



ANNUAL REPORT 2018/2019

For the period 1 July 2018 to 30 June 2019

Distribution

Bulloo Shire Council's Annual Report is available in hard copy, electronic format and can be found on Council's website, alternatively you can phone Council's Administration Centre during normal business hours. Copies are also distributed to the Department of Local Government and the Queensland State Library.

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Printed copies of the report may be obtained by writing to:-

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Thargomindah QLD 4492

Feedback

Council welcomes your feedback. Please forward your comments in writing by posting or emailing.

Mail: Chief Executive Officer
Bulloo Shire Council
PO Box 46, Thargomindah, QLD 4492

Email: Council@bulloo.qld.gov.au

Council Meetings

Ordinary Meetings comprise all members of Council and are called every third Tuesday of the month to consider the business of Council. Public notices of days and times of meeting is given each month and copies of the agenda are available for public inspection at the Council's Administration Centre located at 68 Dowling Street, Thargomindah two (2) days prior to each scheduled meeting.

Council holds Ordinary or Special Meetings and these are open to the public, unless Council resolves under *Section 275 of the Local Government Regulation 2012*, that a Meeting be closed. Council, from time to time, needs to discuss matters such as contracts, staff, industrial and legal proceedings "in confidence" and closes that part of the meeting to the public. Special Meetings are convened to consider specific items such as budget, major projects and future directions.

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Acknowledgement

Bulloo Shire Council acknowledges Aboriginal and Torres Strait Islanders as the first Australians and recognises that they have a unique relationship with the land and water. Council also recognises that we are situated on the traditional lands of the Kullilli, members of the Kullilli Nation who have lived here for thousands of years. We offer our respect to their Elders past and present and through them, all Aboriginal and Torres Strait Islander people.



Mayor's Report and Welcome

Welcome to the 2018-19 Annual Report. Again, I am very proud to present to the Bulloo Community my report on another year of achievements by my Council across the whole of the shire.

We have consistently focused on improving the livability of our shire and have looked at ways to support and encourage business to establish here in the Shire. We have actively pursued a 'buy local' programme with our works schedules and where we have been unable to obtain a local supplier, we have insisted that goods and labour be purchased where possible from within the shire. My council and I are determined not to let our town become a western casualty.

We have again budgeted for the support of the school to provide the additional teaching staff to ensure our children get the best possible support that they can get to remain here in Thargomindah for as long as possible before having to move to higher education. In addition, we have purchased a house to establish a Childcare centre to service people in the whole shire including those living in rural areas who want some childminding whilst attending to business. Council has provided significant funds for the restoration of that house to meet the expected standards for such a centre to exist.

This year, our works programme has continued with the TIDS programme to have the Innamincka Road sealed for an additional 2 kilometres. With the advent of the floods, we had to change our Roads to Recovery works programme from installing culverts on the Woomanooka Road to installing concrete floodways onto Warri Gate Road. We also received funding to repair the approaches to the Bridge over Coopers Creek and this work is now scheduled for completion in the next financial year.

Our big success though was the Works for Queensland funding and the Drought funding that we received to undertake a number of projects around the town of Thargomindah and Noccundra.

The completion of the walking paths around town now connecting nearly 6 kilometres of walkway was a huge success. These paths are now used by local residents and visitors alike who simply want to enjoy a walk around town or partake in our Community Wellness programmes such as the 10,000 steps programme. We have completed an amphitheater in the park which can now be used for a multitude of events such as movie nights, social gatherings, Carols in the Park etc. Thanks to the Works for Queensland fund we have also been able to upgrade the technology at our tourism attractions to enhance their appeal. We also improved the toilet facilities in Noccundra and brightened up the hall to encourage better use of the facility by the people in that area. Sadly we were unable to undertake work on the reserve buildings due to the tenure not being secured but Council has now worked with the Department of Natural Resources Mines and Energy to ensure there will be no such issues in the future.

Tourism has become a large part of our year and we have stepped up to the challenge by supporting large events like the Quick Shears and Music Muster as well as most of the local community clubs' events such as gymkhanas and polocrosse and the Hungerford field day.

Council has worked diligently to maintain the financial sustainability of the Council and has managed to maintain its cash reserves and for this year we were able to adopt a balanced budget. In doing so we were still able to deliver a plant replacement programme worth \$1.4 million, a roads maintenance budget of over \$1million dollars whilst keeping a staff of 63 people gainfully employed. We are in a strong position regardless of the impact of the economic times and this is evident in our strong result for the year.

Finally, I would like to thank my Council for working together as well as we have during the year to achieve the significant outcomes that we have. Their commitment and support they have shown for me and the CEO has been the cornerstone for the success we have had.

Whilst as a Council we provide the direction on behalf of the community, my thanks also goes out to our committed staff who have worked well as a team and have shown a willingness to step up and takeover some of the more challenging co-ordinator and supervisor roles to support Council's goals to have more local people managing the organisation.

Running the Shire is a collaborative effort. It involves, Community, Council and Staff combining our skills to meet compliance and achieve both legislative and strategic goals to ensure our future.

I endorse this Annual Report and I encourage you to read about our activities in more detail.

Mayor Cr John (Tractor) Ferguson

Message from the CEO

Having taken over the reins of Council from my predecessor, Dr Edwina Marks, in August 2018, it was a privilege to carry on the good work that she and Council had commenced. The budget was balanced and promised a good year of proactive and funded works across the whole Shire.



Again this year, the Council was focussed on the wellbeing of our small community and again continued their funding of the many local Club events. This year we were also able to access funding to apply to other major events that brought a large number of tourists into our town. Council has actively worked to stimulate our local economy and has strategically invested their money into promoting local tourism, and supporting local businesses and organisations. This approach to not just the immediate issues but taking a long term view of the council's sustainability and the effect it will have in the future on sustaining our community, has been the underpinning philosophy that has driven the success of this council. Whilst we have maintained our grant levels from Government departments e.g. Roads to Recovery, TIDS, FAGS grants, we have been very proactive in chasing additional funding. This hasn't always been successful but it needs to be understood that there is also a lot of competing interests for this money and it is incumbent on us to continually keep submitting applications. In relation to this grant funding, we have been lucky to pick up small pots of funding that have helped with our tourism events but also with the wellbeing of our community. One of the most successful of these has been the Works for Queensland money which has provided the community with a number of projects that would have otherwise taken a great many years to complete. Projects such as our walking tracks, the amphitheatre, the new toilet blocks and kerb and channelling have all been welcome projects within the Town making it more liveable and more interesting to our visitors.

We are very thankful to the both the Federal and State Governments for the amount of funding they provide to us. Without it, many Councils would not survive. Particularly in the west where our populations and rate bases are low and opportunities to raise funds is limited. As a Council, I believe we have operated responsibly, deciding priorities that were important to the community but also providing for the sustainability of jobs and local business.

The Council, to their credit, have again continued their focus on the social aspects of living in the remoter area of Queensland. Again, they have provided funding to support a teacher at the local school and provided funds to establish a childcare centre. We have maintained our community facilities such as the, Library, swimming pool, gymnasium and community centre, and we are active with the Health organisations working closely with our health clinic to lobby for the provision of more or additional services to the area.

Council has been proactively seeking efficiencies within its operations, and a review on the operations of our work camps has now been commenced. We have worked in partnership with the State Government to provide solar on all council buildings including Hungerford and have also been part of a Connectivity Project to provide better internet and internet phone services across the region.

With the operation of our plant, we have actively been working over previous years to renew our fleet and this past year we have continued this policy. The purchase of two International trucks and a 12M grader constituted the major purchases with some smaller items and vehicles making up the balance. This policy helps council reduce its maintenance costs, as each year the quality of the product i.e. machinery, improves with maintenance monitoring techniques and our ability to maintain the plant with modern methods has led to Council obtaining better resale returns on the plant that we sell or

trade. We are also rationalising the amount of plant that we have. The cost of having plant idle and not earning income for Council, points toward us hiring items of plant on short term arrangements so that we don't have money invested in non productive plant.

Council has also supported a proactive approach to training and skilling our staff to undertake roles in the organisation that would normally have gone on offer outside the community. The advantages to this is that we are giving our people an opportunity to gain more employable skills, it reduces the cost of staff turnover and recruitment, and we don't need to provide additional housing which is a major cost to council. It is my hope that this Council will be significantly less reliant on external consultancies and labour hire over the next three years. Again, saving a considerable outflow of funds from our Organisation.

Bulloo Shire has proven that it is a caring, proactive and modern thinking Council that creates its own opportunities and I am proud to have taken up the chance to be part of the bright future they are creating within the tribulations of drought and a weakened economy. I thank the Council and our hard working staff who actively combine to create a bright future for everyone in our shire.

I recommend that you read our Annual Report and be a part of what we are trying to achieve for our community.

Lew Rojahn CEO

Shire Profile

The Bulloo Shire is located in the far south west corner of Outback Queensland, and covers an area of 73,600 square kilometres (4.26% of Qld), making it the third largest Shire in the State. Lake Bindegolly National Park, and a large proportion of Currawinya National Park, together with its Ranger Headquarters, are located within the Shire.

The Bulloo Shire has a long and colourful history of explorers and pastoralists, from the ill-fated Burke and Wills Expedition through to current expeditions searching for oil and gas reserves. It covers vast distances, and offers landscapes of immense diversity and beauty; expansive river and lake systems; sites of historical significance; abundant bird and wildlife; and is subject to extreme seasonal weather conditions. A diversity of industries, including beef, wool, opal, beekeeping, tourism, service, oil and gas, all contribute to create the vibrant economy of the region.



Thargomindah, with a population of approximately two hundred and thirteen (213) people, is situated on the Bulloo River, and is the Shire's major town, and administrative centre. The Council is the largest single regional employer and operates from a very modern and well appointed Administration Centre and Council Depot. The Council also operates/administers the Thargomindah Visitor Information Centre, Library, Kullilli Room, Swimming Pool, Community Centre, Sports Oval, Rodeo Grounds, Cemetery, Bore and Cooling Ponds, Water and Sewerage, Golf Course and Club House, Council Yards, and the Town Common. Thargomindah is serviced by the Royal Flying Doctor Service on a weekly basis, has additional clinics and dental service rotations and can be reached via a commercial passenger air service Rex Airlines, twice weekly.

The township of Hungerford has a population of eleven (11), is located 164 kilometres south of Thargomindah along the Dowling Track, and lies near the Paroo River on the Queensland/New South Wales Border. The town has a Police Station, Post Office facility, Hotel, accommodation, meals and fuel. Council operates a small Depot and Caravan Park, and administers a modern Medical Facility, Community Hall, Tennis Courts, Rodeo Grounds, and a sealed Airstrip. The town is serviced by the Royal Flying Doctor Service once a month. The Currawinya National Park, with its Ranger Station, lies adjacent to Hungerford, and is renowned as a wetland of international importance under the Ramsar Convention.

The tiny town of Noccundra has a population of four (4) and is situated adjacent to the Noccundra Waterhole on the Wilson River, 122 kilometres west of Thargomindah. The Waterhole and Hotel are both a popular stop-over for tourists on their way to visit the iconic Dig Tree or Innamincka. Although small, the town has an unsealed airstrip, Hotel, accommodation, meals, fuel, with camping grounds, Community Hall, Tennis Courts, Public Toilet facilities and Rodeo Grounds, which are administered by the Council.

Cameron Corner is where the states of Queensland, New South Wales and South Australia meet. It is situated 402 kilometres from Thargomindah and has a population of four (4). The Cameron Corner Store offers accommodation, meals, groceries, fuel, and camping.

Project Highlights

Memorial Park Amphitheatre

Enhancement of the Memorial Park including the construction of an outdoor amphitheatre, amenities building, new fencing and landscaping, was funded under the final year of the Federal Government Drought Community Program and Bulloo Shire Council.

The amphitheatre overlooks the Cenotaph in an easterly direction so that during the ANZAC Dawn Service, guests were able to watch the sun rise over the Cenotaph. (Future plans are for a new Cenotaph which will be facing towards the amphitheatre).

The amphitheatre provides a much needed undercover recreational space for members of the community and groups to be used for functions and events.

Located at the rear of the state of the art amphitheatre is a timber cladded public amenities block.

The facility gives an outstanding first impression of Thargomindah to visitors and locals when they are driving or walking down Dowling Street.



WORKS

With a number of successful funding announcements of the Natural Disaster Relief Program (State) together with Works for Queensland (Round 2), Drought Community Project (Round 3) Drought Community Program Extension, Council has embarked on a very challenging works program.

WORKS FOR QUEENSLAND PROJECTS

In 2016/17 a total of \$1,040,000 was approved for projects under the Works for Queensland (Round 1) funding. These projects were to be completed by December 2017.

In 2017/18 a further \$1,040,000 was approved for projects under Round 2. Works on projects under Round 2 were to be carried out during the 2017-2019 financial years and all projects to be completed by June 2019.

In 2018/19 a further \$1,040,000 was approved for works to be carried out during the 2019- 2021 financial years under Round 3 of the Program. All works under this Round are to commence after 1 July 2019 and are to be completed by 30 June 2021.

The table below details the projects that were approved under Round 2 and Round 3 of the Works for Queensland Program.

| Works for Queensland Round 2 2017 – 2019 Approved Projects | | Works for Queensland Round 3 2019 – 2021 Approved Projects | |
|---|--------------------|---|--------------------|
| Project | Amount | Project | Amount |
| Thargo Water Security Project | \$150,000 | Bulloo Housing Maintenance Project | \$100,000 |
| Council Ablution Upgrades | \$250,000 | Hungerford Town Water Supply | \$50,000 |
| Rodeo Grounds Facility Upgrade | \$ 40,000 | Hungerford Telecommunications Tower | \$50,000 |
| Key Visitor Site Maintenance & Upgrade Program | \$300,000 | Thargomindah Rodeo Grounds-Waste Treatment and Disposal | \$150,000 |
| Thargo Walking Track Stage 3 | \$100,000 | Thargomindah Works Depot Vehicle Shade Covers | \$75,000 |
| Bulloo Region Village Maintenance & Enhancement | \$130,000 | SES Flood Boat Ramp | \$10,000 |
| Hungerford Water Security | \$ 60,000 | Vehicle Flood Ramps | \$80,000 |
| | | Thargomindah Kerb and Channelling and Sealing of Streets | \$525,000 |
| Total | \$1,040,000 | Total | \$1,040,000 |

Thargo Water Project

The cooling ponds were upgraded with the installation of new copper pipes.

The manifold outlet at the cooling ponds has been replaced, and a flow meter, pressure and temperature sensors installed to allow a continual recording of the town water supply condition.



Council Ablution Upgrades

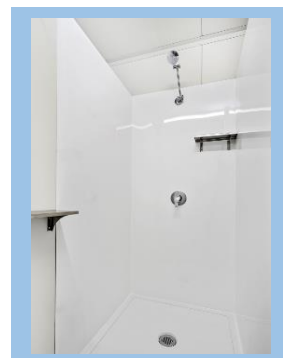
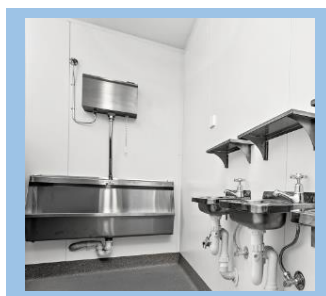
This project was for the design and upgrade of three ablutions located at the following locations:-

- **Truck Stop - Gilmour Street, Thargomindah** the building contains facilities for people with disabilities and consists of toilets, showers, baby change table and a cleaners room. The outdoor area has two table and chair settings, both wheelchair friendly. The building is decorated with images of our shire and a tourist mud map of the Bulloo Shire.



- **Rodeo Grounds - Thargomindah (New Ablution block)**

A transportable amenities block was placed on the southern side of the grounds adjacent to the existing amenities block and grandstand to provide additional facilities for camping and events held at the grounds



- **Public Conveniences - Wilson Street, Noccundra.**

The existing facilities were fully refurbished with new flooring, toilets, showers and wash basins installed.

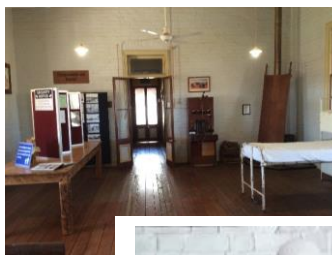
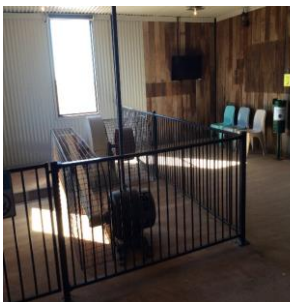
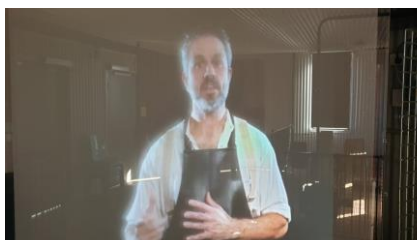
Rodeo Grounds Facility Upgrade

Works carried out under this project were the installation of a PA System and an upgrade to the kitchen facilities with new stainless steel benches, installation of a donated gas stove and new blinds for the outside cooking area.

Key Visitor Site Maintenance and Upgrade Program

This project was for the upgrade of existing tourism assets to reach their potential. Renovations works were carried out and the buildings were fitted out with an electronic tourism experience that enables visitors to purchase a swipe card and enjoy a self-guided tour of the facilities situated along the 5km walking track.

Thargo Hydro - An external deck and ramp with rails installed, internal cladding, new internal fencing, entry doors painted. Off grid solar has been installed and the electronic tourism experience allows you to listen to Joe Hood the blacksmith talk about how the Pelton Wheel works and how it generated enough electricity to power electric street lighting in Thargomindah back in 1898.



Old Hospital - Renovations have been made to the old hospital with a new verandah to the rear entry side and pathway, visitors to the building now enter from this rear entry providing better and safer amenity for all. The verandah deck to the front has been replaced and the inside of the building has been restored to its original layout. The bathroom has been renovated to accommodate people with a disability. This building also has an electronic tourism experience and visitors to the Old hospital are able to hear the stories of the past from an ex Matron Sylvia McGregor and resident ghost Matron Freda Tite. Listen to Dr Chester Wilson talk about the way things used to be out here in our historic old hospital.

Old Jail - A deck has been added to give access to the Jail and old kitchen. Painting works to the external front walls of the jail and kitchen. The other external walls have been oiled. The buildings have been fenced. The buildings now have solar power installed and an electronic experience where you can visit, and using a swipe card listen to Sergeant George Schnitzerling talk to one of the old prisoners in the jail cell or listen to George's wife, Trixie talk about her love for cooking in the old jail kitchen



Thargo Walking Track Stage 3



A concrete walking track was constructed linking the Old Hospital to the Hydro Power Plant.

Bulloo Region Village Maintenance and Enhancement Program - Various upgrades of village infrastructure at Hungerford and Noccundra.

Hungerford Water Security Project - The project was to upgrade the water supply and pressure solution to the township of Hungerford.

These works included providing a town booster pump and standby generator to ensure continuous supply of water during power outages.



DROUGHT COMMUNITY PROGRAM

During the final year of the State Governments Drought Community Program Council completed two (2) major projects. Funding of \$322,855 was received during the year for the construction of an Amphitheatre and Amenities Block at the Memorial Park in Thargomindah.

Construction works were carried out on the extension of the Thargomindah Tourist Trail. This project totalling \$588,390 was approved in the 2017/18 financial year. (It is noted that 50% of the funding for this project was received in June 2018)

Thargomindah Tourist Trail



The project constructed 1.8 kilometres of new and replacement paths linking Dowling Street, Sams Street and Gilmour Street to the old Hydro Plant in Thargomindah. The Drought Communities Program funded a section of the walking path which has been built to loop the entire town and now fully concreted, passes Pelican Point along the Bulloo River, the main town bridge and various tourism sites. The other stages of the trail were funded by Bulloo Shire Council and the Queensland Government's \$200 million Works for Queensland program.



Memorial Park Enhancement

Enhancement of the Memorial Park including the construction of an outdoor amphitheatre, amenities building, new fencing and landscaping, was funded under the final year of the Federal Government Drought Community Program and Bulloo Shire Council.



DROUGHT COMMUNITIES PROGRAM – EXTENSION

The extension of the Drought Communities Programme (the program) provided funding of \$81 million in 2018/19 to Eligible Councils to deliver benefits to targeted drought-affected regions of Australia.

The program supported local community infrastructure and other drought relief projects for communities who have been impacted by drought.

The objectives of the program were to deliver support to targeted drought-affected regions of Australia by funding:

- local community infrastructure; and
- other drought relief projects.

Bulloo Shire Council received \$1,000,000 under this program for the eight (8) projects listed below. Seven of the projects were completed by 30 June 2019, with an extension given to 30 September 2019 to complete the Thargomindah Kerb & Channelling project.

| Project name | Project description | Funding |
|---|---|--------------------|
| Bulloo Shire Feral Pest Control Program | Coordinate a feral pest program to support landholders manage wild dogs inside the Wild Dog Barrier Fence | \$50,000 |
| Thargomindah Kerb & Channelling | Construction of new and replacement of old kerb & channelling | \$100,000 |
| Events & Tourism Development | Cameron Corner New Years Eve, Channel Country Quick Shears & Rural Men's Night | \$50,000 |
| Noccundra Infrastructure Upgrade | Upgrade Noccundra Hall | \$100,000 |
| Hungerford Reticulation Upgrade | Upgrade Hungerford town reticulation system | \$80,000 |
| Rural Road Maintenance | Improve key access rural roads including replacing the damaged drainage culvert on the Woomanooka Road | \$320,000 |
| Thargomindah Water Infrastructure | Upgrade of Thargomindah Water Infrastructure including the replacement of the deteriorating cooling manifold of the Thargomindah Cooling Pond 02; and replacement of the deteriorating trunk main between Bore 01 and Cooling Ponds | \$257,100 |
| Administration Building - Standby Generator | Construction of cover to house admin building generator which is also the Disaster Management Centre | \$42,900 |
| Total | | \$1,000,000 |



Baiting Program



Noccundra Hall Upgrade

Works were carried out to upgrade the Noccundra Hall facilities. These works included lining of walls, sanding and varnishing floor and external painting of the building.



Hungerford Water Reticulation

Mains and service connections to a nominated area including the business area in Hungerford to replace failing infrastructure.

Administration Building – Standby Generator

A generator was purchased and a cover constructed to house the generator which will be used as back up electrical supply to the Bulloo Shire Council Administration Centre. The Administration Centre is also the Disaster Management Contact Centre.



QUEENSLAND FERAL PEST INITIATIVE FUNDING – LOCAL GOVERNMENT CAPACITY BUILDING

Bulloo Shire Biosecurity Enhancement Project

Bulloo Shire received funding from the Department of Agriculture and Fisheries (DAF) through Round 2.2 of the Queensland Feral Pest Initiative for *Bulloo Shire Biosecurity Enhancement Program*.

The total budget for the project is \$110,000:- Grant funds - \$100,000 and Bulloo Shire to provide \$10,000 in-kind.

The project is over 2 years - 2018/19 and 2019/20, and is for the employment of a part time Biosecurity Liaison Officer to build capacity amongst local landholders in relation to biosecurity obligations and to assist with the engagement and facilitation of the Bulloo Region Biosecurity Plan.

The liaison officer will assist landholders to develop their own Property Pest Management Plan, these are also called Biosecurity Plans.

The liaison officer will liaise with land holders and offer assistance with the development of property pest management plans. A Property Pest Management Plan is one tool landholders can use to demonstrate their General Biosecurity Obligation (GBO).

“The Queensland Feral Pest Initiative has received funding through the Queensland Government for additional employment in the agricultural industry or local government sectors to support local governments and industry to manage weeds and pest animals.”



Coral Cactus



Noogoora Burr



Wild Dog

Rural Lands 2018/19 Financial Year Summary

1080 Baiting

5,412 kg Wild Dog Meat Baits laid

8,025kg Feral Pig Baits laid

62 wild dogs were caught by Council's RLO

Town Animals

8 feral cats caught

6 dogs caught wandering

8 dogs surrendered to Council

ROADS HIGHLIGHTS

The Works Department have had a full year striving to deliver high quality infrastructure across the shire in a cost effective manner. Council is committed to maintaining its road assets to ensure a safe road network for all travelling throughout the Bulloo Shire. During 2018/19 Council workforce has delivered capital works and maintenance programs on both Council and State road networks.

Council upgraded to seal a further 3.33km section of the Innamincka Road.

Council also undertook a large reseal program during the year with reseals on Innamincka Road and two small sections on the Hungerford Road.



Roads to Recovery

The following capital works were carried out on the Shire Network under the Roads to Recovery program (R2R):-

- Upgraded and sealed 2 sections totalling 3.33km of the Innamincka Road (partly funded by R2R)
- Pavement failures reconstruction works to 3.45km on the Innamincka Road
- Installed concrete margins to three (3) floodways on Innamincka Road (partly funded by R2R)
- Installed three (3) concrete floodways on Warry Gate Road
- Replacement of culvert on Woomanooka Road
- Reseal works on Innamincka Road (partly funded by R2R)



Transport Infrastructure Development Scheme (TIDS)

- **Innamincka Road** - This year Council workforce sealed another 3.33km under the Transport Infrastructure Development Scheme (TIDS). This project was also partially funded by the Roads to Recovery Program (R2R).

Natural Disaster Relief & Recovery Arrangements (NDRRA)

The restoration of roads damaged during the September 2016 flood event were completed.

