



Special Meeting

Council Chambers

Date: 26/10/2016

Time: 9:00am

MINUTES

MEMBERS IN ATTENDANCE

Members Present: Cr T Gilmore (Mayor), Crs, E Brown, K Davies, M Graham, A Pedersen, A Toppin and L Wyatt.

APOLOGIES/LEAVE OF ABSENCE/ABSENCE ON COUNCIL BUSINESS

Nil

BEREAVEMENTS/CONDOLENCES

A minute's silence was observed as a mark of respect for those residents who passed away during the previous month.

CORPORATE AND COMMUNITY SERVICES

GOVERNANCE AND COMPLIANCE

ITEM-1 COUNCIL REPORT - DRAFT MSC ANNUAL REPORT 2015-2016

Moved by Cr Pedersen

Seconded by Cr Wyatt

"That Council adopt the Report for the 2015/16 Financial Year, attached to the Minutes as Appendix 1."

CARRIED

ADHOC-1 ANNUAL REPORT - STAFF CONGRATULATIONS

Moved by Cr Davies

Seconded by Cr Brown

"That Council staff be congratulated for their hard work in the previous 12 months resulting in the excellent results contained in the Annual Report."

CARRIED

There being no further business, the meeting closed at 9:04 am.

.....
Cr Tom Gilmore
Mayor

APPENDIX 1



2015 - 2016

ANNUAL REPORT



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1. OUR VISION AND GUIDING PRINCIPLES

OUR VISION

"A growing and confident Shire, comprised of diverse communities who share common values of a relaxed lifestyle and respect for the beauty of the natural environment of the region."

It is the Council's mission to preserve the values expressed in its vision by:

- Creating the foundations for a strong and financially sustainable future for the Shire.
- Responsible and accountable decision-making.
- Cost-effective service provision.
- Community capacity building through collaborative partnerships.

OUR GUIDING PRINCIPLES

In delivering services to our community, we will be guided by the following corporate values and principles:

- We will keep the fact that **"the community are our customers"** in the forefront of every decision and action we take.
- We will work together as a **united team** using the skills and experience of all staff while recognising the value of a diverse workforce and actively supporting the principles of equal employment opportunity.
- Our staff will be **empowered to make decisions** in their own areas of authority, knowing that they will be supported when they do so.
- We will always **strive to improve Council's service** and enthusiastically pursue innovative ways of doing so.
- We will always take a **whole of Council approach**, with every decision being made on the basis of what is best for the whole organisation.
- We will **share information** throughout the organisation using vigorous and open communication.
- We will **involve all of our fellow staff members** in the decision making process, with managers providing coaching, support and leadership.

2. SHIRE PROFILE

The Mareeba Shire regained its former status as a stand-alone local government after being de-amalgamated from the Tablelands Regional Council on 1 January 2014. Forced amalgamations in March 2008 saw the Shire amalgamated with the other Tablelands shires of Atherton, Eacham and Herberton. However, a successful referendum in March 2013 gave the green light from the Queensland State Government for the de-amalgamation.



The Shire services a population of approximately 21,833 and covers an area of 53,457 km². It stretches across the base of Cape York Peninsula and westwards from the coastal escarpment behind Cairns. The altitude of the Tablelands region moderates the tropical climate which means that the Shire enjoys cool dry winters and warm, wet summers.

The Shire is located within close proximity to two World Heritage Areas and is less than an hour's drive to Cairns International Airport. Mareeba, the main population centre, lies 64 km south-west of Cairns. Kuranda, with the Kuranda Scenic Railway and Skyrail Cableway, brings up to a million visitors to the Shire each year. The Shire is a popular destination for Grey Nomads who hold an annual Christmas in July event at Mareeba.



The main population centres are:

- Mareeba
- Kuranda
- Dimbulah
- Mt Molloy
- Julatten
- Chillagoe

The Shire is rich in mineral resources including gold, lead, zinc and other base metals, tungsten, copper sulphate, tin, perlite, limestone, marble and slate. The historic mining town of Chillagoe, with its limestone caves and amazing rock formations, is a must-see on any tourist's agenda.

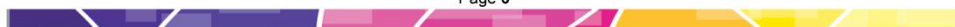


The economy of the Shire relies heavily on agricultural production including a large range of animal industries and production of both tropical and subtropical crops.

Mareeba is positioning itself as an industrial hub in Far North Queensland with the development of the Mareeba Industrial Park which has the land availability for significant expansion in the future. The further development of the Mareeba Airport will also help fuel sustained economic growth into the future.



With its natural beauty, mild tropical climate, economic diversity and proximity to Cairns, the Mareeba Shire continues to be a lifestyle destination of choice for many "tree changers", mobile digital professionals and business operators, fly in/fly out workers and their families, and "Cairns commuters" who work in Cairns but choose to live in the Mareeba Shire.



3. MAYOR'S REPORT

It is with a deep sense of satisfaction that I compose this, the second annual report of the Mareeba Shire Council. This past year has been one of consolidation of previous decisions made, and continuing to build firm foundations for the future.

Quadrennial Local Government elections were held in March, and along with many other shires, there were a number of changes to the council. We saw the retirement of long standing councillor Jennifer Jensen. Allan Holmes and Karen Ewin who had been councillors through the whole of the de-amalgamation process were not returned. I take this opportunity to pay tribute to their contribution and dedication to the task and wish them well for the future.

New Councillors Kevin Davies, Angela Toppin and Lenore Wyatt have come to the table with enthusiasm and a real sense of purpose. They will undoubtedly complement the efforts of the continuing Councillors; Deputy Mayor Alan Pedersen, Nipper Brown and Mary Graham. I look forward to working with them as part of our Council for the next four years.

The budget which we delivered in June contained an increase of three and a half percent for all rates and charges, ensuring the continued repair of the shire's budget position following de-amalgamation from the Tablelands Regional Council. We are now able to return a modest amount each year to our depleted reserves, to safeguard the council from future economic shocks. This budget provides for a continuation of the capital works programme which is now well established, as well as our commitment to scheduled maintenance of our extensive road network.

During this past year, we have delivered new bridges, built to main roads standard over the Walsh River and Grove Creek. We have obtained grant funding to continue the upgrade of the Kuranda water supply with the installation of two half mega-litre reservoirs at Mason Road and Hilltop Close. Further, the waste-water treatment plant in Kuranda has had a major upgrade.

It is pleasing to note that the local economy is healthy and that the level of confidence, as recorded by the number and value of building permits issued, is high. The Council's commitment to, and support for business, with attention to detail and prompt the response to applications is well regarded by our business community.

Investment in the Mareeba Industrial Estate is at an all-time high, demonstrating confidence in the future of the shire's agricultural industries. This estate is quickly becoming a major freight hub for the Shire and the Cape York Peninsula Region.

In last year's report, I made mention of two major projects which were on the horizon-the refurbished Mareeba Waste Water Treatment Plant and the redevelopment of the Mareeba Aerodrome. Those projects are now well under-way, with planning at an advanced stage and a number of contracts in place.

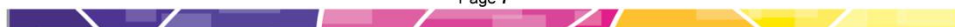
This report would not be complete without a tribute to the amazing, hardworking staff of the Mareeba Shire. Every member of the staff shows commitment and pride in their work, on a daily basis. Nothing could, or would be achieved without the culture of dedication which prevails within the organisation.

Lastly, I thank the council for their hard work and careful consideration of the sometimes complex issues, which confront them on a regular basis.

Tom Gilmore

MAYOR

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4. CHIEF EXECUTIVE OFFICER'S REVIEW

The 2015/16 financial year has seen the continuation of the building of a successful, cohesive forward-looking Council. The benefits of the Service Level Review conducted and implemented in the previous financial year are now being felt and are reflected in this year's positive financial statements.



These changes have reaffirmed the sound financial position the Council sees itself in. While Council will always face tight financial constraints, given the size of the population and the large area, it is well positioned for the future.

The organisation is committed to constantly seek efficiencies so as to improve our capacity to deliver the services the community require while at the same time limiting rate increase. All vacancies are carefully scrutinised before they are filled to ensure the organisation is kept as lean as possible.

The long awaited Mareeba Sewerage Treatment Plant and Mareeba Airport upgrade works have now commenced and both of these projects are scheduled for completion in 2017. These projects are critical to enhancing the Shire's long-term economic growth and were made possible by significant State and Federal Governments contributions.

A number of other projects have been undertaken in this financial year. These included two new bridges and the new Kuranda Library and Customer Service Centre, in the Kuranda Community Precinct, offering that community a first class facility and an anchor for the further development of the precinct.

Considerable effort has been put into Council's Workplace Health and Safety system, and staff are to be congratulated for their efforts in taking the organisation well beyond the Local Government benchmark and receiving a Silver Status Award. Not only does this represent a much safer working environment but will also assist in saving ratepayer dollars by reducing premiums.

I would like to thank the staff for their ongoing efforts to deliver quality service to the community. They are a dedicated, enthusiastic workforce and a pleasure to work with.

I would also like to thank the Councillors, from both the present and previous Councils for their clear leadership and support. As a unified team, we are proudly delivering for our Community.

Peter Franks

CHIEF EXECUTIVE OFFICER

5. CORPORATE AND COMMUNITY SERVICES DEPARTMENT ANNUAL REVIEW



Jennifer McCarthy
Director Corporate & Community Services

The Corporate and Community Services department comprises five separate Groups or functional areas of Council as follows:

- **Finance** (which includes Stores, Depots, Payroll, Financial Accounting, Management Accounting)
- **Development & Governance** (which includes Governance and Compliance, Local Laws, Environmental Health, Building and Plumbing, Planning)
- **Systems & Customer Service** (which includes Records, Customer Service, Information and Communication Technology, Business Systems)
- **Human Resources** (which includes HR Management, Workforce Management, Training and Development, Workplace Health and Safety)
- **Community Wellbeing** (which includes Libraries, Community Development and Engagement, Community Support Services, Tourism Promotion, Grants Development, Community Grants, Community Housing for Seniors Service)

Key achievements or highlights of the 2015/16 financial year include:

Finance

- Preparation and adoption of 2016/17 budget
- Preparation and finalisation of financial statements for the year ended 30 June 2016
- Assisted other areas of Council to adhere to 2015/16 budget, resulting in achieving overall budget result
- Continued development of the works and assets system to assist in improving efficiencies and understanding of costs for decision-making
- Continued development of asset registers to assist in improved asset management plans
- Review of all fees and charges
- Continued system enhancement and key user training in financial systems



Development & Governance

- A new planning scheme was finalised and adopted on June 15, 2016
- \$15.6M worth of buildings under construction after Mareeba Industrial Land Sales
- A total of 104 new allotments created through Reconfiguring of a Lot applications, including 49 lots of the Chillagoe Industrial Park
- The total value of all building approvals for the 2015/16 financial year was \$59.8M, with a 22% increase in the number of building applications
- Refinement of delegations and appointments process throughout the organisation
- Review of Council's Risk in relation to business continuity and Risk Treatment Plans to reduce downtime and loss during weather events
- Council advertised 11 lots for sale by tender at the Chillagoe Industrial Estate. All were sold except 3, which are subject to an offer of purchase

Systems and Customer Service

- Performed upgrade of Council's EDRMS (Electronic Document and Record Management System)
- Implemented integrated mapping services with asset management system
- Assisted in the relocation of the Kuranda Service Centre and Library to the Kuranda Community Precinct
- Continued support for water meter AMR (Automatic Meter Reading) rollout project
- Extended existing public WiFi network coverage to include the Tourism Kuranda facility
- Performed refresh of Water and Waste Water SCADA server fleet
- Assisted in the migration of CCTV system from Mareeba Police Station to Rankin Street Data Centre
- Implemented on-premise cloud storage solution (OwnCloud). Migrated the delivery of electronic Council meeting agendas to this system
- Provided ICT support to the Mareeba Sewerage Treatment Plant project
- Performed review of Council's Web Site to ensure compliance with RTI/IP obligations in response to OIC audit
- Initiated the construction of a mausoleum wall at the Mareeba New Cemetery


Community Wellbeing

- Relocated the Kuranda Library and Customer Service Centre to new premises at the Kuranda Community Precinct
- Transitioned the Mareeba Heritage Centre and government funded community support services to community management to continue to strengthen community and business organisations
- Coordinated successful grant applications for \$9,841,291 of government funding for projects and services including essential infrastructure, community support, community facilities, library resources, multicultural festival, arts and cultural development and community disaster management
- Partnered with Community to conduct festivals and community events, celebrate and promote the shire's heritage, arts and cultural assets, support environmental activities, clean up and look after community facilities, reduce mobile phone black spots, reduce graffiti, homelessness, and youth crime, ensure support for people with mental health issues and vulnerable families, and conduct sporting and recreational activities to enhance community wellbeing
- Expanded the Mareeba Industrial Park attracting new investors and businesses
- Promoted the tourism attractions and experiences of the Mareeba Shire, attracting 10% more visitors to Visitor Information Centres than 2014/15


Human Resources

- Employee-based Enterprise Agreement implemented across Council work sites
- Delivery of significant 'in house' training programs to ensure compliance with legislative requirements and improvements in productivity and employee skills, in an effective and cost efficient manner
- Focused management of employee leave entitlements resulted in a further 10% reduction in excess annual leave balances, down 85% from June 2014 and a 14% reduction in excess long service leave accruals
- Implemented new Performance Appraisal System for Award based employees aimed at improving communication between workers and supervisors with performance issues identified and resolved early
- Drug and Alcohol Policy implemented including a random testing regime
- Continuous review and improvement of WHS management system resulted in further improvement in the audit rating to 76%, up from 69%. Recognised by LGW with silver rating award



6. INFRASTRUCTURE SERVICES DEPARTMENT ANNUAL REVIEW



Brian Smyth
Director Infrastructure Services

The Infrastructure Services department comprises three separate Groups or functional areas of Council as follows:

- **Works** (which includes Transport Infrastructure, Bridge Construction and Maintenance, Parks and Gardens, Land Protection, Cemeteries)
- **Technical Services** (which includes NDRRA Management, RMPC Management, Technical Support, Fleet and Workshop, Land and Facilities)
- **Water and Waste** (which includes Waste Management; Wastewater (Sewerage) Treatment, Operations and Reticulation, Water Treatment, Operations and Reticulation)

Key achievements or highlights of the 2015/16 financial year include:

Works

Transport Infrastructure Section

Capital Works

- McIver Road Mareeba - Rehabilitate, widen and seal to 6.5m wide
- McIver Road Mareeba - Widen existing causeway and pavement to Tilse Street
- Brickley Street Dimbulah - Bitumen seal
- Chewko Road, Mareeba - Widen and seal
- Tyrconnell Road, Arriga - Widen and seal
- Kay Road - Widen and seal crests
- High Chapparal Road, Kuranda - Intersection upgrade
- Monaro Close, Kuranda - Intersection upgrade
- Ray Road, Mareeba - Widen and seal
- Koah Road, Koah - Widen and seal
- Stanton Road, Arriga - Rehabilitate, widen and seal
- Cobra Rd, Mareeba - Widen and seal
- Coronet Drive, Mareeba - Drainage improvement
- Sunbird Parade, Mareeba - Concrete drain
- Chillagoe Aerodrome - Reseal airstrip
- Kowrowa - Replace Bus Shelter
- Therwine Street, Kuranda - Underground power conduit
- Walsh Street, Mareeba - Arnold Park bus stop

Transport Infrastructure Section

Capital Works Continued

- Kennedy Highway, Kuranda - Bus stop
- Cater Road, Mareeba - Bus parking improvement
- Public toilets car park, Dimbulah - Disability car park and ramp
- Mareeba Swimming Pool - Car park extension
- Lawson Street/Lyons Street/James Street, Mareeba - footpath extension
- Raleigh Street, Dimbulah - Footpath extension
- Mary Andrews Park Footpath Installation, Mareeba
- Anzac Ave/Durston St, Mareeba - Drainage improvements
- Sunbird Park, Mareeba - Extend concrete footpath
- Bicentennial Lakes, Mareeba - Footpath Renewal
- Kuranda Cemetery - Lawn beam extension
- Speewah Road, Speewah - Grove Creek Bridge approaches

