leave is classified as a current liability.		
<b>Current</b>		
Accruals	4,838,124	3,636,218
Creditors	1,059,628	745,033
Employee related accruals	69,245	9,822
Annual leave	1,894,315	1,787,212
Other entitlements	181,602	164,922
	<b>8,042,914</b>	<b>6,343,207</b>

Employee benefit expenses are calculated at current pay levels and adjusted for inflation and likely future changes in salary level.

### 18 Provisions

#### Long Service Leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the 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.

Where employees have met the prerequisite length of service and council does not have an unconditional right to defer this liability beyond 12 months. Therefore long service leave in this category is classified as a current liability. Otherwise it is classified as non-current.

The non-current portion of long service leave is then discounted to the present value.

#### Property restoration

The provision for refuse restoration is calculated as the present value of anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time.

The provision for quarry rehabilitation represents the present value of the anticipated future costs associated with the closure of the quarries, refilling the basin, and reclamation and rehabilitation of these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for quarry rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the restoration will occur in 2051.

Quarries are situated on Council controlled land and are classified as land and improvement assets. The provision for restoration is, therefore, included in the cost of the land and amortised over the expected useful life of the quarry. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

# **BANANA SHIRE COUNCIL**

## **Notes to the Financial Statements For the year ended 30 June 2019**

	2019	2018
<b>18 Provisions - continued</b>		
<b>Current</b>		
Long service leave	2,640,809	2,582,093
	<u>2,640,809</u>	<u>2,582,093</u>
<b>Non-Current</b>		
Long service leave	221,168	198,305
Property restoration		
(i) Refuse sites	26,683,159	21,884,997
(ii) Quarry sites	2,136,551	2,009,501
	<u>29,040,878</u>	<u>24,092,803</u>
<b>Long service leave</b>		
Balance at beginning of the year	2,780,398	2,947,158
Amount provided for in the year	503,674	602,276
Amount paid in the year	(422,095)	(769,036)
Balance at end of the year	<u>2,861,977</u>	<u>2,780,398</u>
<b>Current portion</b>	2,640,809	2,582,093
<b>Non-current portion</b>	221,168	198,305
	<u>2,861,977</u>	<u>2,780,398</u>
<b>Property Restoration</b>		
(i) Refuse sites		
Balance at beginning of the year	21,884,997	20,026,703
Increase due to change in time	610,262	597,045
Increase (decrease) due to change in discount rate	4,748,864	1,319,386
Amount expended in year	(560,964)	(58,137)
Balance at end of the year	<u>26,683,159</u>	<u>21,884,997</u>
Current portion	-	-
Non-current portion	26,683,159	21,884,997
	<u>26,683,159</u>	<u>21,884,997</u>
<b>Cash funds committed to meet this liability at the reporting date are</b>	<u>4,500,441</u>	<u>4,442,455</u>
(ii) Quarry sites		
Balance at beginning of the year	2,009,501	1,963,544
Increase due to change in time	46,024	45,166
Increase (decrease) due to change in discount rate	81,026	791
Balance at end of the year	<u>2,136,551</u>	<u>2,009,501</u>
Current portion	-	-
Non-current portion	2,136,551	2,009,501
	<u>2,136,551</u>	<u>2,009,501</u>

## **19 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 is 15 March 2024.

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

During the 2018-2019 financial year, Council retired two loans. At the time of retirement, the cumulative market value of these loans was \$1,913,994. Principal and interest repayments on the remaining loan continues to be made quarterly in arrears.

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

	2019	2018
<b>19 Borrowings - continued</b>		
<b>Borrowings at balance date are</b>		
<b>Current</b>		
Queensland Treasury Corporation	1,216,326	1,449,840
<b>Non-current</b>		
Queensland Treasury Corporation	5,365,114	8,377,447
<b>Movements in borrowings</b>		
<b>Queensland Treasury Corporation</b>		
Balance at beginning of the year	9,827,287	11,198,133
Capitalised interest	52,418	-
Principal repayments	(3,298,265)	(1,370,846)
Balance at end of the year	6,581,440	9,827,287
<b>Classified as</b>		
Current	1,216,326	1,449,840
Non-current	5,365,114	8,377,447
	6,581,440	9,827,287

The loan market value at the reporting date was \$7,478,454

This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the Council for any liabilities, however all loans are guaranteed by the Queensland

The following sets out the liquidity risk in relation to the above borrowings and represents the remaining contractual cash flows (principal and interest) at the end of the reporting period.