Emergency works were undertaken to repair roads damaged during Tropical Cyclone Trevor.



TMR Network

In addition to work on council roads, Council has completed road maintenance works under RMPC contracts, and additional resheeting works on the Quilpie Road under a Minor Works contract on the TMR network.

RMPC

- **Eulo/Hungerford Rd** – In addition to general maintenance works this road has had major gravel re-sheeting works and a general grade and is designed to combat the poor drainage and road conditions after rain.
- **Quilpie Road** - Resheeting works and medium formation works.
- **Bundeena Road** - Heavy shoulder grade and general maintenance works.
- **Cunnamulla Road** - Heavy shoulder grading and general maintenance works.



CHANNEL COUNTRY QUICK SHEARS SHINDIG

This event received grant funding from the Australia Government.

This year the Bulloo Shire hosted a five day music, comedy and Quick Shears Shindig. This inaugural festival showcased our region, product, the outback and our sense of humour.

The event was developed in an effort to capture the personality and individuality of the Bulloo Shire and to promote what sets us apart from the rest of the outback. When we were choosing the activities and shows for each day we focused on the diversity and historic attributes of the region and its people.

The Quick Shears was the main focus of the event with sheep being the reason why this corner country was initially occupied by our early pastoralists. Sheep shearing is the most iconic trade in rural Australia with every shearer's ability measured by the number of sheep they can shear in a day.

DAY 1, TUESDAY, 21 MAY
Chillin' in Thargo

10am • Camp Oven Damper & Billy Tea with local legend, Dogga Dare
• Chat with our Mayor 'Tractor' (John) Ferguson

8am-1pm-3pm • Town Bus Tours

6.30pm • Bulloo Big Screen Movie Night
Explorers Caravan Park

DAY 2, WEDNESDAY, 22 MAY
Big Day Out Comedy Tour

Hosted by Mandy Nolan, Paul McMahon and Aine Tyrrell

9am • Morning Tea at Kilcowera Station

1pm • Lunch at the Royal Mail Hotel, Hungerford

6.30pm • Dinner Show at Thargomindah Community Hall

DAY 3, THURSDAY, 23 MAY
Way Out West Country Music Tour

Hosted by country musician, Adam Kilpatrick

11am • Lunch at Noccundra

6.30pm • Trivia Challenge, Adam Kilpatrick and Dinner

DAY 4, FRIDAY, 24 MAY
PIG RACES

There is much fun and laughter as you watch the antics of these little racing pigs

2pm • Noah's Pig Racing

6.30pm • Tennessee Lights

DAY 5, SATURDAY, 25 MAY **THE MAIN EVENT!**

Finish your Epic Outback Adventure by attending this premier shearing event, the Channel Country Quick Shears. Pack up your family, grab your mates, tell your cousins and join us out here for a good dose of the real Outback.

QUICK SHEARS 2019 THARGOMINDAH

- Quick Shears - Hosted by Joel Selmes
- HUGE PRIZE MONEY
- Bar
- All Day Markets
- Live Music by Tennessee Lights
- Other Live Entertainment
- Variety of Food Available

ENTRY SATURDAY - ALL DAY & NIGHT TICKETS
Adults - \$15 per person (Aged 16 and above)
Pensioners \$10 per person • ALL CHILDREN FREE!

There's road trips and much more...

FOR MORE INFORMATION PICK UP OUR BROCHURE FROM THE VISITOR INFORMATION CENTRE or PHONE US FOR YOUR COPY on 4621 8095.

Find us on Facebook **Visit Bulloo**

Bulloo Shire **www.visitbulloo.com.au**

2018 10,000 STEPS COMMUNITY GRANT - (CENTRAL QUEENSLAND UNIVERSITY)



Council received funding under the above grant and facilitated a Community Walking Tournament. Teams of walkers participated in a challenge to walk the most steps over a 6 week period. The program was aimed at including teams shire wide (Noccundra & Hungerford). Each participant was issued with a pedometer and Fitbits were given as weekly prizes to maintain enthusiasm for the tournament. Trackers were also distributed to local dog owners to encourage dog walking.

There was a total of 91 competitors in the Time Out Challenge some of which doubled up in our Dog Walking promotion.



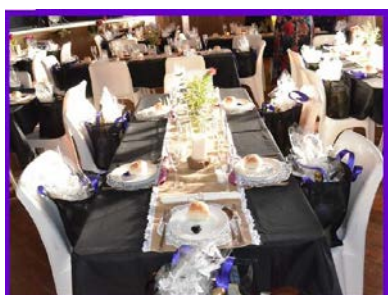
Rural Women's Night

27th October 2018

In true Thargomindah style, a total of 60 women walked the 'red' carpet into the Thargomindah Town Hall for Rural Women's Night. The carpet was rolled out to signify the importance of the contribution to our shire from our dedicated mothers, business women, working women and property owners.

The night was funded by grant funding from the Australian Government under the Drought Communities Program and also through Queensland Health, Neighbourhood Centre in Charleville and Rotary District 9630 at Charleville didn't hesitate to fund the amazing gift packs that each of the women received. The Bulloo Shire Council also provided in-kind sponsorship in the form of event development, staffing and resources.

It was an opportunity to celebrate this day and recognise rural women's worth, ideas, opinions and contribution. The night offered a range of opportunities for our wonderful women of today from a single catch up with friends and to listen and learn from the highly regarded motivational speaker Helen Everingham.



Connectedness

It also served as a networking opportunity for women to meet and talk, to foster deep connections and to take advantage of the knowledge and experience which our valued older members are keen to pass on.

Social Well Being

Recognition for women's contribution as mothers and working women is a positive way to thank and to value all that you do. Positive reinforcement also provides motivation to continue to participate positively in the community when times are tough. Often a woman's role on the property is seen as the male farmer's wife instead of business partner. There are issues of under-representation and recognition of women in rural Australia and our aim is to acknowledge your strength-of-will, determination, perseverance and resilience. In such a remote and often male environment, it is also important for women to be reminded of your own passions, interests and femininity.



Increase in Access to Support Services

Motivational Speaker – Helen Everingham travels throughout rural Queensland holding workshops designed to improve individuals' and communities wellbeing.

Helen gave an inspirational speech and an insight into the tragedies in her life and how she has learnt to live after the pain of losing her two sons in a plane crash in 2002.

One of the messages she delivered was:-

"We are all going to have stuff happen to us in life. Nobody gets through life unscathed," she said. "But it's all about how you handle it. So your attitude is the most important thing. If you have a healthy attitude and a positive attitude you can handle so much more."



Rural Men's Night

9th March 2019



After the success of Rural Women's Night in October last year, Allan from the Thargomindah Outpatients Centre and Peter Bradford, our clinical mental health nurse asked if we could plan a night for the men.

Of course, we were excited to plan the night and immediately started to source funding and sponsors for this inaugural event. Luckily enough we received grant funding from the Australian Government under the Drought Communities Program and also through the Western Queensland Primary Health Network. Rotary District 9630 at Charleville didn't hesitate to fund the amazing gift packs that each of the men received. The Bulloo Shire Council also provided in-kind sponsorship in the form of event development, staffing and resources.

Thanks to all of our local businesses:- Ago Vires, Turnouts Mechanical, Thargomindah Foodworks & Hardware and Thargo Motors.

Thanks also to Outback Scents, Scottech Fastlane and Southern Cross Wire.

The focus of this event was to improve social inclusion and connectedness for all of the men living and working in drought affected areas. Men in rural and remote areas experience isolation and difficulty accessing services and Council used this event as a catalyst to encourage men in the outback to seek support.

We carefully selected our entertainment and guest speakers in a bid to encourage men to attend nights such as these and build support networks. The evening was an opportunity for male community members to unwind with mates, enjoy some entertainment and put troubles associated with drought and isolation to rest for the night.



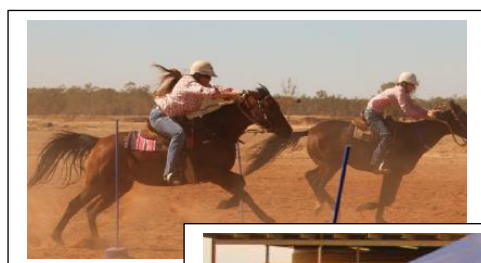
COMMUNITY DROUGHT FUNDING

In 2017/18 Council received a total of \$100,000 funding from the Department of Communities, Child Safety and Disability Services of which \$25,000 was for Flexible Financial Hardship and was distributed by Charleville & District Community Support.

The balance of \$75,000 was for local community organisations to *provide the delivery of a range of local community events and activities that contribute to connectedness, social well-being and increase access to support services*. Community groups were required to undertake events by the 8 December 2018 and also provide a financial acquittal for the funds received. A total of \$3,000 had been distributed prior to 30 June 2018.

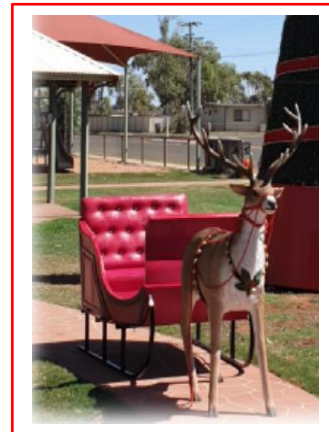
Council allocated the following funds to the local community organisations and events:-

| Community Group/Event | 2017/18 Allocation | 2018/19 Allocation |
|---|--------------------|--------------------|
| Noccundra Gymkhana & Rodeo | | \$ 3,000 |
| Hungerford Sports | | \$ 3,000 |
| Hungerford Progress Association | | \$3,000 |
| Bulloo Progress Association | | \$ 24,750 |
| Thargomindah Sporting Inc. (Motorbike Sports) | | \$ 3,000 |
| Rural International Women's Day | | \$ 6,600 |
| P & C Christmas Tree | | \$ 5,000 |
| Bulloo Shire Empowering | | \$ 2,000 |
| Flexible Financial Hardship | | \$ 18,650 |
| Rotary Club of Charleville | | \$ 3,000 |
| Thargomindah Polocrosse Club | \$ 3,000 | |
| TOTAL | \$3,000 | \$72,000 |



COMMUNITY CHRISTMAS EVENT

The 2018 Christmas Tree was a large community event fashioned by Council working with the P&C Association. The park was decorated like a winter wonderland with the Christmas tree lit with fairy lights and even a sleigh. The children kicked off the event with a concert, then Santa arrived to hand out gifts in the park. The evening concluded with a fantastic fireworks display, dinner and entertainment in the Shire Hall.



Carols by Glowstick

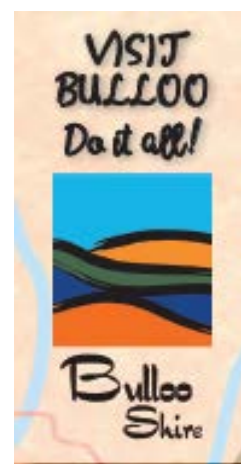
The Xmas Tree, reindeer and sleigh provided a wonderful backdrop and atmosphere for the Carols by Glowstick evening that was enjoyed by all who attended.



TOURISM

During the year the following visitors registered at the Visitor Information Centre and the Explorers Caravan Park:

- ❖ 5,856 visitors through the Visitor Information Centre
- ❖ 3,882 tourism visitors to the Explorers Caravan Park

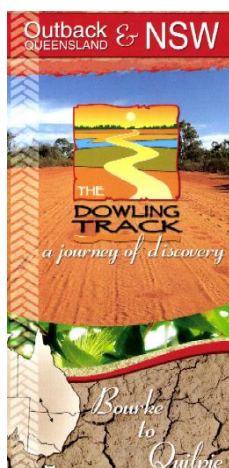


The Thargomindah Visitor Information Centre (VIC) provides information on road conditions, tourism attractions, tourism products and events within the Bulloo shire, and the greater Outback region. The Centre also stocks a variety of maps, brochures and tourism magazines.

The VIC staff are happy to provide visitors with advice on road conditions, where they can stay and eat, and what there is to see and do in town and the wider region.

Thargomindah Visitor Information Centre

| | |
|------------|--|
| In Person: | Echidna Place, 37 Dowling St, Thargomindah |
| Phone: | 07 4621 8095 |
| Email: | tourism@bulloo.qld.gov.au |
| Website: | www.visitbulloo.com.au |
| Facebook: | Visit Bulloo |



NATIONAL PARKS –

- ✓ Currawinya
- ✓ Bindegolly

HISTORIC HOTELS

- ✓ Hungerford
- ✓ Noccundra

STATION STAYS

- ✓ Kilcowera
- ✓ Epsilon

TOURISM EXPERIENCES

- ✓ Old Hospital
- ✓ Thargomindah Hyrdo
- ✓ Old Jail

CAMERON CORNER

(where the three States meet)

BURKE & WILLS DIG TREE

BIRD WATCHING

WALKING TRACKS

(Concrete Walking tracks
River Walk & tourism sites)



Natural Sciences Loop Road

STAFF SNAPSHOTS



WORK HEALTH & SAFETY

The Work Health & Safety Policy was adopted on 18 February 2019.

POLICY STATEMENT

The Bulloo Shire Council is committed to providing a safe and healthy working environment for our employees, contractors, volunteers and visitors to the workplace. Council is committed to promoting the provisions of the Work Health and Safety (WHS) and other Legislative requirements, associated Codes of Practice and Australian Standards, together with significant importance placed on hazard/risk management and injury prevention strategies.

Council's primary objective to WHS is to eliminate or reduce risk by developing proactive strategies, through consultation, cooperation, coordination and adopting a risk management approach to WHS in order to provide an injury/illness free workplace. We understand that creating and maintaining a safe and healthy working environment is a major part of our overall responsibilities, and that all employees, contractors, volunteers and visitors are responsible and accountable for the health and safety of both themselves, their colleagues and others around the workplace.

In conjunction with this policy, our Safety Management System will outline our Objectives, set Targets and identify achievable WHS key performance indicators which will be assigned to senior management, supervisors and where appropriate to workers. The WHS Plan will be reviewed and updated through actions identified in Quarterly Action Plans. Individual Safe Work Procedures, Guidelines and Standards have been prepared and issued in consultation with relevant employees and our WHS Committee. Council is committed to the distribution of WHS information to all workers and interested parties. Council is dedicated to maintaining a bronze level benchmark in the LGW external audit, with the progressive goal of achieving higher.

We expect all employees, contractors and visitors to our workplaces to follow safe work practices as prescribed under the Legislation, through our Safety Management System, Safety Policy and Safe Work Procedures, and that they make every effort to identify and where reasonably practicable, eliminate hazards or to reduce the risk of injury to themselves and others.

We will provide adequate resources, provide when required mandated and/or appropriate and regular training on WHS to all employees to enable us to manage and maintain a safe and healthy workplace. WHS is an important part of a workplace environment and we all have an obligation to ensure that we have a safe and healthy working environment and we encourage you to actively participate so that we may achieve our goal.

Lew Rojahn
Chief Executive Officer

Date: 18/02/2019

BULLOO SHIRE PLANNING SCHEME

In accordance with the *Planning Act 2016* on 22 January 2019 Bulloo Shire Council adopted the Bulloo Shire Planning Scheme.

The Bulloo Shire Planning Scheme commenced on **1 February 2019**.

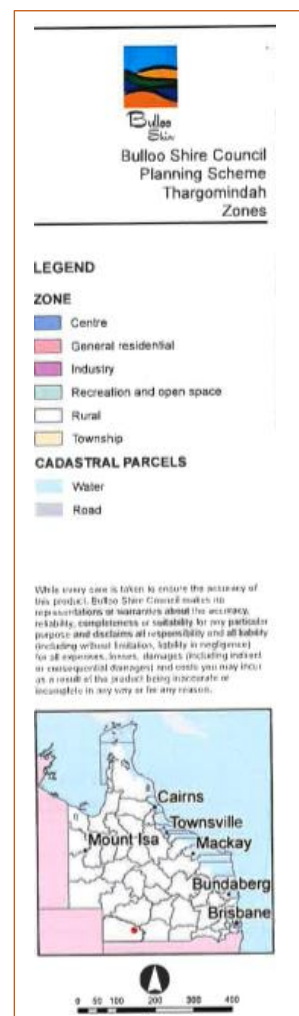
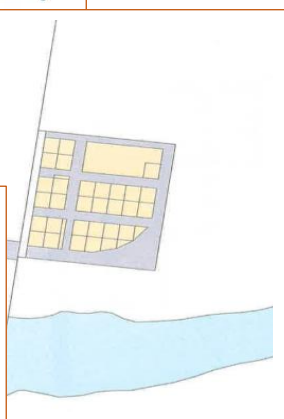
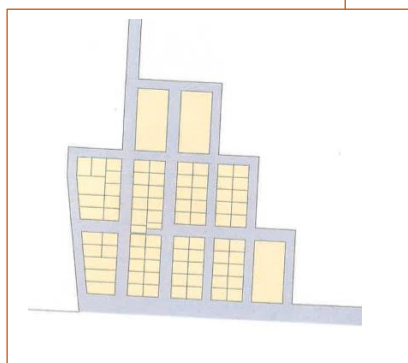
(The Bulloo Shire Planning Scheme replaced the Bulloo Shire Planning Scheme 2006).

The purpose and general effect of the Bulloo Shire Planning Scheme is to support the development within the local government area of Bulloo Shire.

A copy of the Bulloo Shire Planning Scheme may be inspected and/or purchased at Council's Administration Office. By visiting Council's website you are able to view the Scheme online and download a copy.

Bulloo Shire Council
68 Dowling Street
Thargomindah Qld 4492

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



CUSTOMER SERVICE CHARTER

The Customer Service Charter describes our commitment to you our customer and sets out the standards of service you can expect from us. It also outlines what you can do to help us deliver a more effective, efficient service and informs you of the steps you can take should that service fail to meet your expectations.

OUR SERVICE COMMITMENT TO YOU

To create and maintain a customer service culture throughout the organisation that ensures the delivery of consistent and quality customer focused services whereby our customers are dealt with promptly, courteously, efficiently and effectively at all times.

WHAT YOU, OUR CUSTOMER, CAN EXPECT?

- Friendly, courteous, respectful, honest and ethical high quality service
- Your needs to be listened to and responded
- Staff who are trained to provide a full range of information on Council services
- Assistance to find solutions to problems
- Provision of a reference service to an identified contact point if we are unable to provide the service you need

WHAT DO WE ASK FOR?

- To treat our staff with courtesy and respect
- To respect the right of other customers
- To provide accurate and complete information
- Give us feedback on our service



OUR REQUEST AND COMPLAINTS SYSTEM

When you ring, write or email all information is entered into Council's Customer Request System (CRS). This system lets us track requests and complaints and allocate them to the correct area for action.

GENERAL PROCESS FOR COMPLAINTS HANDLING

The relevant Manager will organise a complaint response. The customer will be informed of the complaint processes and response timelines.

DISSATISFIED WITH OUR SERVICE

Sometimes service requests, or other correspondence, do not get a response with a timeline or other issues may arise. Please discuss your concerns with the person you have dealt with.

If you are still dissatisfied with the outcome please ask to be referred to the Manager of the Department, who will review the matter and respond within 5 working days of hearing from you.

If you are still dissatisfied with our service we will refer you to the most appropriate complaints body.

Unsatisfied customers may follow up by ringing the Queensland Ombudsman.

CORPORATE VALUES

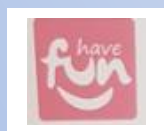
As an organisation we have adopted a set of values - developed by the people, for the people. We expect anyone who applies for a job with us to be aligned with these values.

COMMUNICATION

*We are H.O.T
Honest, Open and Two-way*



It is the transaction of ideas, thought, information, facts & values between council, staff & community.



FUN

*We laugh together
We work together*

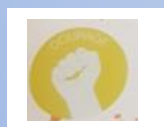
Work is only work if you make it so. In every job that must be done there is an element of fun.

POTENTIAL

We encourage growth



Giving everyone a chance to reach their full potential is the best work anyone can do.



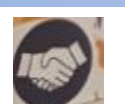
COURAGE

We plan to succeed

Excuses for failure are not documented. Fear is not present because no one ever works alone. Change is constant, growth is optional.

SAFETY

*We think, act and promote safety
Safety isn't a slogan it is a way of life.*



COMMITMENT

We are passionate & engaged

Commitment ignites our actions and drives our performance. It fuels our passion for a job well done.

Elected Representatives

Councillors

Bulloo Shire Council has five elected representatives who are responsible for formulating Council Policies, Corporate Plan and Operational Plan, and making decisions to achieve the Council's goals.

The Bulloo Shire is undivided for electoral purposes. Each Councillor represents the overall public interest of the entire region. The Mayor and Councillors are elected by all voters within the Bulloo Shire. Elections were held on 19 March 2016, with the following Councillors being elected:

Mayor: John C. S. Ferguson
Deputy Mayor: Jonathon Cobb
Councillors: Donna Humphris
Shirley Girdler
Alison Petty

Meetings Attended

Section 186(c) of the Local Government Regulation 2012

| | Ordinary Meetings | Special Meetings | Other (No. of Days) |
|----------------------------|-------------------|------------------|---------------------|
| Total meetings held | 12 | 2 | |
| J. C. S. Ferguson | 11 | 2 | 54 |
| J. Cobb | 12 | 2 | 9 |
| D. M. Humphris | 12 | 2 | 22 |
| S. E. Girdler | 12 | 2 | 28 |
| A. Petty | 12 | 2 | 26 |



Remuneration

Remuneration Paid to Each Councillor

Section 186(a) of the Local Government Regulation 2012

Council is required to report on details relating to the total remuneration paid to each Councillor during the year. This includes the total superannuation contributions paid during the year for each Councillor, and the expenses incurred by Councillors, and the facilities provided to each Councillor during the year under the Council's reimbursement and expenses policy.

| | Total Remuneration | Superannuation Contributions | Professional Development |
|-------------------|-----------------------|---------------------------------|-----------------------------|
| J. C. S. Ferguson | \$103,918.00 | \$0 | \$0 |
| J. Cobb | \$59,952.00 | \$0 | \$530.00 |
| D. M. Humphris | \$51,958.00 | \$0 | \$4,463.11 |
| S. E. Girdler | \$51,958.00 | \$0 | \$3,732.35 |
| A. Petty | \$51,958.04 | \$0 | \$7,117.27 |
| Total | \$319,744.04 | \$0 | \$15,842.73 |

Expenses and Facilities Provided to Each Councillor

Section 186(b) of the Local Government Regulation 2012

| | Expenses Incurred | Description | Facilities provided |
|-------------------|----------------------------------|---|--|
| J. C. S. Ferguson | \$109.09 | Accommodation attend Silver City Highway Program meeting. | Mobile Phone, iPad, Use of Council car for Official business |
| J. Cobb | \$4,435.20 \$656.81 | Travel Expenses Accommodation Council Meetings | IPad, Use of Council car for Official business |
| D. M. Humphris | \$468.01 | Accommodation Diploma of Local Government | IPad, Use of Council car for Official business |
| S. E. Girdler | \$103.64 \$153.64 \$109.09 | Accommodation SWRED Meeting Uniforms Accommodation attend Silver City Highway Program meeting | IPad, Use of Council car for Official business |
| A. Petty | \$1,302.36 | Accommodation Women in Leadership Summit | IPad, Use of Council car for Official business |
| Total | \$7,337.04 | | |

Reimbursement of Expenses and Provision of Facilities

Resolution under 250(1)

Council adopted the reviewed Councillors Expense Reimbursement Policy as presented on 20 February 2018. (Resolution No.2018/60) This policy is due for review in January 2020.