Maintenance

- \$3,153,738 - Road Maintenance
- 19% - Roadside Vegetation Management
- 43% - Grading Unsealed Road

Bridge Section

Capital Work

- Speewah Road, Speewah - Renewal of Grove Creek Bridge
- Springmount Road, Arriga - Walsh River Bridge upgrade

Maintenance

- \$375,024 Bridge Maintenance
- 53% Preventative Maintenance
- 11% Bridge Inspections



Parks and Garden Section
Capital Works

- Byrnes St, Mareeba - Irrigation upgrade
- Centenary Park, Kuranda - Soft-fall renewal
- Centenary Park, Mareeba - Soft-fall renewal
- Mutchilba Hall Park - Sand replenishment
- Hall Park, Dimbulah - Soft-fall renewal
- Kuranda/Chillagoe/Dimbulah/Mt Molloy/Mareeba - Christmas Decorations upgrade
- Chillagoe Hall, Chillagoe - Playground upgrade
- Dog Off-Leash Area, Mareeba
- Sunbird Park, Mareeba - Extend concrete footpath
- Kuranda Recreation Centre - Park Upgrade

Maintenance

- \$1,580,989 Parks and Gardens Maintenance
- 22% General Repairs and Maintenance
- 17% Mowing
- 7% Slashing
- 6% Tree Clearing and Vegetation Management

Water and Waste

The following capital works projects were undertaken during the 12 month period:

Mareeba

- Installed Automated Water Meter Readers (AMR) and water meter installations program complete except for 73 difficult installations
- Mareeba Wastewater Treatment Plant Design and Construction Contract awarded to Downer Utilities Australia P/L. Initial site clearing began May 2016
- Mareeba Wastewater Treatment Plant Inlet Works due for completion Jan 2017
- Mareeba Wastewater Treatment Plant Rising Main to site
- Refurbishment of the Sewer Pump Stations
- Final stage of Historian (SCADA) Project
- Mareeba Landfill erosion and sediment control works
- Mareeba Landfill additional Groundwater Wells installed
- Mareeba Water Reticulation Standpipe Management System

Kuranda

- The SCADA and Telemetry Network Installation

Mutchilba & Julatten

- Concrete lined bunding area completed at Waste Transfer Stations


Technical Services

- Provided survey, design and soil testing services for a number of capital works projects including:
 - Keegan St, Mareeba Industrial Estate - Pavement construction for the connection of Martin Tenni Drive and Gowan Street
 - Therwine Street, Kuranda - Landscaping works
 - Mareeba Aerodrome - Proposed upgrades to external roads, services and lease areas - \$13M
 - Mareeba Sporting Precinct - Development of a Sporting Precinct at Davies Park
 - Glynn Street, Dimbulah - Construction of a concrete kerb ramp to existing footpath for disability access
 - Butler Drive and Saddle Mountain Road Intersection, Kuranda - Reconfiguration of existing intersection
- Provided Project Management services for the delivery of the bitumen reseal program
- Delivered the \$2.16M Road Maintenance Performance Contract (RMPC) for the Department of Transport and Main Roads
- Purchased new Motorola UHF radios as part of an upgrade of the council's mobile UHF radio system
- Purchased the Bigmate Fleet Management System including the installation of the initial 63 Syrus GPS trackers and 23 Sat com units

Works undertaken on Council's facilities included:

Julatten boardwalk - replaced boardwalks and renovated existing bird hide

Julatten Geraghty Park Hall - repainted, relayed pavers, cleaned tennis courts, landscaping

Julatten Rural Fire Brigade - new concrete pad and new 22.5kl water tank

Mareeba Davies Park - replaced electrical cables to field 1 and 2, replaced existing timber pole on field 2 with new metal poles, installed new electrical switchboard to service both playing fields and the new netball/basketball courts.

Kuranda Recreation Centre - part roof replacement and guttering

Mareeba Arnold Park Electricity Upgrade - upgraded and installed new electrical switchboard; installed sub-board with power outlets

Dimbulah Hall - part roof replacement and guttering

Mt Molloy Tennis Courts - power upgrade

Mareeba PCYC Shire Hall - replaced sub-board




Land Protection Section

- **Top Priority Weeds:** Miconia species, Mikania Vine, Kesters curse, and Limnocharis are being tackled in partnership with Biosecurity Qld. These are rainforest invaders and are a serious threat to our tropical forests and Wet Tropics areas
- **Gamba Grass:** Maintained the protection of the Walsh and Mitchell River catchments of this invasive high biomass grass. Contained infestations on the eastern watercourses
- **Targeted Pest Plants:** Include; Rats Tail Grass, Thunbergia spp, Sicklepod, Parthenium Weed, Giant Sensitive Plant and Aquatic Plant Pests. All these plants were targeted under Council's Biosecurity Plan. They were removed or contained from council roads, parks, easements, and waste transfer stations. Council partnered with our rate payers and provided up to date information on control options, property pest planning and prevention of weed seed spread. Council provided advice and public education at field days, workshops, at shows and via the media
- **Belly Ache Bush, Rubber Vine and other Jatropa species:** A staged and strategic removal program was undertaken on the Upper Walsh River catchment. Council worked in conjunction with affected landowners, catchment management groups, Natural Resource Management organisations and Biosecurity


Land Protection Section continued

- **Siam Weed:** This invasive plant pest has been labelled by world scientists as "The World's Worst Weed". It has appeared on a major feeder creek system of the Walsh River. A major removal job was run by Council, our landowners, Biosecurity Staff and Catchment Management to prevent it's spread down through the catchment
- **Tramp Ants:** Electric Ants and Yellow Crazy Ants were targeted for eradication by Council, Landowners and partners - Biosecurity Qld, Wet Tropics Management Authority and Kuranda Envirocare
- **Vertebrate Pests:**
 - Rabbits were managed with poison baits, burrow fumigating, trapping and by introducing the Rabbit Haemorrhagic Disease Virus
 - Feral pig controls included- trapping, shooting, hunting, poisoning. All the above technologies were implemented by Council, community pig trapping organisations and by our ratepayers
 - Wild dog/dingo controls included a coordinated baiting approach taken by Council and affected landowners. In the many places that baiting is not applicable; hunters were used along with trapping and shooting



7. SOME KEY STATISTICS FOR THE PERIOD 1 JULY 2015 TO 30 JUNE 2016

<p>Planning and Development</p> <ul style="list-style-type: none"> Total development applications received - 77 <p>Building</p> <ul style="list-style-type: none"> Total building approvals issued - 377 Number of dwellings approved - 135 Total value of building approvals \$59,890,893 <p>Local Laws</p> <ul style="list-style-type: none"> Total Penalty Infringement Notices issued - 1,074 Total complaints/enquiries responded to - 1,606(Local Laws) Total complaints/enquiries responded to - 1,057(Regulatory Support) Total animals impounded - 677 Total dogs registered at 30 June 2016 - 2,460 <p>Environmental Health</p> <ul style="list-style-type: none"> Total complaints/enquiries responded to - 368 Total licensed premises inspected - <ul style="list-style-type: none"> Food 282 Accommodation 16 Personal Appearance 2 <p>Human Resources</p> <ul style="list-style-type: none"> Total number of full-time equivalent (FTE) employees at 30 June 2016 - 211.4 Male employees as a percentage of total - 64% Female employees as a percentage of total - 36% Indoor employees (FTE) as a percentage of total - 46% Outdoor employees (FTE) as a percentage of total - 54% Number of employees (FTE) per 100 residents - 1.02 Total staff training hours attended - 4,953 Number of WHS incident reports - 45 Total work days lost through injury - 96 <p>Customer and Community</p> <ul style="list-style-type: none"> Total site visits (sessions) - Council's website - 87,371 Total number of website pages viewed - 209,079 Customer Requests created - 13,313 Call Centre calls handled - 18,640 <p>ICT/Records</p> <ul style="list-style-type: none"> Total number of PCs/Laptops maintained - 200 Total amount of data stored - 27TB ICT helpdesk requests resolved - 1,396 Total documents registered in Records System - 71,192 <p>Libraries</p> <ul style="list-style-type: none"> Total items loaned - 93,682 Total visitors to libraries - 87,483 Total volunteer hours - 2080 <p>Visitor Information Centres</p> <ul style="list-style-type: none"> Total visitor numbers 129,231 Total volunteer hours worked - 16,361 	<p>Grants Development</p> <ul style="list-style-type: none"> Total successful infrastructure grant applications: \$8,268,000 Total successful community grant applications: \$1,573,291 <p>Insurance</p> <ul style="list-style-type: none"> Total motor vehicle claims lodged - 13 Number of potential public liability claims reported to insurer - 23 <p>Rating and Property</p> <ul style="list-style-type: none"> Total number of rateable properties - 9,806 Total rateable value of Shire - \$1,514,524,768 Total rate levy 2015/16 - \$28,137,961 Rate arrears as at 30 June 2016 - \$1,607,124 <p>Water</p> <ul style="list-style-type: none"> Total volume of treated water supplied - 3,145.61 ML Total length of water mains - 241.960km Total number of water connections - 5,245 <p>Sewerage</p> <ul style="list-style-type: none"> Total volume of sewage treated - 770 ML Mareeba and 678.518 ML Kuranda Total quantity of effluent discharged - 770 ML Mareeba and 678.518 ML Kuranda Total length of sewer mains - 134.28 kms Total number of household connections - 3,709 <p>Waste</p> <ul style="list-style-type: none"> Total volume of waste disposed of at Mareeba landfill - 74,499 tonnes Total tonnage of recyclable materials collected - 1,319 tonnes (made up of: 30T tyres; 37T oil; 36T batteries; 1,109T steel; 106T mixed recyclable material - including plastic, steel and aluminium cans and glass bottles) Total volume of green waste processed - 5,328 tonnes <p>Roads</p> <ul style="list-style-type: none"> Total km of shire roads - 2,299 kms Total km of gravel roads - 1,642 kms Total maintenance expenditure - \$3,153,738 <p>Parks & Gardens</p> <ul style="list-style-type: none"> Total number of parks/open spaces maintained - 140 Total area of parks/gardens/open space maintained - 120 ha <p>Aerodromes</p> <ul style="list-style-type: none"> Total aircraft movements (landings) - Mareeba Aerodrome - 4,610 <p>Facilities</p> <ul style="list-style-type: none"> Total swimming pool admissions - 68,071 Total public halls usage - 820 bookings Total Caravan Park site rentals (includes tent sites, dongas, cabins and van sites) - 37,706 Total Community Housing for Seniors Service managed - 108
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8. CORPORATE PLAN

During the three months prior to the start of the 2014/15 financial year, Council commenced the development of a new corporate plan for the five year period 2014-2019.

With the assistance of an external consultant, a draft corporate plan was prepared and was adopted for the purpose of public consultation at the Ordinary Meeting of Council held on 2 July 2014.

A period of six weeks was allowed for public consultation and at the end of this period; Council reviewed and discussed submissions received. The final corporate plan was adopted by Council at its Ordinary Meeting held on 3 September 2014.

The corporate plan was developed around the following four Key Strategic Priorities and Goals:

COMMUNITY: Communities across the area share a sense of common identity whilst retaining local diversity, end enjoy equitable access to services and facilities based on effective partnerships.

ENVIRONMENT: A natural and living environment that provides safety and enjoyment for the community and visitors.

ECONOMY: A growing and vibrant local economy supported by a planning scheme that seeks to balance development with rural sustainability and lifestyle considerations.

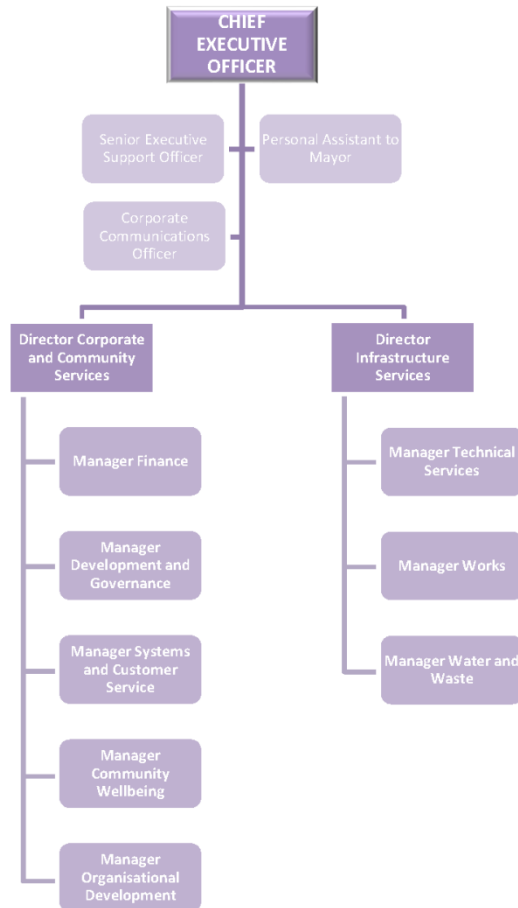
GOVERNANCE: Sound decision making based on the understanding and confidence of the community, reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

9. ORGANISATIONAL STRUCTURE

Council has retained the two department corporate structure that was adopted on 7 May 2014.

During the 2015/16 financial year service levels were continuously reviewed to ensure that they were delivered in the most efficient and cost effective manner. As a result of this process, there were minor restructures within a small number of teams with some functions outsourced or transitioned to alternate suppliers. Which, resulted in six redundancies as well as a number of staff members transitioning to new employers in the community sector.

At 30 June 2016, Council employed a total of 248 staff members or 211.40 full-time equivalent positions.



10. REMUNERATION PAYABLE TO SENIOR CONTRACT EMPLOYEES

Total remuneration packages payable to senior contract employees during 2015/16, as defined in s201 of the *Local Government Act 2009*, were:

- 1 senior contract employee with a total remuneration package in the range of \$250,000 - \$350,000
- 2 senior contract employees with a total remuneration package in the range of \$150,000 - \$250,000

11. PUBLIC SECTOR ETHICS ACT

The *Public Sector Ethics Act 1994* requires that the Annual Report of each public sector entity (which includes a local government) must include an implementation statement giving details of the action taken during the reporting period to comply with those sections of the Act relating to preparation of codes of conduct and access to, and education and training in, the ethics principles and public sector ethics.

The four ethics principles are:

- Integrity and impartiality;
- Promoting the public good;
- Commitment to the system of government; and
- Accountability and transparency.

Council's Employee Code of Conduct is compliant with current legislation, in particular, the ethics principles outlined above.

Education and training in relation to the ethics principles and the code of conduct are included as part of the induction process for all new employees and refresher training is provided at regular intervals to all employees.

Topics covered by this training include:

- The operation of the Public Sector Ethics Act 1994;
- The application of ethics principles and obligations;
- The contents of the Code of Conduct;
- The rights and obligations of employees in relation to a contravention of the Code of Conduct.

This education and training has been provided to employees, contractors, volunteers and students on work experience.

Copies of the ethics principles and Code of Conduct are provided at each workplace for access by Council staff. Any person, other than Council staff, can obtain access to, or purchase a copy of, the Code of Conduct at any of the Council's administration offices.

The administrative procedures and management practices of the Council have regard to the ethics obligations of public officials and the Council's Code of Conduct and all employees are required to act in ways which give a commitment to a high standard of ethics and which ensure the highest standards of public administration.

12. ADMINISTRATIVE ACTION COMPLAINTS

Administrative action complaints are processed in accordance with the provisions of the Council's adopted Complaints Management Policy.

