



All correspondence addressed to:
The Chief Executive Officer

17 Herbert Street
BEDOURIE QLD 4829

Telephone: (07) 4746 1202
Facsimile: (07) 4746 1272

 www.diamantina.qld.gov.au

Diamantina Shire Council

OFFICE OF THE MAYOR

Councillors Garth Tully (Deputy Mayor), Don Rayment, Steve Cramer and Jody Barr

garth.tully@diamantina.qld.gov.au
don.rayment@diamantina.qld.gov.au
steve.cramer@diamantina.qld.gov.au
jody.barr@diamantina.qld.gov.au

Dear Councillors

PRESENTATION OF PROPOSED 2014/2015, 2015/2016 AND 2016/2017 DIAMANTINA SHIRE COUNCIL BUDGET

I refer to the above and in accordance with Section 107A of the Local Government Act 2009 present for your consideration the proposed 2014/2015, 2015/2016 and 2016/2017 Budget for Diamantina Shire Council.

The budget will be adopted as presented or amended at a Special Meeting scheduled for Monday, July 21, 2014 commencing at 9am at the Bedourie Administration Centre, 17 Herbert Street Bedourie.

I urge you all to consider this Budget thoroughly and should you have any questions or concerns, please contact either myself directly on 4656 3250 or the Chief Executive Officer, Leon Love on 4746 1202 (extension 125).

Yours faithfully



Cr Geoff Morton
MAYOR
4 July, 2014

Mr Leon Love, Chief Executive Officer (leon.love@diamantina.qld.gov.au)
Mr Steven Baldwin, Tourism and Community Manager (steven.baldwin@diamantina.qld.gov.au)
Mr Trevor Stewart, Infrastructure Manager (trevor.stewart@diamantina.qld.gov.au)

FOR ENQUIRIES PLEASE CONTACT:

Cr Geoff Morton

IN REPLY PLEASE QUOTE:

LL:AS:LTR:20140703:38624

YOUR REFERENCE:

SUSTAINABLY DEVELOPING THE OUTBACK



INTRODUCTION

2014/2015 Budget Summary

SECTION A

Debt Policy 2014/15

Revenue Policy 2014/15

Investment Policy 2014/15

REVENUE STATEMENT

Revenue Statement 2014/15

Primary Land Use Codes 2014/15

Map 1 – Bedourie Town

Map 2 – Betoota Town

Map 3 – Birdsville Town

BUDGETED FINANCIAL STATEMENTS

Budgeted Statement of Comprehensive Income

Budgeted Statement of Financial Position

Budgeted Statement of Cash Flows

Budgeted Statement of Changes in Equity

Measures of Financial Sustainability

ESTIMATED FINANCIAL POSITION AT 30 JUNE 2014

Estimated Statement of Comprehensive Income

Estimated Statement of Financial Position

Estimated Statement of Cash Flows

Estimated Statement of Changes in Equity

COMPARISON OF DIFFERENTIAL RATES AND CHARGES



Diamantina Shire Council 2014/2015 BUDGET SUMMARY



Budget Summary

The 2014/15 financial year presents challenges for the Diamantina Shire Council with drought conditions continuing into the second year. The lack of flood damage combined with a significant reduction in contracts from the Department of Transport and Main Roads sees this year's roadwork programme being the smallest for many years. The uncertainty of how long this situation will continue means that Council must be conservative in its expenditure this year with a focus on ensuring that core business continues, assets are maintained and staff are gainfully employed. Whilst a reduction of cash reserves is inevitable to sustain our operations, this needs to be minimised to ensure that Council can ride out a sustained drought period if this eventuates.

The revaluation of the shire has resulted in an inconsistent result with valuation changes for rural land ranging from a reduction of 34% to an increase of 22%. This has necessitated the introduction of a 10% cap on the amount that rates can increase for land in the rural category only, as all other categories were not affected by the revaluation. Water, sewerage and cleansing charges have increased by approximately 7%.

The number of units allocated to vacant urban land for water and sewerage charges have been increased as an incentive for owners to develop this land which is often in prime locations. Residential premises will receive a weekly kerbside collection and commercial premises receiving a twice weekly service with these premises paying for a minimum of 3 bins with each bin service being charged.

\$1M has been allocated to shire road maintenance which is otherwise available as a contribution towards additional works on DTMR roads.

The plant replacement program has been maintained to ensure Council's core business is robust. Projects which have been funded will provide work for council staff, add value to Council's operations or renew existing assets where required. The first stage of the Streetscape project in Birdsville will proceed as will the resurfacing of the Birdsville aerodrome. Funds have been allocated for the extension of footpaths and kerb and channel in both towns.

Council continues to invest in the future development of the shire with the completion of the 28 lot residential subdivision in Bedourie and the construction of 5 new residences in total.

Debt Policy

CONTROL:

Policy Type:	Financial
Authorised by:	Council
Head of Power:	Section 104 of the Local Government Act 2009 Section 192 of the Local Government Regulation 2012
Responsible Officer:	Corporate and Community Manager
Adopted / Approved:	July 21 2014; Minute No.2014.07.21-SM-02
Last Reviewed:	14 th May 2014
Review:	March 2015 Note: This Policy is reviewed annually.

1. INTRODUCTION

1.1 PURPOSE:

The purpose of this Policy is to provide guidelines for those who work for Diamantina Shire Council ("Council") in respect to its approved strategies for borrowing for the current and future Financial Year.

1.2 POLICY OBJECTIVES:

The objective of this policy is to ensure compliance with the requirements of the Local Government Act 2009 and the Local Government Regulation 2012 and to articulate Council's current and future debt position.

1.3 COMMENCEMENT OF POLICY:

This Policy will commence on adoption. It replaces all other specific Borrowing policies of Council (whether written or not).

1.4 SCOPE:

Section 104(5) of the Local Government Act 2009 outlines Council's requirement to have a long-term financial plan and its contents:

s104 (5) A long-term financial plan is a document that—

outlines the local government's goals, strategies and policies for managing the local government's finances, during the period covered by the plan, including the following policies—

- i. an investment policy;
- ii. a debt policy;
- iii. a procurement policy;
- iv. a revenue policy; and
- v. covers a period of at least 10 years after the commencement of the plan.

Local Government Regulation 2012

Section 192 of the Local Government Regulation 2012 outlines the requirements of a debt policy:

Debt policy

- (1) A local government must prepare a debt policy each financial year.
- (2) The debt policy must state—

- (a) the new borrowings planned for the current financial year and the next 9 financial years; and
- (b) the time over which the local government plans to repay existing and new borrowings.

2. POLICY

2.1 CONTEXT:

The context of this Policy aims to ensure a clear and concise approach is undertaken in respect to Council's approved strategy for long term borrowing.

2.2 POLICY STATEMENT:

In developing a Long Term Financial Plan, borrowing is identified as an alternative source for funding major capital projects.

To achieve long term financial sustainability, Council will adopt the strategies outlined in Section 3.

3. STANDARDS AND PROCEDURES

3.1 KEY PRINCIPLES

3.1.1 Council's approved strategies are detailed below:

- Council will in general, seek to minimise its dependence on borrowings in order to minimise future revenue committed to debt servicing and redemption charges.
- Council will only borrow funds for the purpose of acquiring assets, improving facilities, services or infrastructure and/or substantially extending their useful life.
- Council may borrow to meet strategic needs or to take advantage of opportunities for development providing there is a demonstrably good return in economic and/or social terms.
- Redemption and interest charges on borrowings, excluding those relating to water and sewerage will not exceed twenty percent of general rates revenue.
- Borrowing's in programs/areas such as water, sewerage, cleansing are to be repaid from revenue generated in those areas and the full costs are to be taken to account in these areas.
- Where borrowings are to be repaid by special rates, the revenue and repayments will be matched as far, as is practical. Borrowings will be repaid early should revenue exceed scheduled repayments.
- Borrowings will only be made in accordance with the adopted budget.
- Borrowings will only be from the Queensland Treasury Corporation (QTC) or, if from another organisation, with the approval of QTC and Department of Local Government and Planning.
- Borrowings will normally be for a maximum of ten years. Shorter borrowing periods and earlier repayments will be taken where possible and appropriate. If a longer term is appropriate, and this may be the case for some infrastructure assets such as water and sewerage, the term will not exceed the life of the asset or twenty years, whichever is the shorter period.

3.2 CONSIDERATIONS

3.2.1 Based on Council's most recent review of its capital funding requirements, the following borrowings are identified as being required for the current financial year and the next ten financial years.

Financial Year	Debt Details	Loan Term
2014/2015	Housing - \$750,000 Birdsville Aerodrome - \$432,500 Fibre Optic Communications - \$2,400,000	5 years 7 years 20 years
2015/2016	No New Borrowings	
2016/2017	Housing - \$750,000	5 years
2017/2018	No New Borrowings	
2018/2019	No New Borrowings	
2019/2020	No New Borrowings	
2020/2021	No New Borrowings	
2021/2022	No New Borrowings	
2022/2023	No New Borrowings	
2023/2024	No New Borrowings	

3.2.2 Loan Position

3.2.2.1 The following table sets out the status of Council's loan liability over the coming 2014/2015 financial year.

Loan Project	Principal Outstanding 1/7/14 (\$)	Repayment Per Annum (\$)	Loan Expiry Date
Housing	\$294,845	\$23,650	June 30, 2023
General (Birdsville Clinic)	\$182,469	\$96,675	March 31, 2016
Housing (08/09)	\$184,948	\$78,034	September 30, 2016
Bedourie Airport (08/09)	\$184,948	\$78,034	September 30, 2016
Housing (10/11)	\$323,358	\$70,756	June 20, 2018
TOTAL	\$1,170,568	\$347,149	

4. REFERENCE AND SUPPORTING INFORMATION

4.1 DEFINITIONS:

To assist in interpretation, the following definitions shall apply:

Word / Term	Definition
Council	means Diamantina Shire Council.