0 to 1 year	1,216,326	1,998,501
1 to 5 years	5,365,114	9,584,372
Over 5 years		76,794
Total contractual outflows	6,581,440	11,659,667
Carrying amount	6,581,440	9,827,287

The contractual outflows are not expected to occur significantly earlier and are not expected to be for significantly different amounts than indicated.

## 20 Other liabilities

<b>Current</b>		
Unearned revenue	1,060,043	669,985
Waste levy refund received in advance	505,705	-
	1,565,748	669,985

The State Government made an advance payment to Council in June 2019 to mitigate the impacts on households for 2019-20 of the State Waste Levy, which takes effect from 1 July 2019. The Council will be liable to the State for payment of the levy on most forms of commercial and household waste delivered to its disposal sites from 1 July 2019. The state is required to make an annual payment to the council that essentially refunds the Council for the portion of the levy that relates to households. Council will fund the portion of the levy that relates to commercial waste through charges to commercial users of disposal sites from 1 July 2019. As the receipt from the State in June 2019 is for the a refund of Council's 2019-2020 levy expense, the full amount has been recognised as a liability at 30 June 2019.

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

	2019	2018
<b>21 Asset revaluation surplus</b>		
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 reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.		
The closing balance of the asset revaluation surplus is comprised of the following asset categories		
Buildings	29,564,554	28,080,325
Plant and equipment	569,574	569,574
Road, bridge and drainage network	491,166,173	346,358,556
Water	55,043,585	53,353,440
Sewerage	32,154,929	31,330,670
Environmental Infrastructure Assets	426,323	426,323
Other Assets NC	7,943,646	7,943,646
	<u>616,868,784</u>	<u>468,062,534</u>
<b>22 Commitments for expenditure</b>		
<b>Contractual commitments</b>		
Contractual commitments at end of financial year but not recognised in the financial statements		
Biloela Civic Centre - per year	81,933	85,683
Biloela Pool - per year	-	35,430
Moura Pool - per year	-	41,546
Taroom Pool - per year	-	34,621
Magavalia Sports Complex - per year	24,282	15,620
	<u>106,215</u>	<u>212,900</u>
<b>Capital commitments</b>		
Commitment for the construction of the following assets contracted for at end of the financial year but not recognised as liabilities		
Various Plant Items	1,127,028	-
Infrastructure Services (Roads, Bridges, Drainage, Streetscaping ...)	1,079,152	973,592
Water & Sewerage Infrastructure	2,721,419	1,015,295
Buildings, Parks, Pools and Other	89,727	361,148
	<u>5,017,326</u>	<u>2,350,035</u>
These expenditures are payable		
Within one year	<u>5,017,326</u>	<u>2,350,035</u>
<b>23 Contingent liabilities</b>		
Details and estimates of maximum amounts of contingent liabilities		
<b>Local Government Workcare</b>		
The Banana Shire 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>341,826</u>	<u>341,826</u>

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

	2019	2018
<b>23 Contingent liabilities - continued</b>		
<b>Local Government Mutual</b>		
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 2017 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.		
<b>24 Superannuation - Regional Defined Benefit Fund</b>		
Council contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIASuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the Local Government Act 2009.		
The scheme is a defined benefit plan, however Council is not able to account for it as a defined benefit plan in accordance with AASB119 because LGIASuper is unable to account for its proportionate share of the defined benefit obligation, plan assets and costs.		
Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate, but has not been recognised as an asset or liability of the Council.		
Technically Banana Shire Council can be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIASuper trust deed changes to council's obligations will only be made on the advice of an actuary.		
The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.		
No changes have been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.		
Another actuarial investigation is being conducted as at 1 July 2021. At the time of signing these financial statements this investigation is still in progress.		
The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:		
Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.		
Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.		
There are currently 62 entities contributing to the scheme and any changes in contribution rates would apply equally to all 72 entities. Banana Shire Council made less than 4% of the total contributions to the plan in the 2018-19 financial year.		
Superannuation contributions made to the Regional Defined Benefits Fund	43,866	102,746
Other superannuation contributions for employees	2,175,194	2,042,440
Total superannuation contributions paid by Council for employees:	6 2,219,060	2,145,186
Contributions council expects to make to the Regional Defined Benefits Fund for 2019 - 20	89,212	