Councillor Misconduct

Local Government Act 2009, Sections 180(2), (4), 181, or 176C

Section 186(d), (e) and (f) of the Local Government Regulation 2012

| S180 Taking Disciplinary Action S181 Inappropriate Conduct | | |
|---|---|---------|
| LGR Section 186(d) | the total number of the following during the financial year (for the period 1 July 2018 to 3 December 2018) | 2018/19 |
| (i) | Orders and recommendations made under s180(2) or (4) of the Act | Nil |
| (ii) | Orders made under s181 of the Act | Nil |
| S180 Taking Disciplinary Action S181 Inappropriate Conduct | | |
| LGR Section 186(e) | each of the following during the financial year (for the period 1 July 2018 to 3 December 2018) | 2018/19 |
| (i) | The name of each Councillor for whom an order or recommendation was made under s180 of the Act or an order was made under s181 of the Act | Nil |
| (ii) | A description of the misconduct or inappropriate conduct engaged in by each Councillor | Nil |
| (iii) | A summary of the order or recommendation made for each Councillor | Nil |
| S176C Action after preliminary assessments | | |
| LGR Section 186(f) | the number of each of the following during the financial year (for the period 1 July 2018 to 3 December 2018) | 2018/19 |
| (i) | Complaints about the conduct or performance of Councillors for which no further action was taken under s176C(2) of the Act | Nil |
| (ii) | Complaints referred to the department's Chief Executive under s176C(3)(a)(i) of the Act | Nil |
| (iii) | Complaints referred to the Mayor under s176C(3)(a)(ii) or (b)(i) of the Act | Nil |
| (iv) | Complaints referred to the department's Chief Executive under s176C(4)(a) of the Act | Nil |
| (v) | Complaints assessed by the Chief Executive Officer as being about corrupt conduct under the Crime and Corruption Act | Nil |
| (vi) | Complaints heard by a regional review panel | Nil |
| (vii) | Complaints heard by the tribunal | Nil |
| (viii) | Complaints to which s176C(6) of the Act applied | Nil |

**Local Government Act 2009, Sections 150I, 150AH, 150AR, 150P, 150R, 150S & 150W
Section 186(d), (e) and (f) of the Local Government Regulation 2012**

| s150I, 150AH-Orders Made by the Chairperson for Unsuitable Meeting Conduct s 150AR -Decisions, orders and Recommendations made by the Councillor Conduct Tribunal | | |
|---|---|----------------|
| LGR Section 186(d) | the total number of the following during the financial year (for the period 4 December 2018 to 30 June 2019) | 2018/19 |
| (i) | Orders made under s150I(2) of the Act | Nil |
| (ii) | Orders made under s150AH of the Act | Nil |
| (iii) | Decisions, orders and recommendations made under s150AR(1) of the Act | Nil |
| s150I, 150AH, 150AR-The name of Councillors who are subject to decisions, orders or recommendations for unsuitable meeting conduct, inappropriate conduct and misconduct | | |
| LGR Section 186(e) | each of the following during the financial year (for the period 4 December 2018 to 30 June 2019) | 2018/19 |
| (i) | The name of each Councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made | Nil |
| (ii) | A description of the unsuitable meeting conduct, inappropriate conduct misconduct engaged in by each of the Councillors | Nil |
| (iii) | A summary of the decision, order or recommendation made for each Councillor | Nil |
| s150P, 150R, 150S, 150W- Complaints referred and notifications to the Independent Assessor or the Crime and Corruption Commission (CCC) | | |
| LGR Section 186(f) | the number of each of the following during the financial year (for the period 4 December 2018 to 30 June 2019) | 2018/19 |
| (i) | Complaints referred to the assessor under section 150P(2)(a) of the Act by local government entities for the local government | Nil |
| (ii) | Matters, mentioned in section 150P(3) of the Act by local government entities for the local government | Nil |
| (iii) | Notices given under section 150R(2) of the Act | Nil |
| (iv) | Notices given under section 150S(2)(a) of the act | Nil |
| (v) | Decisions made under section 150W(a), (b) and (d) of the Act | Nil |
| (vi) | Referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act | Nil |
| (vii) | Occasions information was given under section 150AF(4)(a) of the Act | Nil |
| (viii) | Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a councillor | Nil |
| (ix) | Applications heard by the conduct tribunal about the alleged misconduct of a councillor | Nil |

Statutory Information

Overseas Travel

Section 188 of the Local Government Regulation 2012

There was no overseas travel undertaken by a councillor or local government employee in an official capacity during the financial year.

Remuneration of Senior Management

Section 201(1)(a) and s201(1)(b) Local Government Act 2009

The total of all remuneration packages payable in 2018/19 to the senior management of the Council was \$1,388,521.

| Band | Number of employees |
|------------------------|---------------------|
| Under \$100,000 | 2 |
| \$100,000 to \$200,000 | 7 |
| \$200,000 to \$300,000 | 0 |

Expenditure on Grants to Community Organisations

Section 189 (a) (b) of the Local Government Regulation 2012

The Council made grants and provided assistance totalling \$185,759 during the year.

There were no Council discretionary funds provided during the year.

| Organisation | Purpose | Amount |
|-----------------------------------|--|-----------|
| Thargomindah Middle School | Contribution to Middle School | \$ 58,166 |
| Thargomindah Middle School | Homework Club & Operating Costs | \$ 10,482 |
| Thargomindah State Primary School | Contribution for Additional Teacher | \$ 31,500 |
| Thargo Gymkhana/Motorbike Sports | Labour & Plant assistance | \$ 4,483 |
| Hungerford Field Day | Labour assistance | \$ 352 |
| Noccundra Sports Day | Labour & Plant assistance | \$ 2,209 |
| Thargomindah P & C | Labour assistance | \$ 143 |
| Drought Busters | Labour & Plant assistance to Hay Run | \$ 46,412 |
| Paroo Shire Council | Donation – Mayors Bull Ride Challenge | \$ 136 |
| Channel Country Challenge | Grant | \$ 7,000 |
| Thargomindah Sporting Inc | Grant to Motorbike Gymkhana | \$ 10,500 |
| Thargomindah P & C Association | Donation towards Golf Day | \$ 250 |
| Hungerford Medical Centre | Pest Control, Aircon Main., Elec., Grounds Maintenance, Cleaning | \$ 4,456 |
| SES | Operating Expenses & Training – (Thargo) | \$ 6,335 |
| SES | Operating Expenses – Hungerford | \$ 1,582 |
| SES | Operating Expenses – Noccundra | \$ 220 |
| Thargomindah Fire Brigade | Operating Exp (Pest Control & electricity) | \$ 1,533 |

Identify Significant Business Activities

Section 45 of the Local Government Act 2009

The Council has no business activities within the meaning of the legislation. It has no activities to which Corporatisation, Commercialisation, or Full Cost Pricing is applicable.

Investigation Notices for Competitive Neutrality Complaints

Section 190(1)(i) and (j) of the Local Government Regulation 2012

There were no investigation notices given in the financial year under Section 49 of the Local Government Regulation 2012.

As such, there were no responses required from Council in the financial year relating to QCA recommendations on Competitive Neutrality complaints under Section 52(3) of the Local Government Regulation 2012.

Identify Beneficial Enterprises

Section 41 of the Local Government Act 2009

NIL

Annual Operations Report for Each Commercial Business Unit

Section 190(1)(c) of the Local Government Regulation 2012

There were no commercial business units to report for the 2018/2019 financial year.

Conducting a Joint Government Activity

Section 190(1)(d) of the Local Government Regulation 2012

There was no action taken for or expenditure on a service, facility or activity that was supplied by another local government under an agreement for conducting a joint government activity for which the local government levied special rates or charges for the financial year.

Contracts and Tendering

Invitations to change tenders under Act s 228(7)

Section 190(1)(e) of the Local Government Regulation 2012

The Council issued no invitations to change tenders during the year.

List of Registers & Public Documents

Section 190(1)(f) of the Local Government Regulation 2012

The Chief Executive Officer holds the following registers. Except where otherwise indicated they are open to inspection at the Council Administration Centre.

| Register | Legislative Provision | Notes |
|--|-------------------------|---|
| Local Law Register | s.31 LGA2009 | |
| Roads Register | s.74 LGA2009 | |
| Register of Cost-recovery Fees | s.98 LGA2009 | Register of fees and charges |
| Delegations Register | s.260 LGA2009 | Delegations by Council to CEO and delegations by CEO |
| Registers of Interests CEO and Related Persons | s.289 Reg2012 | Kept by Mayor, not open to public inspection. |
| Registers of Interests of Councillors | s.289 Reg2012 | Written application to inspect register is required. |
| Registers of Interests of senior contract employees | s.289 Reg2012 | Not open to public inspection |
| Registers of Interests of Related Persons of Councillors and senior contract employees | s.289 Reg2012 | Not open to public inspection |
| Register of Pre-qualified suppliers | s.232 Reg2012 | |
| Register of Business Activities to which the Competitive Neutrality Principle applies | s.56 Reg 2012 | The Council has no business activities within the meaning of the legislation. It has no activities to which Corporatisation, Commercialisation, or Full Cost Pricing is applicable. |
| Asset Register | s.104(5)(b)(ii) LGA2009 | |

Special Rates and Charges

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

Council did not make or levy any special rates or charges in the financial year.

Summary of Concessions for Rates and Charges

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

The council provided concessions to 11 pensioners equalling the State contribution of 20% of the rates and charges, capped at \$200.00.

Internal Audit Report

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

During this sixth year of the internal audit function, the following audits were undertaken, and reports, including findings and recommendations, were submitted to the Audit Committee for review. The Audit Committee which includes two Councillors, and one external member oversees the function of Internal Audit and forwards approved recommendations to Council for consideration and resolution.

Internal Audit Reports covered:

1. FBT – Staff Housing Rent to Buy Sales – ongoing matter with departmental negotiations
2. Oversight of asset revaluation process
3. Commencement of procurement review
4. Overview of the Annual Financial Statements 2018/19
5. Shell Financial Statements 2018/19

The Internal Audit Committee continues to meet on a regular basis and assist Council in fulfilling its corporate governance role and oversight responsibilities in relation to accounting and reporting practices.

In terms looking forward, Council's Internal Audit function will be carrying out the items listed in the 2019/20 Audit Plan, which includes Assets – Revaluations, Purchasing & Procurement, Stores & Workshop, Fringe Benefits Tax – as needed, Workflow Planning.



EEO Activities

Equal Employment Opportunity (EEO) is the right of individual workers to fair and unbiased conduct, practices and decisions in employment related activities.

Council's current plan focuses on four main target groups as an integral part of its management practices.

The four target groups are

- Aboriginal and Torres Strait Islander people;
- People of non-English speaking background;
- People with a disability; and
- Women

The Bulloo Shire Council is committed to an EEO Policy which is aimed at ensuring all employees and applicants for employment are treated fairly and that selection and promotion are based only on factors relevant to the job, such as skills, qualifications, abilities and aptitude.

EEO Statistics

The following data is based on an assessment of employee records by Council staff with relevant local knowledge and understanding of those employees that identify with the relevant target groups.

Number of employees by target group

| | Target Group Summary | | | Target Group as a Percentage of Total workforce | | |
|-------------------------------------|----------------------|-----------|-----------|---|-----------|-----------|
| | 2016/2017 | 2017/2018 | 2018/2019 | 2016/2017 | 2017/2018 | 2018/2019 |
| Aboriginal & Torres Strait Islander | 13 | 10 | 14 | 18.31% | 16.13% | 20.28% |
| Non-English speaking | 2 | 2 | 2 | 2.82% | 3.22% | 2.89% |
| Disability | - | - | 1 | - | - | 1.44% |
| Women | 34 | 27 | 27 | 47.89% | 43.55% | 39.13% |
| Total employees at year end | 71 | 62 | 69 | | | |
| Total employees during year | 88 | 81 | 77 | | | |
| Employee turnover rate | 24.87 | 28.57 | 28.35 | | | |

Staff numbers by classification and gender

| | | Total | Men | Women |
|--------------------|-----------------------------|-----------|-----------|-----------|
| Internal Staff | Senior Management | 8 | 3 | 5 |
| | Level 7-8 | 2 | 2 | 0 |
| | Level 4-6 | 10 | 5 | 5 |
| | Level 1-3 | 13 | 1 | 12 |
| | Total Internal Staff | 33 | 11 | 22 |
| External Staff | Supervisors | 5 | 4 | 1 |
| | Level 7-9 | 6 | 6 | 0 |
| | Level 4-6 | 20 | 18 | 2 |
| | Level 1-3 | 5 | 0 | 5 |
| | Total External Staff | 36 | 28 | 8 |
| Total Staff | | 69 | 39 | 30 |

Code of Conduct

Bulloo Shire Council has implemented a Code of Conduct in line with the Public Sector Ethics Act 1994 ethics, principles and values. The code has been developed to promote ethics and integrity within Council and provides a framework for ethical behaviour, duties and decisions. Contractors and consultants are also bound by this code whilst undertaking work for Council. All Council employees are given access to appropriate education and training on the codes and its content, as well as their rights and obligations in relation to contraventions of the code.



Administrative Action Complaints

Section 187 of the Local Government Regulation 2012

Statement of commitment to dealing fairly

The complaints process is established with the following objectives:

- The fair, efficient and consistent treatment of complaints about decisions and other administrative actions of the council and complaints about minor breaches.
- A complaints process that is easy to understand and is readily accessible to all.
- Detection and rectification, where appropriate, of administrative errors.
- Identification of areas for improvement in the council's administrative practices.
- Increase in awareness of the complaints process for the council's staff and the community.
- Enhancement of the community's confidence in the complaints process and of the reputation of the council as being accountable and transparent.
- Building the capacity of staff to effectively manage complaints in an environment of continuous improvement.

How the complaints management process is implemented

The Council has a formal complaints management process. Details are on the website and can be obtained from the Council Administration Centre.

Assessment of performance in dealing with complaints

No administrative action complaints were received during the year.

Number of complaints, number resolved, number not resolved and number not resolved made in prior years

| | |
|---|-----|
| Number of complaints received in the year | Nil |
| Number resolved in the year | Nil |
| Number not resolved at end of year | Nil |
| Number made in prior years and still unresolved | Nil |

Implementation of Long Term Plans

Council continues to report periodically on the implementation of its Corporate Plan and Operational Plan. Built on a quadruple bottom line approach, Council's Corporate Plan and the Operational Plan ensures that Council's strategies are actioned at an operational level.



Performance Report

Section 190(1)(a) of the Local Government Regulation 2012

| | |
|--------------|---|
| Achieved | ✓ |
| Ongoing | → |
| Not Achieved | X |

| Natural Environment | | |
|---|---|---|
| Key Result Area: | Ecological Sustainability | |
| 1.1 Develop innovative strategies as part of major projects to improve eco/enviro outcomes | Partner with other government departments and organisation to improve eco/enviro outcomes and contribute to better environmental management <ul style="list-style-type: none"> Investigate options that encourage the use of renewable or green energy solutions. <i>E.g. Geothermal Plant, Solar Farm</i> | → |
| 1.5 Support initiatives that encourage the use of renewable or green energy technologies | Continue to coordinate the following: <ul style="list-style-type: none"> National Tree Planting Day National Drum Muster Clean Up Australia Day Annual Bulk Waste Collection | → |
| | Reduce amount of paper tonnage to landfill Execute a "Paperless Office" to drive operational efficiency, automate heretofore manual business processes, reduce costs and promote environmental awareness goals | → |
| Key Result Area: | Natural Resources & Landscapes | |
| 1.8 Partner with other local governments and NRM Groups to develop a regional approach to pest management | Support joint pest management initiatives with other shires in the region <ul style="list-style-type: none"> Regional Firearms Training in Thargomindah (Bulloo, Paroo & Quilpie shires) SRLOG Meeting in Pittsworth Feral Cat monitoring project DAFF and NPWS | ✓ |
| | Joint initiative for carp signage with DAFF underway | → |
| | Liaise with Desert Channels in relation to pest management issues and initiatives | ✓ |
| 1.6 Implement Council's Biodiversity (Pest Management) Plan | 2016-2020 BSC Pest Management Plan Priority Programs – Pest & Weed Animals | ✓ |
| | Assist landholders with wild dog management techniques and emerging technology i.e. education sessions, CPEs | ✓ |
| | Participate in Regional Wild Dog Meetings | ✓ |

| | | |
|--|--|--------|
| | Continue to support and coordinate the Pest Management Advisory Committee | ✓ |
| | <ul style="list-style-type: none"> ➤ Deliver wild dog & pig management program in line with policy including aerial baiting campaigns. • Continue to source funding for pest management activities | ✓ |
| Implement programs to reduce weed infestation in Shire by mapping, working with Landholders and other government agencies | Participate in southern rural lands officer meetings | ✓ |
| | Deliver High Priority Weed management program in line with 2016-2020 BSC Pest Management Plan | ✓ |
| | Implement programs to reduce weed infestation in the Shire by mapping, working with landholders and other government agencies. | ✓ |
| 1.9 Support public awareness programs and strategies for pest and weeds | <ul style="list-style-type: none"> • Educate & promote control of wild dogs within Bulloo Shire • Attend the 2019 Hungerford Field Day | ✓ |
| | <ul style="list-style-type: none"> ➤ Publication of Rural Newsletter insert as part of strategic communications ➤ Encourage land landholders to provide articles for inclusion in publication ➤ Awareness articles in monthly community newsletter and on website | ✓ |
| Key Result Area: | Conservation and Heritage | |
| 1.12 Partner with government bodies and conversation and heritage groups to preserve and promote the cultural and built heritage of the Bulloo Shire | Develop a brief/proposal for a conservation management plan Seek funding to develop a conservation management plan for the Thargo Hospital <ul style="list-style-type: none"> ➤ Funding Application submitted | ✓ → |
| 1.14 Develop relevant conversation management plans for key assets e.g. Thargomindah Hospital | Once developed implement the management plan in accordance with councils budget | → |
| 1.13 Continue to partner with the Royal Historical Society of Queensland to conserve and promote the Dig Tree National Heritage asset | Manage Trust Account on behalf of Royal Historical Society of Queensland <ul style="list-style-type: none"> ➤ Quarterly reports submitted to RHSQ | ✓ |
| Growth to support a strong and diverse Economy | | |
| Key Result Area: | Robust Economy | |
| 2.1 Partner with local business/industry and other local governments to form a business development group | <ul style="list-style-type: none"> ➤ Meet regularly with Shires in the SW to cross promote and explore opportunities ➤ Support RDA membership ➤ Support SWRED membership | ✓ |

| | | |
|--|--|---|
| | <ul style="list-style-type: none"> ➤ Implement cross border agreements to support and promote local businesses and maximise tourism visitation ➤ Meet bi-annually to progress tourism and economic initiatives | ✓ |
| | Existing App updated to promote local business | ✓ |
| | Collate statistics & data on customer service surveys | → |
| | <ul style="list-style-type: none"> ➤ Provide opportunities for tourism stakeholders for customer service knowledge and skill development training to stay abreast of customer needs. ➤ Provide information to all businesses on visitor needs with regard to customer service, hours of operation, based on data and feedback. | ✓ |
| | Provide the resources & support for local business to commit to gathering data and statistics on overnight stay & spend | ✓ |
| 2.2 Continue to facilitate local purchasing to support viable enterprises | <ul style="list-style-type: none"> ➤ Deliver a 2yr (bi-ennial) pre-qualified programs ➤ Facilitate local purchasing through pre-qualified suppliers | ✓ |
| Key Result Area: | Grow Innovation in all Sectors | |
| 2.3 Identify and implement local and regional initiatives to capitalise on the environmental and economic potential of the local government area through platforms such as Regional Innovation Hub, SWRED. | Participate in council forums/bodies that support regional economic development – continue to support SWRED and other bodies | ✓ |
| | Grow demand from International Visitors – develop Natural Sciences Loop Package and itinerary | → |
| | Continue development and completion of existing tourism assets to provide the base for tourism activities | ✓ |
| | Develop an EDS that provides a range on initiatives to capitalise on environment and economic potential in the region. | X |
| Key Result Area: | Population Growth | |
| 2.7 Ensure there is aligned residential zoning through our planning instruments to support further growth | Adopt a new Bulloo Shire Planning Scheme that supports growth, renewables, commercial development and higher population density | ✓ |
| | Audit essential infrastructure to determine its capacity to support development. | ✓ |
| | Effectively manage development assessments and building approvals to manage Das & Building approvals in line with Councils service standards | ✓ |
| | Develop and implement an Economic Development Strategy that support growth | → |

| Key Result Area: | | Grow Revenue for All | | |
|--|--|--|---|--|
| 2.12 Continue to support local purchasing and investment strategies program | Continue to facilitate local purchasing to support viable enterprises | ➤ Deliver a 2yr (bi-ennial) pre-qualified programs | ➤ Facilitate local purchasing through pre-qualified suppliers | ➔ |
| | | ➤ Develop and co-ordinate bi-ennial pre-qualified tender | ➤ Annual forum with local business for feedback | ➤ Collaborate with SWRED & RDA around business opportunities |
| 2.13 Facilitate increased training and development for businesses through State Development | Promote State Development business program with local community | | | ✓ |
| Key Result Area: | | Grow Community Partnerships | | |
| 2.14 Develop partnership arrangements and agreements that support increased collaboration across the community and council | ➤ Provide secretarial support to the Progress Association | | | ✓ |
| | • Form a working group with local businesses to develop strategies to promote local events and business houses including utilisation of technology and encourage families to move to the area. | | | ➔ |
| 2.15 Provide financial assistance grants to community organisations to support them in undertaking community events/activities | Community organisations and events supported through the delivery of a community grants program including inkind support | | | ✓ |
| | ➤ Advertise financial assistance grant twice annually for community events/activities – March & September | | | |
| Key Result Area: | | Awareness of our region and assets especially tourism | | |
| 2.22 Maintain investments in related tourism bodies and alliances e.g. OQTA, Bourke Shire MOU | Review Membership of Adventure Way in relation to value for money expenditure | | | ✓ |
| | ➤ Collaborate with other local government tourism officers, RTO's and VIC's to cross promote the south west | | | |
| | ➤ Update Great Southern Website | | | |
| 2.23 Develop a BSC Tourism Strategy aligned with SWRED, OQTA and Outback Corner | Develop Tourism Strategy for endorsement | | | ✓ |
| 2.24 Partner with other local governments and industry bodies to develop a sustainable tourism industry | Implement cross border agreements to support and promote local businesses and maximise tourism visitation – MOU with Bourke Shire and QPWS | | | ✓ |

| | | |
|--|---|---|
| | Assist in the promotion of local eco-tourism businesses | ✓ |
| | ➤ Cooperate with State Government to develop and promote access to National Parks – especially Lake Currawinya and Lake Bindegolly | |
| | ➤ Cross promote eco tourism activities on the Visit Bulloo Facebook page | |
| | ➤ Promote Kilcowera Station packages online and in print | |
| | Develop survey / statistics to identify number of visitors aware of Natural Sciences Loop | ✓ |
| | Promote the Visitor Information Centre as a key element driving economic development (promote tourism attraction, product and events within the Bulloo Shire) | ✓ |
| | Grow tourism and visitation numbers by 10% per annum from 2018 to 2020 | → |
| | VIC to develop a community program of events that signifies the Bulloo Region as an authentic outback destination | ✓ |
| | Provide opportunities for tourism stakeholders for customer service knowledge and skill development training to stay abreast of customer needs. | → |
| | Tourism promotion through attending events i.e. Hungerford Field Day, Music in the Mulga | ✓ |
| Community Spirit & Well-being | | |
| Key Result Area: | Strong Communities | |
| 3.1 Foster the unique sense of community that defines Bulloo Sire for both residents and visitors | Continue publication and distribution of Community newsletter and consolidate different aspects businesses and landholders | ✓ |
| | Continue to produce & host video content that promotes community | ✓ |
| | Develop and implement a Strategic Communications Strategy to support a range of objectives | → |
| | ➤ Support community and businesses with value and activities | ✓ |
| | ➤ Facilitate/deliver movie nights in conjunction with Blue Light Association & local Qld Police | |
| | ➤ Facilitate movie nights in the ECP caravan park | |
| | ➤ Promote availability of jumping castle for local events | |

| | | |
|--|---|---|
| 3.2 Decision making processes provide equitable access and actively engage with residents to ensure they participate and contribute to decisions made in their community | Develop village plans for each remote community | X |
| | Annual consultations are conducted communities and businesses within the identified localities – Hungerford, Noccundra, and Cameron Corner | ✓ |
| 3.3 Options support a diverse range of opportunities and activities for residents to participate in local community activities and foster common citizenship | Deliver celebratory events (i.e. Australia Day, ANZAC Day, Seniors Week, Qld Week, Hungerford Remembrance Day, Guest Speaker breakfasts) | ✓ |
| 3.4 Ways to connect are fostered and supported through a range of strategies including community grants for events | Community organisations and events supported through the delivery of a community grants program including inkind support | ✓ |
| Key Result Area: | A Safe Community | |
| 3.5 Ensure that the design, management and maintenance of public places, parks, and open spaces focuses on community safety as a priority | Ensure maintenance and repairs of public places are carried out on a regular and timely basis and include - lawns mowed, gardens maintained, playgrounds inspected | ✓ |
| | Footpaths and nature strips regularly maintained and kept clean and tidy | ✓ |
| | Monthly visual inspections of town streets, footpaths and nature strips within the towns of Thargomindah and Hungerford | ✓ |
| | Maintain infrastructure for Hungerford in a manner which reflects community priorities and standards | ✓ |
| | Maintain good amenity for Thargomindah's main street including streets, footpath and nature strip including streetscape | ✓ |
| | Annual inspection of playground equipment within the shire to ensure compliance with WH&S | ✓ |
| | Ensure all necessary maintenance and repairs are carried out in a timely manner to playground equipment ensuring all work is cost effective (weekly inspections) | ✓ |
| 3.6 Develop and maintain preparedness and response capabilities to ensure the community is able to withstand a wide variety of disasters that may affect the region | Support and coordinate the LDMG | ✓ |
| 3.7 Continue to deliver and support services that support health and safety across the region e.g. pest management, animal management, disaster preparedness | <ul style="list-style-type: none"> ➤ Deliver Public Health Program ➤ Deliver Animal Control Management Program ➤ Deliver Pest Management Program | ✓ |