The objectives of the policy are to ensure that the Council has an organised way of responding to, recording, reporting and using complaints to improve service to the community.

The Complaints Management System governed by the policy aims to:

- *Be fair and objective.* All complaints are considered on their merits and the principles of natural justice are observed.
- *Support continuous improvement.* Where applicable, the outcomes from a complaints management process are applied to improve business operations, policies and procedures.
- *Be open and accountable.* The decisions and outcomes regarding a complaint are made available to the affected person, subject to statutory provisions.
- *Be accessible and simple to understand.* The process facilitates feedback from the community in a form that encourages participation.

In relation to Council's performance in resolving complaints under the complaints management process, as can be seen in the Table below, the number of complaints outstanding at the end of the financial year was 8 compared to a carry-over of 24 at the end of the previous financial year.

During the course of the first half of the year, a full review was undertaken of all outstanding complaints so as to ascertain the status of those complaints that were carried over from the previous year. This process, which was carried out progressively over a number of months, was able to determine what action needed to be undertaken to either resolve and/or finalise those complaints. The result saw a significant reduction in the number of complaints still unresolved at the end of the current reporting period and no carry-over of complaints from the previous reporting period.

Administrative action complaints carried over from the previous financial year	24
Administrative action complaints lodged during 2015/16	22
Administrative action complaints resolved during 2015/16	38
Administrative action complaints unresolved at close of the financial year	8
Number of unresolved administrative action complaints that relate to the previous financial year	0

13. ELECTED REPRESENTATIVES

**Mayor Tom Gilmore****Committees:**

Kuranda Infrastructure Advisory Committee
Tourism Kuranda
Cairns District Disaster Management Group
Local Disaster Management Group (LDMG)
FNQ Regional Organisation of Councils
Kuranda Community Precinct Advisory Committee
Mona Mona Community Board
Western Progress Association Watsonville
Julatten and Mt Molloy Association of Residents and Ratepayers (JAMARR)
Mareeba PCYC Management Committee

**Councillor Alan Pedersen - Deputy Mayor****Committees:**

Northern Region Pest Advisory Committee
Local Disaster Management Group (LDMG)
FNQ Regional Roads Group
Northern Gulf Resource Management Group
Local Traffic Advisory Committee
FNQ Pest Advisory Forum

**Councillor Edward (Nipper) Brown****Committees:**

Mareeba Sporting Precinct Committee
Kuranda Community Precinct Advisory Committee (Proxy)
NQ Sports Foundation
Barron Catchment Care
Great Wheelbarrow Race Organising Committee
JAMARR (Proxy)
LAWMAC
Mareeba Liquor Industry Action Group
Tablelands Outdoor Recreation Association
Tropical Tablelands Tourism
LDMG Public Health & Environment Sub-Group

**Councillor Kevin Davies****Committees:**

Great Wheelbarrow Race Organising Committee (Proxy)
Mareeba Heritage Centre Management Committee (Proxy)
Audit Committee
Irvinebank Progress Association
Chillagoe Alliance
Speewah Residents Group (SRG) (Proxy)
FNQ Regional Roads Group (Proxy)
Local Traffic Advisory Committee (Proxy)
LDMG Built Environment Infrastructure Sub-Group

**Councillor Mary Graham****Committees:**

Tablelands Futures Corporation
Audit Committee
Building Safer Communities Regional Committee
Mareeba Heritage Centre Management Committee
Mareeba Multicultural Festival Committee
Relay for Life Committee
Homelessness Community Advisory Group
LDMG Economic Sub-Group

**Councillor Angela Toppin****Committees:**

Kuranda Infrastructure Advisory Committee
Kuranda Community Precinct Advisory Committee (Proxy)
JAMARR (Proxy)
Regional Arts Development Fund (RADF)
Mareeba Heritage Centre Management Committee (Proxy)
Mareeba PCYC Management Committee
Speewah Residents Group (SRG) (Proxy)
Kuranda Interagency Networks (KIN)
Reef Guardians
Wet Tropics Water Resource Plan
LDMG Community Support Sub-Group

**Councillor Lenore Wyatt****Committees:**

Local District Disaster Management Group
Barron Catchment Care (Proxy)
Terrain (FNQNRM)
Mareeba Multicultural Festival Committee (Proxy)
Speewah Residents Group (SRG)
Northern Region Pest Advisory Committee (Proxy)
Barron River Integrated Catchment Management Association (BRICMA) Lower Zone
LDMG Community Support Sub-Group
BRICMA Central Zone Forum
Tourism Kuranda

14. COUNCILLOR REMUNERATION AND EXPENSES REIMBURSEMENT

COUNCILLOR REMUNERATION

The amount of remuneration paid to Local Government councillors for the time and effort spent on Council business is determined by the Local Government Remuneration and Discipline Tribunal ('The Tribunal').

The Tribunal has determined that the Mareeba Shire Council is a Category 3 Council and the following annual remuneration amounts applied to Category 3 Councils during the period 1 July 2015 to 30 June 2016:

Mayor	Deputy Mayor	Councillor
\$97,684	\$56,356	\$48,842

The total remuneration paid to each Councillor and the total superannuation contribution paid on behalf of each Councillor during the period 1 July 2015 to 30 June 2016 is as follows:

Name	Remuneration Paid	Superannuation Paid
Cr Tom Gilmore	104,718.42	12,172.95
Cr Alan Pedersen	55,731.84	6,294.48
Cr Edward Brown	53,997.84	6,086.34
Cr Kevin Davies	11,999.52	1,352.52
Cr Mary Graham	53,997.84	6,086.34
Cr Angela Toppin	11,999.52	1,352.52
Cr Lenore Wyatt	11,999.52	1,352.52
Cr Jenny Jensen	45,518.34	5,716.56
Cr Karen Ewin	41,998.32	1,764.62
Cr Allan Holmes	41,998.32	3,747.66

COUNCILLOR EXPENSES REIMBURSEMENT

In addition to remuneration for time spent on Council business, local government Councillors are also entitled to receive reimbursement of all approved expenses incurred in undertaking their role as a Councillor.

Section 250 of the *Local Government Regulation 2012* requires each local government to adopt an expenses reimbursement policy.

The following Councillor Remuneration, Expenses Reimbursement and Resources Policy were adopted by Council at its meeting held on 6 April 2016. An amendment to the policy to remove the provisions relating to payment of meeting fee were required and an amendment in regards to attendance to professional development. No other changes were made to the policy during the 2015/16 financial year.

COUNCILLOR REMUNERATION, EXPENSES REIMBURSEMENT AND RESOURCES POLICY**1. POLICY INTENT**

The purpose of the policy is to ensure that elected members can receive reimbursement of reasonable expenses and be provided with the necessary facilities to perform their role. The policy will ensure accountability and transparency in the reimbursement of expenses incurred by the Mayor, Deputy Mayor and Councillors.

The policy also includes details of how the remuneration payable to local government Councillors is determined by the Local Government Remuneration and Discipline Tribunal.

2. STATEMENT OF PRINCIPLES

This policy is consistent with the local government principles as set out in the *Local Government Act 2009*:

- Transparent and effective processes, and decision making in the public interest;
- Sustainable development and management of assets and infrastructure, and delivery of effective services;
- Democratic representation, social inclusion and meaningful community engagement;
- Good governance of, and by, local government; and
- Ethical and legal behaviour of Councillors and local government employees.

3. SCOPE

This policy applies to the Mayor, Deputy Mayor and Councillors of the Mareeba Shire.

4. BACKGROUND/SUPPORTING INFORMATION

A local government is required to adopt an expenses reimbursement policy in accordance with the relevant provisions of the *Local Government Regulation 2012*.

The adopted policy can be amended, by resolution, at any time and must be able to be inspected and a copy purchased by the public at the local government's public office and also published on the local government's website.

In order to provide clarity around the provisions of the policy, the following will apply:

Council business will include attendance at any official meeting of the Council, including the meetings of any Committee appointed by the Council under the relevant section of the *Local Government Regulation 2012*, Councillor forums and workshops and meetings of any external agency, committee, board or organisation on which Council input or representation is desirable and to which a Councillor has been appointed by formal resolution of the Council.

Council business also includes attendance at meetings and functions of community groups and organisations which Councillors have been formally requested or appointed to attend in an official capacity. It should be noted, however, that Council business should result in a benefit being achieved either for the local government and/or the local government area. Council may decide that this extends to performing civic ceremony duties such as opening a school fete, however, participating in a community group event or being a representative on a board not associated with Council is not regarded as Council business.

5. POLICY STATEMENT**5.1 Remuneration**

In accordance with the relevant provisions of the *Local Government Act 2009*, the Local Government Remuneration and Discipline Tribunal is responsible for:

- a. Establishing the categories of local governments; and
- b. Deciding which categories each local government belongs to; and
- c. Deciding the remuneration that is payable to the Councillors in each of those categories.

In accordance with the relevant sections of the *Local Government Regulation 2012*, the Tribunal must, on or before 1 December each year and for each category of local government, decide and publish in the Gazette the remuneration schedule that may be paid from 1 July of the following year to a Mayor, Deputy Mayor or a Councillor of a local government in each category.

The remuneration may include, or may separately provide for, remuneration for the duties a Councillor may be required to perform if the Councillor is appointed to a committee, or as chairperson or deputy chairperson of a committee, of a local government.

The remuneration fixed by the Tribunal is all inclusive and no additional remuneration is payable for sick leave, annual leave, or any other benefits otherwise applicable to employees other than superannuation. The remuneration can not include any amount for expenses to be paid or facilities to be provided to a Councillor under the expenses reimbursement section of this policy.

The maximum amount of remuneration payable to a Councillor, as determined by the Tribunal, must be paid to the Councillor unless the local government decides, by resolution, not to pay the maximum amount.

Any resolution not to pay the maximum amount must be made within 90 days after each remuneration schedule is published in the Gazette. Apart from a resolution not to pay the maximum amount, there are no other resolutions required of Council in relation to remuneration and the schedules published by the Tribunal apply automatically from the 1 July in each year.

The Tribunal has determined that the Mareeba Shire Council will be a Category 2 Council as from 1 July 2016.

5.1.1 Superannuation and Tax

The Council may, by unanimous Council resolution, elect to be an "eligible local governing body". This empowers the withholding of Councillors' income tax and automatic payment of the superannuation guarantee contribution.

5.2 Expenses**5.2.1 Payment of Expenses**

Reimbursement of expenses will be paid to a Councillor through administrative processes approved by the Council's Chief Executive Officer (CEO) subject to:

- the limits outlined in this policy; and
- Council endorsement by resolution.

The administrative process for payment of expenses is:

- Councillors complete the Councillor Expenses Reimbursement Voucher, attaching copies of supporting documentation such as log-book extracts and receipts;
- Completed forms submitted to the CEO for approval;
- Office of the CEO forwards approved forms to accounts payable.

5.2.2 Travel as required to represent Council

Council will reimburse local and in some cases interstate and overseas travel expenses (e.g. flights, motor vehicle, accommodation, meals and associated registration fees) deemed necessary to achieve the business of Council where:

- a Councillor is an official representative of Council; and / or
- the activity/event and travel have been endorsed by resolution of Council or approved by the Mayor and/or the CEO.

Councillors are to travel via the most direct route, using the most economical and efficient mode of transport.

5.3 Vehicles

5.3.1 Use of council vehicles on council business

A Council vehicle will be provided for exclusive use by the Mayor and other Councillors may have access to a Council vehicle, as required (and if available at the time), for official Council business. A Councillor wishing to use a Council vehicle for Council business must submit a request to the Chief Executive Officer at least two (2) days prior to use, except in exceptional circumstances as determined between the Councillor, Mayor and CEO.

5.3.2 Private use of Council vehicles

Private use of Council owned vehicles is only permitted if prior approval has been granted by resolution of Council. Council will, in its resolution authorising private use, set out the terms for the Councillor to reimburse Council for the private use. Unless otherwise stated, reimbursement for private usage will be calculated on the basis of the number of private kilometres travelled as per log book substantiation, multiplied by the appropriate rate per business kilometre as determined by the Australian Taxation Office.

"Private use" in this context does not include incidental and occasional private use if the private destination is on a direct path between Council business destinations. In the case of the vehicle provided to the Mayor, home garaging is approved without the need for reimbursement.

Fuel costs

Fuel for a Council owned vehicle used for official Council business, will be provided or paid for by Council.

Fuel costs associated with the use of a Councillor's private vehicle are covered by the private vehicle expenses reimbursement rates.

5.3.3 Use of a Councillor's private vehicle

A Councillor's private vehicle usage will be reimbursed by Council if the:

- travel within the region is required to conduct official Council business (this includes driving their own private vehicle to and from Council offices and use of their vehicle to carry out any inspections deemed necessary to fulfil their role as a Councillor, including inspections of roads, Council works and facilities, areas of complaint and development application proposals);
- travel outside the region has been endorsed by Council resolution or by the Mayor;
- claim for mileage is substantiated with log book details; and
- total travel claim, where applicable, does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers.

Reimbursement rates for business kilometres as published by the Australian Tax Office will be applied.

Private vehicle insurance is at the risk of the user for both private and business use.

NOTE: Any fines incurred while travelling in Council owned vehicles or privately owned vehicles when attending to Council business, will be the responsibility of the Councillor incurring the fine.

5.3.4 Policy on vehicle use in cases of where high mileage travel

Reimbursement of private vehicle use is only cost effective under a certain threshold. This threshold is dependent on the type of vehicle; currently, for a medium size sedan it is 12,600 km but will be reviewed on an ongoing basis to ensure the most cost efficient method is used.

Where Councillors are expected to or do, travel over the annual threshold, they can, by request to the Mayor, be provided with a Council vehicle under the same terms and conditions as the Mayor instead of being reimbursed a kilometre allowance. This will also be dependent on the availability of a Council vehicle.

In the event that a Council vehicle is allocated to a Councillor as a result of this clause, this allocation will be reviewed quarterly to ensure that the threshold is still being exceeded. A logbook must be maintained at a standard that the ATO will accept to negate any FBT liability.

5.3.5 Car parking amenities

Council will reimburse Councillors for parking costs paid by Councillors while attending to official Council business.

5.4 Travel bookings

All Councillor travel approved by Council will be booked and paid for by Council unless travelling by private or Council vehicle. Wherever possible, payment for such travel will be made by Council in advance.

Economy class is to be used where possible although Council may approve business class in certain circumstances.

Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be used to offset other unapproved expenses. (e.g. cost of partner or spouse accompanying the Councillor).



Council will pay for reasonable expenses incurred for overnight accommodation when a Councillor is required to stay outside the Mareeba Shire Council local government area.

5.5 Travel transfer costs

Any travel transfer expenses associated with Councillors travelling for Council approved business will be reimbursed. Example: Trains, taxis, buses and ferry fares.

Cab charge vouchers may also be used if approved by Council where Councillors are required to undertake duties relating to the business of Council.

5.6 Accommodation

All Councillor accommodation for Council business will be booked and paid for by Council. Council will pay for the most economical deal available. Where possible, the minimum standards for Councillors' accommodation should be three or four star rating. Where conference organisers recommend particular accommodation, Council will take advantage of the package deal that is the most economical and convenient to the event. Should more than one Councillor attend the same event, Council will book and pay for a separate accommodation room for each attending Councillor.

5.7 Meals

Council will reimburse the reasonable cost of meals for a Councillor where a Councillor:

- incurs the cost personally; and
- is not provided with a meal:
 - within the registration costs of the approved activity/event;
 - during an approved flight; and
- produces a valid tax invoice.

Council will reimburse the actual cost of meals. However, the current Australian Taxation Office determination in this regard will be considered concerning the reasonableness of the claim.