# **BANANA SHIRE COUNCIL**

## **Notes to the Financial Statements** **For the year ended 30 June 2019**

		2019	2018
<b>25 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities</b>			
Net result		(5,981,915)	(1,567,468)
Non-cash operating items			
Impairment of receivables and bad debts written-off	8	161,649	6,457
Depreciation and amortisation	15	16,941,125	16,398,086
Current cost of developed land sold	14	81,193	-
Change in restoration provisions expensed to finance costs		656,286	642,211
Revaluation of inventory land expensed to materials and services		-	387,790
		<u>17,840,253</u>	<u>17,434,544</u>
Capital grants, subsidies and contributions	4	(9,006,625)	(14,880,607)
Capital expenses	9	11,270,139	11,396,186
Payment for land for sale and development costs in the year		(356)	-
		<u>2,263,158</u>	<u>(3,484,421)</u>
Capitalised interest		52,418	-
		<u>52,418</u>	<u>-</u>
(Increase) decrease in receivables		(924,442)	1,079,958
(Increase) decrease in inventories (excluding land)		(236,594)	(56,869)
Increase (decrease) in payables		2,299,055	(180,103)
Increase (decrease) in provisions		(479,385)	(224,897)
Increase (decrease) in other liabilities		390,058	21,002
		<u>1,048,692</u>	<u>639,091</u>
<b>Net cash inflow from operating activities</b>		<u>15,222,606</u>	<u>13,021,746</u>

## BANANA SHIRE COUNCIL

### Notes to the Financial Statements For the year ended 30 June 2019

#### 26 Financial Instruments and Financial Risk Management

The effect of initially applying AASB 9 on the Council's financial instruments is described in Note 1.3. Comparative information has not been restated to reflect the requirements.

Banana Shire Council has exposure to the following risks arising from financial instruments

- credit risk
- liquidity risk
- market risk

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

#### Financial risk management

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

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

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

The Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Banana Shire Council does not enter into derivatives.

#### Credit risk

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

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

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

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

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

The following table represents the maximum exposure to credit risk based on the carrying amounts of financial assets at the end of the reporting period.

	Note	2019	2018
Financial assets		\$	\$
Cash at bank and on hand	11	659,562	566,403
Cash investments held with - QTC	11	20,405,181	20,852,018
Cash investments held with other approved deposit taking institutions	11	5,000,000	5,000,000
Receivables - rates	12	3,833,109	3,865,735
Receivables - other	12	5,699,332	4,903,913
Other credit exposure			
Guarantee	23	341,826	341,826
Total		35,939,010	35,529,895

#### Cash and cash equivalents

The Council may be exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility.

The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties.

Deposits with the QTC Cash Fund are capital guaranteed. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is

## BANANA SHIRE COUNCIL

Notes to the Financial Statements  
For the year ended 30 June 2019

### 26 Financial Instruments and Financial Risk Management - continued

#### Other financial assets

Other investments are held with financial institutions, which are rated AAA to AA- based on rating agency ratings provided by Standard and Poors, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

#### Trade and other receivables

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 defaults.

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.

Due to the Council's operations occurring within its shire boundaries there is a geographical concentration of risk. Also, as the shire's economy depends largely on agriculture and mining, Council is exposed to risk associated with the often cyclical nature of these sectors.

The Council does not require collateral in respect of trade and other receivables. The Council does not have trade receivables for which no loss allowance is recognised because of collateral.

At 30 June 2019, the exposure to credit risk for trade receivables by type of counterparty was as follows:

	2019	2018
	\$	\$
Property charges	4,000,348	3,865,735
GST recoverable	99,898	114,490
Other	5,398,507	4,917,177
Total	9,498,753	8,897,402

#### Liquidity risk

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

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

#### Exposure to liquidity risk

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

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

These facilities are disclosed in note 11.

The council does not have any overdraft facilities at the reporting date.

#### Market risk

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

#### Interest rate risk

Banana Shire Council is exposed to interest rate risk through investments with QTC and other financial institutions.