4.2 RELATED POLICIES, LEGISLATION AND DOCUMENTS:

Links to supporting documentation
Local Government Act 2009
Local Government Regulation 2012
Long term financial Plan
Annual Budget

Revenue Policy

CONTROL:

Policy Type:	Financial
Authorised by:	Council
Head of Power:	<ul style="list-style-type: none"> • Local Government Act 2009; and • Local Government Regulation 2012.
Responsible Officer:	Corporate and Community Manager
Adopted / Approved:	11 June 2014; Minute No. 2014.06.11-OM-11
Last Reviewed:	14 th May 2014
Review:	<p>March 2015</p> <p>Note: This Policy may be included with Budget documents and as such, must be reviewed annually prior to the adoption of the Budget, however may be amended at any time.</p>

1. INTRODUCTION

1.1 PURPOSE:

The Revenue Policy is intended to be a strategic document. Its adoption, in advance of setting the budget, allows Council to set out the principles that it will use to set its budget and to identify in broad terms the general strategy to be used for raising revenue.

This Revenue Policy will be of interest to ratepayers, federal and state departments, community groups and other interested parties seeking to understand the revenue policies and practices of Council.

1.2 POLICY OBJECTIVES:

To ensure compliance with the Local Government Act and Regulation and promote quality financial management.

1.3 COMMENCEMENT OF POLICY:

This Policy will commence on adoption. It replaces the Revenue 2013-2014 policy.

1.4 SCOPE:

The purpose of the policy is to identify the planning framework within which Council operates and to set out the principles used by Council for:

- levying rates and charges; and
- granting concessions for rates and charges; and
- recovering overdue rates and charges; and
- cost-recovery fees.

and

- if the local government intends to grant concessions for rates and charges—the purpose for the concessions; and
- the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

2. POLICY

2.1 CONTEXT:

The context of this Policy aims to ensure a clear and concise approach is undertaken in respect to the intended principles and strategies for the raising of revenue.

2.2 POLICY STATEMENT:

Council will be guided by the principles of user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy and to meet the range and standard of services offered to and demanded by Council's stakeholders.

Council will also have regard to those Standards and Procedures outlined in Section 3 of this Policy.

3. STANDARDS AND PROCEDURES

3.1 KEY PRINCIPLES

3.1.1 Planning Framework

- The Local Government Act 2009 sets a general planning framework within which Council must operate. There are a number of elements to the planning framework including the preparation and adoption of a Corporate Plan, Operational Plan and an Annual Budget.
- Section 193 of the Local Government Regulation 2012 also requires each Local Government to adopt a Revenue Policy prior to the start of the financial year to which it relates.
- Council considers that the best way of setting its revenue objectives, and to achieve them, is to effectively plan through each of the elements of the planning framework. The revenue policy effectively cascades down through the Corporate Plan. Council's 2014 – 2019 Corporate Plan includes the following objective:

'Long term financial sustainability.'

- This will be achieved by maintenance of Council's existing revenue sources through the following strategies:

'Fund depreciation in line with Council's revenue policy and provide for asset replacement in line with asset management plans.'

"Ensure that grant and subsidy income is maximised"

"Maximise internal/external revenue sources"

"Continue to apply the Code of Competitive Conduct to nominated Council business activities"

and

'Maintain up to date and compliant financial management and reporting systems'

3.2 SPECIFIC AND STANDARD

3.2.1 Making of Rates and Charges

- In general, Council will be guided by the principles of user pays in the making of rates and charges so as to minimise the impact of rating on the efficiency of the local economy and to meet the range and standard of services offered to and demanded by Council's stakeholders.
- Council will also have regard to the principles of:
 - Transparency in the making of rates and charges;
 - Having in place a rating regime that is simple and inexpensive to administer;
 - Equity by taking account of the different capacity of land to generate income within the local community, and the burden the use of the land imposes on Council services;
 - Responsibility in achieving the objectives, actions and strategies in Council's Corporate and Operational Plans;
 - Flexibility to take account of changes in the local economy;
 - Environmental conditions, particularly drought conditions that will have a suppressing impact upon the economic, social and financial recovery of the Shire;
 - Maintaining Shire services and assets to an appropriate standard;
 - Meeting the needs and expectations of the general community; and
 - Assessing availability of other revenue sources.

3.2.2 Levying of Rates

- In levying rates Council will apply the principles of:
 - Making clear what is Council's and each ratepayers' responsibility to the rating system;
 - Making the levying system simple and inexpensive to administer;
 - Timing the levying of rates to take account the financial cycle of local economic, social and environmental conditions in order to assist smooth running of the local economy;
 - Adjusting the way general rates are charged in response to fluctuations in valuations combined with economic and seasonal factors affecting major local industries; and
 - Equity through flexible payment arrangements for ratepayers with lower capacity to pay.

3.2.3 Recovery of Rates and Charges

- Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:
 - Transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them to meet their financial obligations;
 - Making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
 - Equity having regard to capacity to pay in determining appropriate arrangements for different sectors of the community;
 - Providing the same treatment for ratepayers with similar circumstances; and
 - Flexibility by responding where necessary to changes in the local economy and environmental conditions (including recovery from drought).

3.2.4 Concessions for Rates and Charges

- In considering the application of concessions, Council will be guided by the principles of:
 - The same treatment for ratepayers with similar circumstances;
 - Transparency by making clear the requirements necessary to receive concessions;
 - Flexibility to allow Council to respond to local economic and environmental issues; and
 - Fairness in considering the provision of community service concessions.
- Council may give consideration to granting a class concession in the event of all or part of Council experiencing a natural disaster, environmental disaster or similar event.
- Council may provide a concession to eligible pensioners for general rates to ease the burden of cost of living.
- Council will also consider a concession of whole or part of the general rate levied on organisations or entities that meet the criteria detailed in the Local Government Act 2009.

3.2.5 Cost Recovery Fees

In considering Council's powers to set Cost Recovery fees Council will be guided by the principal of user pays.

3.2.6 Developer Contributions

- While it is expected that developers will contribute to new physical and social infrastructure when they commence a new development, the amount of their contribution and how much of the infrastructure they fund may vary. This will depend on many factors and will be assessed for each development. The processes used in determining the contribution, however will be transparent, fair and equitable.

4. REFERENCE AND SUPPORTING INFORMATION

4.1 DEFINITIONS:

To assist in interpretation, the following definitions shall apply:

Word / Term	Definition
Council	means Diamantina Shire Council.

4.2 RELATED POLICIES, LEGISLATION AND DOCUMENTS:

Links to supporting documentation
Local Government Regulation 2012 – Section 193

Investment Policy

CONTROL:

Policy Type:	Financial
Authorised by:	Council
Head of Power:	<ul style="list-style-type: none"> • Local Government Act 2009; • Local Government Regulation 2012; and • Statutory Bodies Financial Arrangements Act 1982.
Responsible Officer:	Corporate and Community Manager
Adopted / Approved:	July 21 2014; Minute No.2014.07.21-SM-02
Last Reviewed:	14 th May 2014
Review:	<p>March 2015</p> <p>Note: This Policy is reviewed when any of the following occur:</p> <ol style="list-style-type: none"> 1. The related information is amended or replaced. 2. Other circumstances as determined from time to time by the Chief Executive Officer. <p>Notwithstanding the above, this Policy is to be reviewed at intervals of no more than two years.</p>

1. INTRODUCTION

1.1 PURPOSE:

Council has a number of duties and responsibilities when investing funds. These are outlined in Sections 47 and 48 of the Statutory Bodies Financial Arrangements Act 1982 (SBFA).

The SBFA requires a statutory body to use its best efforts to invest its funds:

- (a) at the most advantageous interest rate available to it at the time of the investment for an investment of the proposed type; and
- (b) in a way it considers is most appropriate in all the circumstances.

Further, the SBFA requires that a statutory body must keep records that show it has invested in the way most appropriate in all the circumstances.

1.2 POLICY OBJECTIVES:

The Policy objective is to ensure legislative compliance and best practice in the investment of Council funds to maximise revenue.

1.3 COMMENCEMENT OF POLICY:

This Policy will commence on adoption. It replaces all other specific Investment policies of Council (whether written or not).

1.4 SCOPE:

The purpose of this policy is to provide a framework for making decisions concerning appropriate investment of Council Funds.

2. POLICY

2.1 CONTEXT:

The context of this Policy aims to ensure a clear and concise approach is undertaken in respect to investments of Council funds.

2.2 POLICY STATEMENT:

It is Council's intention that all Council funds not immediately required for financial commitments be invested and that the investment vehicles used maximise Council earnings when taking into account institutional, market and liquidity risks.

3. STANDARDS AND PROCEDURES

3.1 KEY PRINCIPLES

- 3.1.1** All Council funds not immediately required for financial commitments are to be invested.
- 3.1.2** Investment vehicles used should maximise Council earnings when taking into account institutional, market and liquidity risks.
- 3.1.3** To maintain financial stability and sustainability of Council funds

3.2 SPECIFIC AND STANDARD

3.2.1 Placement of Investment Funds

- 3.2.1.1** Section 44 (1) of the Statutory Bodies Financial Arrangements Act 1982 authorises that investments comprise of the following;
 - 3.2.1.1.1** Deposits with a financial institution;
 - 3.2.1.1.2** Investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;
 - 3.2.1.1.3** Other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution;

- 3.2.1.1.4 Investments with QIC Cash Trust, QIC Pooled Cash Fund, QTC Cash Fund, QTC 11am Fund or QTC Debt Offset Facility;
 - 3.2.1.1.5 An investment arrangement with a rating prescribed under a regulation for this paragraph; and
 - 3.2.1.1.6 Other investment arrangements prescribed under a regulation for this paragraph.
- 3.2.1.2 Section 44 (2) of the Statutory Bodies Financial Arrangements Act 1982 states that the investment must be;
- 3.2.1.2.1 At call; or
 - 3.2.1.2.2 For a fixed time of not more than one (1) year.