| | | |
|--|--|---|
| | Animal related nuisance is minimised through proactive control measures <ul style="list-style-type: none"> ○ Deliver annual animal inspection program ○ Review bylaws and fees for animal registrations ○ Facilitate a vet to deliver a microchipping program | ✓ |
| | The impact of periodic mosquito infestations are mitigated through appropriate vector control measures <ul style="list-style-type: none"> ○ Deliver mosquito spraying program as required | ✓ |
| 3.8 Community environmental health is secured through ensuring compliance standards are maintained. | Deliver annual EHO inspection program | ✓ |
| Key Result Area: | Healthy Community | |
| 3.9 Residents have equitable access to a range of quality health and emergency services that meet the needs of the lifestyle and are in accordance with community expectations | Continue to liaise and brief government and other health organisations in order to improve service delivery to Bulloo Shire residents | ✓ |
| | Continue to support additional clinic in conjunction with the Dept. of Health | ✓ |
| | Provide support & advocacy for community members accessing Aged Care in home services <ul style="list-style-type: none"> ➤ Liaise with government departments and advocate for the reduction in red tape ➤ Liaise with Thargomindah Outpatients Centre in relation to community need and service delivery gaps | ✓ |
| 3.10 Promote healthy lifestyles, specifically with young people, that include keeping fit and active and involved in physical activities such as walking, cycling and organised sporting activities | The Riverwalk is promoted and effectively utilised <ul style="list-style-type: none"> ➤ Walking groups, activities are promoted ➤ Guided river walk is developed | ✓ |
| | Deliver and actively market programs and activities that encourage healthy lifestyles Sport & Rec programs – summer and winter timetables | ✓ |
| 3.12 Programs that support healthy lifestyle are actively pursued and encouraged | Provide the community with linkages to Primary Health Care Services | ✓ |
| | Deliver annual pool season and supervisions as part of Sport & Rec Summer Program | ✓ |
| Key Result Area: | Effective Disaster Management | |
| 3.13 Ensure Disaster Management Plan is reviewed and updated annually | Disaster Management Plan reviewed | ✓ |
| 3.14 Continue regular Local Disaster Management Group Meetings to maintain communication and co-ordination of emergency service providers | LDMG meet twice a year | ✓ |

| Infrastructure and Services | | | |
|--|--|--------------------------|---|
| Key Result Area: | | Community Infrastructure | |
| 4.1 Infrastructure is delivered in accordance with the BSC Strategic Plan and in a manner that reflects community priorities | Community Hall facilities meet the needs of the community | | ✓ |
| | Provide sustainable and well maintained facilities that meet committee needs in line with Council's budget | | ✓ |
| | Support community group funding applications for facilities and equipment | | ✓ |
| | Grow library services and programs to ensure that the library is a well utilised community hub <ol style="list-style-type: none"> 1. Delivery a library service as per state library agreement and in line with Council's budget 2. Continue subscription services 3. Playgroup supported 4. Deliver school holiday programs | | ✓ |
| 4.2 Infrastructure is maintained and upgraded in accordance with the needs of the community | <ul style="list-style-type: none"> ➤ Update valuations in 2018/19 ➤ Review condition assessments and finalise review of Asset Management Plans to ensure maintenance and renewal allocations are adequate ➤ Investigate feasibility of updating manual signage to digital for community events & road conditions | | → |
| | Provide well maintained and liveable staff housing as part of Employer of Choice options to retain key staff | | ✓ |
| | Provision of community housing to allow residents to have access to affordable housing | | ✓ |
| | Maintain the cemetery reserve in line with community needs and expectations | | → |
| | Liaise with DNRM on outstanding land matters in the Hungerford township | | → |
| 4.2 Infrastructure is maintained and upgraded in accordance with the needs of the community | Development of management plan in consultation with local sporting clubs and community organisations to identify improvements and upgrades to recreational facilities | | ✓ |
| 4.4 Ensure that residents have opportunities for engagement and input into the renewal of infrastructure and levels of service | | | |

| Key Result Area: | Social Services | |
|---|---|--|
| 4.5 Residents across the Shire have access to range of quality education facilities, aged care and child care services | Provide financial support for 2 nd teacher at Thargomindah State School School has appropriate staff resources to provide education services in line with community expectations | ✓ |
| | Provide financial support for distance education teacher and facility Distance Education facility has appropriate resources to provide education services in line with community expectations | ✓ |
| | Innovation partnership (coding workshops) with library and school is in place and active | ✓ |
| | Continue to support secondary and primary education outcomes – homework club, teacher services, distance education, maintain high school services | ✓ |
| | Government support for child care services appropriate for rural remote communities ➤ Continue to lobby government to identify allowable childcare services ➤ Develop a remote childcare model to advance to government ➤ Facilitate a residential property for venue based child care, crèche and playgroup | ➔ |
| | 4.6 Residents across the Shire have access to appropriate telecommunications technologies in accordance with community needs | Continue to lobby government and telecommunications carriers for improved service coverage |
| Provide community radio services to town areas | | ✓ |
| Explore options for increased radio coverage especially for flood gauge network as part of disaster management data capture | | ✓ |
| Key Result Area: | Water Supply | |
| 4.8 Infrastructure provides a reliable, clean and safe supply for everyone across the region and in accordance with community needs | Testing is carried out in accordance with approved Drinking Water Quality Management Plan (DWQMP) Complete and lodge with relevant departments all necessary departments' associated collected data | ✓ |
| | Connection of second bore into town reticulation | ➔ |

| | | |
|---|--|---|
| | Upgrade Cooling Pond manifolds to reduce water temperature | ✓ |
| | Upgrade Hungerford Water supply to ensure adequate pressure and supply | ✓ |
| 4.9 Water management practices support strategic conservation measures including community, industry and business education campaigns to minimise demand | <p>Develop and maintain water management plans for town supplies for Thargomindah and Hungerford to ensure town water consumption is within State allocation by:</p> <ul style="list-style-type: none"> ➤ Analysis of existing data to ascertain current property consumption ➤ Installation of smart meters through Thargomindah with continual collection of data throughout 2017 and 2018 | → |
| Key Result Area: | Managing Waste | |
| 4.11 Identify and implement waste management initiatives that mitigate environmental harm | <p>Maintain and upgrade the current infrastructure associated with the wastewater collection, pumping, treatment and disposal –</p> <p>Review existing policies and procedure and existing</p> | → |
| | Ensure licensing requirements are met including reporting and inspection schedule | ✓ |
| | Maintain Waste Transfer and landfill to EPA standards | ✓ |
| 4.12 Continue to provide environmentally sustainable practices through the Regional Waste Management Strategy | <p>Carry out design and documentation for the upgrade to sewerage system to maximise operational efficiency and meet future development needs</p> | → |
| | Effective management of waste licensing – licensing requirements are met including reporting and inspection schedule | ✓ |
| | <p>Develop a Strategic Plan for Waste for the long term</p> <ul style="list-style-type: none"> ➤ Develop a long term Strategic Waste Management Plan 2019 – 2029 to ensure that long term options are in place including adequate management practices and resourcing ➤ Develop a resourcing strategy including cost benefit analysis to support the above | → |
| 4.13 Develop initiatives that support increased better waste management e.g. recycling | <ul style="list-style-type: none"> ➤ Review current waste collection and street sweeping program and procedures to ensure operational efficiency of existing program and the future needs of the community. ➤ Areas of review to include but not limited to the following: | → |

| | | |
|---|--|---|
| | <ul style="list-style-type: none"> ❖ green waste recycling; ❖ white goods, scrap metal recycling; ❖ hours of operation; ❖ land fill site security; ❖ commercial & industrial waste dumping; ❖ disposal of used tyres. | |
| Key Result Area: | Recreational Facilities and Open Space | |
| 4.14 Provide and promote a range of facilities that can accommodate a diverse range of sport and recreational activities | Identify and develop health and recreation opportunities that encourage inter-town competitions – Continue to support activities at the Golf Club | ✓ |
| Carry out service level reviews maximise operational efficiency and cost recovery | Carry out review on service levels, cost effectiveness and deliver a business case. <ul style="list-style-type: none"> ❖ Sport & Recreation ❖ Event Support ❖ Pest / RLO | → |
| | Facilitate working group with Council and committees/clubs and other stakeholders to ensure sporting and recreational facilities are delivered in a cost effective manner | → |
| | Develop sustainable service levels for parks and gardens across the Shire. Including service levels for lawn mowing, garden maintenance | ✓ |
| 4.15 Maximise the use of recreational services provided | <ul style="list-style-type: none"> ➤ Participate in Regional recreational services planning activities in conjunction with Dept. of S & R ➤ Capture data in relation to recreational services utilisation across facilities ➤ Liaise with local and regional sporting groups to identify & promote events & activities. <ul style="list-style-type: none"> ○ Participate in inter-town competitions ➤ Maintain annual licence for Magical Park for the sportsground ➤ Identify and develop health and recreation opportunities that encourage inter-town competitions | ✓ |
| | Liaise with local and regional sporting groups to identify & promote activities <ul style="list-style-type: none"> ➤ Deliver summer & winter sport and recreation programs ➤ Timetables implemented to provide maximum access for the community | |

| | | |
|--|---|-----------------|
| | <ul style="list-style-type: none"> ➤ Development of management plan in consultation with local sporting clubs and community organisations to identify improvements and upgrades to recreational facilities ➤ Explore feasibility of a 24hr Gym | ✓ |
| | Deliver annual pool season and supervision as part of sport and rec summer program in line with community needs | ✓ |
| Key Result Area: | Transport | |
| 4.16 Maintain an efficient and safe networks of roads in line with funding availability | Deliver Council's annual maintenance program | ✓ |
| | Delivery of Council's annual civil works program | ✓ |
| | Deliver R2R program | ✓ |
| | Deliver TMR Programs (TIDS, RMPC) to TMR requirements | ✓ |
| | Deliver approved activated flood program as per NDRRA contract | ✓ |
| 4.17 Provide and maintain aerodrome facilities that accommodate community and business needs | <ul style="list-style-type: none"> ➤ Increase fuel storage capacity ➤ Source funding for airport reseals in 2019 ➤ Source funding for airport fencing upgrade in 2019-20 | ➔ |
| | Ensure compliance with CASA requirements <ul style="list-style-type: none"> ➤ Carry out inspections of runway prior to arrival and departure of all commercial and RFDS flights ➤ Annual technical inspections ➤ Review Council's Airport Manual to ensure compliance requirements are met | ✓ ✓ ➔ |
| 4.18 Ensure that all stakeholders responsible for the delivery of transport work in partnership to plan for and construct an integrated network | Continue to support South West Regional Roads Transport Group (SWRRTG) – attend meetings Participate in Regional transport planning initiatives | ✓ |
| Excellence in Customer Service | | |
| Key Result Area: | Product Service & Delivery | |
| 5.2 Exploit functionality of Council's hardware and IT network to provide "e" products, services and information electronically to customers | Provide direct debit service for payment of rates and general debt | ✓ |
| | Maintain an active social media (Facebook) in accordance with <i>Council's Website and Social Media Policy (1.07.1)</i> for delivery of information | ✓ |

| | | |
|--|--|---|
| | Upgrade websites to new Jadu Platform in conjunction with LGAQ | → |
| | Website is maintained and up to date | ✓ |
| | Investigate Digitalisation Infrastructure to improve business processes | ✓ |
| 5.3 Develop and implement strategies that are responsive to our community and establish a customer focused organisational culture | All new administrative staff have customer service induction | ✓ |
| | Annual customer service update for all administration staff | ✓ |
| | Develop an online environment which facilitates the creation, sharing and exchange of information and ideas in virtual communities and networks | X |
| Key Result Area: Customer Service Culture | | |
| 5.4 Review the Customer Service Charter and Policies to assist customers build a level of expectation in line with Councils deliverables | Annual review of Customer Service Policy, Administrative Action Complaints Policy | ✓ |
| | <ul style="list-style-type: none"> Provide high quality customer service Resolve all complaints in accordance with customer service charter and customer service policy <ul style="list-style-type: none"> ➤ Level of customer service satisfaction measured by annual survey and number of complaints | ✓ |
| | Enhance the use of information and communication technologies and social media to inform and engage the community about Council services | ✓ |
| | Maintain Customer Service Charter & Standards | ✓ |
| | Ensure customer service policy (including complaints) is in place | ✓ |
| | Review administrative action complaints policy annually | ✓ |
| | Develop flowcharts and procedures for different of complaints and their treatment | ✓ |
| | <ul style="list-style-type: none"> ➤ All new administrative staff have customer service induction ➤ Mandatory customer service training every 3yrs | ✓ |
| | | |
| 5.5 Report on standards development within the Charter to ensure they are met | Number of Complaints/Requests reported monthly | ✓ |
| 5.6 Ensure the organisation is committed to the delivery of consistent and timely services to its customers through quality service standards | Flowcharts and procedures for different complaints and their treatment developed and is on Council website | ✓ |

| Strong Business Practices | | |
|---|---|---|
| Key Result Area: | Information Technology (IT) Systems and Processes | |
| 6.1 Implement effective information management strategies in order to tie together information requirements and tools and frameworks to control information flow and manage regulatory requirements | Develop ICT strategy to support internet connection & associated hardware | → |
| | Review ICT Systems and Processes | → |
| | Implement <i>Strategic Recordkeeping Implementation Plan January 2017</i> <ul style="list-style-type: none"> ➤ Deliver in house hands on practical training for MAGIQ <ul style="list-style-type: none"> ○ Basic training to all administrative staff ○ Advanced training for all nominated staff ○ Basic training to be included in induction | ✓ |
| | Investigations options for Virtual Server for remote backup of MAGIQ | ✓ |
| | Purchase Cloud system for MAGIQ backup | X |
| | Develop annual archiving procedure | ✓ |
| | Archiving process to be carried out | ✓ |
| | Archive Storage Facility in Administrative building to be made fireproof | → |
| | Offsite Storage | → |
| | <ul style="list-style-type: none"> ➤ Coordinate migration H & L Drive to Record Keeping System ➤ Staff engagement and support for migration | ✓ |
| | <ul style="list-style-type: none"> ➤ Ensure Work depot is functional, compliant with WHS standard and meets the needs of users <ul style="list-style-type: none"> ○ Implement the Mead Perry Change Management Plan ○ Maintain annual WHS work program ○ Maintain data as part of DeltaS ○ Review software systems that support the depot | → |
| | Review the potential for automated work flows and redesign mapping | → |
| Ensure Plant operations are compliant and efficient and plant activity meets productivity targets | Deliver budgeted plant schedule | ✓ |
| | Renew 10 year plan annually | ✓ |
| | Ensure plant is serviced in line with Councils capital works schedule | → |
| | Monitor productivity and utilisation returns monthly | → |
| | Investigate NHVR options | → |

| | | |
|--|---|---|
| 6.2 Upgrade Council's hardware and IT network | Develop ICT Strategy to support internet connection and associated hardware | → |
| | Investigate options to decommission Optic Fibre connection from old admin office | → |
| | Replace 3x Printers at VIC, Depot and Admin Centre | ✓ |
| | Maintain hardware and IT networks to meet business needs | ✓ |
| Key Result Area: | Procurement | |
| 6.4 Ensure that a robust local economy is supported through Pre-qualified procurement and local purchasing wherever possible and in line with VFM. <i>Ensure Councils procurement policy is able to meet council objectives in relation to local stimulus and transparency requirements</i> | <ul style="list-style-type: none"> ➤ Continue to deliver procurement activities in accordance with Council's (buy local policy) and promote Council procurement opportunities to local businesses ➤ Review Procurement Policy and Procedure | ✓ |
| 6.4 Ensure that a robust local economy is supported through Pre-qualified procurement and local purchasing wherever possible and in line with VFM. | Review Council's Pre-qualified procurement panel by tender | ✓ |
| | Review Council's Procurement contracts up for renewal and renew cycle of contracts for effectiveness & VFM. | ✓ |
| Key Result Area: | Service Delivery & Organisational Structure | |
| 6.5 Support continuing evaluation of organisational structure in line with BSC Strategic Plan. | <ul style="list-style-type: none"> ➤ Annual renew organisation structure in line with budget ➤ All positions reviewed as they become vacant. | ✓ |
| 6.6 Optimise service delivery through increased collaboration with other local Councils and organisations | <ul style="list-style-type: none"> ➤ Explore the potential of shared resources for hard to fill positions e.g. engineer ➤ Develop an establishment list (i.e. permanent employees) for the organisation | ✓ |
| Key Result Area: | Bulloo 2022 | |
| 6.7 Review and endorse Council's Community Engagement Policy in line with the updating of the 2016 – 2021 Corporate Plan. | Annual review of Community Engagement as part of Council's annual consultation processes –(No longer required) | X |
| 6.8 Develop and implement an ongoing Community Engagement Plan with councillors and key staff to ensure that the community's ongoing needs are understood and met and to make amendments to the plan should community needs change | Review the Corporate Plan and budget in conjunction with community | → |
| Key Result Area: | Advocacy | |
| 6.10 Develop a five year advocacy plan to support a strategic and focused approach for advocacy. | Review and follow the LGAQ advocacy plan | X |

| | | |
|--|--|---|
| 6.9 Foster relations with key stakeholder groups, that develop opportunities to partner with outside bodies to deliver benefits and services to the region and maximises government and private sector investment in the region | SWLGA membership maintained | ✓ |
| | Meetings with ministers & VIPs wherever possible to advance cases | ✓ |
| Our Workforce | | |
| Key Result Area: | A Capable, Flexible, Productive and Committed Workforce | |
| 7.4 Review Corporate Values to develop a culture based on trust, teamwork and personal accountability | <ul style="list-style-type: none"> ➤ Promote Corporate Value Awareness as part of HR Breakfast and Team Manager meetings ➤ Include as part of Annual Performance Review | ✓ |
| 7.5 Establish and implement HR Strategies to become an employer of choice that promotes a culture of unification, pride, satisfaction, wellbeing amongst its workforce | <ul style="list-style-type: none"> ➤ Continue staff BBQs ➤ Deliver on team building and staff recognition ➤ Quarterly Awards ➤ Deliver Team Leader meetings | ✓ |
| Key Result Area: | Learning and Development | |
| 7.6 Enhance opportunities for people to learn and develop new skills | <ul style="list-style-type: none"> ➤ Review corporate training matrix to capture training and development as part of annual appraisal system to enhance skill development. ➤ Ensure all staff received annual Code of Conduct training ➤ Create Succession Plan for Workforce | ✓ |
| | Identify new opportunities and funding sources that can expand Council's employee investment resources | → |
| 7.7 Develop a corporate skills matrix to track skills and ensure opportunities are fairly distributed | Monitor skills matrix to meet needs of workforce and Council initiatives | ✓ |
| | Record training statistics and review against annual workplan requirements and staff satisfaction survey | ✓ |
| 7.8 Provide access to quality professional development initiatives as part of annual appraisal processes for Council staff at all levels Roles, accountabilities and decision-making processes are to be clear to enhance organisational efficiency | Annual review of Position Descriptions aligned to Council's organisational structure (as part of Annual Performance Review) | ✓ |

| Key Result Area: | Workplace Health and Safety | |
|---|---|---|
| 7.11 Continue to monitor and enhance workplace health and safety practices and programs and benchmark against external organisations and best practice | Support Workplace Health & Safety Committee meetings (> 8 meetings held) | ✓ |
| | Senior staff actively participate in the development and implementation of annual workplace safety plan | ✓ |
| | BSC Safety System maintained at 70% compliance | ✓ |
| | WHS Management System Plan reviewed annually and 5 top WHS risks identified for each 12 month period of the plan. | ✓ |
| Key Result Area: | Leadership and Management | |
| 7.15 Enhance leadership capability through improved relationship behaviour | Continue to support effective leadership and management practices through ongoing professional development opportunities; facilitating, training and coaching (Leadership workshops and Team leader meetings) | ✓ |
| | Leadership development is picked up as part of Managers annual appraisals | ✓ |
| 7.16 Ensure a recognition system is in place to support leadership and a strong team culture | Council’s Service Recognition Policy updated with awards/presentation night held | ✓ |
| Key Result Area: | HR Systems and Practices | |
| 7.17 Review HR processes and practices to support effective delivery of HR Services | Continue to monitor existing policies to comply with employment legislation | ✓ |
| | Review and monitor current workforce plan | → |
| | Implement HR Strategy actions | → |
| | Oversee WHS delivery and compliance | ✓ |
| | Maintain Human Resources Team to <ul style="list-style-type: none">○ act as sounding board○ be a source of knowledge○ survey, monitor and measure staff satisfaction | ✓ |
| | Identify and adopt technology that supports efficiencies in operations | ✓ |
| 7.17 Review HR processes and practices to support effective delivery of HR Services Develop a framework for encouragement of innovation, creativity and continuous improvement | Maintain a performance appraisal and development system that encourages staff participation and performance | ✓ |
| 7.18 Review and monitor HR practices to ensure alignment with corporate and business planning outcomes | Monitor and update existing polices to comply with employment legislation | ✓ |

| Key Result Area: | | Accountability and Performance | |
|--|--|---|---|
| 7.19 Roles, accountabilities and decision making processes are to be clear to enhance organisational efficiency as part of position descriptions | | PD's reviewed and updated at annual performance reviews to accurately reflect employee roles and responsibilities | ✓ |
| Asset Management | | | |
| Key Result Area: | | Effective Asset Management | |
| 8.1 Review strategic asset management plans covering all nominated asset types to ensure they are effective and used Develop strategic asset management plans covering all nominated asset types | | <ul style="list-style-type: none"> ➤ Finalise all condition reporting as part of asset management plans ➤ Source funding to update plans | → |
| 8.1 Review strategic asset management plans covering all nominated asset types to ensure they are effective and used Implement an integrated asset management system into Council's operational processes | | <ul style="list-style-type: none"> ➤ Review and investigate assets in line with new valuation information ➤ Position paper developed for restoration, useful lives and impairment | → |
| | | <ul style="list-style-type: none"> ➤ Review Asset Disposal Policy ➤ Develop an Asset Disposal/Demolition strategy in relation to the consolidation of assets to support long term financial sustainability | ✓ |
| | | <ul style="list-style-type: none"> ➤ Review financial position and long term outlook based on updated valuations (asset sustainability ratio) ➤ Ensure Council's financial system has appropriately recorded valuations for depreciation and balance sheet to maximise compliance | ✓ |
| Governance and Financial Management | | | |
| Key Result Area: | | Corporate Governance | |
| Develop and implement an ongoing Community Engagement Plan to ensure that the community's ongoing needs are understood and met | | Review Corporate Plan annually as part of budget process with Councillors and residents | ✓ |
| | | Community Engagement is active and consultations are held regularly | ✓ |
| Ensure Council decision making represents good Governance | | <ul style="list-style-type: none"> ➤ Elected Members sign all relevant documentation in relation to council meetings ➤ IPads kept for Council business | ✓ |
| | | Elected Members maintain disclosure requirements through electoral donations, register of interest, related party registers and MPI and COI registers | ✓ |
| | | Elected Members undergo regular training as part of their role | ✓ |

| | | |
|--|---|------------------|
| | <ul style="list-style-type: none"> ➤ Review Elected Members Code of Conduct in line with legislative changes ➤ Develop and adopt an Elected Members Meeting Policy (re conduct) | ✓ |
| | <ul style="list-style-type: none"> ➤ Council agendas meet the publication timeframe ➤ Council Ordinary and Special meetings are minuted | ✓ |
| | <ul style="list-style-type: none"> ➤ Annual budget consultation held with public ➤ Annual budget consultation held with public | ✓ |
| 9.1 Strengthen Council's exiting governance framework, focusing on such areas as internal controls, risk management and business continuity | All LGAQ Governance Checklists are met | ✓ |
| | Review of checklists, Compliance checklist created and completed quarterly | ✓ |
| | Maintain Council's Corporate Website with all legislative requirements – 100% compliant | ✓ |
| | Ensure Bulloo Shire Policies and Procedures are reviewed and up to date | → |
| | Updated Model By Laws for Bulloo Shire Council | ✓ |
| | <ul style="list-style-type: none"> ➤ Ensure adequate insurance policies are in place ➤ Undertake comprehensive review of asset schedules for insurance values ➤ Develop an Insurance Handbook for employees detailing procedures & processes ➤ Develop an Insurance Claims Register | ✓ ✓ → → |
| | Continued review and development of Council's Risk Management Plan and Framework including risk register | → |
| 9.4 Develop Business Continuity Plan | Review Business Continuity Plan for changes Develop BCP Sub Procedures/Processes | → ✓ |
| 9.5 Develop and implement a Fraud and Corruption Framework | Fraud Management Policy reviewed annually | ✓ |
| | Review and implement Fraud Control Plan | ✓ |
| | Implement Fraud Risk Assessment Procedure | ✓ |
| | Identify key management personnel for mandatory Fraud training Funding approved for whole of staff training in August 2019 | ✓ → |
| | Develop and maintain Fraud & Corruption / Losses Register | ✓ |

| Key Result Area: | | Financial Management | |
|------------------|---|---|---|
| 9.6 | Review Council's key financial policies annually | Key financial policies reviewed | ✓ |
| 9.7 | Review Council's Procurement Policy annually | Council's Procurement Policy reviewed | ✓ |
| 9.8 | Ensure that the level of capital expenditure and borrowings will result in a financial position that demonstrates financial sustainability over the period 2017 -2022 | Maintain long-term financial plan as part of monthly decision making and budget development process | ✓ |
| | | Review and adopt investment and debt policy | ✓ |
| 9.9 | Participate in QAO and QTC processes that support long-term financial planning and modelling to ensure long-term financial sustainability | Develop alternative rating strategies | → |
| | | Annual public consultation/engagement as part of budget | ✓ |
| 9.11 | Minimise Council's financial risk while acknowledging the requirements of the communities | Council maximises external opportunities for external grants which are in line with corporate aims | ✓ |
| Key Result Area: | | Business Planning Framework | |
| 9.12 | Ensure that the strategic and business planning framework are in place and reviewed annually | Review Corporate Plan annually as part of budget process | ✓ |
| 9.15 | Routinely review performance against the goals and objectives and report progress quarterly | Quarterly Operational Plans reported to Council | ✓ |
| | | Undertake regular reviews to monitor departmental budgets | ✓ |





Community Financial Report

Section 184 of the Local Government Regulation 2012

About the Community Financial Report (CFR)

The Financial Statements, which are at the end of this Annual Report, tell the story of what happened in financial terms during the year and what the council's financial position was at the end of the year. The Financial Statements are expressed in a format, and according to Accounting Standards laid down by the Australian Accounting Standards Board. It is expected that people reading them are familiar with reading formal financial reports and, consequently they may not be easily understood by readers who are not accountants.