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

#### Fair Value

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

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

# **BANANA SHIRE COUNCIL**

**Notes to the Financial Statements**  
**For the year ended 30 June 2019**

## **27 National competition policy**

### **Business activities to which the code of competitive conduct is applied**

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

The Banana Shire Council applies the competitive code of conduct to the following activities

Plant Operations  
Roads  
Water Services  
Sewerage Services  
Waste Management

The following activity statements are for activities subject to the competitive code of conduct:

	Plant Operations	Roads	Water Services	Sewerage Services	Waste Management
	2019	2019	2019	2019	2019
	\$	\$	\$	\$	\$
Revenue for services provided to the Council	7,764,706				
Revenue for services provided to external clients	31,385	18,175,826	8,913,308	4,239,725	4,111,219
* Community service obligations			6,500,000	650,000	5,500,000
	7,796,091	18,175,826	15,413,308	4,889,725	9,611,219
Less: Expenditure	7,309,983	14,925,271	15,365,205	4,860,236	9,557,083
Surplus (deficiency)	486,108	3,250,555	48,103	29,489	54,136

## **27 National competition policy - continued**

Description of CSO's provided to business activities during the reporting year.

Activities	CSO description	Actual
Water Services	Cost of water services	6,500,000
Sewerage Services	Cost of sewerage services	650,000
Waste Management	Cost of waste services	5,500,000

## BANANA SHIRE COUNCIL

### Financial Statements

For the year ended 30 June 2019

#### 28 Related Parties

##### (a) Controlled Entities

Council does not have any controlled entities and therefore is not required to disclose matters on associated related parties.

##### (b) Key Management Personnel (KMP)

KMP include the Mayor, Councillors, council's Chief Executive Officer and all of council's executive leadership team. Transactions with KMP, in the form of compensation paid for 2018-2019, comprises:

Nature of Compensation	2019	2018
	\$	\$
Short-term employee benefits	1,599,286	1,975,634
Long-term benefits	-	9,340
Post-employment benefits	-	-
Termination benefits	-	103,320
<b>Total</b>	<b>1,599,286</b>	<b>2,088,294</b>

Detailed remuneration disclosures for KMP are provided in Council's annual report.

##### (c) Other Related Parties

Other related parties include the close family members of KMP and any entities controlled, or jointly controlled, by KMP or their close family. Details of transactions between council and other related parties are disclosed below:

Details of Transaction	Additional information	2019	2018
		\$	\$
Employee expenses for close family members of key management	28(c)(i)	129,566	266,543
Purchase of materials and services from entities controlled by key	28(c)(ii)	433,510	536,876
Key management personnel services provided by a related entity	28(c)(iii)	12,989	15,979

(i) Council employs 2 close family members of key management personnel. They were employed through an arm's length process and are paid in accordance with the Award for the job they perform.

(ii) This disclosure includes \$370,686 paid to M&M Electrics an entity controlled by a close family member of Councillor Middleton. All purchases were at arms length and were in the normal course of Council's operation.

(iii) These payments represent a range of activities, including:

- reimbursement of monies paid by key management personnel and related parties for legitimate Council expenditure.
- allowances payable to Councillors under Council Policy.

##### (d) Outstanding balances

The following balances at the end of the reporting period in relation to transactions with related parties:

Receivables	Amounts owed by related	
	2019	2018
Current	-	4,377
Past due 31-60 days	-	787
Past due 61-90 days	-	-
More than 90 days overdue	-	-
<b>Total Owning</b>	<b>-</b>	<b>5,164</b>

##### (e) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of council live and operate within the Banana Shire Council. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties.

Some examples of these transactions are: payment of rates, dog registration, use of council aquatic centres and borrowing books from council's libraries.

##### (f) Commitments to/from other related parties

Council does not have any current material commitments to/from other related parties



**BANANA SHIRE COUNCIL**

**FINANCIAL STATEMENTS**

**For the year ended 30 June 2019**

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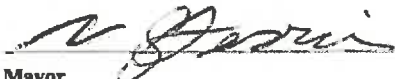
**MANAGEMENT CERTIFICATE**

**For the year ended 30 June 2019**

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

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

- (i) the prescribed requirements of the Local Government Act 2009 and Local Government Regulation 2012 for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 33, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

  
\_\_\_\_\_  
Mayor

Name: NEVILLE FERRIER

Date: 23 / 10 / 19

  
\_\_\_\_\_  
Chief Executive Officer

Name: MAY GORAGHTY

Date: 23 / 10 / 19

## INDEPENDENT AUDITOR'S REPORT

To the Councillors of Banana Shire Council

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Banana Shire Council (the council).