If a Councillor, for some legitimate reason, is unable to produce a tax invoice and seeks reimbursement for meals while attending official Council business, he/she may claim up to a maximum of the following meal allowance amounts (noting this can only occur when the meal was not provided within the registration costs of the approved activity/event):

Breakfast	\$23.00	Applies if the Councillor is required to depart their home prior to 6.00am
Lunch	\$25.00	
Dinner	\$43.00	Applies if the Councillor returns to their home after 9.00pm

No alcohol will be paid for by Council.

Should the Councillor choose not to attend a provided dinner/meal, then the full cost of the alternative meal shall be met by the Councillor.

5.8 Incidental allowance

Up to \$20 per day may be paid by Council to cover any incidental costs incurred by Councillors required to travel, and who are away from home overnight, for official Council business.

5.9 Additional expenses for Mayor**5.9.1 Hospitality**

Council may reimburse the Mayor up to \$1,000 per annum for hospitality expenses deemed necessary in the conduct of Council business (excluding civic receptions organised by Council).

To claim, the Mayor must provide a written statement of whom he/she entertained and an indication of the costs. Receipts, if available, should be provided but are not mandatory.

5.10 Provision of facilities

Council will provide facilities for the use of Councillors in the conduct of their respective roles within Council.

All facilities provided to Councillors remain the property of Council and must be returned to Council when a Councillor's term expires.

5.11 Private use of council owned facilities

The facilities provided to Councillors are to be used only for Council business unless prior approval has been granted by resolution of Council.

The Council resolution authorising the private use of Council owned facilities will set out the terms under which the Councillor will reimburse Council for the percentage of private use.

5.12 Administrative Tools

Administrative tools will be provided to Councillors as required to assist Councillors in their role.

Administrative tools include:

- office space (where available) and meeting rooms
- computer/laptop
- stationery including business cards
- access to photocopiers, printers, fax and/or scanner, shredder
- name badge
- necessary safety equipment for use on official business (eg., safety helmet, boots, safety glasses)
- use of Council landline telephones and internet access in Council offices
- any other administrative necessities which Council resolves are necessary to meet the business needs of Council

Secretarial support may also be provided for the Mayor and Councillors, within the existing staff structure, by Council resolution.

Each Councillor will be provided with a single standard laptop that can be used both at the Council work location and at the Councillor's home office. Each laptop will be loaded with the Microsoft Office Suite and email software.

In recognition of the fact that office space within Council facilities is limited and that use of technology such as internet and electronic distribution of agendas and minutes is generally more efficient and practical than requiring Councillors to travel to the Council administration centre to undertake the day to day tasks associated with their role, Council will ensure that appropriate home office facilities are provided for Councillors.

Accordingly, Council will supply and pay for an internet and land based phone line at the Councillor's residence. An individual combination printer/scanner/fax may also be provided for home office use if required.

Council will pay the installation costs (if required) and the monthly costs for the line rental and current internet package. The amount paid will be based on the Telstra Home Broadband S package (currently valued at \$73 per month).

iPad

To further enhance the ability of Councillors to communicate electronically with Council, particularly email communication and distribution of agendas, minutes and other information, Council will pay for the purchase of an iPad and associated internet usage via a monthly package arrangement. The package will be to the value of Telstra Mobile Package M (currently \$56 per month or as amended from time to time by the CEO as required).

The Councillor is to arrange the purchase of the iPad and appropriate monthly data plan in their personal capacity. Council will pay the package amount, as above, to the Councillor on a monthly basis. Any costs over and above the monthly payment by Council will be at the Councillor's expense.

Alternatively, Councillors may elect to have an iPad supplied to them by Council and connected to a Council arranged monthly data plan.

Mobile Phone

As per the above arrangements for the supply of an iPad for Councillors' use, Council will also pay the costs of a mobile phone package for Councillors.

The package will be to the value of Telstra Mobile Package XL (currently \$134 per month or as amended from time to time by the CEO as required).

The Councillor is to arrange the purchase of the phone and appropriate monthly phone plan in their personal capacity. Council will pay the package amount, as above, to the Councillor on a monthly basis. Any costs over and above the monthly payment by Council will be at the Councillor's expense.

Alternatively, Councillors may elect to have an iPhone supplied to them by Council and connected to a Council arranged monthly phone plan. Where this option is chosen, an amount of \$240 per annum will be deducted from the remuneration payable to the Councillor/s concerned to cover the cost of any private usage of the Council phone unless a Statutory Declaration is signed an undertaking not to use the phone for private calls.

General

All Council supplied electronic devices are provided under Council's policies relating to computer use, security and the internet and email usage. Supplied devices will be supported and maintained through Council's IT Request Tracker system within standard business hours.

Where required, training in the use of the equipment/software that has been provided by Council will be available.

Council will be responsible for the ongoing maintenance, and reasonable wear and tear costs of Council owned equipment that is supplied to Councillors for official business use.

5.13 Insurance cover

Council will indemnify or insure Councillors in the event of an injury sustained while discharging their civic duties. Specifically, insurance cover will be provided for public liability, professional indemnity, Councillors liability and personal accident.

Council will pay the excess for injury claims made by a Councillor resulting from conducting official Council business and on any claim made under insurance cover.

Council will cover costs incurred through injury, investigation, hearings or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillor's performance of his/her civic functions. Where it is found that a Councillor breached the provisions of the Local Government Act or that the conduct the subject of investigation, hearings or legal proceedings was intentional, deliberate, dishonest, fraudulent, criminal or malicious, the Councillor will reimburse Council for all associated costs incurred by Council.

5.14 Professional development

Where Council resolves that all Councillors are to attend training courses, workshops, seminars and conferences that are related to the role of a Councillor (mandatory professional development), Council will reimburse the total costs of their attendance at the nominated events.

In addition, where a Councillor identifies a need to attend a conference, workshop or training to improve skills relevant to their role as a Councillor (discretionary professional development), expenses will be reimbursed as per Council resolution on a case by case basis. The Mayor may attend any LGAQ conference/seminar or another relevant conference as Council's representative as required.

Councillors desirous of undertaking either mandatory or discretionary professional development should advise the CEO of their interest in attending a specific training course, workshop, seminar or conference and the CEO will provide a report to Council seeking Council endorsement of attendance at the event.
(End of Policy)

The total amount of expenses reimbursed to or paid on behalf of each Councillor during the period 1 July 2015 to 30 June 2016 is as follows:

Name	Conferences (\$)	Communication (\$)	Travel costs - vehicle (\$)
Cr Tom Gilmore	2,487.37	3,155.88	21,581.00
Cr Alan Pedersen	144.55	3,155.88	5,612.20
Cr Edward Brown	1,200.99	3,155.88	0
Cr Kevin Davies	0	728.28	0
Cr Mary Graham	0	3,155.88	0
Cr Angela Toppin	0	728.28	0
Cr Lenore Wyatt	686.96	728.28	0
Cr Jenny Jensen	650.82	2,114.00	5,625.00
Cr Karen Ewin	2,113.63	2,427.60	0
Cr Allan Holmes	822.73	2,427.60	0

In accordance with the policy provisions outlined above, Councillors were also provided with the facilities necessary to effectively undertake the requirements of their position. These facilities included:

- Administrative and secretarial support;
- Office space and Council meeting rooms;
- Desktop and/or laptop computer, iPad;
- Use of Council landline telephone and internet access;
- Access to fax, photocopier, scanner, printer and stationery;
- Name badge;
- Council owned vehicles available for business use by all Councillors - individual usage figures not available;
- Insurance cover under relevant Council policies (Public Liability, Councillor's Liability, Personal Accident, Workers Compensation);
- Provision of meals (lunches/morning teas) when attending Council meetings and workshops.

15. COUNCILLOR CONDUCT - 1 JULY 2015 TO 30 JUNE 2016

Orders and recommendations made under section 180(2) or (4) of the Act	Nil
Orders made under section 181 of the Act	Nil
Complaints about the conduct or performance of councillors for which no further action was taken under section 176C(2) of the Act	Nil
Complaints referred to the department's chief executive under section 176C(3)(a)(i) of the Act	Nil
Complaints referred to the mayor under section 176C(3)(a)(ii) or (b)(i) of the Act	Nil
Complaints referred to the department's chief executive under section 176C(4)(a) of the Act	Nil
Complaints assessed by the chief executive officer as being about corrupt conduct under the Crime and Corruption Act	Nil
Complaints heard by a regional conduct review panel	Nil
Complaints heard by the tribunal	Nil
Complaints to which section 176C(6) of the Act applied	Nil

16. COUNCILLOR ATTENDANCE AT COUNCIL MEETINGS HELD 1 JULY 2015 TO 30 JUNE 2016

Total Meetings held:	
Ordinary Meetings	22
Special (Budget) Meetings	1
Special (Post Election) Meetings	1

Councillor	No. Attended
Cr Tom Gilmore	24
Cr Alan Pedersen	22
Cr Edward Brown	24
Cr Kevin Davies	7
Cr Mary Graham	24
Cr Angela Toppin	8
Cr Lenore Wyatt	8
Cr Jenny Jensen	16
Cr Karen Ewin	16
Cr Allan Holmes	16

17. OVERSEAS TRAVEL

No overseas travel was undertaken by Councillors or employees of the Council during 2015/16.

18. GRANTS TO COMMUNITY ORGANISATIONS

The following grants/donations were provided to community groups and sporting clubs during the period 1 July 2015 to 30 June 2016 in accordance with Council's Community Partnerships Program (CPP) Policy and the Rate Rebate and Remission Policy 2015/16:

	\$
Cash	28,762
Remittance of Rates and Charges	10,765
Water Consumption Fees	6,462
In-Kind Assistance	37,388
Total	83,327

Grants provided through the Regional Arts Development Fund for arts and cultural projects are separate to the amounts listed above and totalled \$38,045 for the 2015/16 financial year.

Councillors of the Mareeba Shire Council are not provided with discretionary funds to allocate as they see fit. Funding was not therefore provided to community organisations from this source.

19. REGISTERS OPEN TO THE PUBLIC

Register of Members Interests
Register of Delegations by Council
Register of Roads
Register of General Charges and Regulatory Fees
Register of Delegations by the Chief Executive Officer
Register of Local Laws and Subordinate Local Laws
Register of Lands
Register of Policies
Cemetery Register
Impounding Register
Gifts and Benefits Register
Register of On-site Sewerage Facilities

20. CHANGES TO TENDERS

There were no occasions during the year where persons who submitted a tender were invited to change their tender to take account of a change in the tender specification prior to Council making a decision (Section 228(7) of the *Local Government Regulation 2012*).

21. RESERVES AND CONTROLLED ROADS

The Mareeba Shire Council has control of:

- (i) 9,944 ha of land (including approximately 1,080ha leased to other parties) which is set apart as 224 separate reserves under the Land Act 1994. The land is reserved for a number of different purposes including the following:
- | | |
|--------------------------------|-------------------------------|
| • Camping, Water and Pasturage | • Park/Park and Recreation |
| • Cemetery | • Public Hall and Recreation |
| • Drainage | • Racecourse |
| • Educational Institution | • Rubbish Depot |
| • Esplanade | • Sanitary |
| • Environmental | • Scenic |
| • Gravel | • School of Arts |
| • Heritage and Historical | • Showground and Sportsground |
| • Hospital | • Sport and Recreation |
| • Landing Ground for Aircraft | • Stock Holding/Trucking |
| • Library | • Strategic Land Management |
| • Local Government | • Township |
| • Memorial Park | • Water Supply |
- (ii) 624 km of State Controlled Roads that are not owned by the Council but for which Council has direct maintenance responsibility (refer section 60 of the *Local Government Act 2009*).

This land (both reserves and roads) does not have a value for the Council's financial statements.

22. CONDUCT OF BUSINESS ACTIVITIES - APPLICATION OF CODE OF COMPETITIVE CONDUCT

The following business activities were conducted by Council during the 2015/16 financial year:

- Water Supply
- Sewerage
- Waste Management
- Soil Laboratory
- Building Certification

The *Local Government Act 2009* (section 45 (b)) requires that a Council's annual report must identify the business activities that are a significant business activity. A significant business activity does not include a building certifying activity, a roads activity or an activity related to the provision of library services. The *Local Government Regulation 2012* (section 19) identifies the following expenditure thresholds for significant business activities:

- \$13.75M for combined water and sewerage services
- \$9.2M for another business activity

The Regulation also provides that a local government must use the financial information for the previous financial year that was presented to the local government's budget meeting to identify each new significant business activity for the financial year. None of the Council's business activities exceeded the threshold for a significant business activity for the 2015/16 financial year.

The business activities listed above were also conducted by Council in the previous financial year (2014/15), and there were no new business activities commenced in 2016/17.

23. COMPETITIVE NEUTRALITY COMPLAINTS

There was one (1) Competitive Neutrality Complaint received by Council in relation to the operation of one of its business activities during the year. This matter was originally being dealt with through the Queensland Competition Authority; however, with the enactment of the *Queensland Productivity Commission Act 2015 (Qld)* responsibility for dealing with the investigation of this complaint has now been passed to the Queensland Productivity Commission. This investigation process is still underway.

24. INTERNAL AUDIT/AUDIT COMMITTEE

Internal Audit

The function of internal audit function provides stakeholders with a level of assurance that business processes are operating appropriately and effectively in accordance with organisational and legislative requirements. Pacifica Chartered Accountants provide internal audit services for Mareeba Shire Council.

A three year Internal Audit Plan covering the period 1 July 2015 to 30 June 2018 was developed by Pacifica in consultation with Council's Executive Management Team during July 2015. This Plan was received by the Audit Committee on 28 September 2015 and is based on a prioritisation of the Corporate Risk Register.

Internal Audit activities undertaken during the 2015/16 year include:

- Corporate Card Procedures
- Customer Request Management and Complaints Handling
- Review of Councillor Obligations under LGA2009
- Cash Handling Practices
- Procurement Compliance Review (commenced in 2014/15)

Audit Committee

Mareeba Shire Audit Committee comprises two Councillors (Cr Holmes - replaced by Cr Davies, and Cr Graham) and an independent member as chairperson (Katrina Faulkner).

Three meetings of the Audit Committee were held during the financial year; 13 August 2015, 28 September 2015 and 10 March 2016.

The main issues considered by the Committee throughout the 2015/16 year were:

- Consideration of the financial statements for the year ended 30 June 2015
- Audit strategy for the 2015/16 financial year
- Internal audit status
- Enterprise Risk Management
- External audit status
- Probity audit status

25. COMMUNITY FINANCIAL REPORT

The Community Financial Report is produced to enable members of the community to gain a better understanding of our financial performance and position over the last financial year.

The report uses plain language and pictorial aids such as graphs and tables to give all interested readers and stakeholders an easy to follow summary of the financial statements.

The Community Financial Report is prepared in accordance with Section 179 of the *Local Government Regulations 2012* and focuses on:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Measures of Financial Sustainability

Performance highlights

During the 2015/16 financial year, Council has:

- Continued to achieve a sound financial position resulting in an operating surplus of \$4.7M, which continues to lay the foundation of Council's promising financial long term sustainability;
- Attained significant State and Federal grants to deliver highly complex assets, including the refurbishment the Mareeba Wastewater Treatment Plant and the renewal of the Mareeba Airport and runway. Both major projects will continue into 2016/17 and expand Council's asset base and strengthen our region's economic future;
- Sustained relatively low debt of \$6.8M at year end; and
- For the second year in a row, no major internal control and financial reporting issues were raised by the Queensland Audit Office.

Statement of Comprehensive Income

The Statement of Comprehensive Income (often referred to as the Profit and Loss Statement) shows the details of Council's operating and capital income and expenses for the year 1 July 2015 to 30 June 2016. Income less expenses results in either a profit or loss amount known as a net result.