The CFR is prepared to explain the key elements of the Financial Statements in a form which most people can readily understand.

If there are ways you feel this report could be made more useful or more understandable please advise the Council (*Contact details at the beginning of this report page (i)*).

This CFR explains what has happened during the year, and what position Council was in at the year end.

Borrowings

During the year, Council had no new borrowings. Council will be free of debt at the end of the financial year 2024.

About Council's End of Year Financial Statements

What you will find in the Financial Statements

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

About the Management Certificate

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

About the Financial Statements

The Financial Statements incorporate 4 "primary" financial statements & accompanying notes.

1. A Statement of Comprehensive Income

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

2. A Financial Position

A 30 June snapshot of Council's Financial Position including its Assets & Liabilities.

3. A Statement of Changes in Equity

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

4. A Statement of Cash Flows

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

5. Notes to the Financial Statements

Provides greater detail to the line numbers of the 4 "primary" financial statements.

About the Auditor's Reports

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

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

A complete version of Council's Financial Statements for the 12 months to 30 June 2019 can be found at our website or at Council's Administration Office.

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

Bulloo Shire Council
68 Dowling Street
Thargomindah Qld 4492



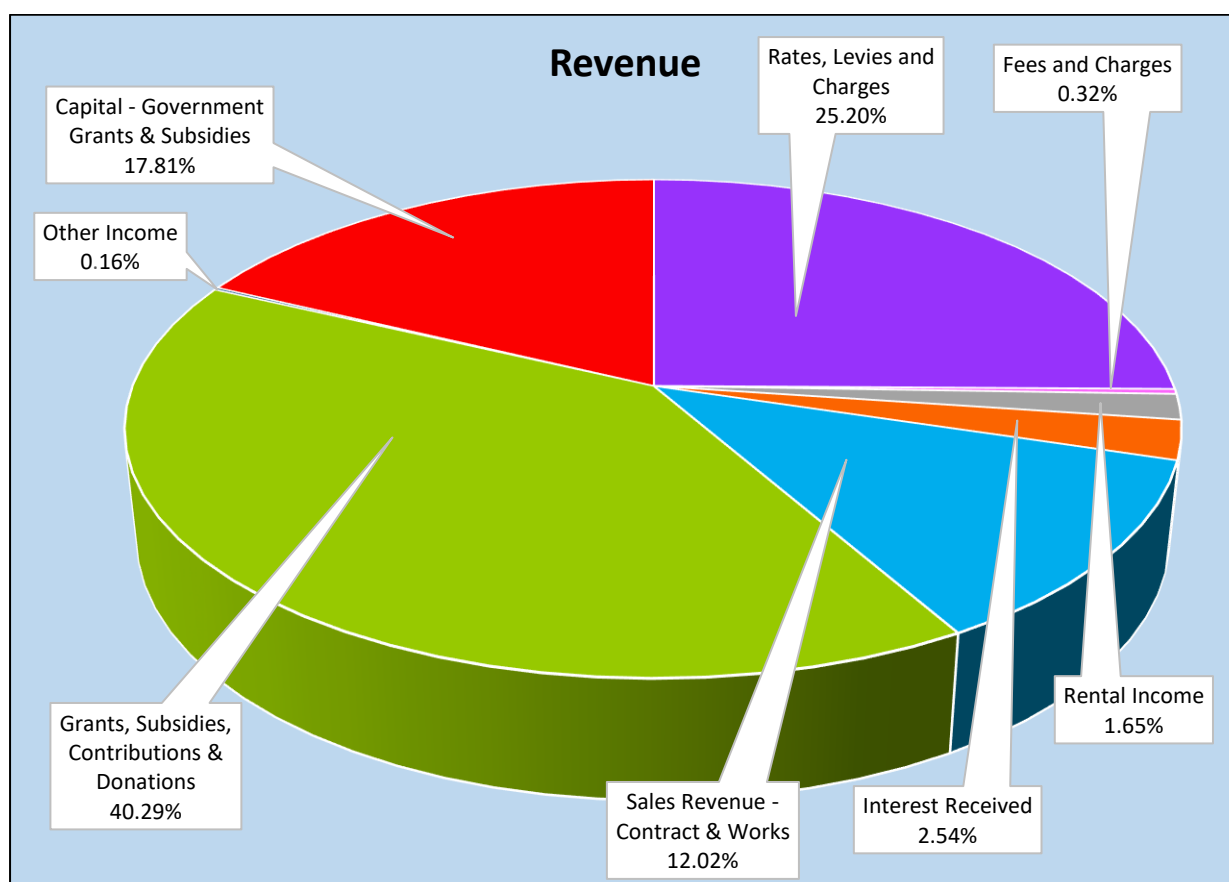
Revenue - Where our money comes from

The table and graph shows where the money used by the Council comes from.

Council's main revenue (income) was derived from:-

| | | |
|---|--------------|--------|
| Rates, Levies and Charges | \$ 4,862,438 | 25.20% |
| Fees and Charges | \$ 62,674 | 0.32% |
| Rental Income | \$ 319,221 | 1.65% |
| Interest Received | \$ 490,958 | 2.54% |
| Sales Revenue - Contract & Works | \$ 2,319,111 | 12.02% |
| Recurrent - Grants & Subsidies | \$ 7,775,691 | 40.29% |
| Other Income | \$ 31,084 | 0.16% |
| Capital – Government Grants & Subsidies | \$ 3,436,272 | 17.81% |

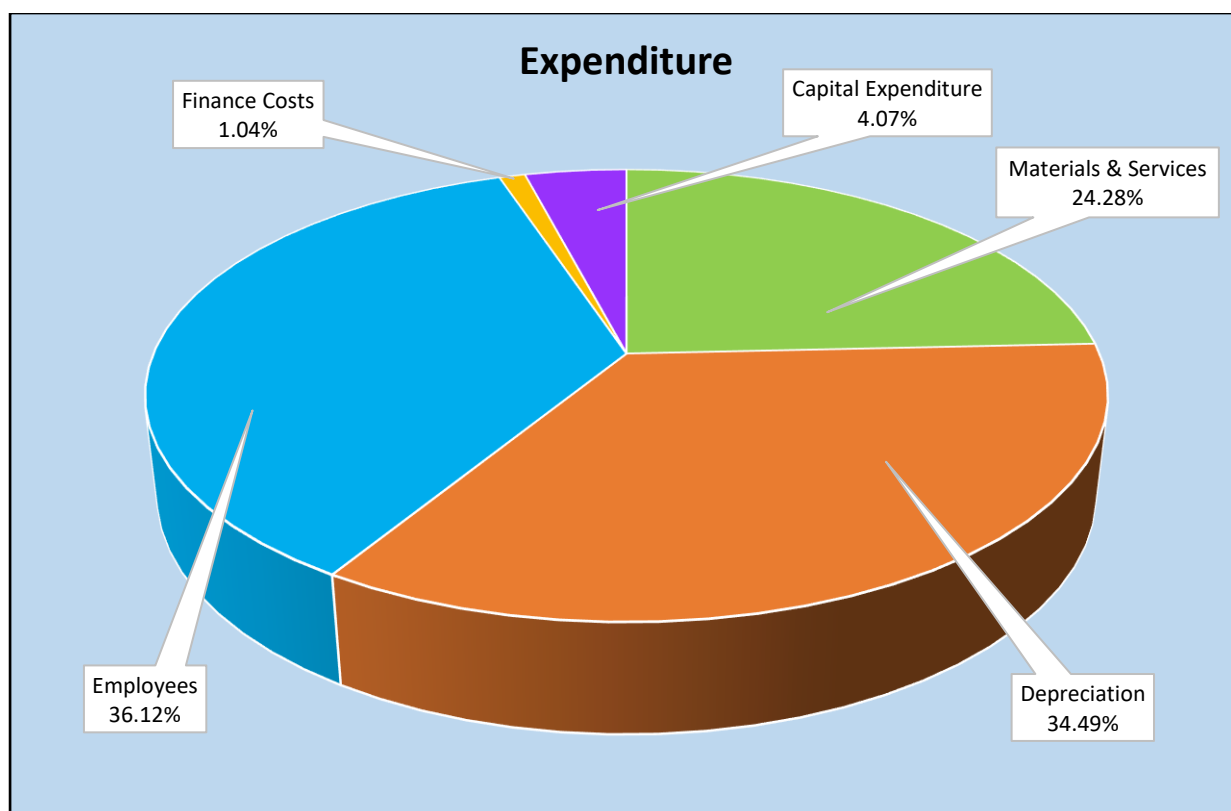
It is of note that payments for the first 2 quarters of 2018/19 Financial Assistance Grant (FAG) were received in advance. This also occurred in 2016/17 and 2017/18.



Expenditure - where does it go to?

The table and graph shows the areas where the money used by the Council went to.

| | | | |
|----------------------|---|--------|--------------|
| Materials & Services | The majority of this was for works for road maintenance on both shire and state roads, building maintenance, insurances, ICT cost and contractors | 24.28% | \$ 3,868,038 |
| Depreciation | Represents the rate our assets ie roads, buildings and plant & equipment deteriorate through normal wear & tear | 34.49% | \$ 5,495,200 |
| Employees | Includes wages & salaries, annual leave, long service leave, allowances and superannuation. | 36.12% | \$ 5,754,623 |
| Finance Costs | Bank & interest charges | 1.04% | \$ 165,655 |
| Capital Expenditure | Works related to capital projects | 4.07% | \$ 649,180 |



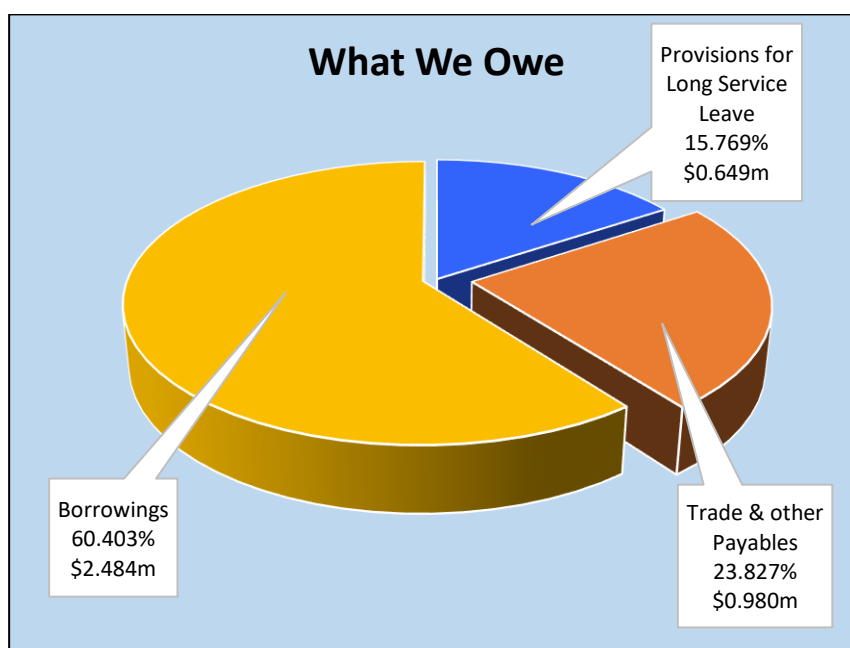
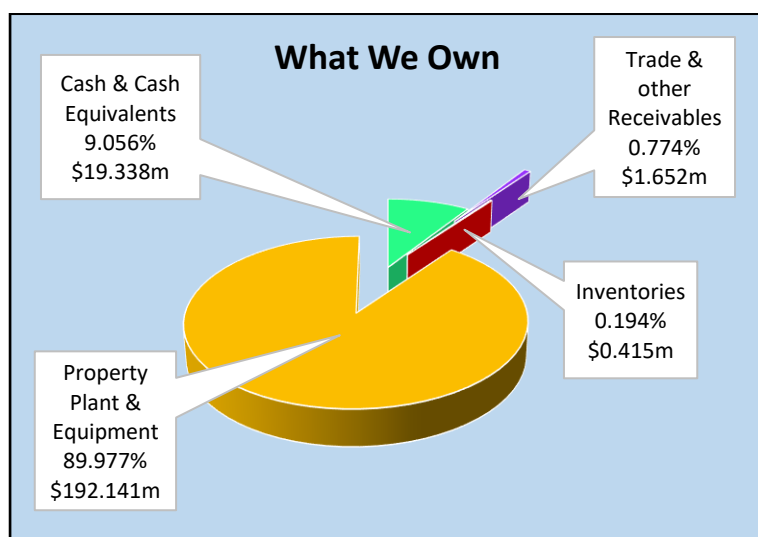
Our position at the year end

The Statement of Financial Position reports on Council's financial position for the year. It shows the value of what Council owns, for example cash, investments, monies owing to Council, inventories and other assets such as land, buildings, road, water and sewerage infrastructure. It also shows the value of what Council owes to Trade & Other Payables, Provision for Long Service Leave and any Borrowings.

The financial position is made up by the value of what we own less what we owe. That is the net wealth of the Council.

The total owed by Council is 1.93% of its assets.

What we own and what we owe



Financial Sustainability Measures

The Financial Sustainability of Councils is now a cornerstone of the Local Government Act and a core responsibility of individual Councils across Queensland.

Financial Sustainability is defined as when a *"Local Government is able to maintain its financial capital and infrastructure capital over the long term"* [source: Local Government Act 2009 section 102(2)].

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

Operating Surplus Ratio

*Net Result divided by Total Operating Revenue
(Target between 0% and 10%)*

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

As at 30 June 2019, Council's Operating Surplus Ratio was 3.64%.

Asset Sustainability Ratio

*Capital Expenditure on the Replacement of Assets (Renewals) divided by Depreciation Expense
(Target greater than 90%)*

This is an approximation of the extent to which the infrastructure assets managed by the local government are being replaced as these reach the end of their useful lives.

Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period.

Capital expenditure on renewals (replacing assets that the local government already has) is an indicator of the extent to which the infrastructure assets are being replaced.

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

As at 30 June 2019, Council's Asset Sustainability Ratio was 83.32%*.

**(It is noted Council did not meet the target of 90% this year as Council invested a significant sum on upgrading and constructing new assets for the community.*

For comparative figures in 2017/18 as result of a large renewal program the Asset Sustainability Ratio was 279.38% and Council's 5 year average Asset Sustainability Ratio is 162.15%.

Net Financial Liabilities Ratio

*Total Liabilities less Current Assets divided by Total Operating Revenue
(Target not greater than 60%)*

This is an indicator of the extent to which the net financial liabilities of a local government can be serviced by its operating revenues. A ratio of less than 60% indicates that Council can comfortably fund its liabilities.

As at 30 June 2019, Council's Net Financial Liabilities Ratio was -105.56%**.

*** (The negative number indicates that Council's current assets exceed its total liabilities.
Council has outperformed this target & is a very strong position to meet all its financial commitments).*



Long Term Financial Management Strategy

The financial management strategies of Council which are incorporated into its budgets and financial operations are as follows:

- The underlying operating result must ensure Council's long-term sustainability. All strategies contained within the Council Plan must be funded in the budget.
- Rate revenue should be levied in accordance with Council's Revenue Policy and Statement
- Spending and rating policies must be consistent with a reasonable degree of stability in the level of the rates burden.
- Council must have regard to the effect on future generations of decisions made.
- Staffing levels should be sufficient to achieve the outcomes in the operational plan.
- Long-term assets should be managed to maximise community benefit.
- Existing fees and charges should be increased in line with market forces.
- New revenue sources should be identified wherever possible.
- New initiatives or new employee proposals should be justified.
- Council recognises that government grants are a crucial element of financial sustainability.
- The balance of a year's projects that were not completed by the year end should be included in the following year's budget.
- Council's budget must take into account all of Council's other strategic plans.
- Financial risks faced by Council must be managed having regard to economic circumstances.



Resolutions relating to Non-Current Asset Thresholds

Section 206(1) (2) of the Local Government Regulation 2012

As part of Council's *Non-Current Assets Policy* Council has resolved to apply the following thresholds in recognising non-current assets:-

Asset Recognition Thresholds

These accumulated costs represent the value of an asset at cost as at the date in which the asset is deemed to be complete and available for use. The recognition thresholds to be applied on initial acquisition of an asset are as follows:-

| Asset Type | Threshold |
|----------------------------|---------------|
| Land | No threshold* |
| Buildings | \$10,000 |
| Fleet, Plant and Equipment | \$5,000 |
| Infrastructure Assets | \$5,000 |
| Artworks | \$1 |

**Minor land parcels (<100m² or less than 3m in width) have no market and possess limited or negligible service potential. Due to materiality these minor land parcels are recorded in Council's financial asset register at nominal value.*

Amounts below these thresholds are expensed in the year they are incurred.

(Refer to Policy 2.14.2 Resolution 2018/143)

Audited Financial Statements

- Statements
- Notes
- Audit report



GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Our Vision
Growth - Community - Local - Everyone



General Purpose Financial Statements

for the year ended 30 June 2019

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Bulloo Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------|---------------------|
| Income from Continuing Operations | | | |
| Revenue | | | |
| Recurrent Revenue | | | |
| Rates, Levies and Charges | 3a | 4,862,438 | 4,611,720 |
| Fees and Charges | 3b | 62,674 | 86,120 |
| Rental Income | 3c | 319,221 | 316,583 |
| Interest and Investment Revenue | 3d | 490,958 | 296,777 |
| Sales Revenue | 3e | 2,319,111 | 3,172,321 |
| Other Income | 3f | 31,084 | 60,601 |
| Grants, Subsidies, Contributions and Donations | 4a | 7,775,691 | 6,782,716 |
| Total Recurrent Revenue | | 15,861,177 | 15,326,838 |
| Capital Revenue | | | |
| Grants, Subsidies, Contributions and Donations | 4b | 3,436,272 | 8,840,828 |
| Total Income (Continuing Operations) | | 19,297,449 | 24,167,666 |
| Expenses from Continuing Operations | | | |
| Recurrent Expenses | | | |
| Employee Benefits | 5 | 5,754,623 | 5,135,342 |
| Materials and Services | 6 | 3,868,038 | 3,944,828 |
| Finance Costs | 7 | 165,655 | 167,186 |
| Depreciation and Amortisation | 8 | 5,495,200 | 5,309,567 |
| Total Recurrent Expenses | | 15,283,516 | 14,556,924 |
| Capital Expenses | 9 | 649,180 | 467,132 |
| Total Expenses (Continuing Operations) | | 15,932,696 | 15,024,056 |
| Operating Result (Continuing Operations) | | 3,364,753 | 9,143,610 |
| Net Result | | 3,364,753 | 9,143,610 |
| Other Comprehensive Income | | | |
| Amounts which will not be reclassified subsequently to the Net Result | | | |
| Gain/(Loss) on Revaluation and Impairment of Property, Plant and Equipment | 18 | 6,307,549 | (27,767,726) |
| Total Other Comprehensive Income | | 6,307,549 | (27,767,726) |
| Total Comprehensive Income | | 9,672,302 | (18,624,116) |

Bulloo Shire Council

Statement of Financial Position

as at 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|--------------------------------------|-------|--------------------|--------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 10 | 19,337,917 | 19,390,651 |
| Trade and Other Receivables | 11 | 1,104,280 | 524,616 |
| Inventories | 12 | 414,515 | 390,232 |
| Total Current Assets | | 20,856,712 | 20,305,499 |
| Non-Current Assets | | | |
| Trade and Other Receivables | 11 | 547,586 | 717,433 |
| Property, Plant and Equipment | 13 | 192,141,212 | 183,091,061 |
| Total Non-Current Assets | | 192,688,798 | 183,808,494 |
| TOTAL ASSETS | | 213,545,510 | 204,113,993 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 15 | 980,051 | 827,564 |
| Borrowings | 16 | 528,429 | 482,786 |
| Provisions | 17 | 549,855 | 356,897 |
| Total Current Liabilities | | 2,058,335 | 1,667,247 |
| Non-Current Liabilities | | | |
| Borrowings | 16 | 1,956,058 | 2,506,792 |
| Provisions | 17 | 98,763 | 218,743 |
| Total Non-Current Liabilities | | 2,054,821 | 2,725,535 |
| TOTAL LIABILITIES | | 4,113,156 | 4,392,782 |
| Net Community Assets | | 209,432,354 | 199,721,211 |
| COMMUNITY EQUITY | | | |
| Asset Revaluation Reserve | 18 | 87,220,993 | 80,913,445 |
| Retained Surplus/(Deficiency) | 19 | 122,211,361 | 118,807,766 |
| Total Community Equity | | 209,432,354 | 199,721,211 |

Statement of Changes in Equity
for the year ended 30 June 2019

| | Notes | Asset Revaluation Reserve \$ | Retained Surplus \$ | Total Equity \$ |
|--|-------|---------------------------------------|---------------------------|-----------------------|
| 2019 | | | | |
| Opening Balance (as per Last Year's Audited Accounts) | | 80,913,444 | 118,807,766 | 199,721,210 |
| a. Adjustment on Initial Application of AASB 9 | | - | 38,842 | 38,842 |
| Revised Opening Balance (as at 1/7/18) | | 80,913,444 | 118,846,608 | 199,760,052 |
| b. Net Operating Surplus for the Year | | - | 3,364,753 | 3,364,753 |
| c. Other Comprehensive Income | | | | |
| - Revaluations : Property, Plant and Equip. Asset Revaluation Rsve | 18 | 6,307,549 | - | 6,307,549 |
| Other Comprehensive Income | | 6,307,549 | - | 6,307,549 |
| Total Comprehensive Income | | 6,307,549 | 3,364,753 | 9,672,302 |
| Equity Balance as at 30 June, 2019 | | 87,220,993 | 122,211,361 | 209,432,354 |
| 2018 | | | | |
| Opening Balance (as per Last Year's Audited Accounts) | | 108,681,170 | 109,664,156 | 218,345,326 |
| a. Net Operating Surplus for the Year | | - | 9,143,610 | 9,143,610 |
| b. Other Comprehensive Income | | | | |
| - Revaluations : Property, Plant and Equip. Asset Revaluation Rsve | 18 | (27,767,726) | - | (27,767,726) |
| Other Comprehensive Income | | (27,767,726) | - | (27,767,726) |
| Total Comprehensive Income | | (27,767,726) | 9,143,610 | (18,624,116) |
| Equity Balance as at 30 June, 2018 | | 80,913,444 | 118,807,766 | 199,721,210 |

Bulloo Shire Council

Statement of Cash Flows for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|--------------------|--------------------|
| Cash Flows from Operating Activities | | | |
| Receipts from Customers | | 7,269,544 | 8,202,158 |
| Payments to Suppliers and Employees | | (10,530,165) | (10,895,352) |
| | | (3,260,621) | (2,693,194) |
| <u>Receipts:</u> | | | |
| Investment and Interest Revenue Received | | 490,958 | 296,777 |
| Rental Income | | 319,221 | 335,777 |
| Non Capital Grants and Contributions | | 7,775,691 | 7,213,963 |
| Other | | 795,268 | 2,092,921 |
| <u>Payments:</u> | | | |
| Borrowing Costs | | (165,655) | (167,186) |
| Other | | (51,793) | (22,732) |
| Net Cash - Operating Activities | 22 | 5,903,068 | 7,056,326 |
| Cash Flows from Investing Activities | | | |
| <u>Receipts:</u> | | | |
| Sale of Property, Plant and Equipment | | 337,591 | 175,591 |
| Grants, Subsidies, Contributions and Donations | | 3,436,272 | 8,840,828 |
| <u>Payments:</u> | | | |
| Purchase of Property, Plant and Equipment | | (9,224,573) | (14,521,982) |
| Net Cash - Investing Activities | | (5,450,710) | (5,505,563) |
| Cash Flows from Financing Activities | | | |
| <u>Payments:</u> | | | |
| Repayment of Borrowings | | (505,091) | (483,680) |
| Net Cash Flow - Financing Activities | | (505,091) | (483,680) |
| Net Increase/(Decrease) for the year | | (52,733) | 1,067,083 |
| plus: Cash and Cash Equivalents - beginning | | 19,390,650 | 18,323,567 |
| Cash and Cash Equivalents - closing | 10 | 19,337,917 | 19,390,650 |

Bulloo Shire Council

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

Note 1. Summary of Significant Accounting Policies

(1.a) Basis of preparation

These general purpose financial statements are for the period 1 July 2018 to 30 June 2019. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Council's operations and effective for the current reporting period.

They comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS). Therefore, in some instances these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation gains and losses within a class of assets and the timing of recognition of non-reciprocal grant revenue.

These financial statements have been prepared under the historical cost convention except where stated.

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

(1.b) Constitution

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

(1.c) Adoption of New and Revised Accounting Standards

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

Bulloo Shire Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

This year Council has applied AASB 9 Financial Instruments for the first time. AASB 9 replaces AASB 139 and relates to the recognition, classification and measurement of financial assets and financial liabilities. Implementing AASB 9 has resulted in a change to the way council calculates impairment provisions, which are now based on expected credit losses instead of incurred credit losses.

