

# Diamantina Shire Council

## Budget 2018/19





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## 1. MAYOR'S BUDGET SUMMARY

The 2018/19 is a no frills budget given the dry times we find ourselves in, not only in weather patterns but in terms of road construction funding. In essence, the lettuce has been taken off the burger to contain costs and if external funding does not increase in the short term, the sauce and the rest of the salad might need to go as well to reduce the erosion of our cash position.

The recommended budget includes operational revenue of \$18,776,398 and operational expenditure at \$23,134,743 for an operational loss of \$4,358,345. Capital expenditure amounts to \$7,601,013 and capital revenue is budgeted at \$2,554,552. Overall, the cash balance is expected to reduce by \$3,480,672 to \$12 million.

Council knows that businesses are doing it tough given the effects of the drought, a shortening tourist season and a reduction in council expenditure as we try to tighten our belt. Earlier this year, Council undertook a full review of its rates and utility charges to ensure that the way they are structured is as equitable as possible. Some tweaking has been done which will provide some relief to businesses, particularly those with accommodation, which can be vacant for much of the year.

General rates will increase by 5% for all categories except for commercial business categories who will increase by 4%. Minimum general rates may increase slightly more than this due to rounding.

Water charges will rise to \$42.15 per unit with the main change being that accommodation units will be charged at 40% of a dwelling, rather than 60%.

Sewerage charges have changed significantly moving from a unit based system to a per pedestal system. A residence will only pay for 1 pedestal, irrespective of the number in the house. For commercial premises, the first 5 pedestals on the premises will be charged at 100% with any pedestals after this being charged at 40% of the connected rate. The per pedestal cost is \$140.

Waste management has also changed. Council has now split the cost for this. Firstly, a waste collection charge of \$100 per bin will be levied which contributes towards the kerbside collection cost of the bin. A new separate environmental charge of \$100 will be levied on each rateable assessment to offset the costs of the council landfills in Bedourie and Birdsville and other environmental services across the shire. This recognises that waste other than from the kerbside collection enters the tips. This measure will also reduce costs for businesses.

In addition, the interest rate for those struggling with paying rates will be reduced from 11 to 8 percent.

Council's reliance on externally funded roadwork continues. We are fortunate to continue to receive \$1M from the Works for Queensland funds, ongoing allocated from Roads to Recovery Program and this year expect to receive over \$4M in NDRRA restoration works for shire roads. It appears that changes to the NDRRA methodology will not negatively impact on Council.

### Road Projects

Department of Main Roads works include:

- Eyre Developmental Road (Birdsville-Bedourie) – 2km pave and seal of the 'missing link' to the north of Birdsville \$900,000. Project commenced June 2018.

Works for Queensland funded Projects:

- Monkira-Davenport Road – Formation and Floodways \$380,000
- Davenport-Diamantina Lakes NP Road – Formation and Floodways \$240,000
- Davenport-Palparara Road – Formation and Floodways \$280,000
- Lake Maachattie Road – Floodway protection \$120,000

Road to Recovery Funded projects:

- Renew Bedourie Kerb & Channel \$240,000

- Reseal Cacoory-Stoney Crossing Road \$140,000
- Kerb & Channel Herbert Street (Timor to Kepler St) \$200,000
- Reseal Adelaide Street Birdsville \$80,000
- Balance of Streetscape works Birdsville \$200,000

Other Projects

- Renew Switchboards at Bedourie Depot \$44,500
- Relocate Birdsville Concrete Batching Plant to Depot \$35,000
- Plant Replacements \$1,400,000
- Renew Birdsville River Water Lift Pumps \$26,095
- Jardine Street Park Upgrade \$170,000 (80% funded by Qld Gov)
- Renew Birdsville Courthouse \$120,000 (80% funded by Qld gov)
- Extend Bedourie Workshop Building a bay \$100,330
- Enclose the Store Building \$83,080
- Construct an Open bay shed \$41,732
- Bedourie Town Bore \$309,000

Carryover Projects to be finalised

Council Funded

- Birdsville Caravan Park – Renew underground utilities \$150,000
- Freehold Birdsville Caravan Park Land \$150,000
- Freehold Bedourie Caravan Park Land \$20,000
- Install Cemetery Shade Structures x 2 \$40,000
- Balance of Birdsville Sewer Main Upgrade Project \$122,512 (80% funded by Qld Gov)

Outlook

Reliance on external funding means that Council finds it difficult to plan with any confidence into the future, not knowing whether funding programs will continue or to what \$ figure. Relying on a flood to balance your books in no way to be sustainable. The only answer is a larger and more reliable stream of funding from both state and federal governments through a review of the Financial Assistance Grants methodology. The original principle of this funding stream was to provide horizontal fiscal equalisation 'meaning that those councils with only a small rate base and have not the capacity to raise their own revenue receive a larger share of the pie than those councils that can, ie larger councils. This will no doubt be some argy bargy over coming months/years about this so hold onto your hat.

CR GEOFF MORTON OAM  
MAYOR

## 2. REVENUE POLICY

### CONTROL:

Policy Type:	Financial
Authorised by:	Council
Head of Power:	<ul style="list-style-type: none"><li>Local Government Act 2009; and</li><li>Local Government Regulation 2012.</li></ul>
Responsible Officer:	Deputy Chief Executive Officer
Adopted / Approved:	May 21 2018; Minute No. 2018.05.21-OM-11
Last Reviewed:	May 2018
Next Review:	May 2019 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.

### 1. INTRODUCTION

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#### 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 2017-2018 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

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### 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

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### 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 a Local Government to review its revenue policy annually and in sufficient time to allow an annual budget that is consistent with the revenue policy to be adopted for the next financial year.
- 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 of 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

### 4.3 VERSION CONTROL:

Previous Version Number	Adopted/Approved Date
Revenue Policy 2015-16	May 18 2015; Minute No. 2015.05.18-OM-03
Revenue Policy 2016-17	June 27 2016; Minute No. 2016.06.27-OM-5
Revenue Policy 2017-18	May 15 2017; Minute No. 2017.05.15-OM-12

## 3. REVENUE STATEMENT

### BACKGROUND

#### Local Government Act 2009

Section 104(5) (a) of the *Local Government Act 2009* states 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 and is located in the far central west of Queensland. It is home to a significant cattle industry and growing tourism sector based around its towns of Bedourie and Birdsville, both with a permanent population of approximately 100 people. The shire appreciates each of its 290 residents.

Birdsville is the venue for two iconic annual events, the Birdsville Races and Big Red Bash.

The Council has a forecast revenue budget of \$19.675 million for the 2018/19 financial year, comprised mainly of rates and charges imposed by the Council, Commonwealth and State Government grants and subsidies, sales and recoverable works, fees and charges, rental income, interest and other income.

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 adopted Revenue Policy.

## Period

This statement applies from July 1, 2018 to June 30, 2019.

## RATING

### Differential General Rates

General rates are levied to help fund Council's administration as well as 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 this revenue is raised, Council considered:

- The rateable value of the land;
- Relative valuations between different types of land;
- The approach to general rating adopted by the Diamantina Shire Council for the 2018/19 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.