Summarised Statement of Comprehensive Income for the year ended 30 June 2016 is shown in the table below:

Summary of Statement of Comprehensive Income	\$ (000)
Operating Revenue	51,081
Less: Operating Expenses	(46,294)
Operating Position	4,787
Plus: Capital Income	8,508
Less: Capital Expenses	(327)
Net Result	12,968

This surplus is allocated to fund capital projects or transferred to reserves for future expenditure.

Revenue - What were the major sources of income to Council?

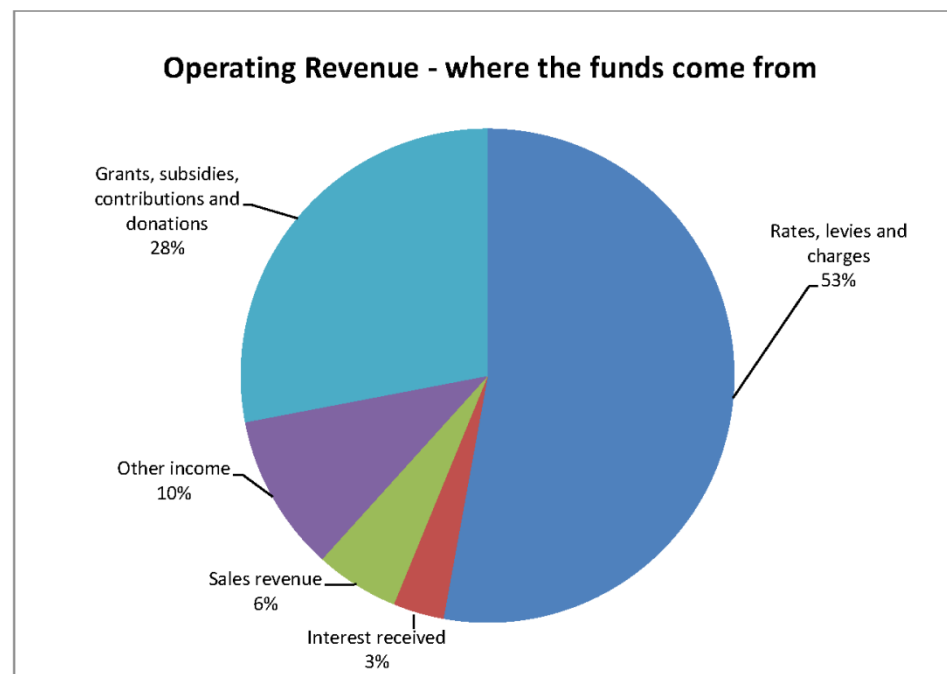
(Where our money comes from)

Operating Revenue Sources	\$ (000)
Rates	26,418
Fees & Charges	1,118
Operating Grants, Subsidies & Contributions	13,994
Sales Revenue	2,742
Interest - Investment & Rates	1,668
Other Revenue	5,141
Total Operating Revenue	51,081

Operating revenue includes rates and utility charges, contract works, fees and charges, operating grants and subsidies, and other income.

Council received \$51 million in operating revenue during the financial year. This was primarily from rates and charges which totalled \$26.4 million or 51.7% of total revenue for the year. Other sources are shown in the diagram above and the graph below.

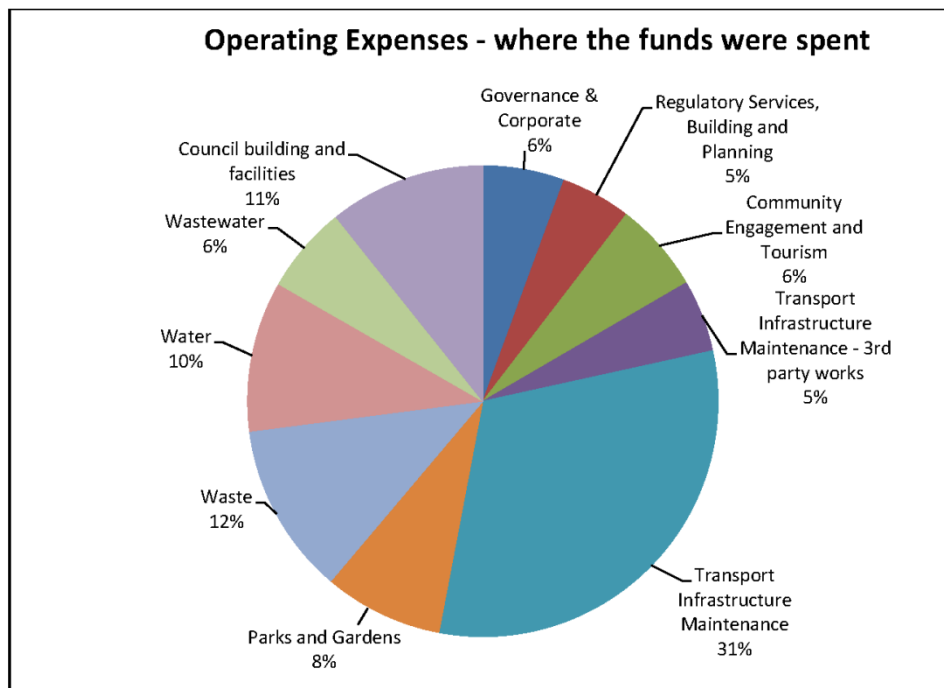
Capital revenue is income from grants, subsidies and contributions that are used to pay for fixed assets. Total capital revenue during the financial year was \$8.5 million.



Operating Expenditure - What expenses did Council have to meet?

Total operational expenses of \$46.2 million were incurred in the year 1 July 2015 to 30 June 2016. The majority of funds were spent on roads, drainage and bridges, totalling \$15.7 million or 34% of the total expenditure. Other sources of expenditure are shown in the diagram below.

Operating Expenditure	\$ ('000)
Employee Benefits	17,007
Materials and Services	19,529
Finance Costs	339
Depreciation and amortisation	9,419
TOTAL EXPENDITURE	46,294



Statement of Financial Position

The Statement of Financial Position (more commonly known as the Balance Sheet) displays the financial position of Council at 30 June. The statement measures what Council owns (Assets) and what Council owes (Liabilities). The difference between these two components is the net wealth (Equity) of Council and our community.

Each heading in the Balance Sheet is separated into detailed sub-headings cross-referenced to notes to the Financial Statements which provide more detail.

What do we own?

Council's major asset class is property, plant and equipment. This is broken down into land, buildings, plant and fleet, roads, drainage, bridges, water, sewerage and other infrastructure assets. Road, drainage, bridge, water and sewerage infrastructure represents 80.1% of the total fixed assets and provides a direct benefit to the community. A total of \$19.2M was spent on renewing, upgrading and building new assets for the community during this financial year.

Other assets include outstanding rates, fees and charges owing to Council at 30 June 2016. These are known as trade and other receivables. The largest amount owing is \$2.8M from Tablelands Regional Council for our share of the outstanding cash split as a result of de-amalgamation, forgone interest and recovery of court legal costs.

What do we owe?

Council has \$6.8M remaining in loans mostly for the new Mareeba Sewerage Treatment Plant upgrade (\$5M). The other major liability for Council is the landfill rehabilitation provision. The old Mareeba Landfill is scheduled to be capped, and the land rehabilitated in 2017. Council has been setting aside a provision for a number of years to cover the total expenditure which is included in the provision account under liabilities in the Statement of Financial Position.

Statement of Financial Position	\$ ('000)
Assets - What Council Owns	
Cash Assets	37,754
Receivables	9,189
Inventories	3,047
Property, Plant and Equipment	354,654
TOTAL ASSETS	404,644
Less: Liabilities - What Council Owes	
Payables	9,661
Borrowings	7,067
Provisions	9,452
TOTAL LIABILITIES	26,180
NET COMMUNITY ASSETS - What Council is worth	378,464

Statement of Changes in Equity

The difference between assets and liabilities is the total community equity or the net wealth of the Council. The Statement of Changes in Equity shows the overall change in Council's "net wealth" over the year. As at 30 June 2016, Council's net wealth was \$378.4M.

Council's retained surplus represents amounts available to be invested into assets (now or in the future) to provide services to the community. These surpluses can be used should unforeseen financial shocks or adverse changes to our business occur in the future.

Statement of Cashflow

The statement of cashflow measures the inflow and outflow of cash during the period. The statement is categorised into three groups;

- Operating activities - are normal day to day functions of Council. This would include receipts such as rates, fees & charges, interest received on investments and payments of employee wages, materials and services.
- Investing activities - include payments for the purchase and construction of property, plant & equipment and proceeds from the sale of assets.
- Financing activities - are repayments of principal on Council's loans, as well as the inflows from new loans drawn down in the year.

Statement of Cashflow	\$ (000)
Opening Balance - 1 July 2015	22,626
<u>Plus:</u> Cash inflow (outflow) from Operating Activities	20,982
Cash inflow (outflow) from Investing Activities	(22,683)
Cash inflow (outflow) from Financing Activities	4,829
Cash Available at End of Year	25,754

Cash at the end of the year was \$25.7 million which represents cash and cash equivalents as reported in the Balance Sheet.

Measures of Financial Sustainability (Key Financial Performance Ratios)

The Local Government Regulations 2012 requires Council's to report against the DIP sustainability financial ratios. This information is provided below.

These ratios are designed to provide an indication of the performance of Council against key financial sustainability criteria which must be met to ensure the prudent management of financial risks.

DIP Sustainability Ratios					
Ratio	Description	Formula	Actual Result	Bench-mark	Target Met?
Financial Capital Sustainability Indicators					
Operating Surplus Ratio	<p>This is an indicator of the extent to which revenue raised covers operational expenses only or are available for capital funding purposes.</p> <p>A positive ratio indicates the percentage of total rates available to fund capital expenditure.</p> <p>The higher the ratio the better.</p>	$\frac{\text{Net Operating Surplus}}{\text{Total Operating Revenue}}$	9%	0 - 10%	<input checked="" type="checkbox"/>
Net Financial Liabilities Ratio	<p>This is an indicator of the extent to which the net financial liabilities of a Council can be serviced by its operating revenues.</p> <p>A ratio less than zero (negative) indicates that the current assets exceed total liabilities and therefore Council appears to have the capacity to increase its loan borrowings.</p> <p>The lower the percentage the better.</p>	$\frac{\text{Total Liabilities} - \text{Current Assets}}{\text{Total Operating Revenue}}$	-47%	<=60%	<input checked="" type="checkbox"/>
Infrastructure Capital Sustainability Indicators					
Asset Sustainability Ratio	<p>This is an approximation of the extent to which the infrastructure assets managed by Council are being replaced as these reach the end of their useful lives.</p> <p>Depreciation expense on renewals (replacing assets that Council already has) is an indicator of the extent to which the infrastructure assets are being replaced.</p> <p>This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out.</p>	$\frac{\text{Capital expenditure on the replacement of assets (renewals)}}{\text{Depreciation expense (renewals)}}$	124%	>90%	<input checked="" type="checkbox"/>

26. REVENUE POLICY

This policy was adopted by Council at its Budget Meeting held on 3 June 2015.

1. POLICY INTENT

This document sets out Council policy, as per annual budget resolution, in relation to the granting of rebates and remissions on rates and charges.

2. SCOPE

This policy applies to:

- Pensioners who own and reside on their property within the Mareeba Shire Council area and who meet the requirements set out in the Pensioner Remission Policy Statement in this document; and
- Not-for-Profit community, recreation and sporting organisations who meet the requirements set out in the Not-for-Profit Remission Policy Statement in this document.

3. BACKGROUND/SUPPORTING INFORMATION

The *Local Government Regulation 2012* - Chapter 4, Part 10 Concessions, gives local governments the power to grant concessions for rates and charges.

A concession may only be of the following types:

- a rebate of all or part of the rates or charges;
- an agreement to defer payment of the rates or charges; or
- an agreement to accept a transfer of unencumbered land in full or part payment of the rates or charges.

A concession may only be granted by resolution of the Council and for the Mareeba Shire Council; this is done as part of the annual budget adoption process and also noted in the adopted Revenue Statement.

4. POLICY STATEMENT

4.1 Pensioner Remission

Applicants for the remission of rates from the Mareeba Shire Council and the State Government must satisfy the following conditions:

- if an application is mailed in, it must be completed in detail and accompanied by a copy of both sides of the current Pensioner Concession Card (PCC) or a DVA Gold Card;
- an applicant must truthfully and correctly supply all information requested;
- the Council Pensioner Remission is allowable on only one property at a time;
- a new application must be lodged if you change your address;
- should all owners not be in receipt of a pension or allowance, a proportionate amount of remission may be payable based upon State Government Guidelines; and
- if a co-owner is in a spousal or recognised de-facto relationship and is an approved pensioner and is wholly responsible for payment of all rates and charges, the subsidy will be granted in full.

4.1.1 Council Pensioner Remission

Council grants a remission of thirty percent (30%) of the general rates up to a maximum of \$240 per year to pensioners within the Mareeba Shire Council area, providing they qualify for a remission in accordance with the conditions, as set out below.

This excludes water usage charges, special rates or special charges, interest and other charges on land.

To be eligible you must be:

- a holder of a Pensioner Concession Card (PCC) or a DVA Gold Card;
- the owner or life tenant of the property which is your principal place of residence. A life tenancy can be created only by a valid Will and is effective only after the death of the property owner, or by a Supreme or Family Court Order; and
- legally responsible for the payment of local council rates and charges levied on that property.

The Council Pensioner Remission is allowable on only one property at a time and a new application must be lodged if you change your address.

The Council Pensioner Remissions can only be granted from the date on the pension card or 1 July 2015 (whichever is the latter), provided the application qualifies with Council's conditions.

Where the Council Pensioner Remission applies, Council will remit the appropriate amount off the rates notice.

4.1.2 State Government Pensioner Remission

In addition to the remission allowed by Council, the State Government Scheme for Subsidisation of Rates and Charges payable to Local Authorities by Approved Pensioners is administered by the Council and under this Scheme, a further 20% remission is allowed to approved Pensioners up to a maximum of \$200.00 per annum on rates and charges.

Where the State Government Pensioner Remission applies, Council will remit the appropriate amount off the rates notice and claim the reimbursement from the State Government.

5. RATE AND CHARGE REMISSION

5.1 Types of Remission

Council grants a remission of the following to Council approved not-for-profit community, recreation and sporting organisations:

- Rate Remission - is fifty percent (50%) of the general rates up to a maximum of \$1,000 per year; and/or
- Charge Remission - is twenty percent (20%) up to a maximum of \$200 per year on Utility Charges (Sewerage, Waste Collection and Water Access Charges) and the Waste Management Levy.

5.2 Definition of not-for-profit community, recreation and sporting organisation

A not-for-profit is a community organisation which exists primarily to undertake community service activities. Should the organisation receive Federal or State Government funding support for the organisation's operations then they are ineligible for assistance under this policy. If the organisation does not receive ongoing Federal or State Government funding support, then one or more of the following criteria must be met to be eligible as a not-for-profit organisation:

- a not-for-profit organisation which exists primarily to undertake community service activities and relies mainly on volunteer labour; or
- a not-for-profit organisation which has a high level of paid labour and a low level of volunteer labour, however, a substantial community benefit is provided; or
- a not-for-profit organisation which undertakes sporting or recreational activities and relies on the player and/or fees and community fundraising only; or
- an owner of a cultural icon which is a tourist attraction and to which the public is given access for no fee or charge;

5.3 Application and Continuation of the Remission

An initial application using the approved form must be lodged, and an approved applicant is required to apply for a continuance of the remission on the approved form on an annual basis or as requested by Council. The application should state that the information provided in the initial application is still current and that they would like to continue in claiming the approved remission/s.

The remission/s, if approved, will apply from the start of the rating period in which the application was successful and will be shown on the rates notice.