3.2.2 Quotation on Investment

- 3.2.2.1 Not less than two (2) quotations shall be obtained from authorised institutions whenever a new investment is proposed.
- 3.2.2.2 The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard risk factors. This to be chosen by the Chief Executive Officer or his nominated delegate.
- 3.2.2.3 An exemption applies to the requirement to obtain quotes where funds are invested with QTC.
- 3.2.2.4 Investments held with QTC cash fund will be benchmarked against other investments or quoted investment rates half yearly to ensure Council is receiving the most advantageous rate given the risk/return trade-off.
- 3.2.2.5 When investing funds Council staff should aim to minimise the risk to the financial instruments. As such, the authorised investments must be from one of the following:
 - 3.2.2.5.1 Interest bearing deposits with a licensed bank;
 - 3.2.2.5.2 Deposits with Queensland Treasury Corporation (QTC); or
 - 3.2.2.5.3 Deposits with a credit union or building society specifically approved by Council.

3.2.3 Term to Maturity

- 3.2.3.1 Council's investment portfolio should be realisable, without penalty, in a reasonable time frame.
- 3.2.3.2 The term to maturity of Council investments should not exceed one (1) year.

3.2.4 Internal Controls

- 3.2.4.1 Council is, at all times, to have in place appropriate controls to prevent the fraudulent use of public monies. The following controls detail the minimum that is required:
 - 3.2.4.1.1 A person is to be identified as the responsible officer for the investment function;
 - 3.2.4.1.2 All investments are to be authorised by the Chief Executive Officer or nominated delegate;
 - 3.2.4.1.3 Confirmation advices from the Financial Institution are to be attached to the Investment Authorisation Form as evidence that the investment is in the name of Diamantina Shire Council; and
 - 3.2.4.1.4 A person, other than the Responsible Officer, is to perform the bank reconciliation at the end of each month (alternatively, the reconciliation needs to be reviewed by another officer).

3.2.5 Record Keeping

3.2.5.1 Section 48 of the SBFA states that:

"A security, safe custody acknowledgment or other document evidencing title accepted, guaranteed or issued for an investment arrangement must be held by the statutory body or in another way approved by the Treasurer".

3.2.5.2 Council will maintain records in accordance with SBFA provisions.

3.2.5.3 The procedure for the investment of Council funds is to be documented and followed at all times.

3.2.6 Legislative Requirements

3.2.6.1 Council is, at all times, to comply with legislation applicable to the investment function within Local Governments.

3.2.6.2 Council will utilise its Category 1 Investment Powers (*S 44 Statutory Bodies Financial Arrangements Act 1982*) to earn interest revenue on its operating funds to supplement Council's other sources of revenue.

4. REFERENCE AND SUPPORTING INFORMATION

4.1 DEFINITIONS:

To assist in interpretation, the following definitions shall apply:

Word / Term	Definition
Council	Means Diamantina Shire Council.
SBFA	Statutory Bodies Financial Arrangements Act 1982

4.2 RELATED POLICIES, LEGISLATION AND DOCUMENTS:

Links to supporting documentation
Local Government Regulation – Section 191



Diamantina Shire Council

REVENUE STATEMENT

2014/2015

INDEX

BACKGROUND	3
Local Government Act 2009	3
Local Government (Finance, Plans and Reporting) Regulation 2010	3
INTRODUCTION	4
Period	4
RATING	4
Differential General Rates	4
Minimum General Rates.....	5
Separate Rates and Charges	5
Special Rates and Charges	5
Utility Charges	6
Water.....	6
Sewerage	6
Service Charges	6
Cleansing Charge.....	6
DISCOUNT FOR PROMPT PAYMENT OF RATES AND CHARGES	7
PAYMENTS IN ADVANCE	7
INTEREST ON OVERDUE RATES AND CHARGES	7
COLLECTION OF OUTSTANDING RATES AND CHARGES	7
REBATES AND CONCESSIONS	7
Pensioners	7
COST RECOVERY FEES	8
GENERAL FEES AND CHARGES	8

BACKGROUND

Local Government Act 2009

Section 104(5)(a)(iv) of the Local Government Act outlines the following:

- (5) *The system of financial management established by a local government must include—*
- (a) *the following financial planning documents prepared for the local government—*
- (i) *a 5-year corporate plan that incorporates community engagement;*
 - (ii) *a long-term asset management plan;*
 - (iii) *a long-term financial forecast;*
 - (iv) *an annual budget including revenue statement;*
 - (v) *an annual operational plan;*

Local Government Regulation 2012

Section 172 of the Local Government Regulation 2012 outlines the requirements of revenue statement:

- (1) *The revenue statement for a local government must state—*
- (a) *if the local government levies differential general rates—*
- (i) *the rating categories for rateable land in the local government area; and*
 - (ii) *a description of each rating category; and*
- (b) *if the local government levies special rates or charges for a joint government activity—a summary of the terms of the joint government activity; and*
- (c) *if the local government fixes a cost-recovery fee—the criteria used to decide the amount of the cost-recovery fee; and*
- (d) *if the local government conducts a business activity on a commercial basis—the criteria used to decide the amount of the charges for the activity's goods and services.*
- (2) *Also, the revenue statement for a financial year must include the following information for the financial year—*
- (a) *an outline and explanation of the measures that the local government has adopted for raising revenue, including an outline and explanation of—*
- (i) *the rates and charges to be levied in the financial year; and*
 - (ii) *the concessions for rates and charges to be granted in the financial year;*
- (b) *whether the local government has made a resolution limiting an increase of rates and charges.*

INTRODUCTION

The Diamantina Shire Council is categorised as a Rural Remote Extra Small (RTX) Council with a significant cattle sector.

The Council has a forecast revenue budget of \$20.1 million for the 2014/2015 financial year, comprised of rates and charges imposed by the Council, Commonwealth and State Government grants and subsidies, sales and recoverable works and fees and charges.

Council's estimated revenue for the forthcoming year is:

- In accordance with its adopted Corporate Plan and Operational Plan;
- Set at a level which considers the current economic climate;
- Set at a level which considers the services which are to be provided to the community;
- Set at a level that is considered fair and equitable; and
- Set in accordance with Council's 2014/2015 Revenue Policy.

Period

This statement applies from July 1, 2014 to June 30, 2015.

RATING

Differential General Rates

General rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).

The Council is required to raise an appropriate amount of revenue to maintain assets and provide services to the shire as a whole. In deciding how the revenue is raised Council considered:

- The rateable value of the land;
- Relative valuation as between different types of land;
- The approach to general rating adopted by the Diamantina Shire Council for the 2013/14 financial year;
- The demand that some land uses place on the services which Council is required to provide; and
- The ability of the land to generate revenue.

(a) Pursuant to section 81 of the *Local Government Regulation 2012* categories into which rateable land is categorised, the description of those categories and, pursuant to sections 81(4) and 81(5) of the *Local Government Regulation 2012*, the method by which land is to be identified and included in its appropriate category is as follows:

COLUMN 1 CATEGORY	COLUMN 2 DESCRIPTION	COLUMN 3 IDENTIFICATION
CATEGORY 1 Bedourie	Those lands situated within the boundaries of the Town Reserve of Bedourie and not otherwise categorised.	Land identified as area A of map 'Bedourie Map 1' and having a land use code of 00,01,02,02A,03,04,05,06A,07,08,50 or 72A
CATEGORY 2 Betoota	Those lands situated within the boundaries of the Town Reserve of Betoota and not otherwise categorised.	Land identified within area A of map 'Betoota Map 1' having a land use code of 00,01,02,02A,03,04,05,06A,07,08,50 or 72A
CATEGORY 3 Birdsville	Those lands situated within boundaries of the Town Reserve of Birdsville and not otherwise categorised.	Land identified within area A of map 'Birdsville Map 1' having a land use code of 00,01,02,02A,03,04,05,06A,07,08,50 or 72A
CATEGORY 4 Rural	Those lands within the shire located outside of a town area and used for grazing or agricultural purposes.	Land having a land use code of 04,05,60,61,64,65, or 66
CATEGORY 5.1 Mining-Small	Those lands within the Shire used, or capable of being used for extractive or mining purposes with annual extraction of less than 1,000 tonnes.	Land having the land use code of 40A
CATEGORY 5.2 Mining-Medium	Those lands within the Shire used, or capable of being used for extractive (mining) purposes with annual extraction of between 1,000 and 10,000 tonnes.	Land having the land use code of 40A
CATEGORY 5.3 Mining-Large	Those lands within the Shire used, or capable of being used for extractive (mining) purposes with annual extraction of more than 10,000 tonnes.	Land having the land use code of 40A
CATEGORY 6 Telecommunications	Those lands within the Shire used or capable of being used for telecommunications purposes.	Land having the land use code of 91
CATEGORY 7 Commercial	Those lands within the Shire used or capable of being used for commercial purposes.	Land identified as area A on map no. 1 or area A on map no. 3 having a land use code of 10,11,12,13,14,15,17,18,19,21,22,23,24,25,26,27,33,34,36A,38,41,42,43,47,48,49,51,52,55,56,57,58,91,95,or 99
CATEGORY 8 Industrial	Those lands within the Shire used or capable of being used for industrial purposes.	Land identified as area A on map no. 1 or area A on map no.3 having a land use code of 28,29,30,31,35, 36B or 90

CATEGORY 9 Intensive Accommodation	All land predominately used or capable of being used for providing intensive accommodation for more than 50 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as “workers accommodation”, “single persons quarters”, “work camps”, “accommodation village” or “barracks”.	Land having a land use code of 44
CATEGORY 10 Petroleum Lease	All Petroleum leases issued within the Council Area.	Land having a land use code of 40C
CATEGORY 11 Petroleum Other	All land, used or capable of being used primarily for gas and/or oil extraction and/or processing (or for purposes ancillary or associated with gas and/or oil extraction /processing such as water storage, pipelines), excluding petroleum leases.	Land having a land use code of 40C
CATEGORY 12 Geothermal Lease	All geothermal leases issued within the Council area.	Land having a land use code of 40D
CATEGORY 13 Geothermal Other	All land, used or capable of being used primarily for geothermal extraction and/or processing (or for purposes ancillary or associated with geothermal extraction /processing such as water storage, pipelines), excluding geothermal leases.	Land having a land use code of 40D
CATEGORY 14 Power Station >2MW	All land, within the Council area, used or capable of be used for or ancillary to the generation and transmission of electricity from a gas fired power station with an output capacity of more 2 MW.	Land having a land use code of 90

Definitions for words used in this table

“Mining”

Land that was used, is used, or intended to be used:

- as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, stockpiling and loading, haulage, water storage, buffering and rehabilitation); or
- in conjunction with other land as part of an integrated mining operation.