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
<b>CATEGORY 1 Bedourie</b>	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
<b>CATEGORY 2 Betoota</b>	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 2' having a land use code of 00,01,02,02A,03,04,05,06A,07,08,50 or 72A
<b>CATEGORY 3 Birdsville</b>	Those lands situated within boundaries of the Town Reserve of Birdsville and not otherwise categorised.	Land identified within area A of map 'Birdsville - Map 3' having a land use code of 00,01,02,02A,03,04,05,06A,07,08,50 or 72A
<b>CATEGORY 4 Rural</b>	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
<b>CATEGORY 5.1 Mining-Small</b>	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
<b>CATEGORY 5.2 Mining-Medium</b>	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
<b>CATEGORY 5.3 Mining-Large</b>	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
<b>CATEGORY 5.4 Mining-Other</b>	All mining leases which are not otherwise categorised, issued within the council area of greater than 50 hectares	Land having the land use code of 40A
<b>CATEGORY 6 Telecommunications</b>	Those lands within the Shire used or capable of being used for telecommunications purposes.	Land having the land use code of 91
<b>CATEGORY 7.1 Commercial Birdsville Operating</b>	Those lands within Birdsville used or capable of being used for commercial purposes and/or which in full or part provides goods and/or services to visitors/travellers.	Land identified as area A on Birdsville Map 3 and having a land use code of 10,11,12,13,17,18,19,21,22,23,24,25,27,30,34,36A,36B,38,41,42,43,47,48,49,51,52,55,56,57,58,91,95,or 99

COLUMN 1 CATEGORY	COLUMN 2 DESCRIPTION	COLUMN 3 IDENTIFICATION
<b>CATEGORY 7.2 Commercial Bedourie Operating</b>	Those lands within Bedourie used or capable of being used for commercial purposes and/or which in full or part provides goods and/or services to visitors/travellers.	Land identified as area A on Bedourie Map 1 and having a land use code of 10,11,13,17,18,19,21,22,23,24,25,27,30,34,36A,36B,38,41,42,43,47,48,49,51,52,55,56,57,58,91,95,or 99
<b>CATEGORY 7.3 Commercial Birdsville Non-Operating</b>	Those lands within Birdsville capable of being used for commercial purposes but do not provide services to tourists/travellers.	Land identified as area A on Birdsville Map 3 and having a land use code of 10,11,13,17,18,19,21,22,23,24,25,27,30,34,36A,36B,38,41,42,43,47,48,49,51,52,55,56,57,58,91,95,or 99
<b>CATEGORY 8 Industrial</b>	Those lands within the Shire used or capable of being used for industrial purposes.	Land identified as area A on Bedourie Map 1 or area A on Birdsville Map 3 having a land use code of 28, 29,31,33,35.
<b>CATEGORY 9 Intensive Accommodation</b>	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 person's quarters", "work camps", "accommodation village" or "barracks".	Land having a land use code of 44
<b>CATEGORY 10 Petroleum Lease</b>	All Petroleum leases issued within the Council Area.	Land having a land use code of 40C
<b>CATEGORY 11 Petroleum Other</b>	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
<b>CATEGORY 12 Geothermal Lease</b>	All geothermal leases issued within the Council area.	Land having a land use code of 40D
<b>CATEGORY 13 Geothermal Other</b>	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
<b>CATEGORY 14 Power Station</b>	All land, within the Council area, used or capable of be used for or ancillary to the generation and transmission of electricity.	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 in Attachment 1.

**“Bedourie - Map 1”, “Betoota - Map 2” and “Birdsville - Map 3”**

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. The originals of the three maps are retained by the Chief Executive Officer.

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:

Category		Rate in the Dollar (cents)		Minimum Differential General Rate \$	
		2017/18	2018/19	2017/18	2018/19
1	Bedourie	1.7922	1.882	450.88	475.00
2	Betoota	3.5226	3.699	318.27	350.00
3	Birdsville	1.7922	1.882	450.88	475.00
4	Rural	2.0497	1.797	450.88	475.00
5.1	Mining - Small	31.8167	33.408	1,352.00	1,420.00
5.2	Mining - Medium	40.3863	42.405	13,202.00	13,870.00
5.3	Mining - Large	47.8538	50.246	68,984.00	72,440.00
5.4	Mining - Other	47.8538	50.246	68,984.00	72,440.00
6	Telecommunications	2.7089	2.844	556.20	585.00
7.1	Commercial Birdsville Operating	5.3045	5.517	556.20	585.00
7.2	Commercial Bedourie Operating	2.6574	2.764	556.20	585.00
7.3	Commercial Birdsville Non-Operating	2.0291	2.110	556.20	585.00
8	Industrial	1.9364	2.033	556.20	585.00
9	Intensive Accommodation	37.770	39.659	29,200.00	30,660.00
10	Petroleum Lease	41.303	43.368	15,939.00	16,736.00
11	Petroleum Other	41.303	43.368	7982.00	8,381.00
12	Geothermal Lease	41.303	43.368	15,939.00	16,735.00
13	Geothermal Other	41.303	43.368	4269.00	4,482.00
14	Power Station	41.612	43.693	5,304.00	5,570.00

## 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.

## Separate Charge

Pursuant to section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, Council will make and levy a separate charge (to be known as the “Environmental Levy Separate Charge”), in the sum of \$100.00 per rateable assessment, to be levied equally on all rateable land in the shire, for environmental and waste management purposes.



## Utility Charges

### Water Utility Charge

Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council will make and levy water utility charges, for the supply of water services by the Council, as follows:-

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 systems in Bedourie and Birdsville.

As such, the utility charge for water services shall be charged as a 2-part charge in accordance with section 101(1)(b) of the *Local Government Regulation 2012*, comprising:-

- (a) an access charge; and
- (b) a charge for the amount of water used (a consumption charge).

The access charge shall be levied on every parcel of rateable land in Council's water service area. 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.

The consumption charge shall be calculated:-

- (a) where water used by land is measured by a water meter, having regard to the actual metered consumption.
- (b) Where water used by land is not measured by a water meter, in accordance with Table A, where Council considers the relativity between each land use type in determining the number of units allocated.

**Table A**

DESCRIPTION OF LAND	BEDOURIE WATER SUPPLY (WATER UNITS)	BIRDSVILLE WATER SUPPLY (WATER UNIT)
Vacant unconnected Land	5	10
Vacant Connected Land	8	16
Detached Dwelling	10	20
Attached Dwelling Unit -each	8	16
Motels – per accommodation unit	4	8
Hotels	15	30
Health Clinic	15	30
School	20	40
Caravan Parks per shower	6	8
Commercial or Industrial Premises	10	20
Intensive Accommodation per shower	4	6
Geothermal Power Station	0	500
Stock Trough	15	15
Council Outdoor Sports Facility	20	40

Bedourie and Birdsville are supplied with water from the Artesian Basin as their potable water supply. In addition, Birdsville is supplied with an untreated water supply from the Diamantina River for gardening purposes. An equivalent number of units is charged for a potable supply and untreated supply in Birdsville.

Each use on the land is aggregated to determine the total water units to be charged to the land. Eg. Where a Hotel and a detached dwelling are on the same lot in Bedourie, a total of 25 units of water would be charged (15 for hotel and 10 for dwelling).

The charge per water unit is \$42.15.

### Sewerage Utility Charge

Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council will make and levy sewerage utility charges, for the supply of sewerage services by the Council, as follows:-

Sewerage charges apply to all properties that are contained either wholly or partly within the declared sewered area or outside the declared sewered 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 any interest and redemption charges incurred by Council, and the cost of operating, maintaining and managing the sewerage system. The charge is set to recover these costs. A charge is applied to each W.C. pedestal installed on each property (exceptions apply).