On 1 July 2018 (the date of initial application), Council re-assessed the classification, measurement category and carrying amount of each financial instrument (listed below) in accordance with AASB 9. There were some changes to classification, but this did not result in changes to measurement categories (listed below). Carrying amounts were also unchanged, except for receivables which increased by \$38,842 due to a decrease in impairment under the new rules. A corresponding adjustment was made to retained earnings as at 1 July 2018.

| Financial asset/liability | Measurement Category (unchanged) |
|---------------------------|----------------------------------|
| Cash and cash equivalents | Amortised cost |
| Receivables | Amortised cost |
| Borrowings | Amortised cost |

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective.

The standards that are not expected to have a material impact upon Council's future financial statements.

Effective for annual reporting periods beginning on or after 1 July 2019

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

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Transition method

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

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

Based on Council's assessment, if Council had adopted the new standard in the current financial year it would have the following impacts:

- Revenue decrease of \$1,191,620 due to deferral of grant funding.
- There would be an equal reduction in the reported equity as the reduced revenue will require an increase in recognition of contract liabilities.

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

- AASB 16 Leases – The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its financial statements.

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

Leases in which the Council is a lessee

No significant impact is expected for the Council's finance leases as Council has none.

Based on Council's assessment, it is expected that the first-time adoption of AASB 16 for the year ending 30 June 2020 will have no impact as Council has no leases.

Leases in which the Council is a lessor

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

Peppercorn Leases

Council has no peppercorn leases.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements.

The standards are not expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities (Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Effective for annual reporting periods beginning on or after 1 January 2021

- AASB 17 Insurance Contracts
- AASB 17 Insurance Contracts (Appendix D)

(1.d) Critical accounting judgements and key sources of estimation uncertainty

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

- Provision for Impairment – Note 11
- Valuation and depreciation of Property, Plant & Equipment - Note 13 and Note 14
- Impairment of Property, Plant and Equipment - Note 14
- Provisions - Note 17
- Contingencies - Note 20.
- Financial instruments - Note 25.

(1.e) Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1 unless otherwise indicated.

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

(1.f) Taxation

The income of local government and public authorities is exempt from Income Tax. However, Council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2(a). Council Functions - Component Descriptions

Details relating to the Council's functions / activities as reported in Note 2(b) are as follows:

FINANCE

Provides professional financial operations of the Council not specifically related to any other function. This function includes rates & charges, as well as grants, budget support, subsidies and contributions and other financial transactions relating to all areas of Council. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

ADMINISTRATION

Management of Council operations generally including administrative support to Council and to other functions. This function includes internal audit, communication and information technology services, insurances, strategic and operational planning, risk management, legal and administrative support. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meeting statutory requirements. The Mayor, Councillors and Chief Executive Officer are included in the Administration function.

ENGINEERING

Maintaining and improving the road network and other council infrastructure. The objects of the engineering program are:-

- a) to ensure the community is serviced by a high quality and effective road network,
- b) to ensure the community is serviced by high quality and effective aerodromes and associated infrastructure.

The function provides and maintains transport infrastructure including the maintenance and provision of the drainage network and aerodromes.

This functions includes activities and services related to town planning, workplace health and safety and quality assurance.

HEALTH AND ENVIRONMENT

Providing services and facilities to maintain the health of the community and protect the environment. The function provides refuse collection and disposal services, maintains public conveniences and cemeteries, animal control including registrations and environmental licences and approvals. The function also provides effective management of stock routes, animal and weed pests.

COMMUNITY AND CULTURE

The goal of Community and Culture is to ensure the Bulloo Shire is a healthy, vibrant, contemporary and connected community. Community and Culture provides well managed and maintained community facilities, and ensures the effective delivery of cultural, educational, tourism, sport and recreational services.

This function includes Libraries, Entertainment venues, Sporting venues, Education facilities, Caravan parks and Parks and gardens.

Bulloo Shire Council

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

Note 2(a). Council Functions - Component Descriptions (continued)

Details relating to the Councils functions / activities as reported in Note 2(b) are as follows: (continued)

WATER AND SEWERAGE

The goal of this program is to support a healthy, safe community through sustainable water services by providing a potable water supply and system for the collection and disposal of waste water. The water function includes all activities relating to water, whilst the sewerage function protects and supports the health of our community by sustainably managing sewerage infrastructure.

ASSET AND RESOURCE MANAGEMENT

This function provides the management of Council's real property, building and plant assets.

The objective of the Asset and Resource Management function is to provide and maintain a reliable and safe fleet of vehicles and machinery to ensure works are carried out in an efficient and productive manner. This function provides and maintains Council's housing stock. This function includes depot, workshop and plant operations.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2(b). Analysis of Results by Council Functions

| Functions | Gross Program Income | | | | Total Income | Gross Program Expenses | | Total Expenses | Net Result from Recurring Operations | Net Result | Total Assets |
|-------------------------------|----------------------|-----------|-----------|-------|--------------|------------------------|-----------|----------------|--------------------------------------|-------------|--------------|
| | Recurring | | Capital | | | Recurring | Capital | | | | |
| | Grants | Other | Grants | Other | | | | | | | |
| 2019 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Finance | 5,928,607 | 5,058,420 | 936,000 | - | 11,923,027 | - | - | - | 10,987,027 | 11,923,027 | 29,909,161 |
| Administration | - | 23,316 | - | - | 23,316 | (3,461,169) | - | (3,461,169) | (3,437,853) | (3,437,853) | 530,519 |
| Engineering | 1,194,750 | 2,307,410 | 1,147,754 | - | 4,649,914 | (7,655,701) | - | (7,655,701) | (4,153,541) | (3,005,787) | 148,142,591 |
| Health and Environment | 111,440 | 59,326 | - | - | 170,766 | (740,191) | - | (740,191) | (569,425) | (569,425) | - |
| Community and Culture | 421,065 | 186,132 | 1,352,518 | - | 1,959,715 | (2,348,438) | - | (2,348,438) | (1,741,241) | (388,723) | - |
| Water and Sewerage | - | 217,099 | - | - | 217,099 | (590,526) | - | (590,526) | (373,427) | (373,427) | 8,625,317 |
| Asset and Resource Management | 119,829 | 233,783 | - | - | 353,612 | (487,491) | (649,180) | (1,136,671) | (133,879) | (783,059) | 26,337,922 |
| Total | 7,775,691 | 8,085,486 | 3,436,272 | - | 19,297,449 | (15,283,516) | (649,180) | (15,932,696) | 577,661 | 3,364,753 | 213,545,510 |

| Functions | Gross Program Income | | | | Total Income | Gross Program Expenses | | Total Expenses | Net Result from Recurring Operations | Net Result | Total Assets |
|-------------------------------|----------------------|-----------|-----------|-------|--------------|------------------------|-----------|----------------|--------------------------------------|-------------|--------------|
| | Recurring | | Capital | | | Recurring | Capital | | | | |
| | Grants | Other | Grants | Other | | | | | | | |
| 2018 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Finance | 5,426,648 | 4,657,000 | 2,559,063 | - | 12,642,711 | (164,509) | - | (164,509) | 9,919,139 | 12,478,202 | 28,029,053 |
| Administration | - | 31,573 | - | - | 31,573 | (3,026,764) | - | (3,026,764) | (2,995,191) | (2,995,191) | 533,948 |
| Engineering | 1,166,815 | 3,173,647 | 5,793,611 | - | 10,134,073 | (8,265,025) | - | (8,265,025) | (3,924,563) | 1,869,048 | 142,527,199 |
| Health and Environment | 102,661 | 90,464 | - | - | 193,125 | (695,258) | - | (695,258) | (502,133) | (502,133) | - |
| Community and Culture | 16,733 | 202,691 | 488,154 | - | 707,578 | (1,858,530) | - | (1,858,530) | (1,639,106) | (1,150,952) | - |
| Water and Sewerage | - | 210,258 | - | - | 210,258 | (546,838) | - | (546,838) | (336,580) | (336,580) | 7,687,282 |
| Asset and Resource Management | 69,859 | 178,489 | - | - | 248,348 | - | (467,132) | (467,132) | 248,348 | (218,784) | 25,336,510 |
| Total | 6,782,716 | 8,544,122 | 8,840,828 | - | 24,167,666 | (14,556,924) | (467,132) | (15,024,056) | 769,914 | 9,143,610 | 204,113,992 |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Revenue Analysis

| | 2019 | 2018 |
|-------|------|------|
| Notes | \$ | \$ |

Revenue is recognised at the fair value of the consideration received or receivable, at the time indicated below.

(a). Rates, Levies and Charges

Rates are recognised as revenue at the start of the rating period. If a ratepayer pays their rates before the start of the rating period, they are recognised as revenue when they are received.

| | | |
|---|------------------|------------------|
| General Rates | 4,746,934 | 4,497,645 |
| Separate Rates | 5,151 | 4,870 |
| Water | 122,255 | 117,095 |
| Sewerage | 90,741 | 87,247 |
| Garbage Charges | 39,574 | 37,054 |
| Total rates and utility charge revenue | 5,004,655 | 4,743,911 |
| Less: Discounts | (141,400) | (129,084) |
| Less: Pensioner remissions | (817) | (3,107) |
| TOTAL RATES, LEVIES AND CHARGES | 4,862,438 | 4,611,720 |

(b). Fees and Charges

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

| | | |
|-------------------------------|---------------|---------------|
| Dog Registration | 6,895 | 7,177 |
| Tourism Receipts | 24,028 | 14,801 |
| Other Fees and Charges | 31,751 | 64,142 |
| TOTAL FEES AND CHARGES | 62,674 | 86,120 |

(c). Rental Income

Rent from Council Houses is recognised as income on a periodic straight line basis over the lease term.

| | | |
|----------------------------|----------------|----------------|
| Caravan Park Rent | 171,984 | 186,404 |
| Housing Rent | 139,386 | 122,502 |
| Other Rental Income | 7,851 | 7,677 |
| TOTAL RENTAL INCOME | 319,221 | 316,583 |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 3. Revenue Analysis (continued)

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------------|-------------------------|
| (d). Interest and Investment Revenue | | | |
| Interest received from Queensland Treasury Corporation (QTC) over the term of the investment. | | | |
| Interest is charged on outstanding rates at a rate of 9.83% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable. | | | |
| Interest Received from Bank Accounts | | 482,380 | 287,042 |
| Interest Received from Other Sources | | 1,257 | 1,172 |
| Interest from Overdue Rates and Utility Charges | | 7,321 | 8,563 |
| <u>TOTAL INTEREST AND INVESTMENT REVENUE</u> | | <u>490,958</u> | <u>296,777</u> |
| (e). Sales Revenue | | | |
| The sale of goods is recognised when the customer has taken delivery of the goods. Revenue from services is recognised when the service is rendered. | | | |
| Revenue from Contracts and Recoverable Works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. There are no Contracts in progress at the year end. The Contract work carried out is not subject to retentions. | | | |
| Sale of services | | | |
| Contract and Recoverable Works | | 1,945,932 | 2,895,009 |
| Total Sale of Services | | 1,945,932 | 2,895,009 |
| Sale of goods | | | |
| Café | | 14,706 | - |
| Aviation fuel | | 358,473 | 277,312 |
| Total Sale of Goods | | 373,179 | 277,312 |
| <u>TOTAL SALES REVENUE</u> | | <u>2,319,111</u> | <u>3,172,321</u> |
| (f). Other Income | | | |
| Recovered Costs | | 24,798 | 25,443 |
| Insurance refunds | | - | 20,568 |
| Other Income | | 6,286 | 14,590 |
| <u>TOTAL OTHER INCOME</u> | | <u>31,084</u> | <u>60,601</u> |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 4. Grants, Subsidies, Contributions and Donations

| | 2019 | 2018 |
|-------|------|------|
| Notes | \$ | \$ |

Grants, subsidies, donations and contributions that are non-reciprocal in nature are recognised as revenue when Council obtains control over them, which is usually upon receipt of funds.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Council does not currently have any reciprocal grants.

(a) Recurrent

| | | |
|--|-------------------------|-------------------------|
| General Purpose Grants | 5,896,107 | 5,425,150 |
| State Government Subsidies & Grants | 216,834 | 111,660 |
| Commonwealth Government Subsidies & Grants | 1,662,750 | 1,245,906 |
| <u>TOTAL RECURRENT GRANTS, SUBSIDIES, CONTRIBUTIONS AND DONATIONS</u> | <u>7,775,691</u> | <u>6,782,716</u> |

(b) Capital

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets.

| | | |
|--|-------------------------|-------------------------|
| State Government Subsidies & Grants | 1,758,947 | 7,293,197 |
| Commonwealth Government Subsidies & Grants | 1,677,325 | 1,547,631 |
| <u>TOTAL CAPITAL GRANTS, SUBSIDIES, CONTRIBUTIONS AND DONATIONS</u> | <u>3,436,272</u> | <u>8,840,828</u> |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 5. Employee Benefits

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------------|-------------------------|
| Wages and Salaries | | 4,310,306 | 3,922,328 |
| Annual, Sick and Long Service Leave Entitlements | | 940,917 | 955,769 |
| Superannuation | 21 | 491,664 | 500,374 |
| Councillors' Remuneration | | 320,483 | 315,944 |
| | | <u>6,063,370</u> | <u>5,694,415</u> |
| Other Employee Related Expenses | | 251,717 | 240,307 |
| | | <u>6,315,087</u> | <u>5,934,722</u> |
| Less: Capitalised Employee Expenses | | (560,464) | (799,380) |
| <u>TOTAL EMPLOYEE BENEFITS</u> | | <u><u>5,754,623</u></u> | <u><u>5,135,342</u></u> |
| Additional information: | | | |
| Total Employees at year end: | | | |
| Federal Award Staff | | 22 | 22 |
| State Award Staff | | 32 | 31 |
| Total full time equivalent employees | | <u>54</u> | <u>53</u> |
| Total Elected members | | <u>5</u> | <u>5</u> |

Note 6. Materials and Services

| | | |
|--|-------------------------|-------------------------|
| Advertising and Marketing | 11,222 | 22,744 |
| Administration Supplies and Consumables | 88,016 | 114,868 |
| Audit of Annual Financial Statements by the Auditor-General of Queensland* | 80,318 | 39,913 |
| Communications and IT | 325,103 | 321,285 |
| Consultants | 334,977 | 331,576 |
| Donations Paid | 180,629 | 114,372 |
| Repairs and Maintenance | 2,349,557 | 2,104,058 |
| Subscriptions and Registrations | 7,519 | 7,138 |
| Other Materials and Services | 490,697 | 888,874 |
| <u>TOTAL MATERIALS AND SERVICES</u> | <u><u>3,868,038</u></u> | <u><u>3,944,828</u></u> |

The audit fees quoted by the Queensland Audit Office relating to the 2018-19 financial statements are \$64,600 (2018:\$60,550).

Note 7. Finance Costs

| | | |
|---|-----------------------|-----------------------|
| Finance Costs - Queensland Treasury Corporation | 126,435 | 147,846 |
| Bank Charges | 7,512 | 2,672 |
| Impairment of Debts | 31,708 | 16,668 |
| <u>TOTAL FINANCE COSTS</u> | <u><u>165,655</u></u> | <u><u>167,186</u></u> |

Bulloo Shire Council

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

Note 8. Depreciation and Amortisation

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------------|-------------------------|
| Depreciation/Amortisation of Non-Current Assets | | | |
| Buildings | | 724,471 | 709,601 |
| Other Structures | | 336,587 | 198,002 |
| Plant and Equipment | | 971,674 | 982,544 |
| Office Equipment and Furniture | | 46,023 | 50,313 |
| Roads, Drainage and Bridges Network | | 3,209,417 | 3,173,269 |
| Water Infrastructure | | 138,992 | 128,761 |
| Sewerage | | 68,036 | 67,077 |
| Total Depreciation of Non-Current Assets | 13 | 5,495,200 | 5,309,567 |
| <u>TOTAL DEPRECIATION AND AMORTISATION</u> | | <u>5,495,200</u> | <u>5,309,567</u> |

Note 9. Capital Expenses

| | | | |
|---|----|-----------------------|-----------------------|
| Loss on Disposal of Non-Current Assets | | | |
| Proceeds from the Disposal of Property, Plant and Equipment | | 337,591 | 175,591 |
| Less: Book Value of Property, Plant and Equipment Disposed | 13 | (986,771) | (642,723) |
| (Gain)/Loss on disposal of Non-Current Assets | | 649,180 | 467,132 |
| <u>TOTAL CAPITAL EXPENSES</u> | | <u>649,180</u> | <u>467,132</u> |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 10. Cash, Cash Equivalents and Investments

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|-------------------|-------------------|
| <p>Cash and cash equivalents include cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.</p> | | | |
| Cash and Cash Equivalents | | | |
| Cash at Bank and on Hand | | 4,076,773 | 5,084,909 |
| Cash Equivalent Assets ¹ | | | |
| - Deposits at Call | | 15,261,144 | 14,305,742 |
| Total Cash and Cash Equivalents | | 19,337,917 | 19,390,651 |
| TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS | | 19,337,917 | 19,390,651 |

¹ Those Investments where time to maturity (from date of purchase) is < 3 mths.

Restricted Cash, Cash Equivalents and Investments

Council's Cash and Cash Equivalents are subject to a number of Internal and External Restrictions that limit amounts available for discretionary or future use. These include:

Externally imposed Expenditure Restrictions at the reporting date relate to the following cash assets:

| | | |
|--|------------------|------------------|
| Unspent Government Grants and Subsidies | 1,191,620 | 1,022,059 |
| Total External Restrictions | 1,191,620 | 1,022,059 |
| Internally imposed Expenditure Restrictions at the reporting date: | | |
| Unspent sustainability reserve | 6,541,586 | 6,029,333 |
| Total Internal Restrictions | 6,541,586 | 6,029,333 |
| Total Unspent Restricted Cash, Cash Equivalents and Investments | 7,733,206 | 7,051,392 |

Cash at bank is held in the National Australia Bank in normal business cheque accounts. The bank currently has a short term credit rating of A1+ and long term rating of Aa2.

Deposits at call are held in the Queensland Treasury Corporation(QTC). QTC's current credit rating ranging between Aa1 & AAA.

Trust Funds

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate *Trust Bank* account and separate accounting records are maintained for funds held on behalf of outside parties.

Council performs a custodian role in respect of Trust Fund monies amounting to \$19,301. (2018: \$20,788)

As these funds cannot be used by Council, they are not brought into account in these financial statements.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 11. Trade and Other Receivables

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------------|------------------------|
| <p>Receivables are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.</p> <p>Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.</p> <p>Because Council is empowered under the provisions of the <i>Local Government Act 2009</i> to sell an owner's property to recover outstanding rate debts, Council does not impair rate receivables.</p> <p>Loans and advances are recognised in the same way as other receivables.</p> | | | |
| Current | | | |
| Rateable Revenue and Utility Charges | | 43,059 | 68,380 |
| Other Debtors | | 844,353 | 277,549 |
| GST Recoverable | | 133,210 | 127,597 |
| Deferred house sale payments | | 87,100 | 94,380 |
| Total | | <u>1,107,722</u> | <u>567,906</u> |
| less: Loss Allowance | | | |
| Other Debtors | | (3,442) | (43,290) |
| Total Loss Allowance | | <u>(3,442)</u> | <u>(43,290)</u> |
| <u>TOTAL CURRENT TRADE AND OTHER RECEIVABLES</u> | | <u><u>1,104,280</u></u> | <u><u>524,616</u></u> |
| Non-Current | | | |
| Deferred house sale payments | | <u>547,586</u> | <u>717,433</u> |
| <u>TOTAL NON-CURRENT TRADE AND OTHER RECEIVABLES</u> | | <u><u>547,586</u></u> | <u><u>717,433</u></u> |
| Movement in Loss Allowance | | | |
| Opening balance at 1 July | | (43,290) | (46,574) |
| Adjustment on Initial Application of AASB 9 | | 38,842 | - |
| <i>Add</i> | | | |
| Additional impairments recognised | | (31,708) | 23,231 |
| <i>Less</i> | | | |
| Impairment debts written off during the year | | <u>32,714</u> | <u>(19,947)</u> |
| Balance at the end of the year | | <u><u>(3,442)</u></u> | <u><u>(43,290)</u></u> |

Council applied AASB 9 for the first time this year. As a result Council has calculated the impairment of receivables in a different way for 2019, using a lifetime expected loss allowance. The opening balance of impairment, as at 1 July 2018, has been recalculated using this new methodology and resulting in an opening balance adjustment of \$38,842. Further details of Council's expected credit loss assessment are contained in Note 25.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. Inventories

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|-----------------------|-----------------------|
| Inventories held for distribution are: | | | |
| - goods to be supplied at no or nominal charge, and | | | |
| - goods to be used for the provision of services at no or nominal, charge. | | | |
| These goods are valued at cost, adjusted, when applicable, for any loss of service potential. | | | |
| Stores and raw materials are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost. | | | |
| Current Inventories | | | |
| Inventories held for distribution | | | |
| Quarry and Road Materials | | - | 29,484 |
| Plant and Equipment Stores | | 414,515 | 360,748 |
| <u>TOTAL CURRENT INVENTORIES</u> | | <u>414,515</u> | <u>390,232</u> |

Bulloo Shire Council

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

Note 13. Property, Plant and Equipment

| 30 June 2019 | | Land | Buildings | Other Structures | Plant and Equipment | Office Equipment and Furniture | Roads, Drainage and Bridges Network | Water Infrastructure | Sewerage | Work in progress | Total |
|--|------|-----------------|------------|------------------|---------------------|--------------------------------|-------------------------------------|----------------------|------------|------------------|-------------|
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Measurement Basis | Note | Fair Value | Fair Value | Fair Value | Cost | Cost | Fair Value | Fair Value | Fair Value | Cost | |
| Opening Gross Balance - at Cost | | - | - | - | 12,585,840 | 785,662 | - | - | - | 377,568 | 13,749,070 |
| Opening Gross Balance - at Fair Value | | 780,700 | 29,898,750 | 9,601,389 | - | - | 178,391,439 | 7,648,028 | 3,431,048 | - | 229,751,354 |
| Opening Gross Balance | | 780,700 | 29,898,750 | 9,601,389 | 12,585,840 | 785,662 | 178,391,439 | 7,648,028 | 3,431,048 | 377,568 | 243,500,424 |
| Additions* | | 15,000 | 825,893 | 375,510 | 1,360,685 | 44,901 | 758,767 | 916,214 | 65,335 | 4,862,269 | 9,224,574 |
| Disposals | 9 | - | - | - | (1,149,161) | - | - | - | - | - | (1,149,161) |
| Write-offs | 9 | - | (151,750) | (111,228) | - | (37,481) | (347,136) | (387,311) | (43,810) | - | (1,078,716) |
| Revaluation Decrements to Equity (ARR) | 18 | (168,241) | - | - | - | - | - | - | - | - | (168,241) |
| Revaluation Increments to Equity (ARR) | 18 | - | 1,078,072 | 340,020 | - | - | 6,685,164 | 356,947 | 149,369 | - | 8,609,572 |
| Work in Progress Transfers | | - | 135,443 | 24,417 | - | - | - | 7,005 | - | (166,865) | - |
| Total Gross Value of Property, Plant and Equipment - at Cost | | 15,000 | 961,336 | 399,927 | 12,797,364 | 793,082 | 758,767 | 923,219 | 65,335 | 5,072,972 | 21,787,002 |
| Total Gross Value of Property, Plant and Equipment - at Fair Value | | 612,459 | 30,825,072 | 9,830,181 | - | - | 184,729,467 | 7,617,664 | 3,536,607 | - | 237,151,450 |
| Total Gross Value of Property, Plant and Equipment | | 627,459 | 31,786,408 | 10,230,108 | 12,797,364 | 793,082 | 185,488,234 | 8,540,883 | 3,601,942 | 5,072,972 | 258,938,452 |
| | | | | | | | | | | | |
| Opening Accumulated Depreciation | | - | 11,457,318 | 2,728,059 | 6,709,234 | 251,713 | 35,864,241 | 2,360,726 | 1,038,072 | - | 60,409,363 |
| Depreciation Expense | | - | 724,471 | 336,587 | 971,674 | 46,023 | 3,209,417 | 138,992 | 68,036 | - | 5,495,200 |
| Disposals | 9 | - | - | - | (828,718) | - | - | - | - | - | (828,718) |
| Write-offs | 9 | - | (112,684) | (30,344) | - | (27,153) | (76,400) | (143,536) | (22,270) | - | (412,387) |
| Revaluation Increments to Equity (ARR) | 18 | - | 431,963 | 108,465 | - | - | 1,440,441 | 105,777 | 47,136 | - | 2,133,782 |
| Total Accumulated Depreciation of Property, Plant and Equipment | | - | 12,501,068 | 3,142,767 | 6,852,190 | 270,583 | 40,437,699 | 2,461,959 | 1,130,974 | - | 66,797,240 |
| | | | | | | | | | | | |
| Total Net Book Value of Property, Plant and Equipment | | 627,459 | 19,285,340 | 7,087,341 | 5,945,174 | 522,499 | 145,050,535 | 6,078,924 | 2,470,968 | 5,072,972 | 192,141,212 |
| | | | | | | | | | | | |
| Other Information | | | | | | | | | | | |
| Range of Estimated Useful Life (years) | | Not depreciated | 50 - 100 | 15 - 45 | 2- 30 | 2 - 15 | 1 - 1000 | 20 - 115 | 16 - 100 | Not depreciated | |
| | | | | | | | | | | | |
| *Asset Additions Comprise | | | | | | | | | | | |
| Asset Renewals | | - | 252,737 | 61,102 | 1,360,685 | 44,901 | 55,364 | 761,718 | 65,335 | 2,534,266 | 5,136,108 |
| Other Additions | | 15,000 | 573,156 | 314,408 | - | - | 703,403 | 154,496 | - | 2,328,003 | 4,088,466 |
| Total Asset Additions | | 15,000 | 825,893 | 375,510 | 1,360,685 | 44,901 | 758,767 | 916,214 | 65,335 | 4,862,269 | 9,224,574 |