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2019, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

#### Basis for opinion

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

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

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

#### Other information

Other information comprises the information included in Banana Shire Council's annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current year financial sustainability statement and long-term financial sustainability statement.

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

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

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

### **Responsibilities of the council 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 the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for 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.

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

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

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

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

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

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



Carolyn Dougherty  
as delegate of the Auditor-General

25 October 2019

Queensland Audit Office  
Brisbane

## BANANA SHIRE COUNCIL

### Current-year Financial Sustainability Statement For the year ended 30 June 2019

#### Measures of Financial Sustainability

(i) **Operating surplus ratio**

Operating surplus (Net result excluding all capital items) divided by total operating revenue (excludes capital revenue).

(ii) **Asset sustainability ratio**

Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.

(iii) **Net financial liabilities ratio**

Total liabilities less current assets divided by total operating revenue.

Council's performance at 30 June 2019 against key financial ratios

	Operating surplus ratio	Asset sustainability ratio	Net financial liabilities ratio
Target	between 0% and 10%	greater than 90%	not greater than 60%
Actual	-5.38%	67.22%	13.57%

#### Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2019.

#### Certificate of Accuracy For the year ended 30 June 2019

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

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

  
Mayor

Name: NEVILLE FERRIER

Date: 23/10/19

  
Chief Executive Officer

Name: Ray GORRACHITY

Date: 23/10/19



## **INDEPENDENT AUDITOR'S REPORT**

To the Councillors of Banana Shire Council

### **Report on the current year financial sustainability statement**

#### **Opinion**

I have audited the accompanying current year statement of financial sustainability of Banana Shire Council (the council) for the year ended 30 June 2019 comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Banana Shire Council for the year ended 30 June 2019 has been accurately calculated.

#### **Basis of opinion**

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

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

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

#### **Emphasis of matter – basis of accounting**

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

#### **Other Information**

Other information comprises the information included in Banana Shire Council's annual report for the year ended 30 June 2019, but does not include the current year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and the long-term financial sustainability statement.

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

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

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

#### **Responsibilities of the council for the current year financial sustainability statement**

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

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

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

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

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

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

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



Carolyn Dougherty  
as delegate of the Auditor-General

25 October 2019

Queensland Audit Office  
Brisbane

## BANANA SHIRE COUNCIL

Long-Term Financial Sustainability Statement  
Prepared as at 30 June 2019

Unaudited

### Measures of Financial Sustainability

(i) **Operating surplus ratio**

Operating surplus (Net result excluding all capital items) divided by total operating revenue (excludes capital revenue).

(ii) **Asset sustainability ratio**

Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.

(iii) **Net financial liabilities ratio**

Total liabilities less current assets divided by total operating revenue.

Council's performance at 30 June 2019 against key financial ratios

		Operating surplus ratio	Asset sustainability ratio	Net financial liabilities ratio
Target		between 0% and 10%	greater than 90%	not greater than 60%
Actuals at 30 June 2019		-5.38%	67.22%	13.57%
Projected for the years ended	30 June 2020	-3.10%	86.40%	10.70%
	30 June 2021	-2.90%	92.80%	12.00%
	30 June 2022	-1.70%	79.20%	11.10%
	30 June 2023	0.20%	65.40%	0.80%
	30 June 2024	0.70%	72.90%	-8.00%
	30 June 2025	1.80%	73.30%	-18.30%
	30 June 2026	2.80%	76.10%	-29.70%
	30 June 2027	3.90%	84.30%	-41.20%
	30 June 2028	4.90%	79.00%	-54.00%

### Financial Management Strategy

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

### Certificate of Accuracy

For the long-term financial sustainability statement prepared as at 30 June 2019

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the Local Government Regulation 2012 (the regulation).

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

  
Mayor

Name: NEVILLE FERRITER

Date: 23/10/19

  
Chief Executive Officer

Name: Chris GORAGHTE

Date: 23/10/19