Pursuant to Section 99 of the *Local Government Regulation 2012* sewerage charges as set out hereunder, be made and levied in accordance with the several bases set out hereunder for the supply of a common effluent drainage system (CED) by the Council.

- (i) A CED sewerage charge will apply to all improved rateable properties and non-rateable properties which are connected to the Council's CED systems, as per schedule 1.

<b>Schedule 1</b>		
<b>CED Scheme</b>	<b>Charge applies to:</b>	<b>% of CED Sewerage Connected Charge</b>
<b>Connected Sewerage Charge</b>	<ul style="list-style-type: none"> <li>Each single residential dwelling.</li> <li>Each unit in a multi-unit dwelling.</li> <li>Each WC pedestal or urinal in non-residential premises.</li> <li>Each of the first five (5) WC pedestal or urinal in an assessment with a land use of Hotel, Motel, Caravan Park and other approved Council commercial lodgings.</li> </ul>	100% of Charge
<b>Un-connected Sewerage Charge</b>	<ul style="list-style-type: none"> <li>Properties which are either contained wholly or partly within the declared CED sewer area but which are not connected to Council CED sewerage system</li> </ul>	60% of Charge
<b>5+ Pedestals Sewerage Charge</b>	<ul style="list-style-type: none"> <li>The sixth and each additional WC Pedestal or urinal on an assessment with a land use of Hotel, Motel, Caravan Park and other approved Council commercial lodgings.</li> </ul>	40% of Charge

The CED sewerage connected charge is \$140.00.

### Waste Collection Utility Charge

Pursuant to section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, Council will make and levy waste collection utility charges, for the supply of waste collection services by the Council, as follows:-

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

- Waste service administration
- Waste collection
- Provision of a suitable mobile garbage bin (and its replacement due to fair wear and tear)
- Waste minimisation and reduction education

- (i) The waste collection charges will apply to all improved rateable and non-rateable properties which are either contained wholly or partly within the declared water or sewer areas in Bedourie or Birdsville, as per schedule 2.
- (ii) No adjustment shall be made for non-occupancy or use of premises less than 6 months in duration. No adjustment shall be made for non-occupancy or use of premises until written advice is given to Council and only from the date of receipt of that advice and the return of the relevant bins provided to Council.
- (iii) Charges for waste collection service will commence upon the premises being considered to be occupied and the delivery of the 240-litre bin to the premises by Council.
- (iv) Arrangements can be made to collect additional mobile garbage bins on a temporary basis upon payment of the relevant charge.

<b>Schedule 2</b>	
<b>Waste Collection Charges</b>	<b>Charge applies to:</b>
<b>Collection Charge - Residential</b>	<ul style="list-style-type: none"> <li>Each premises' is allocated one (1) 240-litre mobile garbage bin and is serviced weekly.</li> <li>If requested, each additional 240-litre weekly mobile garbage bin service.</li> </ul>

<b>Collection Charge – Non-residential</b>	<ul style="list-style-type: none"><li>• Each property with a structure is allocated one (1) 240-litre mobile garbage bin and is serviced weekly.</li><li>• If requested, each additional 240-litre weekly mobile garbage bin service.</li><li>• Council's Environmental Health Officer will determine minimum bin numbers for any premise that is regulated by government legislation.</li></ul>
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The Waste Management charge is \$100.00 per 240 litre bin.

## DISCOUNT

Pursuant to section 130 of the *Local Government Regulation 2012*, the differential general rates made and levied shall be subject to a discount of 15% if paid within the discount period of 60 days of the date of issue of the rate notice provided that:

- (a) all of the aforementioned rates and charges are paid within 60 days of the date of issue of the rate notice;
- (b) all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 60 days after the date of issue of the rate notice; and
- (c) all other overdue rates and charges relating to the rateable assessment are paid within 60 days of the date of issue of the rate notice.

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

Pursuant to section 133 of the *Local Government Regulation 2012*, compound interest on daily rests at the rate of eight percent (8%) per annum is to be charged on all overdue rates or charges.

## LEVY AND PAYMENT

Pursuant to section 107 of the *Local Government Regulation 2012* and section 114 of the *Fire and Emergency Services Act 1990*, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy be levied for the full year 1 July 2018 to 30 June 2019.

Pursuant to section 118 of the *Local Government Regulation 2012*, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 60 days of the date of the issue 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 2018/2019 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 2018/2019 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.

## **COMMERCIAL 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.

Council operates business activities such as the Birdsville Caravan Park, Birdsville Lodge and Bedourie Caravan Park which provide accommodation services on a commercial basis. The fees and charges at each location is set at a level which, when the full cost of each operation is consolidated, provides an overall positive return to Council which is used to offset expenditure associated with tourism services and event support.

Council also undertakes private works for various parties associated with civil works or the supply of batched concrete. Charges are set at a level which takes into account the full cost of providing these works at the location requested including a return to Council.

At Council's Visitor Centres merchandise is sold with an appropriate markup which takes into account the full cost of the item being sold at that location and a return to Council.

## Attachment 1 - Land Use Codes

Diamantina Shire Council <u>Primary Land Use Codes 2018/19</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.

Diamantina Shire Council  
Primary Land Use Codes 2018/19

Land Use Code No.	Description	Explanation
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 People's 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



Diamantina Shire Council  
Primary Land Use Codes 2018/19

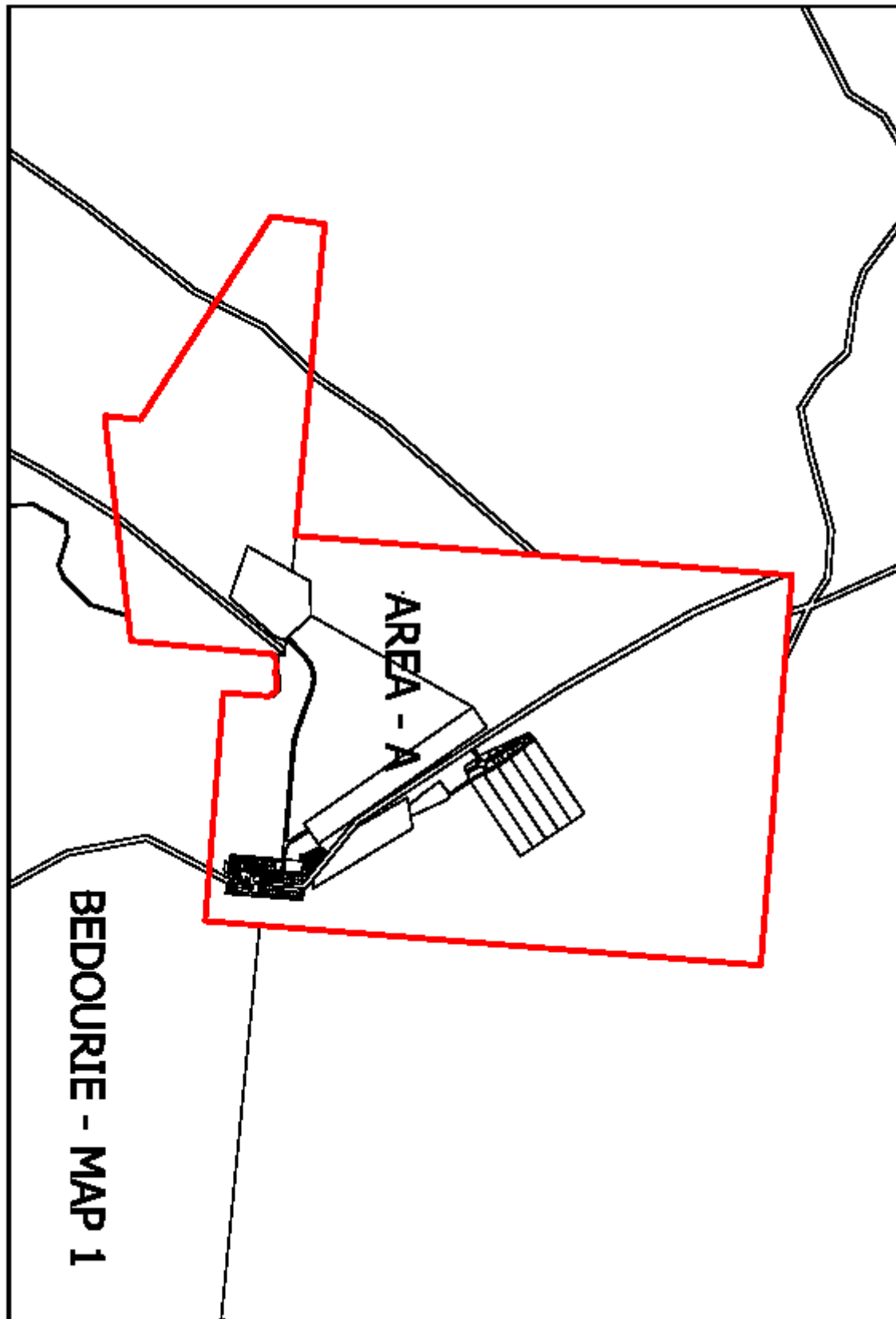
Land Use Code No.	Description	Explanation
36A	Light Industry A	Light/service industries e.g. vehicle workshops, bicycle repairs, furniture assembly/repairs/restoration, electrical goods repairs/maintenance, locksmiths, lawn mower repairs or upholstering or car washes.
36B	Light Industry B	Light manufacturing 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. Predominantly 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 Accommodation	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