Bulloo Shire Council

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

Note 13. Property, Plant and Equipment (continued)

| 30 June 2018 | | Land | Buildings | Other Structures | Plant and Equipment | Office Equipment and Furniture | Roads, Drainage and Bridges Network | Water Infrastructure | Sewerage | Work in progress | Total |
|--|------|-----------------|------------|------------------|---------------------|--------------------------------|-------------------------------------|----------------------|------------|------------------|--------------|
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Measurement Basis | Note | Fair Value | Fair Value | Fair Value | Cost | Cost | Fair Value | Fair Value | Fair Value | Cost | |
| Opening Gross Balance - at Cost | | - | - | - | 12,986,726 | 785,662 | - | - | - | 4,672,057 | 18,444,445 |
| Opening Gross Balance - at Fair Value | | 767,700 | 26,452,345 | 5,961,200 | - | - | 190,341,473 | 7,840,567 | 3,121,845 | - | 234,485,130 |
| Opening Gross Balance | | 767,700 | 26,452,345 | 5,961,200 | 12,986,726 | 785,662 | 190,341,473 | 7,840,567 | 3,121,845 | 4,672,057 | 252,929,575 |
| Additions* | | 16,768 | 733,150 | 3,526,113 | 839,511 | - | 8,997,373 | 8,960 | 22,536 | 377,569 | 14,521,980 |
| Disposals | 9 | - | - | (26,484) | (817,614) | - | - | - | - | - | (844,098) |
| Write-offs | 9 | - | - | - | (457,553) | - | 3,736 | - | - | - | (453,817) |
| Revaluation Decrements to Equity (ARR) | 18 | (3,768) | - | (369,018) | - | - | (24,582,277) | (201,499) | - | - | (25,156,562) |
| Revaluation Increments to Equity (ARR) | 18 | - | 2,254,878 | - | - | - | - | - | 248,468 | - | 2,503,346 |
| Work in Progress Transfers | | - | 458,377 | 509,578 | 34,770 | - | 3,631,134 | - | 38,199 | (4,672,058) | - |
| Total Gross Value of Property, Plant and Equipment - at Cost | | - | - | - | 12,585,840 | 785,662 | - | - | - | 377,568 | 13,749,070 |
| Total Gross Value of Property, Plant and Equipment - at Fair Value | | 780,700 | 29,898,750 | 9,601,389 | - | - | 178,391,439 | 7,648,028 | 3,431,048 | - | 229,751,354 |
| Total Gross Value of Property, Plant and Equipment | | 780,700 | 29,898,750 | 9,601,389 | 12,585,840 | 785,662 | 178,391,439 | 7,648,028 | 3,431,048 | 377,568 | 243,500,424 |
| | | | | | | | | | | | |
| Opening Accumulated Depreciation | | - | 10,159,617 | 2,384,755 | 6,374,655 | 207,083 | 28,619,674 | 2,119,472 | 775,223 | - | 50,640,479 |
| Depreciation Expense | | - | 709,601 | 198,002 | 982,544 | 50,313 | 3,173,269 | 128,761 | 67,077 | - | 5,309,568 |
| Disposals | 9 | - | - | (1,545) | (562,028) | - | - | - | - | - | (563,573) |
| Write-offs | 9 | - | - | - | (85,937) | (5,683) | - | - | - | - | (91,620) |
| Revaluation Increments to Equity (ARR) | 18 | - | 588,100 | 146,847 | - | - | 4,071,298 | 112,493 | 195,772 | - | 5,114,510 |
| Total Accumulated Depreciation of Property, Plant and Equipment | | - | 11,457,318 | 2,728,059 | 6,709,234 | 251,713 | 35,864,241 | 2,360,726 | 1,038,072 | - | 60,409,363 |
| | | | | | | | | | | | |
| Total Net Book Value of Property, Plant and Equipment | | 780,700 | 18,441,432 | 6,873,330 | 5,876,606 | 533,949 | 142,527,198 | 5,287,302 | 2,392,976 | 377,568 | 183,091,061 |
| | | | | | | | | | | | |
| Other Information | | | | | | | | | | | |
| Range of Estimated Useful Life (years) | | Not depreciated | 50 - 100 | 15 - 45 | 2 - 30 | 2 - 15 | 1 - 100 | 20 - 115 | 16 - 100 | Not depreciated | |
| | | | | | | | | | | | |
| *Asset Additions Comprise | | | | | | | | | | | |
| Asset Renewals | | - | 444,899 | 2,490,150 | 839,511 | - | 8,997,373 | 8,960 | - | 7,005 | 12,787,898 |
| Other Additions | | 16,768 | 288,251 | 1,035,963 | - | - | - | - | 22,536 | 370,564 | 1,734,082 |
| Total Asset Additions | | 16,768 | 733,150 | 3,526,113 | 839,511 | - | 8,997,373 | 8,960 | 22,536 | 377,569 | 14,521,980 |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Property, Plant and Equipment (continued)

Each class of Property, Plant and Equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment and infrastructure assets with a total value of less than \$5,000, and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of Property, Plant and Equipment are capitalised.

The classes of Property, Plant and Equipment recognised by the Council are:

- Land
- Buildings
- Other structures
- Plant and equipment
- Office furniture and equipment
- Roads, drainage and bridges network
- Water infrastructure
- Sewerage infrastructure
- Work in progress

Acquisition of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition including freight, architect's fees and engineering design fees and all other establishment costs.

Capital and operating expenditure

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from Work in Progress to the appropriate Property, Plant and Equipment class.

Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the asset are expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

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

Valuation

Land and Improvements, Buildings, and all Infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. Plant and Equipment, Office Furniture and Equipment and Work in Progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging either an independent professionally qualified valuer or internally professionally qualified staff to determine the fair value for each class of Property, Plant and Equipment assets at least once every 3 to 5 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessment of the condition of the assets at the date of inspection.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Property, Plant and Equipment (continued)

In the intervening years, Council has assessed fair value of all infrastructure assets, by applying an appropriate cost index as provided by an independent valuer or sourcing them via Government sites (Desktop valuation). With respect to the valuation of the land and improvements and buildings in the intervening years, if the change in values is considered likely to be material, management engages either independent professionally qualified valuers or qualified staff to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 14.

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

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

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

Capital work in progress

The cost of Property, Plant and Equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

Impairment

Property, plant and equipment is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

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

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

Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other Property, Plant and Equipment assets is calculated on a straight-line basis so as to write off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

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

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Property, Plant and Equipment (continued)

Depreciation (continued)

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

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the shorter.

Depreciation methods, estimated useful lives and residual values of Property, Plant and Equipment assets are reviewed on a regular basis and adjusted, where necessary, to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 14.

Land under roads

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

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements

(a) Valuation

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

Property, Plant and Equipment

- Land
- Buildings
- Other structures
- Road, drainage and bridge network
- Water Infrastructure
- Sewerage Infrastructure

AASB 13 requires fair value measurements to be categorised as follows

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

Council does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as Level 1, and no assets which meet the criteria for categorisation as Level 2.

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

Borrowing

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred.

The fair value of borrowings from QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date (Level 2). The market value of debt is provided by QTC and is disclosed in Note 16.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

Trade Receivable and Payables

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).

Valuation processes

The Council engages external, independent and qualified valuers to determine the fair value of land, buildings and other structure assets on a regular basis. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim revaluation using appropriate indices.

The following table categorises fair value measurements at Level 3 in accordance with AASB 13.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

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

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

| | Date of latest valuation | Fair Value Measurement using: | | | Total |
|--|--------------------------------|---|--|--|--------------------|
| | | Level 1 Quoted prices in active mkts \$ | Level 2 Significant observable inputs \$ | Level 3 Significant unobservable inputs \$ | |
| 2019 | | | | | |
| Property, Plant and Equipment | | | | | |
| Land | 30/06/19 | - | - | 627,459 | 627,459 |
| Buildings | | | | | |
| - Residential and Commercial Properties | 30/06/19 | - | - | 7,634,525 | 7,634,525 |
| - Specialised Buildings | 30/06/19 | - | - | 11,650,815 | 11,650,815 |
| Other Structures | 30/06/19 | - | - | 7,087,341 | 7,087,341 |
| Infrastructure assets: | | | | | |
| - Road, Drainage and Bridge Network | 30/06/19 | - | - | 145,050,535 | 145,050,535 |
| - Water | 30/06/19 | - | - | 6,078,924 | 6,078,924 |
| - Sewerage | 30/06/19 | - | - | 2,470,968 | 2,470,968 |
| Total Property, Plant and Equipment | | - | - | 180,600,567 | 180,600,567 |
| 2018 | | | | | |
| Property, Plant and Equipment | | | | | |
| Land | 30/06/18 | - | - | 780,700 | 780,700 |
| Buildings | | | | | |
| - Residential and Commercial Properties | 30/06/18 | - | - | 7,396,753 | 7,396,753 |
| - Specialised Buildings | 30/06/18 | - | - | 11,044,679 | 11,044,679 |
| Other Structures | 30/06/18 | - | - | 6,873,330 | 6,873,330 |
| Infrastructure assets: | | | | | |
| - Road, Drainage and Bridge Network | 30/06/18 | - | - | 142,527,198 | 142,527,198 |
| - Water | 30/06/18 | - | - | 5,287,302 | 5,287,302 |
| - Sewerage | 30/06/18 | - | - | 2,392,976 | 2,392,976 |
| Total Property, Plant and Equipment | | - | - | 176,302,938 | 176,302,938 |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values

The Fair Valuation techniques Council has employed while utilising Level 3 inputs are as follows:

Infrastructure, Property, Plant and Equipment

Land (Level 3)

Land Fair Values were determined by independent valuer, Australis Asset Advisory Group effective 30 June 2018 and a desktop valuation as at 30 June 2019 by Australis Asset Advisory Group.

Where an observable market for Council land assets could be identified, Fair Value was measured by way of a Market Approach (Level 2), utilising sale prices of comparable properties after adjusting for differences in key attributes of the property. Where a significant adjustment was required between the sale prices of comparable properties, Fair Value was measured by way of a Market Approach (Level 3).

Land has been valued by the independent valuer using valuation techniques that maximise the use of observable data and under the principles of Highest and Best Use. The valuer has utilised the market approach method when assessing land taking into account any adjustments factors that may be applicable.

Observable inputs used by the valuer were registered sales transactions of land within the Shire (Level 2) with adjustments made for differences in key attributes between the land subject to valuation and the land recently sold.

Where there were significant differences in key attributes between the land subject to valuation and the land recently sold, the valuations methodology is considered a Level 3 on the Fair value hierarchy.

Under the level 3 approach, unobservable inputs such as reference to discussions with real estate agents, statistical data from reputable published sources and sales history of other land types were utilised.

When undertaking the valuation for the year ended 30 June 2018, the valuer determined that there was no recorded land sales in the previous two (2) financial years and therefore there was an insufficient sample size available for the valuer to determine market movements using the Level 2 approach. In this instance, due to the paucity of sales evidence within the Shire, all land was categorised as Level 3 and the value based on rates per square meter as determined by the valuer using unobservable inputs.

When undertaking the desktop valuation for the 2019 year the valuer considered the 3 recent sales in the shire and the other market indices to determine the valuation indices to be applied to land.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Buildings and other Structures (Level 3)

The Fair Value of Buildings and Other Structures was independently valued by Australis Asset Advisory Group effective 30 June 2018 and a desktop valuation as at 2019 by Australis Asset Advisory Group. Where an observable market for Council assets can be identified, Fair Value is measured by way of a Market Approach (Level 2), utilising sale prices of comparable properties after adjusting for differences in key attributes of the property.

When undertaking the valuation review, the valuer considered the available market data and due to the thinly traded nature of the Bulloo Shire property market, no Buildings were assessed on a Market Approach. This included residential housing. It was observed that in the current Financial Year, there has only been two residential dwelling sold in Thargomindah, being both brought by Bulloo Shire Council. In the 2016-17 Financial Year, there were only three dwelling sales, with one being a low value purchase by Bulloo Shire Council. For this reason, it was determined by the Valuer that there is not an 'active and liquid' market and therefore no reliable data to support a Market Approach for property in the Shire.

As the Buildings and Other Structures did not meet the criteria for a market approach, Fair Value was measured on the basis of a Cost Approach (Level 3). Under this methodology the gross replacement cost was assessed on the basis that it reflected a modern equivalent asset with similar service potential.

Under the Cost approach, the asset's Fair Value is the result of the gross current value less accumulated depreciation, to reflect the consumed or expired service potential of the asset. The most significant inputs into the valuation were the rate per square metre (to arrive at the Gross Replacement Cost) and a condition score reflecting the remaining useful life of the asset. Building and Other Structures assets were assessed under this approach.

In determining the level of accumulated depreciation for assets under Cost Approach, as the first step an Economic Useful Life (EUL) was provided to each asset on a componentised basis. As a second step, the condition score, which has direct influence on the Remaining Useful life (RUL) of the asset was assessed and applied to each asset. The RUL takes into consideration the assets physical characteristics, age, recent repairs or capital works, as well as factors such as functionality, capability, utilisation and obsolescence. Estimates of expired service potential and remaining useful lives were determined on a straight-line basis and where required, assets were disaggregated into significant components which exhibit different useful lives.

There are no residual values on Council's Building and Other Structures assets.

While the unit rates based on square metres can be supported by market evidence (Level 2). The estimates of residual value, useful life, pattern of consumption and asset condition that are used to calculate accumulated depreciation comprise unobservable inputs (Level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as Level 3.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Infrastructure Assets - Roads, Water and Sewerage

All Council infrastructure assets were fair valued using written down Current Replacement Cost (Level 3). This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

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

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks. The CRC was determined using methods relevant to the asset class as described under individual asset categories below.

Infrastructure assets fair values were determined by independent valuer, Australis Asset Advisory Group effective 30 June 2018 and a desktop valuation as at 2019 by Australis Asset Advisory Group.

Accumulated depreciation of Infrastructure Assets was calculated using the same approach as buildings.

Roads (Level 3)

Current replacement costs

Current replacement costs are calculated by reference to asset linear and area specifications, production rates, estimated labour and material inputs, services costs, and overhead allocations based on existing supplier contract rates or list and Council rates.

The replacement cost of road assets have been determined by considering:

- Actual construction cost
- Written or verbal quotes / estimates of current market prices
- Modified market prices of a different asset similar in type, use and condition

Specifically replacement cost values are determined by utilising unit costs for specific asset categories and components, these unit rate costs were calculated based on:

- Current market costs of labour, plant and materials
- Estimated production rates for plant and labour

Soil types, availability of pavement and surfacing materials and other local factors are considered in determining unit rates.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Roads (Level 3) (cont'd)

Two core asset classes are defined for road assets:

1. Road Segment Assets (those assets comprising the road right of way / carriageway)
2. Structural Assets (culverts and other drainage, etc.)

Road Segment Assets are categorised into four components including:

1. Formation (earthworks, earth drainage and network assets (guide posts))
2. Pavement for gravelled roads and under bitumen surfaced roads
3. Surfacing (sprayed bituminous seal or asphalt)
4. Kerb & channel

Accumulated Depreciation

All road asset components are considered to depreciate linearly with time (straight line depreciation). In most cases the actual installation or construction date of assets are known by Council. However, for some assets, it has been necessary to estimate the age based on its current condition and useful life.

The formation component of road segments consists of a number of main elements including:

1. Clearing, ground surface treatment and earthworks
2. Earth drainage (table drains, inverts, diversion drains. etc)
3. Formed Carriageway

It is Council's policy that formation for gravelled and sealed roads depreciates linearly until replacement. At replacement, it is assumed that all earthworks related to the formation component require full replacement.

All works to retain formation assets is considered maintenance by Council. However, as formation may become obsolete or full reconstruction may be required, a useful life of 1,000 years has been adopted.

The pavement component of a road segment consists of a gravel-running course on unsealed roads and floodways or a structural gravel layer on bitumen or concrete roads and floodways.

Council's policy for pavement on gravelled and sealed roads is that they depreciate linearly over the life of the asset until replacement is required.

The useful life of the lower layer is adjusted to be a multiple of the upper layer, which have shorter lives. The asset useful life for lower layer is 60-80 years and upper layer is 15 years.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Roads (Level 3) (cont'd)

Bitumen seals generally consist of two (2) coats of bitumen and two (2) coats of aggregate. For the purpose of this valuation, a componentisation system is incorporated, which consists of separating the bitumen seal into two (2) components. The lower layer is considered to have a longer life than the upper layer. Typically, the upper layer of bitumen and aggregate is resealed between 7 to 15 years depending on traffic volumes, aggregate characteristics, and environment. It is assumed in this valuation that Council's road are resealed every fifteen (15) years and every four (4) resealing cycle a full replacement of the pavement structure will be required.

These assumptions are in conjunction with Council's Road Management Strategy until better, reliable and more accurate deterioration curves on an asset-by-asset basis are obtained or/and becomes available.

The asset useful lives that are adopted are shown below:

| | | Years |
|----------------------|--------------|---------|
| Seal | Sealed Lower | 60 -100 |
| Seal | Sealed Upper | 15 |
| Seal/Unsealed/Formed | | INF |
| Unsealed | | 20 |
| Kerb & Channel | | 60 |
| Footpaths | | 60 |
| Grids | | 60 |
| Bridges | | 60-90 |
| Culverts | | 15-80 |
| Floodways | | 90 |
| Formation | | 1,000 |

A useful life of 90 years is adopted for concrete floodways, which are based on typical values given by the Local Government and Municipal Knowledge Base website and Local Government Association of Queensland (LGAQ) Submission to the Australian Accounting Standards Board (AASB). The current installed concrete floodways in the Shire are relatively new (not greater than 30 years). Therefore, at this point in time it is not possible to determine with a high level of certainty whether the proposed useful life value is or is not appropriate to be implemented by the Council.

Structure assets consist of cross-road drainage installations including box and pipe culverts, gravel, bitumen, concrete floodways and single and double grids. The size and type of drainage structure have been considered and unit replacement costs determined.

All structure assets are considered to depreciate linearly for the length of their useful lives and will be completely replaced with no cost recovery at replacement.

Consistent with roads it has been assumed that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Construction estimates were determined on a similar basis to roads.

Bulloo Shire Council

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

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Roads (Level 3) (cont'd)

Condition rating (useful life)

| Rating | Description of condition | | |
|--------|--------------------------|---------------|--|
| 1 | 0% | Excellent | Asset as "new" and only planned maintenance required. |
| 2 | 25% | Good | Asset is reliable, asset operates as intended and its appearance and structural integrity is up to the standard expected of an operating asset. Minor maintenance required plus planned maintenance. |
| 3 | 50% | Fair | Asset is reliable and operates as intended, but its appearance and structural integrity are questionable and significant maintenance is required. |
| 4 | 75% | Poor | Asset still operates but does not meet intended duty or does not appear sound and significant renewal / upgrade is required. |
| 5 | 100% | Unserviceable | Asset is not functioning / needs immediate attention. |

Water and Sewerage (Level 3)

Current Replacement Costs

Water and Sewerage infrastructure assets fair values were determined by independent valuer, Australis Asset Advisory Group effective 30 June 2018 and a desktop valuation as at 2019 by Australis Asset Advisory Group.

Water and Sewer assets have been assessed utilising valuation techniques that maximise the use of observable data where possible. Typically, the methodology applied will be determined based on the AASB13 Input Decision tree. Standard valuation principles dictate that a cost approach method (generally incremental Greenfield) is a suitable primary methodology when assessing infrastructure that has no active market nor has directly applicable income.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Water and Sewerage (Level 3) (continued)

Characterisation of assets

The assets to be valued were initially checked for completeness of data and classified into asset systems based on functional characteristics:

- Water Mains
- Water Passive
- Water Active
- Sewer Mains
- Sewer Points
- Sewer Active

These categories were further refined with the adoption of sub-systems and assets and components, this hierarchy is predominantly applicable to active assets and is based on a functional asset breakdown. This functional classification was then used to verify the existing componentisation and allowed the identification of additional components to be added.

Componentisation was expanded to include components of a varying consumption pattern or aid in asset identification and asset management practises.

Active Assets included Pump Stations, Bores, Ponds and Reservoirs. Passive Assets include pipework. These Active Assets were componentised dependant on size, capacity, site conditions and other factors judged relevant by the Valuer. This componentisation was reviewed by Council Staff and where possible matched to their asset management requirements. Gravity Sewer mains were the only Passive Asset componentised into long and short life components to allow for accurate modelling of pipe relining, this split was varied based on depth and diameter based on brownfield relining costs.

Bulloo Shire Council

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

Note 14. Fair Value Measurements (continued)

(a) Valuation (continued)

(2) Valuation techniques used to derive Level 3 Fair Values (continued)

Infrastructure, Property, Plant and Equipment (continued)

Water and Sewerage (Level 3) (Cont'd)

Accumulated Depreciation

In determining accumulated depreciation, assets were either subject to a site inspection or an assessment to determine remaining useful life.

Where site inspections were conducted (i.e. for Active Assets), the assets were allocated a condition assessment rating which was used to estimate remaining useful life as tabled below

| Rating | Description of condition | | |
|--------|--------------------------|---------------|--|
| 1 | 0% | Excellent | Asset as "new" and only planned maintenance required. |
| 2 | 25% | Good | Asset is reliable, asset operates as intended and its appearance and structural integrity is up to the standard expected of an operating asset. Minor maintenance required plus planned maintenance. |
| 3 | 50% | Fair | Asset is reliable and operates as intended, but its appearance and structural integrity are questionable and significant maintenance is required. |
| 4 | 75% | Poor | Asset still operates but does not meet intended duty or does not appear sound and significant renewal / upgrade is required. |
| 5 | 100% | Unserviceable | Asset is not functioning/ needs immediate attention. |

Where site inspections were not conducted (i.e. for Passive Assets and Active Assets for which no site inspections were undertaken) the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance.

For all pipes, replacement cost was determined based on replacement by trench excavation, useful life was determined as the pipe useful life and the pipe fair value was based on age.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 15. Trade and Other Payables

| | 2019 | 2018 |
|-------|------|------|
| Notes | \$ | \$ |

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

Liabilities are recognised for employee benefits such as wages and salaries, annual and long service leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

Current

| | | |
|--|-----------------------|-----------------------|
| Creditors and Accruals | 505,184 | 300,904 |
| Annual Leave | 459,566 | 523,283 |
| Other Employee Entitlements | 15,301 | 3,377 |
| <u>TOTAL CURRENT TRADE AND OTHER PAYABLES</u> | <u>980,051</u> | <u>827,564</u> |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 16. Borrowings

| | 2019 | 2018 |
|-------|------|------|
| Notes | \$ | \$ |

Borrowings are initially recognised at cost value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.

All borrowings are in \$A denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 June 2023 to 15 June 2024. There have been no defaults or breaches of the loan agreement during the period.

Council adopts an Annual Debt Policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

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

Current

| | | |
|---|-----------------------|-----------------------|
| Loans - Queensland Treasury Corporation | 528,429 | 482,786 |
| <u>TOTAL CURRENT BORROWINGS</u> | <u>528,429</u> | <u>482,786</u> |

Non-current

| | | |
|--|-------------------------|-------------------------|
| Loans - Queensland Treasury Corporation | 1,956,058 | 2,506,792 |
| <u>TOTAL NON-CURRENT BORROWINGS</u> | <u>1,956,058</u> | <u>2,506,792</u> |

Reconciliation of Loan Movements for the year

Loans - Queensland Treasury Corporation (QTC)

| | | |
|---|-------------------------|-------------------------|
| Opening Balance at Beginning of Financial Year | 2,989,578 | 3,473,258 |
| Principal Repayments | (505,091) | (483,680) |
| <u>Book value at end of financial year</u> | <u>2,484,487</u> | <u>2,989,578</u> |

The QTC loan market value at the reporting date was \$2,655,722 (2018: \$3,141,907).

This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

Loan Disclosures

No assets have been pledged as security by the Council for any liabilities, however all loans are guaranteed by the Queensland Government. There has been no defaults or breaches of the loan agreement during the year.