Applications for Rate and/or Charge Remission will only be considered for not-for-profit organisations as defined above and which comply with all the eligibility criteria.

To be eligible you must:

- operate within the boundaries of the Mareeba Shire Council;
- own or lease and occupy the land on which the general rates are being levied and the rates notice issued in the organisation's name;
- the property must not be used for residential purposes unless utilised for short-term accommodation for homeless and at-risk persons or for accommodation of the aged;
- not utilise gaming machines to raise revenue;
- in its constitution clearly prohibit any member of the organisation making a private profit or gain either from the ongoing operations of the organisation or as a result of the distribution of assets if the organisation was wound up (this condition does not apply to the owner of a cultural icon);
- meet the definition of a not-for-profit community, recreation and sporting organisation;
- not have outstanding rates on the property;
- lodge an application on the approved form. The application must also include any two of the following supporting documentation:
 - a copy of the organisation's constitution or certificate of incorporation;
 - minutes of its most recent Annual General Meeting;
 - incorporated groups are to provide a copy of their most recent audited financial statement (no greater than 12 months old), unincorporated groups are to provide a copy of their most recent reconciled financial statement (no greater than 12 months old);
 - details of the organisation's not-for-profit status from the Australian Taxation Office or similar.

If in circumstances where an organisation does not fulfil its lease obligations, the remission can be cancelled by the Director Corporate and Community Services.

The remission is not available on vacant land.

There is a responsibility for the not-for-profit organisation to contact the Council when there is a change that could affect the status of the remission so as to avoid the necessity for the organisation to reimburse the remission so obtained.

In some cases, the Council may have sufficient information on its records to make an assessment of the application. In other instances, Council may need to conduct a site inspection and/or request further information.

Where the Rate and Charge Remission applies, Council will remit the appropriate amount off the rates notice. (End of Policy)

27. DEBT (BORROWING) POLICY

This policy was adopted by Council at its Budget Meeting held on 3 June 2015.

1. POLICY INTENT

The intent of this policy is to detail the principles upon which Council bases its decisions when considering the type of expenditure to be funded by borrowing for the financial years 2015/16 to 2024/25, the total current and projected borrowings and the ranges of periods over which they will be repaid.

2. SCOPE

This policy applies to all borrowing of the Council.

3. BACKGROUND/SUPPORTING INFORMATION

Pursuant to Section 192 of the *Local Government Regulation 2012*, Council's adopted Policy on Borrowings for the period 2015/16 to 2024/25 is set out below.

4. POLICY STATEMENT

The Council will not use long-term debt to finance current operations.

Long term debt is only to be used for income producing assets or those assets that can be matched to a revenue stream. Consequently, repayments for the borrowings will be funded from the revenue streams generated by the asset acquisition in question. Consideration must also be given to the long-term financial forecast before planning new borrowings.

Council will utilise long-term borrowing only for capital improvement projects that cannot be financed from existing sources.

Capital projects are to only be undertaken after a thorough process of evaluation (including the whole of life costing and risk assessment), prioritisation and review.

When Council finances capital projects through borrowings, it will generally pay back the loans in a term not exceeding 20 years. However, in certain circumstances, particularly assets with long useful lives, borrowings may be for a longer period whereby repayments would match the income stream of the asset in question. Existing loans will be paid back within the fixed term provided for in the loan agreement.

Council will continue to ensure repayment schedules are well within Council's operating capability so as to ensure the Community is not burdened with unnecessary risk.

Projected Future Borrowing Predictions:

Year	Project	Term	Borrowings
2015/16	Mareeba Sewerage Treatment Plant upgrade	20 years	\$5,000,000
2016/17	-	-	-
2017/18	-	-	-
2018/19	-	-	-
2019/20	-	-	-
2020/21	-	-	-
2021/22	-	-	-
2022/23	-	-	-
2023/24	-	-	-
2024/25	-	-	-

The level of Existing Debt - As at 30 June 2015, Mareeba Shire Council's outstanding loan balance is estimated to be \$1.9M. (End of Policy)

28. POLICY ON REBATES AND CONCESSIONS

Council resolved at its budget meeting held on 15 June 2016 to grant a remission of 30% of all differential general rates, except interest and other charges, to pensioners who own and reside on their property within the Mareeba Shire Council local government area, provided that they satisfy the conditions as set out in the Rate Rebates and Remissions Policy and on the Pension Remission Application Form, with the maximum Council remission allowable being \$240 per property.

In addition to the remission granted by Council, the State Government Scheme for Subsidisation of Rates and Charges payable to Local Authorities by Approved Pensioners is administered by the Council and under this Scheme, a further 20% remission is allowed to approved pensioners up to a maximum of \$200.00 per annum on rates and charges.

The total pensioner remission granted by Council during the year was \$388,053.

The total State Government subsidy granted to approved pensioners was \$322,353.

The total State Government fire levy pensioner rebate was \$42,360.

Council also resolved to grant a remission of fifty (50%) percent up to a maximum of one thousand (\$1,000.00) dollars on all general rates and a charge remission of twenty (20%) percent up to a maximum of two hundred (\$200) dollars on Utility Charges (Sewerage, Waste Collection and Water Access Charges) and the Waste Management Levy only, to Council approved not-for-profit organisations who own or lease a property within the Mareeba Shire, excluding vacant land, provided that they satisfy the conditions as set out in the Rate Rebates and Remissions Policy. The total amount donated or remitted during the year was \$17,751.

29. SERVICE, FACILITY OR ACTIVITY SUPPLIED BY ANOTHER LOCAL GOVERNMENT AND FOR WHICH SPECIAL RATES/CHARGES ARE LEVIED

The Council did not during the year, take any action in relation to, or expend funds on, a service, facility or activity:

- (i) supplied by another local government under an agreement for conducting a joint government activity; and
- (ii) for which the local government levied special rates or charges for the financial year.

30. THRESHOLD FOR TREATING NON-CURRENT ASSETS AS AN EXPENSE

There were no resolutions made during the year under section 206(2) of the *Local Government Regulation 2012* (setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense).

It has previously been determined that the threshold for capitalisation of asset classes other than land is \$5,000. These details form part of Note 1 to the Financial Statements.

31. ASSESSMENT OF PERFORMANCE IN IMPLEMENTING OPERATIONAL PLAN FOR 2015/16 FINANCIAL YEAR

No	Task/Activity	Assessment of performance in implementing Operational Plan for 2015-16 financial year
FINANCE		
1	Enhance access to financial information.	<ul style="list-style-type: none"> More users able to operate financial systems and locate relevant documentation
2	Timely preparation of Financial Statements and resolution of recommendations.	<ul style="list-style-type: none"> Finalise Financial Statements within legislative timeframes and achieve unqualified audit
3	Review full cost pricing models to ensure equitable allocation of costs across departments.	<ul style="list-style-type: none"> Review completed model and aim for more accurate cost allocation
4	Continue to review and document internal processes to establish an improved level of control and transparency.	<ul style="list-style-type: none"> More transparent procedures and more efficient processes
5	Ensure long-term asset management planning and financial planning is updated to support financial sustainability.	<ul style="list-style-type: none"> Compliance with LGA 2009 and provision of models to inform decisions regarding project priorities
DEVELOPMENT & GOVERNANCE		
6	Continued development of the new Mareeba Shire Planning Scheme.	Planning Scheme adopted by Council
7	Progress the sale of all land within the Chillagoe Industrial Estate	In April 2016 Council advertised 11 lots for sale by tender at the Chillagoe Industrial Estate. Tenders closed on 17 May 2016. Of those 11 lots, offers were accepted for a total of 6 lots. Further unsolicited offers were received for the remaining 5 lots. Of the original 11 lots, 7 have sold, 1 is under contract, and 3 are subject to an offer to purchase.
SYSTEMS AND CUSTOMER SERVICE		
8	Upgrade Corporate Records Management System (Technology One ECM).	ECM 4.03 has been successfully deployed with the new version going live on 22 June 2016. Development of the system is ongoing with a focus on improving integration with Council's Property and Rating system.
9	Develop 3-5 year ICT Strategy.	Gravelroad Group Pty Ltd has been chosen as the successful respondent to the EOI process. Work will commence in 1 st half FY17 to develop the relevant strategy.
10	Develop and implement Data Protection Strategy.	Council's future data protection strategy forms a key component of the ICT strategy referred to in point 9. For the foreseeable future the existing off-site data replication process will be maintained.
11	Investigate the mobile delivery of corporate information systems.	The necessary infrastructure to support Technology One's CiAnywhere technology has been deployed as part of the ECM upgrade project. Any future work to provide mobile access to Council's information systems will be predicated on the outcome of the ICT strategy.
12	Investigate enhancements to Enterprise Asset Management (EAM) systems.	The Embedded Mapping and GIS Synchronisation components of the Technology One - Enterprise Asset Management product has been deployed. Further investigation into the Defects module is ongoing.
13	Build mausoleum wall and lawn beam at Mareeba New Cemetery.	The construction of the mausoleum wall has been completed. The construction of the lawn beam has been postponed until FY17.
COMMUNITY WELLBEING		
14	Assist with Service Level Review.	All service areas of the Community Wellbeing Group were comprehensively reviewed to gain efficiencies.
15	Update the long-term community plan.	Due to the local government elections, updating the long term community plan will be held over to 2016/17 and Community BBQs will be held in towns and districts inviting input on community issues from residents.
16	Develop a Community Wellbeing Strategy.	This strategy will be completed in 2016/17 after the community plan has been updated with community input.
17	Develop an external community engagement policy and strategy.	Due to other operational priorities and staff vacancies, this policy is still being developed for consideration by Councillors in 2016/17.
18	Review the Community and Recreation Leasing Policy and develop a Community Facilities Register for the updated policy.	Review of the policy commenced in April 2016, and due to the complexity of the issues, further financial modelling was prepared for consideration by Councillors. The policy is due for completion in 2016/17.
19	Transfer externally funded community support services to suitable not-for-profit community organisations.	<p>The following funded community services have been successfully transitioned to community management:</p> <ul style="list-style-type: none"> Street to Home Homestay Partners in Recovery Youth Connections Program <p>TCASS will be transitioned to community management from 1 July 2017.</p>

20	Relocate Kuranda Library and Customer Service Centre to become anchor tenant in Kuranda Community Precinct.	The smooth relocation of the Kuranda Library to the Kuranda Community Precinct was celebrated on Saturday 21 November 2015 amidst much excitement and great anticipation. Community and library user feedback regarding the new library facility has been positive.
21	Develop Kuranda Community Precinct.	The Kuranda Community Precinct was refurbished with the car park upgrade completed and the building refurbished to relocate the Kuranda Library and Customer Service Centre. Public nominations for membership of the Advisory Committee were called, and the new Committee was appointed, made up of four continuing members and two new members. The Advisory Committee is developing a Strategic Plan for the future development of the precinct. New historical and site signage has been installed at the Precinct.
22	National Registration System Accreditation for aged housing.	Council submitted the completed application within the set timeframe but has since been advised that the assessment period has been extended for 2 years.
23	Conduct an assessment to determine the future management of the housing stock.	This project will be completed once information from the long-term assessment plan is completed and information from the Department of Housing and Public Works becomes available.
24	Conduct a housing rent review.	A comprehensive rent review was completed resulting in a staged approach to increasing rents for community housing for seniors.
25	Develop an Economic Growth Strategy including investment attraction that capitalises on the shire's opportunities for economic growth and leverages off partnerships.	Economic Development priorities have been identified, and negotiations commenced with strategic economic development partners for assistance with projects and activities associated with the priorities. One of the priorities is the development of online resources to showcase the shire assets for investment attraction.
26	Mareeba Industrial Park Marketing Strategy.	Two large-scale developments have seen a recent expansion of the Park. Consequently, Council decided not to proceed with implementing the marketing strategy but has continued to promote the Park on the Council website and in relevant publications.
27	Library Strategy.	A Mareeba Shire Library Services Strategy has been adopted.
28	Compile a Community Directory.	The development of a community data base commenced in December 2015 in partnership with government agencies and community services and continued to expand.
29	Distribute an e-Community newsletter quarterly.	Council supports and contributes to the e-Community Newsletter developed and distributed by Mareeba Community Centre.
30	Davies Park/Firth Park/Eales Park Community Management Model.	User groups associated with the new sports facilities being constructed at Davies and Firth Parks with grant funds have developed an MOU for this project which will form the basis of a future community management model for the operation of these parks.
ORGANISATIONAL DEVELOPMENT		
31	A comprehensive review of position levels to ensure organisational consistency in line with the QLGI Award 2014 and the new MSC Certified Agreement. Review and develop HR policies and practices to ensure the needs of the Council workforce are met.	The comprehensive review of position levels to ensure consistency with the QLGI Award 2014 and the new MSC Certified Agreement was completed during the year. A review of HR policies and practices was also completed. However, this work is ongoing to ensure best practices are put in place and the evolving needs of the Council workforce are met.
32	Provide high-level advice and support to the Executive Management Team in the implementation of the new Certified Agreement for Council employees, including information and training sessions for employees.	High-level advice to management and the Council workforce, regarding the application of the MSC Certified Agreement 2014-2017 is ongoing. The decision by the State government to direct the QIRC to make further changes to the QLGI Award means that further changes in the industrial relations arena as it relates to Council employees can be expected. As a result of the review of the award and proposed changes to the Industrial Relations Act, it is expected that Council will be required to negotiate a new Certified Agreement in the 2016-2017 year. Until that time the current agreement will apply.
33	Identify training and skills needs for Council's workforce including development and delivery of the Ganger Development Program and Leadership/Management training program. Ensure all training is delivered within budget allocations.	Training and skills needs continue to be reviewed with training sessions delivered to employees by both internal and external providers, as required. The Ganger Development Program (GDP) has focused on electronic communications skills with a number of follow-up sessions held to reinforce the training. This was identified as a high priority area going forward. In-house leadership training for managers and supervisors was delivered with an initial focus on employee performance management. The training was conducted in conjunction with the implementation of the new Performance Review Program. Employee Code of Conduct Refresher training was completed during the year.
34	Ongoing monitoring and review of WHS policies, procedures and systems to protect the health and safety of Council's employees.	Monitoring and review of WHS policies, procedures and systems are ongoing. Managers are continuing to be involved in ensuring improvement at an operational level.