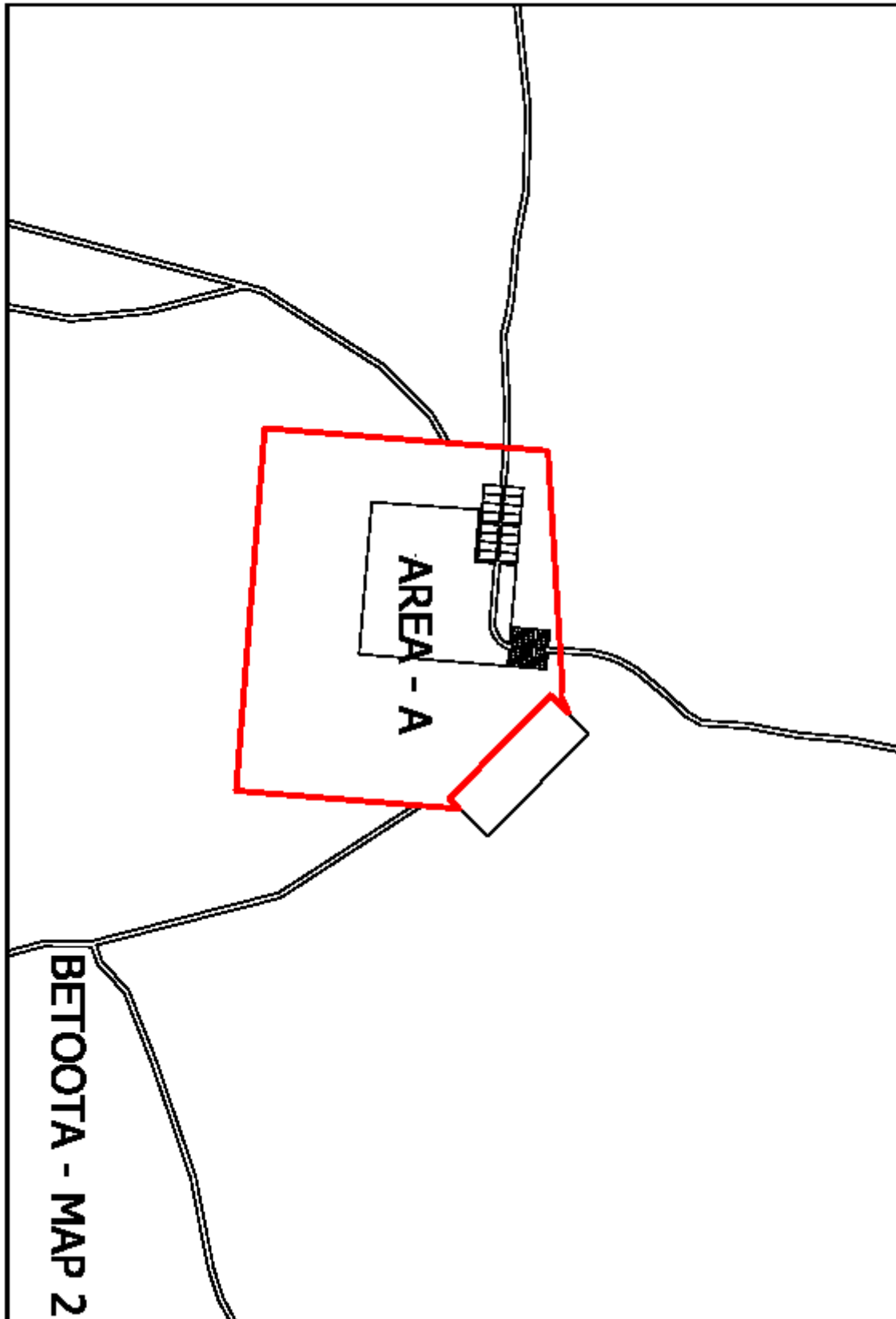
Diamantina Shire Council  
Primary Land Use Codes 2018/19

Land Use Code No.	Description	Explanation
		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