The weighed average borrowing rate for the Loans is ranges from 4.14% to 4.60%.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 17. Provisions

| | 2019 | 2018 |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Long Service Leave | | |
| <p>The provision for Long Service Leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.</p> <p>Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months, Long Service Leave is classified as a current liability. Otherwise it is classified as Non-Current.</p> | | |
| Current | | |
| Long Service Leave | 549,855 | 356,897 |
| <u>TOTAL CURRENT PROVISIONS</u> | <u>549,855</u> | <u>356,897</u> |
| Non-current | | |
| Long Service Leave | 98,763 | 218,743 |
| <u>TOTAL NON-CURRENT PROVISIONS</u> | <u>98,763</u> | <u>218,743</u> |
| Long Service Leave | | |
| Balance at Beginning of Financial Year | 575,640 | 531,219 |
| Additional Provision | 109,948 | 94,650 |
| Decrease due to Payments | (36,970) | (50,229) |
| Balance at End of Financial Year | 648,618 | 575,640 |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 18. Asset Revaluation Reserve

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------|-------------------|
| <p>The Asset Revaluation Surplus comprises adjustments relating to changes in value of Property, Plant and Equipment. Net incremental changes in the carrying value of classes of Non-Current Assets since their initial recognition are accumulated in the Asset Revaluation Surplus. Increases and decreases on revaluation are offset within a class of assets.</p> <p>Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the Asset Revaluation Surplus in respect of that class. Any excess is treated as an expense.</p> <p>When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the Asset Revaluation Surplus and not transferred to Retained Surplus.</p> | | | |
| Movements in the Asset Revaluation Reserve: | | | |
| Balance at beginning of financial year | | 80,913,444 | 108,681,170 |
| Net adjustment to non-current assets at end of period to reflect a change in current fair value: | | | |
| Land | | (168,241) | (3,768) |
| Buildings | | 646,109 | 1,666,778 |
| Other Structures | | 231,555 | (515,865) |
| Roads, Drainage and Bridges Network | | 5,244,723 | (28,653,575) |
| Water Infrastructure | | 251,170 | (313,992) |
| Sewerage | | 102,233 | 52,696 |
| | 13 | 6,307,549 | (27,767,726) |
| Balance at end of financial year | | <u>87,220,993</u> | <u>80,913,444</u> |

Asset revaluation Reserve Analysis

The closing balance of the Asset Revaluation Reserve comprises the following asset categories:

| | | |
|-------------------------------------|-------------------|-------------------|
| Land | 438,047 | 606,288 |
| Buildings | 4,554,245 | 3,908,136 |
| Other Structures | 2,353,426 | 2,121,871 |
| Roads, Drainage and Bridges Network | 77,529,720 | 72,284,997 |
| Water Infrastructure | 2,190,626 | 1,939,456 |
| Sewerage | 154,929 | 52,696 |
| Balance at end of financial year | <u>87,220,993</u> | <u>80,913,444</u> |

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Retained Surplus/(Deficiency)

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|--------------------|--------------------|
| Movements in the retained surplus: | | | |
| Retained Surplus/(Deficit) at Beginning of Financial Year | | 118,807,766 | 109,664,156 |
| Net Result Attributable to Council | | 3,364,753 | 9,143,610 |
| Other Movements: | | | |
| Adjustment on Initial Application of AASB 9 | | 38,842 | - |
| Retained surplus at end of financial year | | <u>122,211,361</u> | <u>118,807,766</u> |

Note 20. Contingent Liabilities

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

Local Government Mutual

The Council is a member of the Local Government Mutual Liability Self-Insurance Pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the Trust Deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2018 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland Local Government Worker's Compensation Self-Insurance Scheme, Local Government Workcare. Under this Scheme the Council has provided an indemnity towards a Bank Guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's Workers Compensation Authority may call on any part of the Guarantee should the above circumstances arise. The Council's maximum exposure to the Bank Guarantee is \$85,424 (2018: \$79,064).

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 21. Superannuation

Council contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 9.5% or 12% for each permanent employee who is a Defined Benefit member. This rate is set in accordance with the LGIASuper Trust Deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying Superannuation Scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the Local Government Act 2009.

The scheme is a Defined Benefit Plan, however Council is not able to account for it as a Defined Benefit Plan in accordance with AASB119 because LGIASuper is unable to account for its proportionate share of the Defined Benefit obligation, plan assets and costs.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate, but has not been recognised as an asset or liability of the Council.

Technically, Council can be liable to the Scheme for a portion of another Local Governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIASuper Trust Deed changes to Council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the Scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the Scheme was in a satisfactory financial position as at the valuation date." The Council is not aware of anything that has happened since that time that indicates the assets of the Scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

Another actuarial investigation is being conducted as at 1 July 2021.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk - The risk that the Scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

There are currently 62 entities contributing to the Scheme and any changes in contribution rates would apply equally to all 62 entities. Bulloo Shire Council made less than 4% of the total contributions to the plan in the 2018-19 financial year.

Bulloo Shire Council

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

Note 21. Superannuation (continued)

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|------------|------------|
| Superannuation contributions made to the Regional Defined Benefits Fund | | 491,664 | 500,374 |
| Total superannuation contributions paid by Council for employees | 5 | 491,664 | 500,374 |
| | | | 2020 \$ |
| Contributions council expects to make to the Regional Defined Benefits Fund for 2019-20. | | | 500,000 |

Bulloo Shire Council

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

Note 22. Reconciliation of Net Result for the year to Net Cash Inflow/(Outflow) from Operating Activities

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|------------------|--------------------|
| Net operating result from Statement of Comprehensive Income | | 3,364,753 | 9,143,610 |
| Non-cash items | | | |
| Depreciation and Amortisation | | 5,495,200 | 5,309,567 |
| Net Losses/(Gains) on Disposal of Property, Plant & Equipment | | 649,180 | 467,132 |
| Capital Grants and Contributions | | (3,436,272) | (8,840,828) |
| | | <u>2,708,108</u> | <u>(3,064,129)</u> |
| Changes in operating assets and liabilities: | | | |
| (Increase)/Decrease in Trade and other Receivables | | (369,969) | 1,116,463 |
| Increase/(Decrease) in Provision for Impairment | | (1,006) | (3,284) |
| (Increase)/Decrease in Inventories | | (24,283) | (119,870) |
| Increase/(Decrease) in Trade and other Payables | | 204,280 | (48,647) |
| Increase/(Decrease) in Borrowing | | (51,793) | (12,239) |
| Increase/(Decrease) in Provisions | | 72,978 | 44,421 |
| | | <u>(169,794)</u> | <u>976,844</u> |
| Net cash provided from/(used in) Operating Activities from the Statement of Cash Flows | | <u>5,903,067</u> | <u>7,056,325</u> |

Note 23. Reconciliation of Liabilities arising from Finance Activities

| | As at 30-Jun-18 \$ | Cashflows \$ | Non-Cash Changes \$ | As at 30-Jun-19 \$ |
|---|--------------------------|------------------|---------------------------|--------------------------|
| Loans - Queensland Treasury Corporation (QTC) | <u>2,989,578</u> | <u>(505,091)</u> | - | <u>2,484,487</u> |
| | <u>2,989,578</u> | <u>(505,091)</u> | - | <u>2,484,487</u> |
| | As at 30-Jun-17 \$ | Cashflows \$ | Non-Cash Changes \$ | As at 30-Jun-18 \$ |
| Loans - Queensland Treasury Corporation (QTC) | <u>3,473,258</u> | <u>(483,680)</u> | - | <u>2,989,578</u> |
| | <u>3,473,258</u> | <u>(483,680)</u> | - | <u>2,989,578</u> |

Bulloo Shire Council

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

Note 24. Events Occurring After Balance Date

Events that occurred after the reporting date of 30 June 2019, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Events that occur after the Reporting Date represent one of two types:

(i) Events that have provided evidence of conditions that existed at the Reporting Date

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2019.

(ii) Events that have provided evidence of conditions that arose after the Reporting Date

These financial statements (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2019 and which are only indicative of conditions that arose after 30 June 2019.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 25. Financial Instruments

Council has exposure to the following risks arising from financial instruments:-

- (i) interest rate risk,
- (ii) credit risk,
- (iii) market risk and
- (iv) liquidity risk.

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

Financial Risk Management

Council is responsible for the establishment and oversight of the Risk Management Framework, together with developing and monitoring Risk Management Policies.

Council's management approves policies for overall risk management, as well as specifically for managing interest rate, credit, liquidity and market risk.

The Council's Risk Management Policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk managements framework in relation to the risks faced by the Council. The Council's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Council does not enter into derivatives.

Credit Risk Exposure

Credit Risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's Cash at Banks and Receivables from customers.

Exposure to Credit Risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar financial institutions in Australia, in line with the requirements of the Statutory Bodies Financial Arrangements Act 1982.

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

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the Council.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 25. Financial Instruments (continued)

| | | 2019 | 2018 |
|--|-------|------|------|
| | Notes | \$ | \$ |

The following table represents the maximum exposure to Credit Risk based on the carrying amounts of financial assets at the end of the reporting period:

Financial Assets

| | | | |
|---------------------------|----|-------------------|-------------------|
| Cash and Cash Equivalents | 10 | 19,337,917 | 19,390,651 |
| Receivables - Rates | 11 | 43,059 | 68,380 |
| Receivables - Other | 11 | 1,608,807 | 1,173,669 |
| | | <u>20,989,783</u> | <u>20,632,700</u> |

Other Credit Exposures

| | | | |
|-----------|----|---------------|---------------|
| Guarantee | 20 | 85,424 | 79,064 |
| | | <u>85,424</u> | <u>79,064</u> |

Cash and Cash Equivalents

The Council may be exposed to Credit Risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

Trade and Other Receivables

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against Credit Risk in the case of defaults.

Council has little or no credit risk in relation to amounts owing under the deferred house sale arrangement. If the house purchaser defaults on the arrangement Council can terminate the arrangement and retains ownership of the House and Land.

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

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely agricultural/mining, there is also a concentration in the agricultural/mining sectors.

The Council does not require collateral in respect of trade and other receivables. The Council does not have trade receivables for which no loss allowance is recognised because of collateral.

At 30 June 2019, the exposure to credit risk for trade receivables by type of counterparty was as follows:

| | 2019 | 2018 |
|-------------------------------|------------------|------------------|
| | \$ | \$ |
| Rates | 43,059 | 68,380 |
| GST Recoverable | 133,210 | 127,597 |
| Trade Debtors & accruals | 840,911 | 234,259 |
| Deferred House Sales payments | 634,686 | 811,813 |
| Total | <u>1,651,866</u> | <u>1,242,049</u> |

Bulloo Shire Council

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

Note 25. Financial Instruments (continued)

| | 2019 Not credit- impaired \$ | 2019 Credit- impaired \$ | 2018 \$ |
|---|---------------------------------------|-----------------------------------|------------------|
| A summary of the Council's exposure to credit risk for trade receivables is as follows: | | | |
| Not Past Due | 962,772 | - | 382,688 |
| Past Due 31-60 Days | 644 | - | 13,369 |
| Past Due 61-90 Days | 3,901 | - | 6 |
| More than 90 Days | 687,991 | - | 889,276 |
| | 1,655,308 | - | 1,285,339 |
| Loss Allowance | (3,442) | - | (43,290) |
| Total | 1,651,866 | - | 1,242,049 |

Expected credit loss assessment as at 1 July 2018 and 30 June 2019

The Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and expected losses for trade receivables from individual customers as at 30 June 2019:

| | 2019 Weighted- average loss rate % | 2019 Gross carrying amount \$ | 2019 Loss allowance \$ | 2019 Credit- impaired (Y/N) |
|---------------------|--|---|---------------------------------|--------------------------------------|
| Not Past Due | 0.00% | 962,772 | - | No |
| Past Due 31-60 Days | 0.01% | 644 | - | No |
| Past Due 61-90 Days | 0.05% | 3,901 | 2 | No |
| More than 90 Days | 0.50% | 687,991 | 3,440 | No |
| Total | | 1,655,308 | 3,442 | |

Loss rates are based on actual credit loss experience over the past ten years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Council's view of economic conditions over the expected lives of the receivables.

The movement in the allowance for impairment in respect of trade receivable during the year was \$1,009.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 25. Financial Instruments (continued)

Liquidity Risk

Liquidity Risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to Liquidity Risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Council manages its exposure to Liquidity Risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows.

The following table sets out the Liquidity Risk in relation to financial liabilities held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

| | 0 to 1 year \$ | 1 to 5 years \$ | Over 5 years \$ | Total Contractual Cash Flows \$ | Carrying Amount \$ |
|--------------------------|-------------------|--------------------|--------------------|--|--------------------------|
| 2019 | | | | | |
| Trade and Other Payables | 980,051 | - | - | 980,051 | 980,051 |
| Loans - QTC | 631,526 | 2,114,495 | - | 2,746,021 | 2,484,487 |
| | <u>1,611,577</u> | <u>2,114,495</u> | <u>-</u> | <u>3,726,072</u> | <u>3,464,538</u> |
| 2018 | | | | | |
| Trade and Other Payables | 827,564 | - | - | 827,564 | 827,564 |
| Loans - QTC | 631,526 | 2,526,103 | 219,917 | 3,377,546 | 2,989,578 |
| | <u>1,459,090</u> | <u>2,526,103</u> | <u>219,917</u> | <u>4,205,110</u> | <u>3,817,142</u> |

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

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 25. Financial Instruments (continued)

Market Risk

Market Risk is the risk that changes in market prices, such as interest rates, will affect the Council's income or the value of its holdings of financial instruments.

Interest Rate Risk

The Council is exposed to Interest Rate Risk through investments and borrowings with Queensland Treasury and other financial institutions.

The Council has access to a mix of variable and fixed rate funding options through QTC so that Interest Rate Risk exposure can be minimised.

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

The Council does not account for any fixed-rate financial assets or financial liabilities at Fair Value through Profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

| | Net Carrying Amount \$ | Net Result | | Equity | |
|---------------|------------------------------|-------------------|-------------------|-------------------|-------------------|
| | | 1% increase \$ | 1% decrease \$ | 1% increase \$ | 1% decrease \$ |
| 2019 | | | | | |
| QTC Cash Fund | 15,261,145 | 152,611 | (152,611) | 152,611 | (152,611) |
| Loans - QTC | 2,484,487 | - | - | - | - |
| Net | <u>17,745,632</u> | <u>152,611</u> | <u>(152,611)</u> | <u>152,611</u> | <u>(152,611)</u> |
| 2018 | | | | | |
| QTC Cash Fund | 14,305,742 | 143,057 | (143,057) | 143,057 | (143,057) |
| Loans - QTC | 2,989,578 | - | - | - | - |
| Net | <u>17,295,320</u> | <u>143,057</u> | <u>(143,057)</u> | <u>143,057</u> | <u>(143,057)</u> |

In relation to the QTC loans held by the Council, the following has been applied:

QTC Fixed Rate Loan - financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

Bulloo Shire Council

Notes to the Financial Statements

for the year ended 30 June 2019

Note 26. Transactions with Related Parties

(a) Other Related Parties

Transactions with Other Related Parties

| | Amount of transactions during year |
|---|--|
| 2019 | \$ |
| Purchase of accommodation | 40,533 |
| Purchase of Buildings | 300,000 |
| Purchase of goods | 116,255 |
| Purchase of mechanical services | 357,297 |
| Purchase of goods and maintenance services | <u>2,037,824</u> |
| | <u>2,851,909</u> |
| 2018 | \$ |
| Purchase of accommodation | 27,188 |
| Purchase of goods | 106,256 |
| Purchase of mechanical services | 279,658 |
| Purchase of goods and maintenance services | <u>2,856,379</u> |
| | <u>3,269,481</u> |

Other related parties include the close family members of Key Management Personnel (KMP) and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependant of a KMP or their spouse.

Details of transactions between Council and other related parties are disclosed above.

Council purchased materials and services from entities controlled by Key Management Personnel or other
1 related parties. These transactions were on an arm's length basis and were in the course of normal Council operations.

Sales to other Related Parties in the 2018-19 year were \$13,886 (2017-18: \$22,934) this relates to Private Works and
2 store purchases. The fees and charges charged to Key Management Personnel and their controlled entities were on an arm's length basis in accordance with the schedule of fees and charges adopted by Council.

3 As at 30 June 2019 the amount of \$184 (2018:\$0) was owing to Council from related parties

4 As at 30 June 2019 the amount of \$135,650 (2017-18: \$53,482) was owing by Council to related parties.

Bulloo Shire Council

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

Note 26. Transactions with Related Parties (continued)

| | 2019 | 2018 |
|--|------------------|------------------|
| | \$ | \$ |
| (b) Key Management Personnel | | |
| Transactions with Key Management Personnel | | |
| KMP include the Mayor, Councillors, Chief Executive Officer and some Executive Management. | | |
| The compensation paid to Key Management Personnel for comprises: | | |
| Short-Term Employee Benefits | 1,311,572 | 1,314,991 |
| Post-Employment Benefits | 108,497 | 102,750 |
| Long-Term Benefits | 18,004 | 15,572 |
| Total | 1,438,073 | 1,433,313 |

(c) Transactions with Related Parties that have not been disclosed

Most entities and people that are related parties to Council live and operate within the Bulloo Shire. Therefore on a regular basis ordinary citizen transactions occur between Council and it's related parties.

Some examples include:

- Payment of rates
- Use of the swimming pool & other recreation facilities
- Dog Registration
- Borrowing Books from the Council library

Council has not included these types of transactions in its disclosures, where they were made on the same terms and conditions available to the public.

(d) Other

The Council employs 69 (68 in 2018) employees of which 5 (4 in 2018) are close family members of Key Management Personnel. Total remuneration paid to these close family members was \$332,314 (2018: \$234,317).

All close family members of Key Management Personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform.

Bulloo Shire Council

General Purpose Financial Statements

for the year ended 30 June 2019

Management Certificate

for the year ended 30 June 2019

These General Purpose Financial Statements have been prepared pursuant to Sections 176 and 177 of the *Local Government Regulation 2012* (the Regulations) and other prescribed requirements.

In accordance with Section 212(5) of the Regulation, we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulations 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the General Purpose Financial Statements, as set out on pages 2 to 50, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



John Ferguson

MAYOR

8.10.2019



Lew Rojahn

CHIEF EXECUTIVE OFFICER

8.10.2019

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Bulloo Shire Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Bulloo Shire Council (the council).

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2019, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the management certificate given by the Mayor and the Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Other information

Other information comprises the information included in Bulloo Shire Council's annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current year financial sustainability statement and long-term financial sustainability statement.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the financial report

The council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The council is also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.



Carolyn Dougherty
as delegate of the Auditor-General

10 October 2019

Queensland Audit Office
Brisbane

Bulloo Shire Council

Current Year Financial Sustainability Statement for the year ended 30 June 2019

| | Actual 2019 | Target 2019 |
|--|----------------|----------------|
|--|----------------|----------------|

Measures of Financial Sustainability

Council's performance at 30 June 2019 against key financial ratios and targets.

Performance Indicators

1. Operating Surplus Ratio

| | | |
|--|-------|---------|
| Net Result (excluding capital items) ⁽¹⁾ | 3.64% | 0 - 10% |
| Total Operating Revenue (excluding capital items) ⁽²⁾ | | |

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

2. Asset Sustainability Ratio

| | | |
|--|--------|---------------|
| Capital Expenditure on the Replacement of Assets (renewals) ⁽³⁾ | 83.32% | more than 90% |
| Depreciation Expense | | |

An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.

3. Net Financial Liabilities Ratio

| | | |
|--|----------|---------------|
| Total Liabilities less Current Assets | -105.56% | less than 60% |
| Total Operating Revenue (excluding capital items) ⁽²⁾ | | |

An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

Note 1 - Basis of Preparation

The Current Year Financial Sustainability Statement is a Special Purpose Statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's Audited General Purpose Financial Statements for the year ended 30 June 2019.

Bulloo Shire Council

Current Year Financial Sustainability Statement (continued) for the year ended 30 June 2019

Measures of Financial Sustainability (continued)

- (1) Includes only Recurrent Revenue and Recurrent Expenditure disclosed in the Income Statement. Excludes Capital Revenue Grants, Contributions, Donations and Subsidies received for capital acquisitions, Capital Income items such as Profit from the Sale of: Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 5 for exclusions), and any Capital Expenditure such as Write Off of Assets, movements in Provisions for Restoration and Rehabilitation and Revaluation Decrements that hit the Statement of Comprehensive Income.
- (2) Includes only Recurrent Revenue disclosed in the Income Statement. Excludes Capital Revenue Grants, Contributions Donations and Subsidies received for capital acquisitions. Also excludes any Capital Income items such as Profit from the Sale of: Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 4 for exclusions).
- (3) Asset Renewals are defined as costs associated with renewing or replacing an asset in order to maintain existing service level capacity.

These ratios are the relevant measures of financial sustainability required to be reported under section 178(1) of the *Local Government Regulation 2012*.

Definitions are sourced from the Financial Management (Sustainability) Guideline issued by the Department of Local Government, Community Recovery and Resilience.

Bulloo Shire Council

Certificate of Accuracy for the year ended 30 June 2019

This Current-Year Financial Sustainability Statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this Current-Year Financial Sustainability Statement has been accurately calculated.



John Ferguson

MAYOR

8.10.2019



Lew Rojahn

CHIEF EXECUTIVE OFFICER

8.10.2019

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Bulloo Shire Council

Report on the current year financial sustainability statement

Opinion

I have audited the accompanying current year financial sustainability statement of Bulloo Shire Council (the council) for the year ended 30 June 2019 comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Bulloo Shire Council for the year ended 30 June 2019 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

Other information comprises the information included in Bulloo Shire Council's annual report for the year ended 30 June 2019, but does not include the current year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and the long-term financial sustainability statement.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the current year financial sustainability statement

The council is responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Local Government Regulation 2012. The council's responsibility also includes such internal control as the council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Carolyn Dougherty
as delegate of the Auditor-General

10 October 2019

Queensland Audit Office
Brisbane

Bulloo Shire Council

Unaudited Long-Term Financial Sustainability Statement

prepared as at 30 June 2019

| | Target 2019 | Actual 2019 | 2020 | 2021 | 2022 | 2023 | Forecast | | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--|----------------|----------------|------|------|------|------|----------|--|------|------|------|------|------|------|
|--|----------------|----------------|------|------|------|------|----------|--|------|------|------|------|------|------|

Measures of Financial Sustainability

Council's performance at 30 June 2019 against key financial ratios and targets.

Performance Indicators

1. Operating Surplus Ratio

Net Result (excluding capital items) ⁽¹⁾

Total Operating Revenue (excluding capital items) ⁽²⁾

| | | | | | | | | | | | | | |
|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 0 - 10% | 3.64% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|

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

2. Asset Sustainability Ratio

Capital Expenditure on the Replacement of Assets (renewals) ⁽³⁾

Depreciation Expense

| | | | | | | | | | | | |
|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| > 90% | 83.32% | 182.95% | 121.15% | 118.71% | 116.34% | 114.04% | 111.81% | 109.99% | 107.56% | 105.50% | 102.43% |
|-------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|

An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.

3. Net Financial Liabilities Ratio

Total Liabilities less Current Assets

Total Operating Revenue (excluding capital items) ⁽²⁾

| | | | | | | | | | | | |
|-------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| < 60% | -105.56% | -83.49% | -77.22% | -78.03% | -77.11% | -76.43% | -75.26% | -75.93% | -75.83% | -75.91% | -72.63% |
|-------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|

An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

Bulloo Shire Council

Unaudited Long-Term Financial Sustainability Statement

prepared as at 30 June 2019

Measures of Financial Sustainability (continued)

Bulloo Shire Council Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its Financial Management Strategy is prudent and that its Long-Term Financial Forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

Council aims to operate within a set of conservative guide-posts to ensure we are financially sustainable in the short, medium and long term. As part of our financial strategy, we have adopted seven key financial performance indicators to guide our financial health. In addition to the financial indicators, we have the above three sustainability indicators that have been set by the Department of Local Government, Community Recovery and Resilience to help monitor the long-term sustainability of all Councils across Queensland. Throughout the financial year, these indicators are calculated and reported on monthly at Council meetings, as part of a full suite of financial reports. Should there be any deviation outside these parameters, the Executive Management and Council will be fully informed and may take corrective action as required.

The table above summarises how we performed against set targets for the seven key financial performance indicators established in our financial strategy. In summary, we achieved or bettered six of the financial targets, performing strongly in our ability to generate cash from day-to-day operations, meeting all financial commitments in the financial year, and keeping debt to conservative and manageable levels. This was achieved while maintaining community services and making ongoing investment in community infrastructure. Our operating result in this period was adversely affected by the impacts of Water Reform and this issue is outlined in more detail in the coming pages.

Notes

(1) Includes only Recurrent Revenue and Recurrent Expenditure disclosed in the Income Statement. Excludes Capital Revenue Grants, Contributions, Donations and Subsidies received for capital acquisitions, Capital Income items such as Profit from the Sale of: Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 9 for exclusions), and any Capital Expenditure such as Write Off of Assets, movements in Provisions for Restoration and Rehabilitation and Revaluation Decrements that hit the Statement of Comprehensive Income.

(2) Includes only Recurrent Revenue disclosed in the Income Statement. Excludes Capital Revenue Grants, Contributions Donations and Subsidies received for capital acquisitions. Also excludes any Capital Income items such as Profit from the Sale of: Property, Plant and Equipment, Financial Assets, Real Estate and Investment Properties (refer to Note 3 for exclusions).

(3) These ratios are the relevant measures of financial sustainability required to be reported under section 178(1) of the *Local Government Regulation 2012*.

Definitions are sourced from the Financial Management (Sustainability) Guideline issued by the Department of Local Government, Community Recovery and Resilience.

Bulloo Shire Council

Unaudited Long-Term Financial Sustainability Statement

Certificate of Accuracy

for the Long-Term Financial Sustainability Statement prepared as at 30 June 2019

This Long-Term Financial Sustainability Statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this Long-Term Financial Sustainability Statement has been accurately calculated.



John Ferguson

MAYOR

8.10.2019



Lew Rojahn

CHIEF EXECUTIVE OFFICER

8.10.2019