		<p>Although the number of incidents reported was slightly higher than the previous year, the duration of injuries and time lost was significantly less. This resulted in a reduction in Council's WC insurance premium.</p> <p>A final audit of the WHS Management System (SafePlan) by LGW in November 2015 resulted in a score of 76% which is a silver level award.</p>
35	Implement the Drug and Alcohol Policy with comprehensive awareness training for all employees and the commencement of testing.	<p>The HR Take 5 on the Drug and Alcohol Policy and the Drug and Alcohol Testing Procedure was completed by workers and Council contractors.</p> <p>Initial random testing was conducted in April and May 2016. Incident and reasonable cause based testing has also been conducted with no non-negative results being recorded.</p>
WORKS		
36	Undertake capital roadworks and drainage projects in accordance with approved capital works schedule.	<p>The 2015/16 Capital Works Program was completed 30/06/2016 with the exception of the Keegan Street extension project and the 15/16 Gravel Resheet Program. These projects will be completed by the end of August and the end of October respectively.</p>
37	Undertake bitumen roads reseal program in accordance with budget allocation.	<p>The 2015/16 Reseal Program was completed early May 2016.</p> <p>The program was delivered on time and under budget realising savings of \$200,000.</p>
38	Undertake Parks & Gardens capital works projects in accordance with approved capital works schedule.	<p>All Parks & Gardens capital projects were completed by early June 2016. Works were on time and within budget.</p>
TECHNICAL SERVICES		
39	Continue the development of asset management plans for all infrastructure asset classes.	<p>The MSC Asset Management Strategy is nearing completion. The strategy is the parent document for the asset management plans and demonstrates how Council intends to meet the Local Government Act 2009 requirements around long term asset management planning.</p> <p>Development of Asset Management Plans (AMPs) are progressing, and it is aimed to start workshoping them with Council prior to the 2017/18 Capital Works Program planning.</p>
40	Purchase and implement a Vehicle Management System.	<p>The Vehicle Management System has been installed, and Council is working with the supplier to address the teething issues.</p>
WATER & WASTE		
41	Mareeba Wastewater Treatment Plant - explore alternative design options to provide an acceptable solution at less cost and continue to pursue the possibility of obtaining State Government funding for the new plant and investigate other funding avenues that may be available.	<p>Council was successful in securing an additional \$1,500,000 in grant funding through the Queensland Government's Building Our Regions (BOR) program to supplement \$1,095,000 funding through the Royalties for Regions Program (R4R), \$6,000,000 in funding from the Federal Government's National Stronger Regions Fund (NSRF).</p> <p>The R4R funding is the pivotal 1st stage of a two stage process to upgrade the Mareeba Wastewater Treatment Plant (WWTP) and includes construction of the final 1.1 km section of a duplicate rising main, which was completed by Celtic Construction and Utility Services in February 2016 and construction of a packaged inlet works which is being delivered in 2016/17 by Bifinger Water Technologies.</p> <p>The BOR and NSRF funding has been allocated to undertake the Stage 2 works, which include construction of new biological nutrient removal treatment process and installation of sludge management infrastructure. The successful contractor, Downer, has been engaged to design and construct a two-basin Sequence Batch Reactor (SBR) which will provide benefits regarding the capacity for high wet weather flows, high effluent quality, operational flexibility and reliability while providing the best value for money. The contractor mobilised to site in May 2016 and construction is due for completion in 2016/17.</p>
42	Water meter replacement program and completion of Automated Meter Reading Equipment.	<p>Water meter replacement program and automated water meter reading device (AMR) implementation program were completed across the water benefited area except for 73 difficult installations.</p>
43	Construction of a new water reservoir at Kuranda.	<p>Council applied for and received a grant from the State Government under the Building Our Regions Program Round 1 towards the Kuranda Suburban Water Security Project. The grant is to construct a 150KL reservoir at Hilltop Close to supplement the existing 350KL reservoir and construct a 500KL reservoir at Masons Road.</p>
44	Mareeba Landfill - construct a new Leachate Pond.	<p>Preliminary design was completed for the Leachate Lagoon. However, due to the hydraulic engineering complexity and foreseeable operational issues that the lagoon presented, the leachate will now be directed from the landfill to the new Wastewater Treatment Plant via a leachate balance tank situated at the old Wastewater Treatment Plant site.</p>
45	Wastewater reticulation pumps upgrade schedule.	<p>Xylem Water Solutions was successful with their submission for the refurbishment of sewerage pump stations. All pump station upgrade work was completed by January 2016. Maintenance works to begin from January 2016.</p>

46	Water, Wastewater and Waste - undertake capital works projects in accordance with approved capital works schedule.	<p>Council undertook several capital projects for the 2015 -16 financial year. Projects completed, or substantially completed, as at 30 June are:</p> <p>Mareeba, Wastewater Treatment Plant Design and Construction awarded to Downer Utilities Australia P/l. Initial clearing began May 2016;</p> <p>Mareeba, Wastewater Treatment Plant: Critical Infrastructure Upgrade -Rising Main to Treatment Plant site completed at the end of March by Celtic Construction & Utility Services;</p> <p>Final stage of Historian (SCADA) Project completed;</p> <p>Kuranda, Telemetry Network installation completed;</p> <p>Kuranda, Wastewater Treatment Plant - Sludge Management Upgrade - Abergeldie Constructions began site works in June with the delivery of the Belt Press underway;</p> <p>Mutchilba and Julatten, Waste Transfer Station concrete lined bunding areas completed;</p> <p>Mareeba Landfill erosion and sediment control work on cells 2 and 3 batters was completed by Revegetation Contractors Pty Ltd in January 2016;</p> <p>Mareeba Landfill additional Groundwater Wells installed September and October 2015 by Golder Associates.</p>
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32. FINANCIAL STATEMENTS

**Financial Statements****For the year ended 30 June 2016**

Mareeba Shire Council

Financial statements

For the year ended 30 June 2016

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Mareeba Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Income			
Revenue			
Recurrent revenue			
Rates, levies and charges	3(a)	25,417,715	25,210,894
Fees and charges	3(b)	1,116,324	1,213,506
Interest received	3(c)	1,668,009	596,449
Sales revenue	3(d)	2,742,685	11,271,667
Other revenue	3(e)	5,140,526	4,608,920
Grants, subsidies, contributions and donations	4(a)	13,994,104	9,541,113
		<u>51,081,363</u>	<u>52,342,550</u>
Capital revenue			
Grants, subsidies, contributions and donations	4(b)	8,508,534	5,376,248
Total revenue		<u>59,589,897</u>	<u>57,718,798</u>
Capital income			
Gain on disposal of non-current assets	5	-	412,140
Total income		<u>59,589,897</u>	<u>58,130,937</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(17,005,422)	(19,322,817)
Materials and services	7	(19,528,559)	(18,125,411)
Finance costs	8	(339,350)	(514,158)
Depreciation and amortisation	14,15	(9,419,273)	(8,935,401)
		<u>(46,293,605)</u>	<u>(46,901,787)</u>
Capital expenses	9	(327,782)	(460,240)
Total expenses		<u>(46,621,387)</u>	<u>(47,362,027)</u>
Net result		<u>12,968,510</u>	<u>10,768,910</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus		4,168,873	-
Total comprehensive income for the year		<u>17,137,383</u>	<u>10,768,910</u>

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

Mareeba Shire Council
Statement of Financial Position
 As at 30 June 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	10	25,754,390	22,626,560
Short term investments	11	12,000,000	-
Trade and other receivables	12	9,161,046	13,182,909
Inventories	13	3,047,464	3,967,711
Total current assets		49,952,900	39,777,180
Non-current assets			
Trade and other receivables	12	28,344	8,750
Property, plant and equipment	14	353,393,927	339,531,725
Intangible assets	16	1,259,600	1,533,769
Total non-current assets		354,681,871	341,074,244
Total assets		404,644,771	380,851,424
Current liabilities			
Trade and other payables	17	8,593,009	7,100,118
Borrowings	18	360,679	156,851
Provisions	20	5,829,285	1,339,528
Total current liabilities		14,782,973	8,596,499
Non-current liabilities			
Trade and other payables	17	1,068,442	940,049
Borrowings	18	6,705,993	2,065,130
Provisions	20	3,622,940	7,922,707
Total non-current liabilities		11,397,375	10,927,885
Total liabilities		26,180,348	19,524,384
Net community assets		378,464,423	361,327,040
Community equity			
Retained surplus		374,295,550	361,327,040
Asset Revaluation Surplus		4,168,873	-
Total community equity		378,464,423	361,327,040

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

Mareeba Shire Council
Statement of Changes in Equity
 For the year ended 30 June 2016

	Asset Revaluation Reserve	Retained surplus	Total
Note	\$	\$	\$
Balance as at 1 July 2015	-	361,327,040	361,327,040
Net result	-	12,968,510	12,968,510
Increase in asset revaluation surplus	4,168,873	-	4,168,873
Total comprehensive income for the year	4,168,873	12,968,510	17,137,383
Balance as at 30 June 2016	4,168,873	374,295,550	378,464,423
Balance as at 1 July 2014	-	350,558,130	350,558,130
Net result	-	10,768,910	10,768,910
Total comprehensive income for the year	-	361,327,040	10,768,910
Balance as at 30 June 2015	-	361,327,040	361,327,040

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



Mareeba Shire Council
Statement of Cash Flows
 For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from customers		38,072,489	50,489,597
Cash transferred from continuing Council		5,605,030	3,000,000
Payments to suppliers and employees		(37,433,864)	(39,176,834)
		6,243,655	14,312,763
Interest received		953,934	596,448
Recurrent grants and contributions		13,994,104	9,541,113
Borrowing costs		(209,781)	(455,487)
Net cash inflow (outflow) from operating activities	25	20,981,901	23,994,839
Cash flows from investing activities			
Payments for property, plant and equipment		(17,055,381)	(13,958,440)
Payments for intangible assets		(23,465)	(50,778)
Proceeds from sale of property plant and equipment		52,787	484,145
Grants, subsidies, contributions and donations		6,343,383	5,379,246
Movements in short-term investments		(12,000,000)	5,000,000
Net cash inflow (outflow) from investing activities		(22,682,675)	(3,148,827)
Cash flows from financing activities			
Proceeds from borrowings		5,000,413	989,310
Repayment of borrowings		(139,307)	(5,141,885)
Repayments made on finance leases		(32,500)	(32,500)
Net cash inflow (outflow) from financing activities		4,828,605	(4,185,075)
Net increase (decrease) in cash and cash equivalent held		3,127,832	16,660,837
Cash and cash equivalents at the beginning of the financial year		22,626,559	5,965,722
Cash and cash equivalents at the end of the financial year	10	25,754,391	22,626,559

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

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

1 Significant accounting policies

1.A Basis of preparation

These general purpose financial statements are for the period 1 July 2015 to 30 June 2016 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

These financial statements have been prepared under the historical cost convention except for the following:

- certain classes of property, plant and equipment which are measured at fair value.

Recurrent/capital classification

Revenue and expenditure are presented as "recurrent" or "capital" in the Statement of Comprehensive Income on the following basis:

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. It also includes non-cash contributions which are usually infrastructure assets received from developers.

The following transactions are classified as either "Capital Income" or "Capital Expenses" depending on whether they result in accounting gains or losses:

- disposal of non-current assets
- discount rate adjustments to restoration provisions
- revaluations of property, plant and equipment (note 1.N)

All other revenue and expenses have been classified as "recurrent".

1.B Statement of compliance

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. Because 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), to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

1.C Constitution

Mareeba Shire Council ("Council") is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

1.D Currency

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

1.E 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.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Mareeba Shire Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective with the exception of AASB 2015-7 *Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities*. Generally council applies standards and interpretations in accordance with their respective commencement dates. The retrospective application of AASB 2015-7 has exempted council from the disclosure of quantitative information and sensitivity analysis for some valuations categorised within Level 3 of the fair value hierarchy.

As the date of authorisation of the financial report, AASB 9 *Financial Instruments* and AASB 2015-6 *Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* are the only new accounting standards with a future application date that are expected to have a material impact on council's financial statements.

From 1 July 2016 AASB 124 *Related Party Disclosures* will apply to Council. This means that Council will disclose more information about related parties and transactions with those related parties. Council is currently preparing for this change by identifying related parties. Related parties will include the Mayor, councillors and some council staff. In addition, the close family members of those people and any organisations that they control or are associated with will be classified as related parties.

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2016 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

Council is still reviewing the way that revenue is measured and recognised to identify whether AASB 15 *Revenue from Contracts with Customers* will have a material impact. To date no impact has been identified. AASB 15 is effective from 1 January 2018 and will replace AASB 118 *Revenue*, AASB *Construction Contracts* and a number of interpretations. It contains a comprehensive and robust framework for the recognition measurement and disclosure of revenue from contracts with customers.

AASB 16 *Leases* becomes mandatory for annual periods beginning on or after 1 January 2019 (with early adoption permitted) and in essence requires a lessee to: recognise all lease assets and liabilities (including those currently classed as operating leases) on the statement of financial position, initially measured at the present value of unavoidable lease payments; recognise amortisation of lease assets and interest on lease liabilities as expenses over the lease term; and separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (which entities can choose to present within operating or financing activities consistent with presentation of any other interest paid) in the statement of cash flows.

Other amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

1.F Critical accounting judgements and key sources of estimation uncertainty

In the application of Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

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

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Valuation and depreciation of property, plant and equipment - Note 1.N, Note 14 and Note 15
Provisions - Note 1.R, 1.T and Note 20
Contingent liabilities - Note 22

1.G Revenue

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

Rates and levies

Where rate monies are received prior to the commencement of the rating/levying period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the commencement of the rating period.

Grants and subsidies

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. Council accounts for these restrictions using an internal management accounting system. Internal restrictions that have been placed on Council's cash and cash equivalents are disclosed in Note 10.

Non-cash contributions

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

Cash contributions

Developers also pay infrastructure charges for trunk infrastructure to construct assets such as roads and footpaths and to connect new property developments to water and sewerage networks in the local government area. Where agreements between Council and the developers relating to these contributions are determined to fall within the scope of AASB Interpretation 18 *Transfers of Assets from Customers* these contributions are recognised as revenue when the related service obligations are fulfilled.

Developers may also make cash contributions towards the cost of constructing existing and proposed water supply and sewerage headworks in accordance with Council's planning scheme policies. (Headworks include pumping stations, treatment works, mains and sewers). Cash contributions in relation to water supply and sewerage headworks are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with these contributions. Consequently, these cash contributions are recognised as income when received.

Sales revenue

Sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

Council generates revenues from contract and recoverable works, which generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

Fees and charges

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

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Other revenue

Council's main sources of 'other revenue' are waste management revenue and lease income. Lease income is recognised on a periodic basis over the lease term. Waste Management revenue is recognised based on the services provided at the reporting date pursuant to the relevant agreement.

1.H Financial assets and financial liabilities

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Mareeba Shire Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents (Note 1.I), Receivables (Note 1.J) and Investments (Note 1.M) are measured at amortised cost.

Financial liabilities

Finance lease liabilities - measured at amortised cost (Note 1.P)

Payables - measured at amortised cost (Note 1.Q)

Borrowings - measured at amortised cost (Note 1.S)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 27.

1.I Cash and cash equivalents

Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.J Receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs.

Because Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair any rates receivables.

Loans and advances are recognised in the same way as other receivables. With the exception of the sewerage connection scheme which has a repayment term of 15 years, terms are usually a maximum of five years with interest charged at commercial rates. Security is not normally obtained.

The value of loans to community organisations is disclosed in Note 12. Loans are recognised at their face values. Terms are for a maximum of 10 years with no interest charged. Security is not normally obtained.

1.K Inventories

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.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

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.

Land held for resale

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

1.L. Non current assets held for sale

Items of property, plant and equipment are reclassified as non-current assets held for sale when the carrying amount of these assets will be recovered principally through a sales transaction rather than continuing use. Non-current assets classified as held for sale are available for immediate sale in their present condition and management believe the sale is highly probable. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell and are not depreciated. On the eventual sale of these assets a gain or loss is recognised.

1.M Investments

Term deposits in excess of three months are reported as short term investments, with deposits of less than three months being reported as cash equivalents.

1.N Property, plant and equipment

Each class of property, plant and equipment is stated at amortised cost or fair value. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets and buildings with a total value of less than \$5,000 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 Council are:

Land
Buildings
Plant and fleet
Infrastructure
 Road, drainage and bridge network
 Water
 Sewerage
 Other infrastructure assets
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 in, architect's fees and engineering design fees and all other establishment costs.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

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 expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

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

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

Valuation

Land, buildings, road, drainage, bridge, water, sewerage and other infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment*. Plant and fleet, and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 4 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection. Interim valuations are also conducted using a suitable index being otherwise performed on an annual basis where there has been a material variation in the index.

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

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

Both water and sewerage asset classes are classified for valuation purposes into above ground and below ground asset groups. Above ground assets have a different methodology for valuations to below ground assets. A comprehensive revaluation will be completed for both these groups at least once every 4 years but not necessarily in the same reporting period.

Details of valuers and methods of valuations are disclosed in Note 15.