For the purposes of the definition of mining, “**integrated mining operation**” means land contained in more than one rateable assessment which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, stockpiling and loading, haulage, water storage, buffering and rehabilitation.

“Land Use Code”

The land use codes referred to in column 3 above are prepared and adopted by the Diamantina Shire Council for use in conjunction with the differential rating categorisation, description and identification table appearing above. Similarly, the definitions of these land use codes are prepared and adopted by the Diamantina Shire Council for use in conjunction with the differential rating categorisation, description and identification table appearing above. A full list of the land use codes and their definitions are attached to Council’s 2013/2014 Revenue Statement.

“Bedourie Map 1”, “Betoota Map 1” and “Birdsville Map 1”

These are the three maps that have been specifically prepared for the purposes of identifying the location of particular rating categories. Copies of these three maps are attached to Council’s 2014/2015 Revenue Statement. The originals of the three maps are retained by the Chief Executive Officer.

- (b) Council delegates to the Chief Executive Officer the power, pursuant to sections 81(4) and 81(5) of the Local Government Regulation 2012, to identify the rating category to which each parcel of rateable land belongs.
- (c) Pursuant to section 94 of the Local Government Act 2009 and section 80 of the Local Government Regulation 2012, the differential general rate to be made and levied for each differential general rate category and, pursuant to section 77 of the Local Government Regulation 2012, the minimum general rate to be made and levied for each differential general rate category is as follows:

COLUMN 1 - CATEGORY	Minimum Generate Rate	Rate in \$UCV
CATEGORY 1 - Bedourie	\$400	\$0.0164
CATEGORY 2 - Betoota	\$275	\$0.0322
CATEGORY 3 - Birdsville	\$400	\$0.0164
CATEGORY 4 - Rural	\$400	\$0.0189
CATEGORY 5.1 – Mining -Small	\$1,250	\$0.2912
CATEGORY 5.2 - Mining-Medium	\$12,420	\$0.3696
CATEGORY 5.3 - Mining-Large	\$65,000	\$0.4380
CATEGORY 6 - Telecommunications	\$500	\$0.0248
CATEGORY 7 - Commercial	\$500	\$0.0185
CATEGORY 8 - Industrial	\$500	\$0.0178
CATEGORY 9 – Intensive Accommodation	\$27,500	\$0.3456
CATEGORY 10 - Petroleum Lease	\$15,000	\$0.3780
CATEGORY 11 - Petroleum Other	\$7,500	\$0.3780
CATEGORY 12 - Geothermal Lease	\$15,000	\$0.3780
CATEGORY 13 - Geothermal Other	\$4,000	\$0.3780
CATEGORY 14 - Power Station >2MW	\$15,000	\$0.3780

Objection to Categorisation

Pursuant to section 90 of the *Local Government Regulation 2012* the owners of rateable land will be informed that they have the right of objection to the category their land is included in. All objections shall be to the Chief Executive Officer of the Diamantina Shire Council and the only basis for objection shall be that at the date of issue of the rate notice, the land should belong to a different rating category.

Limiting of rates increase

Pursuant to sections 116 of the *Local Government Regulation 2012*, the increase in the differential general rates for Category 4 - Rural land will be limited such that landholders in this category will pay no more than 10% more than the gross amount of general rates paid in 2013/14 to reduce the impact of the revaluation of the rural land in the shire.

MINIMUM GENERAL RATES

A minimum differential general rate is set for each differential general rate category to achieve an appropriate contribution from all property owners, irrespective of the valuation of a property.

Separate Rates and Charges

Diamantina Shire Council does not intend to make and levy any Special Rates and Charges for the 2014/2015 financial year.

Special Rates and Charges

Diamantina Shire Council does not intend to make and levy any Special Rates and Charges for the 2014/2015 financial year.

Utility Charges

WATER

Water Charges

Water charges are determined, collected and used for the purpose of defraying the cost of planning, water demand management and constructing water infrastructure including interest and redemption charges incurred by Council, and the cost of operating, maintaining and managing the water supply system. The charges apply to all ratepayers who have access or may have access to Council's water supply infrastructure and comprise an annual access charge.

A base access charge is also applied to each separately rated parcel of vacant land within the water area that is not connected to the Council's reticulated water supply system.

Council believes that it is logical and equitable for all ratepayers who have access or may have access to Council's water supply infrastructure to contribute to the fixed costs of the water supply operation by way of the access charge. Premises are not charged for consumption.

A water access charge is determined in accordance with the following schedule:

Schedule 3		
Description of Land	Bedourie Water Supply (no. of water units)	Birdsville Water Supply (no. of water units)
Vacant Unconnected Land	4	8
Vacant Connected Land	8	16
Detached Dwelling	10	20
Attached Dwelling Unit – each	8	16
Motels – per unit of accommodation	6	8
Hotel	15	30
Health clinic	15	20
School	15	40
Caravan Park – per shower	6	8
Commercial or Industrial Premises	10	20
Intensive Accommodation – per shower	6	6

SEWERAGE

Sewerage Charges

Sewerage charges apply to all properties that are contained either wholly or partly within the declared sewerage area or outside the declared sewerage area but connected or may be connected to Council's sewerage system. Revenue from these charges is used for the purpose of defraying the cost of planning and constructing sewerage infrastructure including interest and redemption charges incurred by Council, and the cost of operating, maintaining and managing the sewerage system. The charge is set so as to recover these costs. A charge is applied to each W.C. pedestal installed on each property (exceptions apply).

Several bases as set out hereunder, for the supply of a common effluent drainage sewerage system (CED) by the Council:

- (i) A CED sewerage charge on a unit basis for each WC pedestal on all improved rateable properties and non-rateable properties which are connected to the Council's CED sewerage system, as per Schedule 1;
- (ii) A CED sewerage charge on a unit basis on all unimproved rateable properties which are contained either wholly or partly within the declared CED sewerage area but which are not connected to Council CED sewerage system, as per Schedule 1:

Schedule 1		
CED Scheme	Connected Land	Unconnected Land
	Number of Units (per WC pedestal)	Number of Units
Bedourie	5	3
Birdsville	5	3

- (iii) The CED sewerage charge per unit per annum be \$23.00.

For the purpose of this Clause 3 the following terms are defined:

- (i) The term "W.C. pedestal" shall include each 1.8 metre length (or part thereof) of any urinal connected to Council's sewerage systems.
- (ii) The term "common effluent drainage system" for the purposes of this Clause 6 has the same meaning as stated in the *Plumbing and Drainage Act 2002*.

Service Charges

CLEANSING CHARGE

Cleansing charges are determined on a user pays basis and collected and used for the purpose of defraying the cost of supplying a waste management service for the removal and disposal of waste. The charges are set so as to recover waste management costs including:

- Waste service administration
- Waste facility operation
- Waste minimisation and reduction education
- Post closure of waste facilities

The waste management services provided include –

- Residential - waste collection.
- Commercial - waste collection.

The Diamantina Shire Council will levy a cleansing charge for the collection and disposal of waste from 240 litre mobile garbage bins in the towns of Bedourie and Birdsville.

Each residential premises will be allocated one 240 litre mobile garbage bin which will be serviced weekly.

Commercial premises will be charged for a minimum of 3 bins serviced once each week with a maximum of 6 bins collected at no extra cost. Each bin in addition to the sixth will be charged per bin service. Each additional bin will be levied the annual charge. Arrangements can be made to collect additional mobile garbage bins on a temporary basis upon payment of the relevant charge.

Waste Collection Service Area	Collection Service Type	Minimum number of bins included in charge	Maximum number of bins (included in charge)	Frequency of Bin Service	Bin Type	Charge Amount (Per bin service per annum for minimum number of bins)
Bedourie and Birdsville	Occupied Residential, Occupied industrial, commercial (no preparation or sale of food stuffs)	One (1)	One (1)	Weekly	240 Litre Mobile Bin	\$176.50
	Occupied Commercial (preparation and sale of food stuffs), Caravan Park	Three (3)	Six (6)	Weekly	240 Litre Mobile Bin	

DISCOUNT FOR PROMPT PAYMENT OF RATES AND CHARGES

Council will allow a discount for the prompt payment of differential general rates where all other rates or charges are paid in full by the due date stipulated on the rates notice. The due date will be no less than sixty days from the date the rates notice is issued.