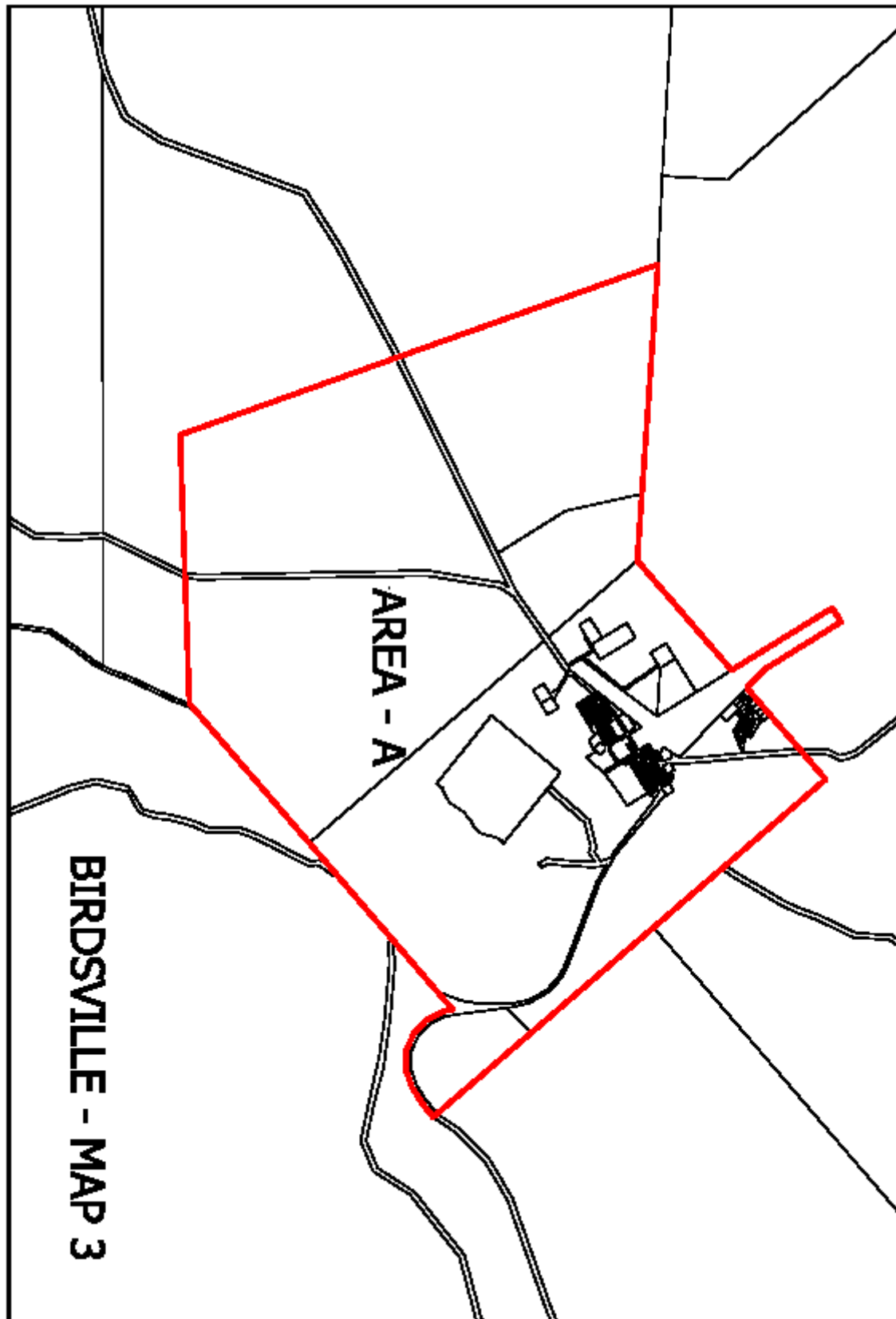
Attachment 2 - Bedourie Map



Attachment 3 - Betoota Map



Attachment 4 - Birdsville Map



## 4. CEO STATEMENT OF ESTIMATED FINANCIAL POSITION

The estimated financial position (cash balance and operating surplus/deficit) as at 30 June 2018 is significantly influenced by the timing of receipts and operational performance in the concluding months of the financial year as detailed below:

- Funds with QTC and at call total \$15,693,248 a week prior the end of June, includes the receipt of the advance FAGS. This result is due to the year performing better overall than expected. The cash position at 30 June 2018 is not expected to fall below \$15 million based on ordinary operations.
- With the positive operating result in recent months through significant roadwork being completed for DTMR, it is expected that a small operating surplus will result for the year, after allowing for probable but yet to be determined asset writeoffs due to natural disasters.

Council should consider this position a realistic ending position for the year.

Leon Love  
Chief Executive Officer

## 5. COMPARISON OF DIFFERENTIAL RATES AND CHARGES

COMPARISON OF DIFFERENTIAL GENERAL RATES							
COLUMN 1 CATEGORY	COLUMN 2 DESCRIPTION	2017/18 Minimum Generate Rate	2018/19 Minimum Generate Rate	% Incre ase	2017/18 Rate in \$UCV (cents)	2018/19 Rate in \$UCV (cents)	% Incre ase
<b>CATEGORY 1 Bedourie</b>	Those lands situated within the boundaries of the Town Reserve of Bedourie and not otherwise categorised.	\$450.88	\$475	5.35%	1.7922	1.882	5%
<b>CATEGORY 2 Betoota</b>	Those lands situated within the boundaries of the Town Reserve of Betoota and not otherwise categorised.	\$318.27	\$350	9.97%	3.5226	3.699	5%
<b>CATEGORY 3 Birdsville</b>	Those lands situated within boundaries of the Town Reserve of Birdsville and not otherwise categorised.	\$450.88	\$475	5.35%	1.7922	1.882	5%
<b>CATEGORY 4 Rural</b>	Those lands within the shire located outside of a town area and used for grazing or agricultural purposes.	\$450.88	\$475	5.35%	2.0497	1.797	-14%#
<b>CATEGORY 5.1 Mining-Small</b>	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.	\$1,352	\$1,420	5%	31.8167	33.408	5%
<b>CATEGORY 5.2 Mining-Medium</b>	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.	\$13,202	\$13,870	5%	40.3863	42.405	5%
<b>CATEGORY 5.3 Mining-Large</b>	Those lands within the Shire used, or capable of being used for extractive (mining) purposes with annual extraction of more than 10,000 tonnes.	\$68,984	\$72,440	5%	47.8538	50.246	5%
<b>CATEGORY 5.4 Mining-Large</b>	All mining leases which are not otherwise categorised, issued within the Council area of greater than 50 hectares.	\$68,984	\$72,440	5%	47.8538	50.246	5%
<b>CATEGORY 6 Telecommunicati ons</b>	Those lands within the Shire used or capable of being used for telecommunications purposes.	\$556.20	\$585	5%	2.7089	2.844	5%
<b>CATEGORY 7.1 Birdsville Commercial</b>	Those lands within the Shire used or capable of being used for commercial purposes.	\$556.20	\$585	4%	5.3045	5.517	4%
<b>CATEGORY 7.2 Bedourie Commercial</b>	Those lands within the Shire used or capable of being used for commercial purposes.	\$556.20	\$585	4%	2.6574	2.764	4%
<b>CATEGORY 7.3 Birdsville Non-Commercial</b>	Those lands within the Shire used or capable of being used for commercial purposes.	\$556.20	\$585	4%	2.0291	2.110	4%
<b>CATEGORY 8 Industrial</b>	Those lands within the Shire used or capable of being used for industrial purposes.	\$556.20	\$585	5%	1.9364	2.033	5%



<b>CATEGORY 9 Intensive Accommodation</b>	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".	\$29,200	\$30,660	5%	37.77	39.659	5%
<b>CATEGORY 10 Petroleum Lease</b>	All Petroleum leases issued within the Council Area.	\$15,939	\$16,736	5%	41.303	43.368	5%
<b>CATEGORY 11 Petroleum Other</b>	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.	\$7,982	\$8,381	5%	41.303	43.368	5%
<b>CATEGORY 12 Geothermal Lease</b>	All geothermal leases issued within the Council area.	\$15,939	\$16,735	5%	41.303	43.368	5%
<b>CATEGORY 13 Geothermal Other</b>	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.	\$4,269	\$4,482	5%	41.303	43.368	5%
<b>CATEGORY 14 Power Station</b>	All land, within the Council area, used or capable of be used for or ancillary to the generation and transmission of electricity.	\$5,304	\$5,570	5%	41.612	43.693	5%

# This category was revalued by DNRM effective 30 June 2018 with an increase in valuation for the category of approximately 20%. The rate in the \$ was reduced so that the effective \$ increase of actual rates paid for the category in 2018/19 is approximately 5% more than in 2017/18.