It is considered that the provision of a discount encourages prompt payment of rates and the extended period of the discount period allows for the extended time taken for postal services to and from Bedourie.

PAYMENTS IN ADVANCE

Council accepts payments in advance by lump sum or by instalments. Interest is not payable on any credit balances held.

INTEREST ON OVERDUE RATES AND CHARGES

It is Council's policy to ensure that the interests of ratepayers are protected by discouraging avoidance of responsibilities for meeting rates and charges debts.

In accordance with Section 133 of the Local Government Regulation 2012 when any rates or charges are unpaid Council will impose interest of 11% compounded daily on rates and charges which remain unpaid at the expiration of sixty-one days after the issue date of the rate notice.

COLLECTION OF OUTSTANDING RATES AND CHARGES

Council requires payment of rates and charges within the specified period and it is Council's policy to pursue the collection of outstanding rates and charges diligently but with due concern for the financial hardship faced by some members of the community.

To this end Council has established administrative processes which allow for the payment of rates and charges by instalments and for the selection of various options (including legal action) for the recovery of debt.

REBATES AND CONCESSIONS

The Diamantina Shire Council does not plan to fund any rebates and concessions for the 2014/2015 financial year.

Pensioners

Council will grant assistance by way of remission of rates and charges to approved pensioners under the State Government Pensioner Subsidy Scheme provided they:-

- Hold a valid Blue Centrelink Pension Card, a Gold Veteran Affairs Card or a Blue Veteran Affairs Card
- are the registered owner or life tenant of the property; and
- are solely or jointly with a co-owner, legally responsible for the payment of the rates/charges; and
- reside on the property for which the remission is claimed; and
- make a claim on the appropriate application form, for an initial application.

COST RECOVERY FEES

Council administers regulatory fees and other general fees and charges. Generally the Council will set these fees and charges at a level which reflects the underlying costs and charges including allocated overheads and administration costs.

For cost recovery fees the expected revenue from fees and other sources for each regulatory scheme will not exceed the costs of the scheme.

The criteria used to determine an amount of a cost recovery fee may include:

- (a) Administrative costs including:
 - (i) acceptance and receipt of monies;
 - (ii) provision of relevant documentation; and
 - (iii) administrative support for all correspondence and advice both written and oral including wages, building overheads, stationery, and information technology time;
- (b) Inspection of completed and uncompleted works;
- (c) Assessment and report writing by Council staff members; and
- (d) Council meeting time.

Not all cost recovery fees are set at a level of full cost recovery at this time. Some regulatory fees are set at a level that encourages public access rather than full cost recovery.

For other fees and charges, where they relate to an operation which has private sector competitors, the fees will reflect the full cost.

The Council's Fees and Charges Schedule for 2014/2015 contains all general fees and charges and cost recovery fees and charges made by the Council and are open to inspection at the Council's public offices or on Council's website.

GENERAL FEES AND CHARGES

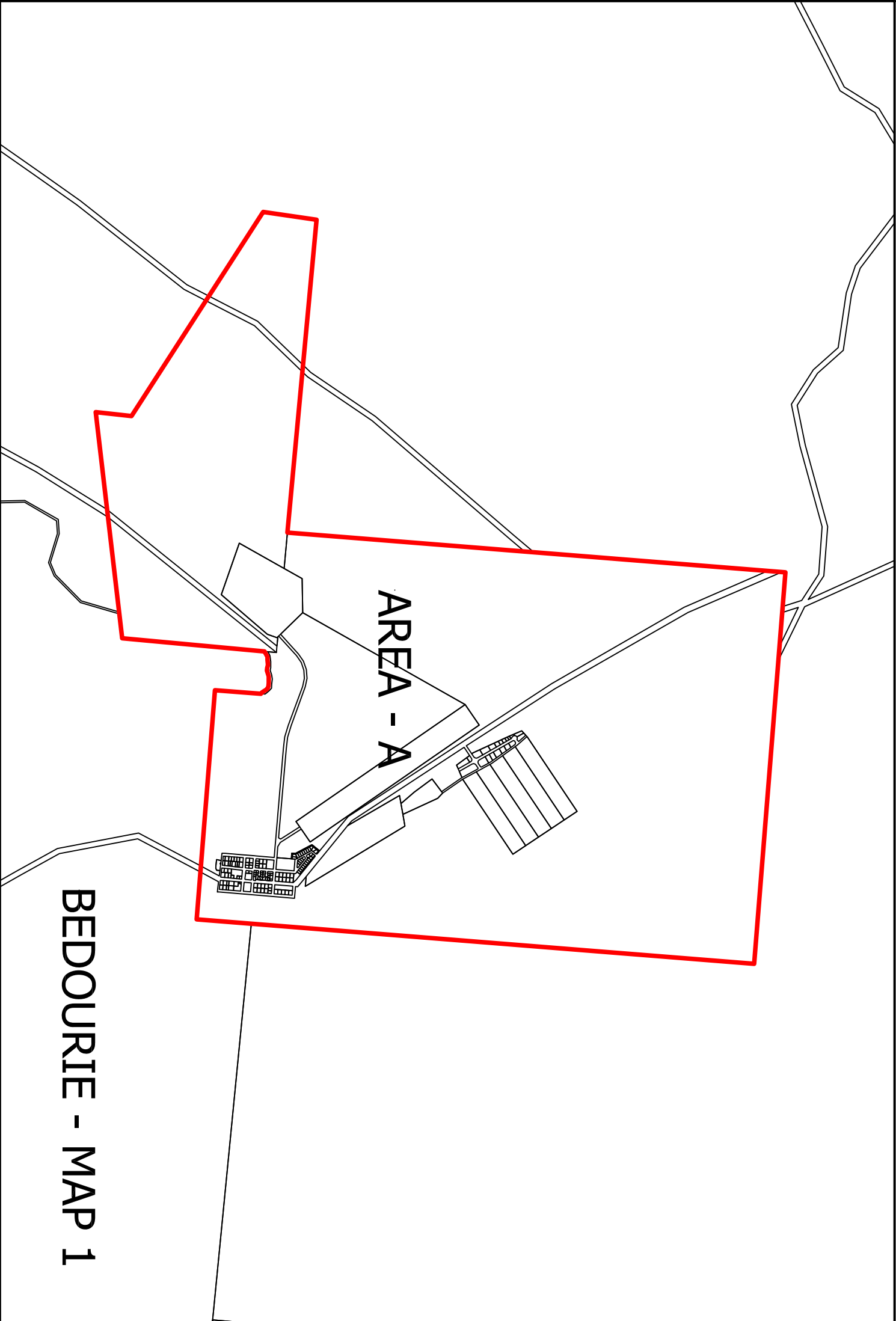
One of the Council's aims in its Corporate Services program is to maintain a revenue base which emphasises a user pays principle where appropriate. Council's policy is also to structure some general charges so that the costs of each service, facility or activity provided are recovered.

Diamantina Shire Council <u>Primary Land Use Codes 2014/15</u>		
Land Use Code No.	Description	Explanation
00	Unspecified Land not categorised by any other land use code.	
01	Vacant Urban Land	Vacant land being put to no use in an urban area (irrespective of zoning) and generally less than 5,000 square metres.
02	Single Unit Dwelling	Land used primarily as a site for a dwelling in an urban area and generally less than 5,000 square metres.
03	Multi Dwellings or Flats	The use of a parcel of land for two or more self-contained residential dwellings or flats but not group or strata title and in an urban area.
04	Large Home Site Vacant	Vacant land being put to no use (irrespective of zoning), generally between 5,000 square metres and 10 hectares (inclusive) and not used for a bonafide rural activity
05	Large Home Site Dwelling	Land used primarily as a site for a dwelling, generally between 5,000 square metres and 10 hectares (inclusive) and not used for a bonafide rural activity.
06	Outbuildings Urban	A parcel of land with a relatively minor shed or garage as the main structural improvement in an urban area. The improvement would be a gross underdevelopment of the site.
07	Guest House/Private Hotel	An accommodation building where room only or room and meals are provided and have shared facilities (not a motel) in an urban area.
08	Building Format Plan Primary Use Only	A residential parcel of land surveyed on a Building Format Plan which may include Common Property and which has attached to it a Community Management Statement in an urban area.
09	Body Corporate in any strata titled scheme	Body Corporate in any strata titled scheme (community titles, group titles or building units).
10	Combined Dwelling and Shops	Combined dwelling/multi dwelling and shops i.e. residential flats with shops but not registered on a Building Unit Plan or Group Title Plan.
11	Shop	Single Shop with or without attached accommodation and may include provision for car parking.

13	Shopping Group (2 - 6 Shops)	Two to six shops and may include provision for car parking.
17	Restaurant/Function Centre	Restaurant including fast food outlet e.g. Kentucky Fried Chicken, McDonalds or function centre.
18	Special Tourist Attraction	Any development with special recreation, historical or residential features which attracts a large number of people (includes tourist village).
19	Walkway	Stratum as walkway.
21	Residential Institution (Non-Medical Care)	Aged Peoples Homes not predominantly medical care.
22	Car Park	An area of land which has been prepared to accommodate vehicles either below or at ground level or on suspended concrete floors.
23	Retail Warehouse	Isolated large showroom, warehouse used for retail purposes.
24	Sales Area Outdoors (Dealers, Boats, Cars etc)	Dealers, Boats, Cars, etc.
25	Professional Offices	Building with professional offices, finance, banks, lending agents and brokers which are predominantly offices.
27	Hospital, Convalescent, Home (Medical Care) (Private)	Hospital, aged peoples home, nursing home, convalescent home. Predominantly medical care.
28	Warehouse and Bulk Stores	Warehouse and Bulk Stores not used for retail purposes.
29	Transport Terminal	Freight and/or passengers.
30	Service Station	Predominantly used for fuel retailing which includes fuelling area, associated fuel storage area, associated retail shop and associated parking area. If predominantly servicing repairs see Land Use Code 36A.
31	Oil Depot and Refinery	Fuel dumps or storage and oil refineries.
33	Outdoor Storage Area/Contractors Yard	Builders/contractors yard, outdoor storage area (not retail or hardware) or area for parking heavy equipment/materials.
34	Cold Stores - Ice works	Cold Stores - Ice works.
35	General Industry or Medium Industry	Industrial premises that are not Light Industry A – Land Use Code 36A, or Light Industry B – Land Use Code 36B, Heavy Industry – Land Use Code 37A or
36A	Light Industry A	Light/service industries e.g. vehicle workshops, bicycle repairs, furniture assembly/repairs/restoration, electrical goods repairs/maintenance, locksmiths, lawn mower repairs or upholstering or car washes.
36B	Light Industry B	Light manufacturing industries e.g. bread making, clothing manufacturing, dry cleaning, glass cutting or

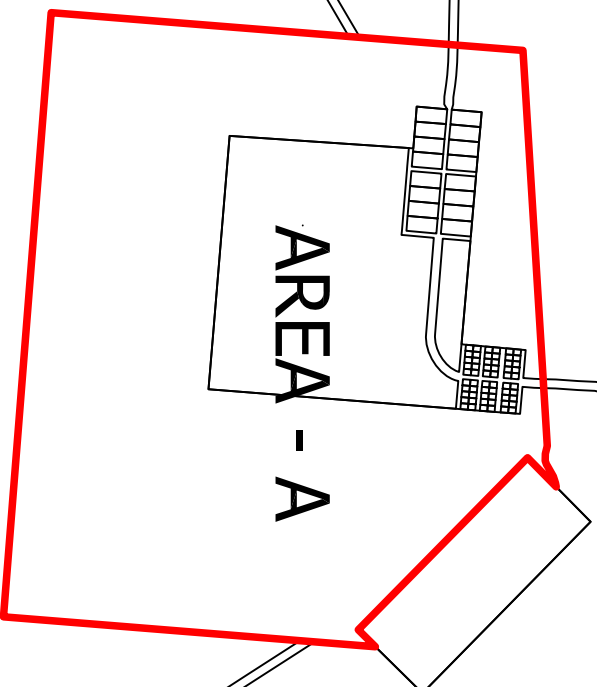
		implement/machinery assembly.
37A	Heavy Industry	Industry from where a deal of offensive noise, odour, dust, etc. emanates that is not Abattoir – Land Use Code 37B.
38	Advertising - Hoarding	Advertising - Hoarding. Predominant used for advertising.
40A	Extractive (Quarry)	Any industry which extracts quarry material from the ground.
40B	Extractive (Mining)	Any industry which extracts mining material from the ground.
40C	Gas or Oil Extraction	Any industry which extracts gas or oil from the ground.
41	Child Care excluding Kindergarten	Facility for safe keeping of below school age children.
42	Hotel/Tavern	Premises licensed by Licensing Commission as hotel or tavern for the sale of liquor including casino.
43	Motel	Building predominantly used for overnight accommodation of persons plus vehicle.
44	Intensive Accomodation	Land predominately used or capable of being used for providing intensive accommodation for more than 50 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as "workers accommodation", "single persons quarters", "work camps", "accommodation village" or "barracks".
47	Licensed Club	Any club with liquor licence/non sporting e.g. R.S.L. (not including clubs with attached sporting/recreation facilities).
48	Sports Club/Dance Facility	All sporting/dance/fitness/health/bowling clubs with or without a liquor licence run as a business.
49	Caravan Park	Caravan Park
50	Other Club Non Business Boy Scouts/Girl Guides etc. not run as a business.	Memorial Halls, Q.C.W.A., School of Arts etc. Sporting Clubs not run as business including sports fields/area tennis courts etc.
51	Church/Facilities	Churches, places of worship, church hall etc
52	Cemetery (Include Crematoria)	Cemetery (Include Crematoria).
55	Library	Library
56	Show Ground, Race Course, Airfield	Airfield parking, no maintenance. If maintenance see Code 36A or Code 36B.
57	Parks, Gardens	Parks, Gardens - including undeveloped parkland.
58	Educational	include Kindergarten University, Tertiary, State and Private, residential colleges/school and non-residential school, kindergarten.
60	Sheep Grazing	Dry Poorer country associated with

		running wethers.
61	Sheep Breeding	Better class country used for lamb breeding.
64	Cattle Grazing Breeding	Concentration of the growing and selling of young stock – includes stud breeding.
65	Cattle Grazing Breeding and Fattening	Mixture of growing and/or selling young and mature stock – includes associated studs.
66	Cattle Grazing Fattening	Concentration of feeding and grazing mature stock for sale (includes feedlots).
72A	Section 49 Valuation Vacant Urban Land	Vacant land subdivided under Sections 49 and 50 of the Land Valuation Act 2010 in an urban area.
72B	Section 49 Valuation Vacant Other Land	Vacant land subdivided under Sections 49 and 50 of the Land Valuation Act 2010 in a rural area.
90	Power Station	Production of electricity
91	Transformer	Transformer, substation, tv/radio, transmission towers, telecommunication towers
95	Reservoir, Dam, Bore, Pipeline	Reservoir, Dam, Bore, Pipeline - includes permanent pump site.
99	Community Protection Centre	Ambulance, Police Station, SES, Fire Station, Council Office



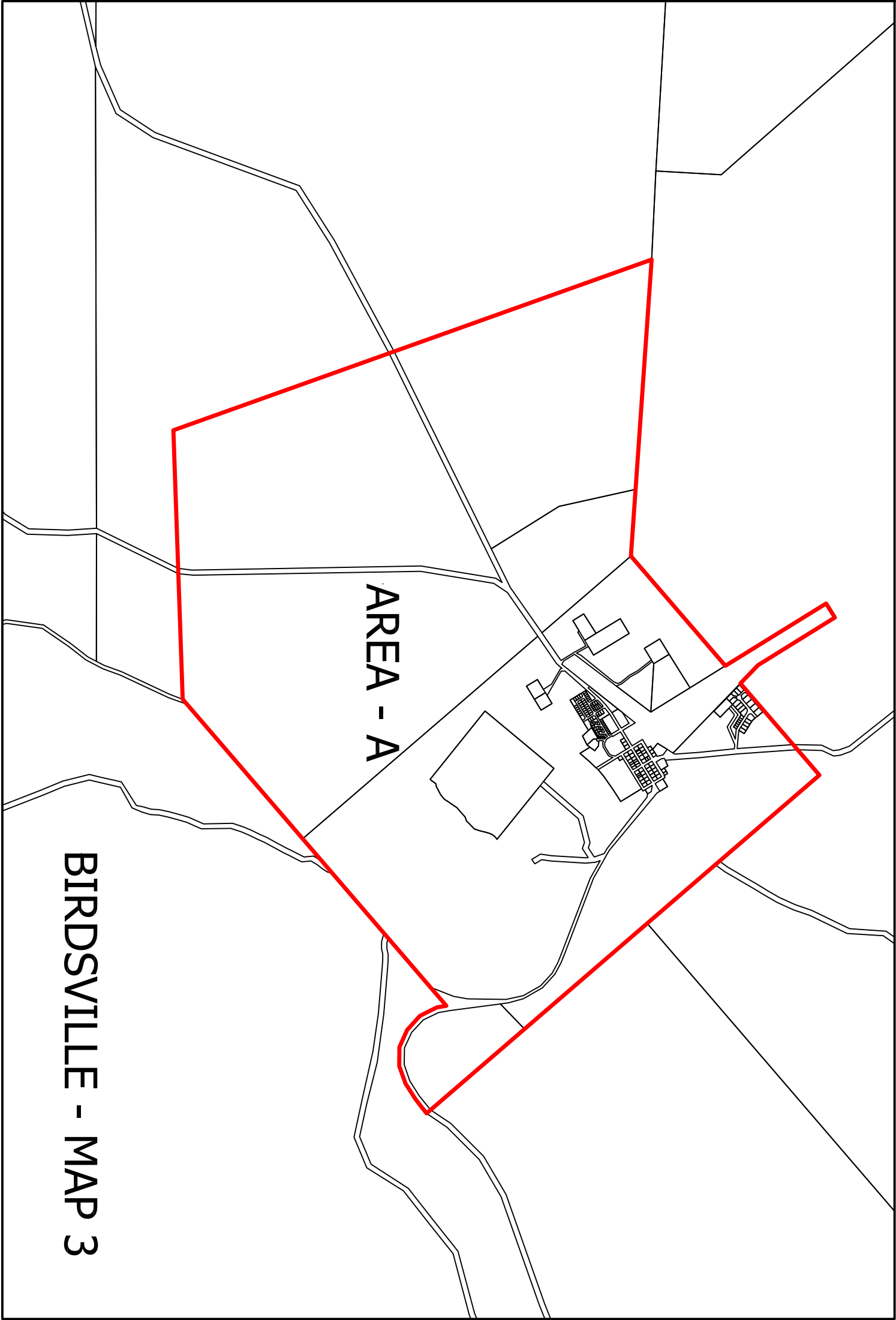
AREA - A

BEDOURIE - MAP 1



AREA - A

BETOOTTA - MAP 2



AREA - A

BIRDSVILLE - MAP 3

Diamantina Shire Council

Income Statement

For period ending 30 June 2015

	<u>Notes</u>	<u>Orig. 14/15</u>	<u>15/16 Budget</u>	<u>16/17 Budget</u>
1. Income				
1.1 Revenue				
1.1.1 Recurrent revenue				
Net rate and utility charges	4	786,830	810,435	834,748
Fees and charges	4	224,506	230,491	236,656
Rental income	4	662,754	677,126	697,440
Interest received	4	543,250	540,321	511,848
Sales - contract and recoverable works	4	14,725,500	15,167,265	15,622,283
Other recurrent income	4	98,150	101,095	104,127
Grants, subsidies, contributions and donations	5	3,085,616	3,178,184	3,273,530
Total recurrent revenue		20,126,606	20,704,917	21,280,633
1.1.2 Capital revenue				
Grants, subsidies, contributions and donations	5	48,500	49,955	51,454
Total capital revenue		48,500	49,955	51,454
Total revenue		20,175,106	20,754,872	21,332,086
Total income		20,175,106	20,754,872	21,332,086
2. Expenses				
2.1 Recurrent expenses				
Employee benefits	7	(3,888,049)	(4,082,451)	(4,286,574)
Materials and services	8	(16,681,380)	(17,104,061)	(17,535,534)
Finance costs	9	(311,286)	(452,193)	(441,332)
Depreciation and amortisation	10	(2,457,000)	(2,343,500)	(2,293,500)
Total recurrent expenses		(23,337,715)	(23,982,205)	(24,556,940)
2.2 Capital expenses				
		0	0	0
Total expenses		(23,337,715)	(23,982,205)	(24,556,940)
Net result attributable to council		(3,162,609)	(3,227,333)	(3,224,853)