## 6. BUDGET 18/19 & LONG TERM FINANCIAL FORECAST

### 6.1. Budgeted Income and Expenditure Statement

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>Revenue</b>										
Net rates and utility charges	1,134	1,173	1,212	1,254	1,296	1,340	1,385	1,432	1,481	1,531
Contributions from Developers	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,354	1,489	1,564	1,642	1,724	1,810	1,901	1,996	2,096	2,201
Operating grants, subsidies and contributions	4,973	7,254	7,431	7,613	7,799	7,990	8,186	8,386	8,592	8,804
Interest revenue	352	307	389	473	517	571	585	607	634	657
Sales - contract and recoverable works	11,090	11,312	11,538	11,769	12,005	12,245	12,489	12,739	12,994	13,054
Rental Income	670	690	711	732	754	777	800	824	849	874
Other income	102	105	108	111	115	118	122	125	129	133
<b>TOTAL OPERATING REVENUES</b>	<b>19,675</b>	<b>22,330</b>	<b>22,954</b>	<b>23,594</b>	<b>24,210</b>	<b>24,850</b>	<b>25,469</b>	<b>26,111</b>	<b>26,775</b>	<b>27,253</b>
<b>Expenses</b>										
Employee benefits	5,100	5,190	5,210	5,366	5,527	5,693	5,864	6,040	6,221	6,408
Materials and services	14,466	14,683	14,904	15,127	15,354	15,584	15,818	16,055	16,296	16,641
Depreciation and amortisation	5147	5090	5034	4996	4,977	4,976	4994	5029	5083	4,731
Finance costs	107	100	93	85	78	74	71	68	64	61
<b>TOTAL OPERATING EXPENDITURE</b>	<b>24,821</b>	<b>25,064</b>	<b>25,241</b>	<b>25,575</b>	<b>25,937</b>	<b>26,328</b>	<b>26,747</b>	<b>27,192</b>	<b>27,665</b>	<b>27,841</b>
<b>Operating Surplus (Deficit)</b>	<b>(5,146)</b>	<b>(2,734)</b>	<b>(2,287)</b>	<b>(1,981)</b>	<b>(1,727)</b>	<b>(1,478)</b>	<b>(1,278)</b>	<b>(1,082)</b>	<b>(890)</b>	<b>(587)</b>
Capital income and expenditure:										
Capital grants and subsidies	1,964	1,160	1,170	1,230	1,230	1,250	1,310	1,320	1,330	1,230
Other capital income	-	-	-	-	-	-	-	-	-	-
Less capital expenditure	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL</b>	<b>1,964</b>	<b>1,160</b>	<b>1,170</b>	<b>1,230</b>	<b>1,230</b>	<b>1,250</b>	<b>1,310</b>	<b>1,320</b>	<b>1,330</b>	<b>1,230</b>
<b>Net result</b>	<b>(3,182)</b>	<b>(1,574)</b>	<b>(1,117)</b>	<b>(751)</b>	<b>(497)</b>	<b>(228)</b>	<b>32</b>	<b>238</b>	<b>440</b>	<b>643</b>

## 6.2. Budgeted Statement of Financial Position

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>Current assets</b>										
Cash and deposits	9,114	8,315	7,963	7,820	7,859	8,066	8,411	8,858	9,415	9,980
Receivables	1,588	1,805	1,855	1,900	1,947	1,990	2,045	2,096	2,149	2,180
Inventories	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552
Other financial assets										
	12,255	11,673	11,370	11,273	11,358	11,608	12,009	12,507	13,116	13,713
<b>Non-Current assets</b>										
Property, plant and equipment	141,137	140,153	139,459	139,046	138,906	139,028	139,405	140,026	140,885	142,113
Other non-current assets										
	141,137	140,153	139,459	139,046	138,906	139,028	139,405	140,026	140,885	142,113
<b>TOTAL ASSETS</b>	<b>153,392</b>	<b>151,826</b>	<b>150,829</b>	<b>150,319</b>	<b>150,264</b>	<b>150,636</b>	<b>151,413</b>	<b>152,533</b>	<b>154,001</b>	<b>155,826</b>
<b>Current liabilities</b>										
Trade and other payables	1,609	1,630	1,654	1,685	1,717	1,745	1,783	1,817	1,852	1,890
Interest bearing liabilities	179	187	195	122	93	96	100	104	107	111
Provisions	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
	1,788	1,817	1,849	1,807	1,810	1,841	1,883	1,921	1,959	2,002
<b>Non-Current liabilities</b>										
Interest bearing liabilities	2,215	2,028	1,833	1,711	1,619	1,522	1,422	1,319	1,212	1,100
Provisions	115	115	115	115	115	115	115	115	115	115
Other	-	-	-	-	-	-	-	-	-	-
	2,330	2,143	1,948	1,826	1,734	1,637	1,537	1,434	1,327	1,215
<b>TOTAL LIABILITIES</b>	<b>4,118</b>	<b>3,960</b>	<b>3,797</b>	<b>3,633</b>	<b>3,543</b>	<b>3,479</b>	<b>3,420</b>	<b>3,355</b>	<b>3,286</b>	<b>3,217</b>
<b>NET COMMUNITY ASSETS</b>	<b>149,274</b>	<b>147,866</b>	<b>147,032</b>	<b>146,685</b>	<b>146,721</b>	<b>147,158</b>	<b>147,993</b>	<b>149,178</b>	<b>150,715</b>	<b>152,609</b>
<b>Community equity</b>										
Asset revaluation surplus	69,824	69,989	70,272	70,676	71,209	71,874	72,677	73,624	74,720	75,972
Retained surplus	79,450	77,876	76,760	76,008	75,512	75,284	75,316	75,554	75,994	76,637
<b>TOTAL COMMUNITY EQUITY</b>	<b>149,274</b>	<b>147,866</b>	<b>147,032</b>	<b>146,685</b>	<b>146,721</b>	<b>147,158</b>	<b>147,993</b>	<b>149,178</b>	<b>150,715</b>	<b>152,609</b>



### 6.3. Statement of Cash Flows

	2018-2019	2019-2020	2020-2021
	(\$'000)	(\$'000)	(\$'000)
<b>Cash flows from operating activities:</b>			
Receipts from customers	13,632	14,050	14,391
Payment to suppliers and employees	(19,657)	(19,864)	(20,101)
Other	5,623	7,757	8,124
Interest revenue	352	307	389
Interest expense	(96)	(89)	(81)
<b>Net cash inflow (outflow) from operating activities</b>	<b>(147)</b>	<b>2,160</b>	<b>2,722</b>
<b>Cash flows from investing activities:</b>			
Proceeds from sale of capital assets	-	0	-
Grants and contributions for capital expenditure	1,964	1,160	1,170
Payments for property, plant and equipment	(4,912)	(3,939)	(4,058)
<b>Net cash provided by investing activities</b>	<b>(2,948)</b>	<b>(2,779)</b>	<b>(2,888)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	-	0	-
Repayment of borrowings	(172)	(179)	(187)
<b>Net cash provided by financing activities</b>	<b>(172)</b>	<b>(179)</b>	<b>(187)</b>
<b>Net Increase (Decrease) in cash held</b>	<b>(3,267)</b>	<b>(799)</b>	<b>(352)</b>
Cash at beginning of reporting period	12,381	9,114	8,315
<b>Cash at end of reporting period</b>	<b>9,114</b>	<b>8,315</b>	<b>7,963</b>