Diamantina Shire Council
Statement of Financial Position

For the year ended 30 June 2015

	<u>Notes</u>	<u>Orig. 14/15</u>	<u>15/16 Budget</u>	<u>16/17 Budget</u>
Current Assets				
Cash and cash equivalents	11	16,256,920	15,909,980	15,016,702
Trade and other receivables	12	710,667	594,211	599,721
Inventories	13	1,457,309	1,257,309	1,157,309
		18,424,896	17,761,500	16,773,732
Non-current assets classified as held for sale	15	336,000	336,000	336,000
Total current assets	2	18,760,896	18,097,500	17,109,732
Non-current Assets				
Receivables	12	18,581	6,175	0
Property, plant and equipment	18	129,018,751	133,504,524	135,480,127
Capital Work in progress		8,662,451	786,708	(1,048,940)
Total non-current assets	2	137,699,783	134,297,407	134,431,187
TOTAL ASSETS		156,460,679	152,394,907	151,540,919
Current Liabilities				
Trade and other Payables		181,843	116,723	109,223
Borrowings		525,547	364,188	370,179
Provisions	23	313,969	323,969	333,969
Total current liabilities		1,021,359	804,880	813,371
Non-current Liabilities				
Interest Bearing Liabilities		3,868,684	3,241,724	3,199,098
Provisions	23	82,684	87,684	92,684
Total non-current liabilities		3,951,368	3,329,408	3,291,782
TOTAL LIABILITIES		4,972,727	4,134,288	4,105,153
NET COMMUNITY ASSETS		151,487,952	148,260,619	147,435,766
Community Equity				
Asset revaluation reserve	25	80,811,251	80,811,251	80,811,251
Retained surplus/(deficiency)	26	67,540,827	64,313,494	63,488,641
Reserves	28	3,135,874	3,135,874	3,135,874
TOTAL COMMUNITY EQUITY		151,487,952	148,260,619	147,435,766

Diamantina Shire Council

Statement of Changes in Equity

For the year ended 30 June 2015

	Notes	Asset revaluation reserve			Retained surplus			Reserves			Total		
		Note 25						Note 27					
		Original Budget	15/16 Budget	16/17 Budget	Original Budget	15/16 Budget	16/17 Budget	Original Budget	15/16 Budget	16/17 Budget	Original Budget	15/16 Budget	16/17 Budget
Opening balance	25 27	80,811,251	80,811,251	80,811,251	70,703,436	67,540,827	64,313,494	3,135,874	3,135,874	3,135,874	154,650,561	151,487,952	148,260,619
Available for sale investments:													
Net income recognised directly in equity	25 27	0	0	0	0	0	0	0	0	0	0	0	0
Surplus for the period		0	0	0	(3,162,609)	(3,227,333)	(3,224,853)	0	0	0	(3,162,609)	(3,227,333)	(3,224,853)
Total recognised income and expense		80,811,251	80,811,251	80,811,251	67,540,827	64,313,494	61,088,641	3,135,874	3,135,874	3,135,874	151,487,952	148,260,619	145,035,766
Transfers to and from reserves													
Total transfers to and from reserves	25 27	0	0	0	0	0	0	0	0	0	0	0	0
Closing balance		80,811,251	80,811,251	80,811,251	67,540,827	64,313,494	61,088,641	3,135,874	3,135,874	3,135,874	151,487,952	148,260,619	145,035,766

Diamantina Shire Council

Statement of Cash Flows

For the period ending 30 June 2015

	<u>Notes</u>	<u>Orig. 14/15</u>	<u>15/16 Budget</u>	<u>16/17 Budget</u>
Cash flows from operating activities:				
Receipts from customers		18,521,704	16,481,866	16,911,724
Payments to suppliers and employees		(20,820,229)	(21,492,728)	(21,635,348)
		(2,298,525)	(5,010,862)	(4,723,624)
Interest received		542,000	552,314	516,187
Rental income		664,004	678,414	698,766
Non capital grants and contributions		2,941,898	3,030,155	3,121,060
Borrowing costs		(59,486)	(192,839)	(174,197)
Net cash inflow (outflow) from operating activities	33	1,789,891	(942,818)	(561,808)
Cash flows from investing activities:				
Payments for property, plant and equipment		(8,471,000)	1,018,995	(3,771,930)
Proceeds from sale of property, plant and equipment	6	751,500	52,475	1,363,475
Grants, subsidies, contributions and donations		48,500	49,955	51,454
Net cash inflow (outflow) from investing activities		(7,671,000)	1,121,425	(2,357,001)
Cash flows from financing activities				
Proceeds from borrowings	23	3,582,500	0	0
Repayment of borrowings	23	(347,149)	(525,547)	(374,469)
Net cash inflow (outflow) from financing activities		3,235,351	(525,547)	(374,469)
Net increase (decrease) in cash held		(2,645,758)	(346,940)	(3,293,278)
Cash at beginning of reporting period		18,902,678	16,256,920	15,909,980
Cash at end of reporting period	13	16,256,920	15,909,980	15,016,702

MEASURES OF FINANCIAL SUSTAINABILITY - FINANCIAL RATIOS

RATIO	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	TARGET
(a) Asset Sustainability Ratio	198.7%	71.6%	153.3%	59.1%	158.1%	114.0%	89.5%	72.4%	132.6%	134.8%	Greater than 90%
(b) Net Financial Liabilities Ratio	-68.6%	-67.4%	-61.1%	-68.5%	-69.0%	-64.6%	-62.5%	-61.7%	-60.1%	-55.3%	Less than 60%
(c) Operating Surplus Ratio	-15.7%	-15.6%	-15.2%	-14.7%	-14.3%	-14.0%	-13.6%	-13.3%	-13.0%	-12.7%	Between 0 and 15%

SUPPORTING NOTES

Ratio	Data and Calculation	Target	Information
(a) Asset Sustainability Ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense. Expressed as a percentage.	Greater than 90%	<p>This is an approximation of the extent to which the infrastructure assets managed by the council are being replaced as these reach the end of their useful lives.</p> <p>Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period.</p> <p>Capital expenditure on renewals (replacing assets that the council already has) is an indicator of the extent to which the infrastructure assets are being replaced.</p> <p>This ratio indicates whether a council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.</p>
(b) Net Financial Liabilities Ratio	Total liabilities less current assets divided by total operating revenue. Expressed as a percentage.	Not greater than 60%.	<p>This is an indicator of the extent to which the net financial liabilities of a Council can be serviced by its operating revenues.</p> <p>A ratio greater than zero (positive) indicates that total liabilities exceed current assets. These net liabilities must be serviced using operating revenues.</p> <p>A positive value less than 60 per cent indicates the council has the capacity to fund the liabilities and appears to have the capacity to increase its loan borrowings.</p> <p>A positive value greater than 60 per cent indicates the council has limited capacity to increase its</p>
(c) Operating Surplus Ratio	Net operating surplus divided by total operating revenue. Expressed as a percentage.	Between 0% and 15%	<p>This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes.</p> <p>The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of general and other rates net of (excluding) rate rebates.</p> <p>A positive ratio indicates the percentage of total rates available to help fund proposed capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt.</p>

Diamantina Shire Council

Income Statement

For period ending 30 June 2014

	<u>Notes</u>	<u>2014 Actual</u>	<u>Amend. 13/14</u>
1. Income			
1.1 Revenue			
1.1.1 Recurrent revenue			
Net rate and utility charges	4	765,431	861,201
Fees and charges	4	176,008	175,459
Rental income	4	480,095	473,575
Interest received	4	649,259	709,850
Sales - contract and recoverable works	4	33,320,861	33,550,781
Other recurrent income	4	81,946	71,000
Grants, subsidies, contributions and donations	5	2,405,879	2,256,705
Total recurrent revenue		37,879,480	38,098,571
1.1.2 Capital revenue			
Grants, subsidies, contributions and donations	5	581,845	965,000
Total capital revenue		581,845	965,000
Total revenue		38,461,325	39,063,571
1.2 Capital income		56,065	0
Total income		38,517,390	39,063,571
2. Expenses			
2.1 Recurrent expenses			
Employee benefits	7	(4,876,662)	(4,817,817)
Materials and services	8	(27,615,936)	(28,164,089)
Finance costs	9	(445,916)	(464,905)
Depreciation and amortisation	10	(2,767,264)	(2,987,729)
Total recurrent expenses		(35,705,779)	(36,434,540)
2.2 Capital expenses			
		0	0
Total expenses		(35,705,779)	(36,434,540)
Net result attributable to council		2,811,611	2,629,031