## 6.4. Statement of Changes in Equity

	Total	Retained Surplus	Asset Revaluation Surplus
	(\$'000)	(\$'000)	(\$'000)
<b>Balance at 30 Jun 2018</b>	152,456	82,632	69,824
Net result for the period	(3,182)	(3,182)	-
Transfers to reserves	-	-	-
Transfers from reserves	-	-	-
Asset revaluation movements	-	-	-
<b>Balance at 30 Jun 2019</b>	<b>149,274</b>	<b>79,450</b>	<b>69,824</b>
Net result for the period	(1,574)	(1,574)	-
Transfers to reserves	-	-	-
Transfers from reserves	-	-	-
Asset revaluation movements	165	-	165
<b>Balance at 30 Jun 2020</b>	<b>147,866</b>	<b>77,876</b>	<b>69,989</b>
Net result for the period	(1,117)	(1,117)	-
Transfers to reserves	-	-	-
Transfers from reserves	-	-	-
Asset revaluation movements	283	-	283
<b>Balance at 30 Jun 2021</b>	<b>147,032</b>	<b>76,760</b>	<b>70,272</b>

## 6.5. Measures of Financial Sustainability & Required Disclosure

Reported Change in Rates And Utility Charges				
	30/06/2018	30/06/2019	\$ Increase	% Increase
Budgeted Gross Rates Revenue	\$1,067,111	\$1,134,252	\$67,141	6.3%

		Forecast									
		2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
1	Operating Surplus Ratio - Target Benchmark between 0% and 10%										
	(Net Operating Surplus / Total Operating Revenue) (%)	(26.2)%	(12.2)%	(10.0)%	(8.4)%	(7.1)%	(5.9)%	(5.0)%	(4.1)%	(3.3)%	(2.2)%
2	Net Financial Asset / Liability Ratio - Target Benchmark not greater than 60%										
	((Total Liabilities - Current Assets) / Total Operating Revenue) (%)	(41.4)%	(34.5)%	(33.0)%	(32.4)%	(32.3)%	(32.7)%	(33.7)%	(35.1)%	(36.7)%	(38.5)%
3	Asset Sustainability Ratio - Target Benchmark greater than 90%										
	(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense) (%)	84.1%	74.4%	77.5%	80.5%	83.2%	85.7%	88.0%	90.0%	91.7%	95.6%



## 7. OPERATIONAL PLAN 2018 – 2019

Social		
A community which is Actively Maintaining Practices which ensures Environmental Sustainability.		
Outcome	Strategies	Measure
Further Development of Green Energy Opportunities	Lobby relevant agencies to take advantage of the natural resources for the production of energy in the Shire.	Number of lobbying activities
The Pest Animals/Plant status of the Shire is Improved	Maintain currency of relevant pest animal and plants management plans in cooperation with relevant regional bodies.	Percentage of statutory plans that are up to date
Effective Animal Control within Communities	Ensure that local laws and other legislation are applied as required to ensure that effective animal control is maintained within towns.	Number of animal control complaints.
Protection of the Great Artesian Basin	Maintain membership of the great artesian basin committee.	GABC membership status
	Lobby to ensure that the GAB Bore capping program is continued	Lobbying opportunities undertaken
Towns which are Attractive, Green and Clean with a Community that takes Pride in their Homes and Towns.		
Recognition Through Tidy Towns Awards	Maintain membership of KABC and nominate annually	Number of awards.
Viable Community Fruit and Vegetable Gardens are Operating in Birdsville and Bedourie	Encourage the voluntary operation of community gardens within both towns.	Number of participants in a community garden program.
Effective Waste Management	Review the Shire Waste Management strategy in line with introduction of state wide container recycling scheme.	Review undertaken.
A Community that Recognises the Value of Preserving the Unique Culture of the Area.		
Effective Management of Cultural Heritage and Native Title	Progress the finalisation of ILUAs with Native Title holders as appropriate	Number of ILUAs not completed within two years of commencement
	Progress the review and implementation of existing ILUA's.	Implementation of measures identified in ILUA's
Financially Viable and Strongly Supported Traditional Social Events	Maintain support in accordance with Council's grants to community organisations policy.	Percentage of grants made in line with Council policy
Identification of Aboriginal Sites of Significance	Liaise with aboriginal groups to identify sites of cultural significance.	Instances of damage by Council works to unidentified aboriginal sites of significance
Preservation of Historical Sites and Artefacts	Assist traditional owners develop a plan for the preservation and display of important artefacts.	Progress with the development of plan for the preservation of historical sites and artefacts
	Seek funding for the preservation of the Pese' House "Mud Hut" in Bedourie	Funding is secured and work completed
A Community where the Cost of Living is Comparable to the South East of the State.		
The Cost of Living in the Shire is Reduced	Identify ways to reduce the cost of living for residents within the shire.	Number of cost of living improvement opportunities identified

Outcome	Strategies	Measure
<b>A Community With Affordable Access To The Full Range Of Transport Services And Facilities.</b>		
A Reliable, Regular Air Service at Prices Comparable to Brisbane to Mt Isa Costs	Encourage use of the subsidised passenger air services	Number of air travel passengers movements in Shire
	Lobby for the continuation of the Subsidised RPT service from Brisbane-Mount Isa-Brisbane, bi-weekly.	The service is retained
	Council operates and maintains Birdsville and Bedourie Airstrips in accordance with CASA requirements	Ongoing, Number of deficiencies noted on audits
A weekly Freight Service at Prices Comparable to Brisbane to Mt Isa Freight Costs	Liaise with freight providers to provide regular freight deliveries from Mount Isa, Brisbane and Adelaide for Council and community freight	Cost and reliability of freight services provided
<b>A Community With High Private Home Ownership In Which All Residents Are Appropriately Housed.</b>		
Private Home Ownership Continues to Increase	Continue to make suitable housing stock available for private purchase	Percentage of dwelling units in private ownership
	Negotiate the acquisition of community housing stock from Queensland Government at nil cost	Finalise negotiations
<b>A Motivated And Involved Community.</b>		
Active and Well Resourced Community Groups	Maintain support in accordance with Council's Community Grants policy.	Number of community events
	Assist community groups to access grant funding.	Number of successful grant applications
The Shire's Youth are Actively Involved in the Community	Review how youth can best be involved in council and community activities. Eg youth council	Number of youth involved in the Community activities
Well resources Libraries	Library services are maintained in Birdsville and Bedourie in accordance with SLQ agreements	Agreement terms are met
Early Years children Services offered in our towns	Early Years Children services are maintained in Birdsville and Bedourie in accordance with funding agreement.	Services are provided in accordance with funding agreement
<b>A Safe and Crime Free Community.</b>		
The Community Remains Safe and Crime Free	Maintain active and well resourced SES groups in Bedourie and Birdsville	Active SES members in each town
	Maintain engagement with regional police service to ensure that police stations are staffed at all times, community needs are understood and policing is effective.	Number of engagement / lobbying activities
	Maintain Local Disaster Management Plans and actively participate in DDC activities	Disaster management plan status