Diamantina Shire Council

Statement of Financial Position

For the year ended 30 June 2014

	<u>Notes</u>	<u>2014 Actual</u>	<u>Amend. 13/14</u>	<u>Prop. 13/14</u>
Current Assets				
Cash and cash equivalents	11	18,902,677	18,686,890	18,686,890
Trade and other receivables	12	3,279,100	3,336,485	3,336,485
Inventories	13	1,395,469	1,223,063	1,223,063
		23,577,247	23,246,438	23,246,438
Non-current assets classified as held for sale	15	336,000	336,000	336,000
Total current assets	2	23,913,247	23,582,438	23,582,438
Non-current Assets				
Receivables	12	25,616	17,363	17,363
Property, plant and equipment	18	128,793,552	131,572,850	131,572,850
Capital Work in progress		4,552,946	4,063,019	4,063,019
Total non-current assets	2	133,372,114	135,653,232	135,653,232
TOTAL ASSETS		157,285,360	159,235,670	159,235,670
Current Liabilities				
Trade and other Payables		181,843	2,440,591	2,440,591
Borrowings		0	331,002	331,002
Provisions	23	313,969	114,810	114,810
Total current liabilities		495,812	2,886,403	2,886,403
Non-current Liabilities				
Interest Bearing Liabilities		1,086,323	749,847	749,847
Provisions	23	82,684	161,458	161,458
Total non-current liabilities		1,169,007	911,305	911,305
TOTAL LIABILITIES		1,664,819	3,797,708	3,797,708
NET COMMUNITY ASSETS		155,620,541	155,437,961	155,437,961
Community Equity				
Asset revaluation reserve	25	80,811,251	80,811,251	80,811,251
Retained surplus/(deficiency)	26	71,673,416	71,490,836	71,490,836
Reserves	28	3,135,874	3,135,874	3,135,874
TOTAL COMMUNITY EQUITY		155,620,541	155,437,961	155,437,961

Diamantina Shire Council

Statement of Cash Flows

For the period ending 30 June 2014

	<u>Notes</u>	<u>2014 Actual</u>	<u>Amend. 13/14</u>
Cash flows from operating activities:			
Receipts from customers		35,141,502	35,117,029
Payments to suppliers and employees		(34,436,952)	(32,380,297)
		704,549	2,736,732
Interest received		648,909	707,000
Rental income		481,520	476,425
Non capital grants and contributions		1,658,738	1,514,389
Borrowing costs		(74,379)	(73,705)
Net cash inflow (outflow) from operating activities	33	3,419,336	5,360,841
Cash flows from investing activities:			
Payments for property, plant and equipment		(6,857,672)	(8,775,483)
Proceeds from sale of developed land		56,065	102,000
Proceeds from sale of property, plant and equipment	6	1,224,630	542,572
Grants, subsidies, contributions and donations		581,845	965,000
Net cash inflow (outflow) from investing activities		(4,995,132)	(7,165,911)
Cash flows from financing activities			
Repayment of borrowings	23	(332,103)	(337,577)
Net cash inflow (outflow) from financing activities		(332,103)	(337,577)
Net increase (decrease) in cash held		(1,907,899)	(2,142,647)
Cash at beginning of reporting period		17,798,877	17,798,877
Cash at end of reporting period	13	18,902,677	18,686,890

Diamantina Shire Council

Statement of Changes in Equity

For the year ended 30 June 2014

	Notes	Asset revaluation reserve		Retained surplus		Reserves		Total	
		Note 25				Note 27			
		2014 Actual	13/14 Budget	2014 Actual	13/14 Budget	2014 Actual	13/14 Budget	2014 Actual	13/14 Budget
Opening balance	25 27	<u>80,811,251</u>	<u>80,811,251</u>	<u>69,966,865</u>	<u>69,966,865</u>	<u>2,030,814</u>	<u>2,030,814</u>	<u>152,808,930</u>	<u>152,808,930</u>
Available for sale investments:									
Net income recognised directly in equity	25 27	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Surplus for the period		0	0	2,811,611	2,629,031	0	0	2,811,611	2,629,031
Total recognised income and expense		<u>80,811,251</u>	<u>80,811,251</u>	<u>72,778,476</u>	<u>72,595,896</u>	<u>2,030,814</u>	<u>2,030,814</u>	<u>155,620,541</u>	<u>155,437,961</u>
Transfers to and from reserves									
Transfers to general reserves		0	0	(6,470,060)	(1,105,060)	6,470,060	1,105,060	0	0
Transfers from general reserves		0	0	5,365,000	0	(5,365,000)	0	0	0
Total transfers to and from reserves	25 27	<u>0</u>	<u>0</u>	<u>(1,105,060)</u>	<u>(1,105,060)</u>	<u>1,105,060</u>	<u>1,105,060</u>	<u>0</u>	<u>0</u>
Closing balance		<u>80,811,251</u>	<u>80,811,251</u>	<u>71,673,416</u>	<u>71,490,836</u>	<u>3,135,874</u>	<u>3,135,874</u>	<u>155,620,541</u>	<u>155,437,961</u>

COMPARISON OF DIFFERENTIAL GENERAL RATES

COLUMN 1 CATEGORY	COLUMN 2 DESCRIPTION	2013/14 Minimum Generate Rate	2014/15 Minimum Generate Rate	% Increase	2013/14 Rate in \$UCV	2014/15 Rate in \$UCV	% Increase
CATEGORY 1 Bedourie	Those lands situated within the boundaries of the Town Reserve of Bedourie and not otherwise categorised.	\$375	\$400	6.75%	\$0.0159	\$0.0164	3.04%
CATEGORY 2 Betoota	Those lands situated within the boundaries of the Town Reserve of Betoota and not otherwise categorised.	\$265	\$275	3.00%	\$0.0313	\$0.0322	2.79%
CATEGORY 3 Birdsville	Those lands situated within boundaries of the Town Reserve of Birdsville and not otherwise categorised.	\$375	\$400	6.75%	\$0.0159	\$0.0164	3.04%
CATEGORY 4 Rural	Those lands within the shire located outside of a town area and used for grazing or agricultural purposes.	\$375	\$400	6.75%	\$0.01472	\$0.0189	22.11%
CATEGORY 5.1 Mining-Small	Those lands within the Shire used, or capable of being used for extractive or mining purposes with annual extraction of less than 1,000 tonnes.	\$1,100	\$1,250	12%	\$0.2600	\$0.2912	12%
CATEGORY 5.2 Mining-Medium	Those lands within the Shire used, or capable of being used for extractive (mining) purposes with annual extraction of between 1,000 and 10,000 tonnes.	\$11,500	\$12,420	12%	\$0.3300	\$0.3696	12%
CATEGORY 5.3 Mining-Large	Those lands within the Shire used, or capable of being used for extractive (mining) purposes with annual extraction of more than 10,000 tonnes.	\$57,000	\$65,000	12.31%	\$0.3900	\$0.4380	10.96%
CATEGORY 5.4 Mining-Large	All mining leases which are not otherwise categorised, issued within the Council area of greater than 50 hectares.	\$57,000	\$65,000	12.31%	\$0.3350	\$0.4380	10.96%
CATEGORY 6 Telecommunications	Those lands within the Shire used or capable of being used for telecommunications purposes.	\$460	\$500	8%	\$0.0230	\$0.0248	8%
CATEGORY 7 Commercial	Those lands within the Shire used or capable of being used for commercial purposes.	\$440	\$500	12%	\$0.0170	\$0.0185	8.11%

CATEGORY 8 Industrial	Those lands within the Shire used or capable of being used for industrial purposes.	\$460	\$500	8%	\$0.0165	\$0.0178	8%
CATEGORY 9 Intensive Accommodation	All land predominately used or capable of being used for providing intensive accommodation for more than 50 people (other than the ordinary travelling public) in rooms, suites, or caravan sites specifically built or provided for this purpose. Land within this category is commonly known as “workers accommodation”, “single persons quarters”, “work camps”, “accommodation village” or “barracks”.	\$22,000	\$27,500	8%	\$0.3200	\$0.3456	7.41%
CATEGORY 10 Petroleum Lease	All Petroleum leases issued within the Council Area.	\$12,000	\$15,000	8%	\$0.3500	\$0.3780	8%
CATEGORY 11 Petroleum Other	All land, used or capable of being used primarily for gas and/or oil extraction and/or processing (or for purposes ancillary or associated with gas and/or oil extraction /processing such as water storage, pipelines), excluding petroleum leases.	\$6,000	\$7,500	8%	\$0.3500	\$0.3780	8%
CATEGORY 12 Geothermal Lease	All geothermal leases issued within the Council area.	\$12,000	\$15,000	8%	\$0.03500	\$0.3780	8%
CATEGORY 13 Geothermal Other	All land, used or capable of being used primarily for geothermal extraction and/or processing (or for purposes ancillary or associated with geothermal extraction /processing such as water storage, pipelines), excluding geothermal leases.	\$3,000	\$4,000	25%	\$0.3500	\$0.3780	8%

CATEGORY 14 Power Station >2MW	All land, within the Council area, used or capable of be used for or ancillary to the generation and transmission of electricity from a gas fired power station with an output capacity of more 2 MW.	\$12,000	\$15,000	8%	\$0.3500	\$0.3780	8%
--	---	----------	----------	----	----------	----------	----

COMPARISON OF UTILITY CHARGES			
Utility Charge	2013/14 Charge	2014/15 Charge	% Increase
Water per Unit	\$35.00	\$37.45	7%
Sewerage per Unit	\$21.50	\$23.00	7%
Cleansing per unit	\$165	\$176.50	6.5%