Outcome	Strategies	Measure
<b>A Well Co-Ordinated And Co-Operative Group Of Businesses And Individuals That Deal With The Public Which Successfully Promotes The Community.</b>		
Economic Development Plan Goals Have Been Achieved	Establish regular communication with businesses to improve their sustainability and understanding of council activities	Regular meetings held.
<b>Fully Operational Medical and Pharmacy Facilities Run by Quality Service Providers that Provide Appropriate and Affordable Access to on site GP's and other Specialist Medical Care</b>		
A Community that is Fully Aware of and Responsible to Primary Health Care Needs	Implement health issues awareness activities in the workforce	Number of Health activities undertaken
	Subsidise the cost of Council's bus for groups wishing to access specialist medical services.	Status of bus subsidy policy
	Lobby State health to provide half yearly dental visits	Number of lobbying activities
	Ensure the maintenance of visits by specialist health services. (cardio, ENT etc)	Number of instances of health professionals visits to the shire
Establish a Partnership with Central West Hospital and Health Board to Provide a Quality Health Service	Enter into a partnership and ensure facilities are maintained.	Progress with establishment of CWHH board as service provider
	Ensure service levels are maintained.	Frequency of service level review
Quality Health Infrastructure that meets Community Needs	Liaise with Qld Health in the upgrade of Health facilities in both towns including the provision of mortuary facilities.	Suitable Mortuary facilities provided
<b>Quality Sporting Facilities.</b>		
Well Maintained, Quality Sporting Facilities which meet Community Needs with Additional Facilities as Appropriate for the Communities	Council assist all clubs to maintain facilities to an appropriate and safe standard.	Facilities are appropriately maintained.
	Council sporting facilities are maintained to an appropriate standard	Facilities are maintained as required.
<b>Economic</b>		
<b>Land and Infrastructure Development that Facilitates and meets the Needs of the Growing communities.</b>		
Town Planning Scheme which will Meet Community Needs and Growth into the Future	Adopt a new Planning Scheme for the Shire compliant with new legislation	New Planning Scheme adopted
<b>A Major and Sustainable Tourism and Events Industry</b>		
Well Planned Tourism Initiatives	Review the tourism and economic development plan to ensure it is relevant to current trends and issues	Tourism and Economic Development Plan reviewed
	Maintain membership of OQTA and RAPAD and other relevant tourism orientated associations.	Memberships maintained.
	Position Birdsville as a location for small to medium conferences.	Number of conferences attracted.
	Develop Business Plans for the Birdsville Caravan Park and Birdsville Lodge	Business Plans developed
	Develop the Birdsville Courthouse as an important tourist feature as funds allow.	Progress the development of the Birdsville Courthouse as funds allow.

Outcome	Strategies	Measure
	Reengage with Bus tour companies to increase visitation.	The number and frequency of bus tour operators is increased by 100%
<b>A Transport Network Maintained in Line with the Rest of the State.</b>		
A Well Maintained Shire Road Network which meets the needs of the Road Users	Carry out works in line with works program	Percentage of planned works that are completed each year.
Airports and Services that Meet Community Requirements	Council operates and maintains Birdsville and Bedourie Airstrips in accordance with CASA requirements	Ongoing, Number of deficiencies noted on audits
All Main Roads in the Shire are Bitumen Sealed	Lobby State and Federal Government for road funding so that the Eyre Developmental Road is completely sealed in 6 years	% of Eyre Developmental Road sealed
	Lobby State and Federal Government for road funding so that the Birdsville Developmental Road is completely sealed from Birdsville to Roseberth within 5 years.	% of Birdsville Developmental Road sealed
<b>Council is a Leader in the Region which Supports Regional Co-Operation, Resource Sharing and Partnerships</b>		
Council Continue to Lead the Region in Co-operation and Resource Sharing	Cooperate with RAPAD/ORRG/ORWG Councils in resource sharing and purchasing activities where mutually beneficial.	Number of resource sharing activities undertaken
<b>Council Leadership deliver Growing and Diversified Industries which provide ample Employment Opportunities to Shire Residents.</b>		
An Economic Development Plan in place which Enables New Businesses to be Developed	Identify and actively market available land stocks	Council land sales
<b>Council is Recognised as the Sole Road Construction Provider in the Shire</b>		
Maintain a Profitable Plant Operation	Review plant hire rates and performance periodically to ensure the plant operation is being run in a business like manner	Status of annual plant review
Council Owns and Operates a Quality Plant Fleet	Carry out plant changeover in accordance with plant replacement program	Percentage compliance with plant replacement program
	Implement the NHVMS for plant maintenance and servicing.	NHVMS implemented.
Council Maintains its Sole Invitee Status for all DMR and NDRRA Works	Lobby Federal and State to ensure NDRRA works are offered to Council on a basis which does not negatively impact on Council	Number of lobbying activities undertaken
<b>Sustainable Quality Council Assets which meet Community Needs.</b>		
Well Maintained Council and Community Assets with Additional Facilities as Appropriate for the Communities	Review assets management plans for Water, Sewerage, Buildings and Roads	Percentage of asset management plan actions implemented within agreed time frames
	Review Council service levels and benchmark against industry standards	Progress staged service level reviews

Outcome	Strategies	Measure
	Seek funding assistance for the renewal of facilities in line with the prioritised program as finance allows.	Percentage of grants that are aligned with Council strategy
<b>Governance</b>		
<b>A Sustainable and Effective Organisation</b>		
A Quality, Effective and Motivated Workforce	That Council develop and implement a comprehensive training and development plan for Councillors and staff which is aimed at delivering Council's strategic outcomes.	Progress with needs analysis review
	Conduct regular performance appraisals for all staff.	Percentage of staff with up to date performance review
	Promote the employment and development of local residents.	Percentage of staff that are local residents
	Maintain work practices in line with the Workplace Health & Safety Legislation and Council's Safety System.	Number of WHS incidents
	Ensure work practices across the organisation, which are in line with Council quality assurance system.	Ongoing compliance with QA system
	Review Council's Human Resources Policy to maintain its relativity to the new award and industrial relations legislation as amended.	Progress with attraction and retention review
Best Practice Corporate Governance	Maintain high standard of ethical conduct.	Frequency of ethical conduct and policy training
	Provide adequate support and development opportunities to ensure that corporate skills and knowledge are current.	Percentage of skills development program activities that are funded
	Develop and maintain a Risk Management Plan.	Progress with risk management program development and implementation
	Install videoconferencing facilities in Bedourie and Birdsville.	Equipment installed
Effective Knowledge Management Systems and Policies in Place	Implement the IT Vision 'Synergysoft' solution	Software is implemented
	Maintain an effective records management system which complies with legislative requirements.	Frequency of review of records management system and policy
	Develop, implement and maintain Telstra GWIP solution realising the benefits provided by 4G and optic fibre.	Progress with IT plan development
Long Term Financial Sustainability	Lobby for the review of Financial Assistance Grants methodologies to ensure that the principle of horizontal fiscal equalisation is met.	A review of the methodology is agreed to by Federal and state governments.

Outcome	Strategies	Measure
	Ensure that grant and subsidy income is maximised where it is beneficial to do so and expenditure is minimised.	Percentage of grant applications that are successful
	Review Service Levels across Council operations	Service Levels reviewed
Quality Administration and Service which meets Customer Needs	Ensure enquiries and customer requests are satisfactorily dealt with in a timely, appropriate manner.	Percentage of customer requests dealt with outside of targets
Effective Community Engagement	Develop and improve communications tools including Council website, rates newsletter, annual report etc.	Progress with annual review and update of communication tools effectiveness
	Implement a new Corporate Plan for 2019 onwards.	Undertake consultation and compile a new corporate plan.