Capital work in progress

The cost of property, plant and equipment being constructed by Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

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 Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Mareeba Shire Council
Notes to the financial statements
 For the year ended 30 June 2016

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

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

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

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

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

1.O Intangible assets

Intangible assets with a cost or other value exceeding \$10,000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate. Details of the estimated useful lives assigned to each class of intangible assets are shown in Note 16.

1.P Leases

Leases of plant and equipment under which Council as lessee/lessor assumes/transfers substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

Finance leases as lessee

Where Council enters into a finance lease as lessee, Council recognises an asset equal to the lower of fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are charged as finance costs. The asset is accounted for on the same basis as other assets of the same class. Contingent rentals are written off as an expense in the accounting period in which they are incurred.

Operating leases

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

1.Q Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

1.R Liabilities - employee benefits

Liabilities are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date.

Salaries and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 17 as a payable.

Mareeba Shire Council
Notes to the financial statements
 For the year ended 30 June 2016

Annual leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and include related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 17 as a payable.

As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability.

Superannuation

The superannuation expense for the reporting period is the amount of the contribution Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 23.

Long service leave

A liability for long service leave is measured as 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 value of 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 Council's employment or other associated employment which would result in 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. This liability is reported in Note 20 as a provision.

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 a non-current liability.

1.5 Borrowings and borrowing costs

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost.

In accordance with the *Local Government Regulation 2012* 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.

1.7 Restoration provision

A provision is made for the cost of restoration in respect of refuse dumps where it is probable Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. The provision is measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

Refuse dump restoration

The provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the sites will close in:

Old Mareeba Landfill - closed
 Almaden Trench - 2035
 Chillagoe Trench - 2035

and that the restoration will occur progressively over subsequent years.



Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

1.U National competition policy

Council has reviewed its activities to identify its business activities. Details of these activities are disclosed in Note 28.

1.V Taxation

Income of local authorities and public authorities is exempt from Commonwealth taxation. Council is subject to Fringe Benefits Tax and Goods and Services Tax (GST).

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Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

2. Analysis of results by function

2(a) Components of Council functions

The activities relating to the Council's components reported on in Note 2(b) are as follows:

Governance and corporate services

The objective of governance and corporate services is for Council to be open, accountable, transparent, deliver value for money on community outcomes, provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

The Mayor, Councillors and Chief Executive Officer are included in governance.

The Corporate Services function includes: Finance, Information Services, Record Management and Human Resources. Roles within this function include budget support, financial accounting, customer service and information technology services.

Community services

The goal of community services is to ensure Council is a healthy, vibrant, contemporary and connected community. Community services provide well managed and maintained community facilities, and ensure the effective delivery of cultural, health, welfare, environmental, recreational services and the promotion of tourism.

This function includes:

- Libraries
- Entertainment venues
- Environmental licences and approvals.

Planning and development

This function facilitates the shire's growth and prosperity through well planned and quality development. The objective of planning and development is to ensure the Mareeba Shire Council is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes activities and services related to neighbourhood and regional planning, and management of development approval processes.

Works infrastructure

The objective of the works infrastructure program is to ensure the community is serviced by a high quality and effective road network. The function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network and provides maintenance for all parks and gardens.

Waste management

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

Water Infrastructure

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

Sewerage Infrastructure

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

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

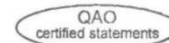
3. Analysis of results by function
(b) Income and expenses defined between recurring and capital are attributed to the following functions:

Functions	For the year ended 30 June 2016													
	Gross program income				Elimination of inter-function transactions	Total income	Gross program expenses				Total expenses	Net result from recurring operations	Net result	Assets
	Grants	Other	Recurrent	Capital			2015	2016	2015	2016				
Governance & corporate services	6,469,316	8,455,677	\$	\$	(2,469,141)	12,455,078	(3,940,852)	(5,151)	862,594	(2,783,209)	9,077,521	9,072,370	120,957,068	
Community services	2,245,548	1,095,184		1,852	(465,397)	2,859,267	(8,330,086)	(73,651)	644,125	(7,765,574)	(4,934,638)	(4,939,327)		
Planning & development	5,250,740	10,746,842	3,237,157	2,659,241	(1,507,812)	19,786,979	(2,384,362)	(228,023)	1,508,770	(23,820,702)	(6,100,106)	(6,100,106)	259,442,770	
Waste management		6,777,512		80,887	(465,457)	6,392,812	(5,231,896)		1,561,373	(4,866,514)	2,340,709	2,347,593	1,340,039	
Water infrastructure		503		585,309	(830,157)	5,952,075	(4,768,116)		900,973	(3,866,141)	1,930,022	2,777,831	42,206,233	
Sewerage infrastructure				474,594	(408,161)	9,302,129	(3,425,719)	(21,007)	616,671	(2,853,055)	4,718,003	6,480,074	31,560,731	
Total Council	13,964,104	43,185,742	3,201,873	3,201,873	(5,005,464)	97,599,997	(32,387,086)	(327,762)	8,055,464	(46,627,397)	4,718,003	12,608,010	404,944,772	

For the year ended 30 June 2015

For the year ended 30 June 2015																
Functions	Gross program income				Elimination of inter-function transactions	Total income	Gross program expenses		Elimination of inter-function transactions	Total expenses	Net result from recurring operations		Net result	Assets		
	Recurrent	Other	Grants	Capital			2015	2016			2015	2016			2015	2016
Governance & corporate services	6,357,030	16,766,249	1,232,853	-	4,008,026	30,485,759	2015	2016	2015	2016	2015	2016	2015	2016		
Community services	-	-	-	-	-	5,145,075	2015	2016	2015	2016	2015	2016	2015	2016		
Planning & development	2,594,853	3,433,814	33,751	-	(845,503)	5,145,075	2015	2016	2015	2016	2015	2016	2015	2016		
Waste management	5,700,849	11,787,792	78,000	-	(9,584,543)	6,184,117	2015	2016	2015	2016	2015	2016	2015	2016		
Water infrastructure	18,482	4,892,797	317,265	-	(931,046)	5,933,960	2015	2016	2015	2016	2015	2016	2015	2016		
Sewerage infrastructure	-	4,158,366	32,709	-	(480,722)	4,548,119	2015	2016	2015	2016	2015	2016	2015	2016		
Total Council	9,541,114	47,381,094	1,997,653	4,098,778	(4,579,857)	58,130,837	2015	2016	2015	2016	2015	2016	2015	2016		

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Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

	2016	2015
Note	\$	\$
3 Revenue analysis		
(a) Rates, levies and charges		
General rates	15,456,318	14,860,258
Separate rates	477,981	461,539
Water	2,712,871	2,593,516
Water consumption, rental and sundries	2,049,346	1,871,279
Sewerage	4,165,233	3,983,942
Waste management	3,276,514	3,068,589
Total rates and utility charge revenue	28,137,961	26,839,122
Less: Discounts	(1,332,193)	(1,255,445)
Less: Pensioner remissions	(368,053)	(372,782)
	26,437,715	25,210,894
(b) Fees and charges		
Fees and charges	1,118,324	1,213,506
	1,118,324	1,213,506
(c) Interest received		
Interest received from QTC	326,474	125,758
Interest received from other sources (including term deposits)	1,173,485	317,901
Interest from overdue rates and utility charges	168,050	162,791
	1,668,009	596,449
(d) Sales revenue		
Contract and recoverable works	2,742,685	11,271,667
Total sales revenue	2,742,685	11,271,667
The amount recognised as revenue for contract revenue during the financial period is the amount receivable in respect of invoices issued during the period. There are contracts in progress at the period end. The contract work carried out is either subject to retentions or bank guarantee.		
(e) Other revenue		
Waste management (from other sources)	2,221,261	2,314,895
Flood inspections and associated costs	35,038	484,304
Animal impounding	44,489	-
Leases and rental income	1,271,824	1,157,536
Sale of scrap / surplus plant	87,881	117,495
Legal recoveries	467,697	84,066
Sale of goods/materials	57,685	38,689
Fuel rebates	74,237	76,902
Brochure contributions	28,878	44,775
Profit/(loss) from sale of developed land	623,127	(8,989)
Other sundry revenue	228,409	219,227
	5,140,526	4,508,920
4 Grants, subsidies, contributions and donations		
(a) Recurrent		
State government subsidies, grants and contributions	980,591	8,641,135
Commonwealth government subsidies and grants	13,013,513	899,977
	13,994,104	9,541,113
(b) Capital		
State government subsidies and grants	2,318,778	900,239
Commonwealth government subsidies and grants	2,987,784	791,369
Contributions	1,036,822	1,090,181
Donated assets	2,165,151	2,694,457
	8,508,534	5,376,246

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Conditions over contributions			
Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:			
Non-reciprocal grants for expenditure on capital		193,850	147,118
Non-reciprocal grants for expenditure on non-capital		220,257	227,334
		<u>414,107</u>	<u>374,452</u>
5 Capital income			
Gain/(loss) on disposal of non-current assets			
Proceeds from the sale of land and improvements		-	288,955
Proceeds from the sale of plant and equipment		-	192,827
Less: Book value of plant and equipment disposed of		-	(69,541)
Total capital income		-	<u>412,140</u>
6 Employee benefits			
Total staff wages and salaries		12,609,720	14,542,989
Councillors' remuneration		417,914	402,432
Annual, sick and long service leave entitlements		3,104,590	3,254,515
Superannuation	23	1,722,533	1,789,294
		<u>17,854,757</u>	<u>19,989,230</u>
Other employee related expenses		153,860	146,579
		<u>18,008,617</u>	<u>20,137,808</u>
Less: Capitalised employee expenses		(1,002,195)	(814,991)
		<u>17,006,422</u>	<u>19,322,817</u>
Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.			
Total Council employees at the reporting date:		2016	2015
Elected members		7	7
Administration staff		97	104
Depot and outdoors staff		114	120
Total full time equivalent employees		<u>218</u>	<u>231</u>
7 Materials and services			
All contractors excl hire of plant		8,797,576	3,636,420
Audit of annual financial statements by the Auditor-General of Queensland		120,440	126,450
Bulk water purchase		583,197	574,792
De-amalgamation costs		-	362,926
Electricity		1,028,675	1,137,468
Fuels and oils		626,566	868,474
Goods, materials and services		1,128,376	1,047,415
Hire of plant		2,741,700	3,179,778
Insurance		675,389	902,387
Legal		603,185	193,698
Licences, fees, subscriptions and memberships		729,399	577,697
Professional/consultancy services		1,621,255	1,486,542
Rent, rates and leasing expenses		340,770	348,507
Road materials for used for maintenance		220,727	3,566,466
Other materials and services		311,084	118,889
		<u>19,528,559</u>	<u>18,125,411</u>

Mareeba Shire Council
Notes to the financial statements
 For the year ended 30 June 2016

	Note	2016 \$	2015 \$
8 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		152,033	287,474
Unwinding of discount on provision for restoration		88,478	168,013
Bank charges		57,759	54,734
Impairment of debts		41,081	3,937
		<u>339,350</u>	<u>514,158</u>
9 Capital expenses			
Loss on write off of non-current assets			
Write off of buildings		78,752	141,321
Proceeds from the sale of property, plant and equipment		(52,787)	-
Less: Book value of property, plant and equipment disposed of		80,939	-
Write off of roads and bridges		191,517	271,981
Write off of sewerage		21,007	28,607
Write off of other infrastructure		8,355	18,331
Total capital expenses		<u>327,782</u>	<u>460,240</u>
10 Cash and cash equivalents			
Cash at bank		900,499	1,014,080
Cash at bank - Mayors Community Gift Fund Appeal		3,649	1,915
Cash float		1,770	1,770
Petty cash		1,200	1,550
Deposits at call		24,847,272	21,607,244
Balance per Statement of Cash Flows		<u>25,754,390</u>	<u>22,626,560</u>
Council's cash and cash equivalents are subject to a number of 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		414,107	374,452
Internally imposed expenditure restrictions at the reporting date:			
Constrained works		9,373,131	9,552,782
Future capital works		7,722,655	7,707,030
Future non-capital works		66,497	(7,134)
Total unspent restricted cash		<u>17,576,390</u>	<u>17,627,130</u>
Cash and deposits at call are held in various financial institutions in normal term deposits and business cheque accounts. These financial institutions have a short term credit rating of between A1+ to A2.			
11 Short term investments			
Current short term deposits		12,000,000	-
Total short term deposits		<u>12,000,000</u>	<u>-</u>
12 Trade and other receivables			
Current			
Rateable revenue and utility charges		1,807,756	3,343,821
Other debtors		7,274,979	9,274,376
Less: impairment		(1,887)	-
GST recoverable/(payable)		(27,085)	146,562
Loans and advances to community organisations		4,625	1,500
Prepayments		302,657	418,649
		<u>9,161,046</u>	<u>13,182,908</u>
Non-current			
Loans and advances to community organisations		28,344	8,750
		<u>28,344</u>	<u>8,750</u>

Mareeba Shire Council
Notes to the financial statements
 For the year ended 30 June 2016

Note	2015 \$	2015 \$

Interest is charged on outstanding rates at a rate of 11% per annum. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

Loans relate to advances made to various sporting bodies. These loans arise from time to time and are subject to negotiated interest rates. The credit risk on these loans is considered low.

Movement in accumulated impairment losses (other debtors) is as follows:

Opening balance at beginning of period	-	163,591
Additional impairments recognised	1,887	-
Impairments reversed	-	(163,591)
Closing balance at 30 June	1,887	-

13 Inventories

Inventories held for sale
 Miscellaneous saleable items

2,417	2,736
2,417	2,736

Inventories held for distribution
 Plant and equipment stores

932,068	1,020,886
932,068	1,020,886

Land purchased for development and sale
 Total inventories

2,112,979	2,944,090
3,047,464	3,967,711



Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

14 Property, plant and equipment
30 June 2016

Basis of measurement
AASB 13 level
Asset values
Opening gross value as at 1 July 2015
Additions
Disposals
Revaluation adjustment to asset revaluation surplus
Transfer to intangible assets
Transfers between classes
Closing gross value as at 30 June 2016

Accumulated depreciation and impairment
Opening balance as at 1 July 2015
Depreciation provided in period
Depreciation on disposals
Revaluation adjustment to asset revaluation surplus
Accumulated depreciation as at 30 June 2016

Total written down value as at 30 June 2016
Range of estimated useful life in years

Additions comprise:
Renewals
Intangible additions
Other additions
Total additions

Land	Buildings		Plant and fleet		Road, drainage and bridge network		Water		Sewerage		Other infrastructure assets		Work in progress		Total
	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	
2	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
9,622,671	40,466,460	4,634,659	205,861,232	42,223,364	37,333,341	7,859,319	6,264,565	352,215,571							
-	-	-	1,578,734	338,853	-	-	17,046,698	19,213,653							
387,016	(102,655)	(116,114)	(203,863)	-	(27,444)	(6,963)	-	(461,089)							
-	3,645,777	-	-	-	-	-	-	4,647,324							
946,285	1,022,209	31,497	8,212,154	2,486,616	1,265,598	(23,465)	-	-							
10,935,974	45,061,811	4,548,042	218,466,227	45,048,775	33,789,085	9,245,648	8,494,676	375,592,217							
-	2,413,129	962,627	5,396,656	1,593,157	1,309,443	1,058,659	-	12,653,851							
-	1,664,468	664,574	3,701,266	1,293,385	895,328	942,599	-	9,121,539							
-	(29,054)	(37,175)	(12,376)	-	(6,437)	(606)	-	(85,650)							
-	362,636	-	-	-	-	-	115,515	478,451							
-	4,411,398	1,694,228	9,025,528	2,842,542	2,193,333	2,126,265	-	22,198,291							
10,935,974	40,650,413	2,853,817	209,442,899	42,206,233	37,560,731	7,119,383	8,494,676	353,393,926							
Land: Not depreciated	15 - 100	1 - 16	5 - 100	10 - 60	20 - 50	20 - 40	WIP: Not depreciated								
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	-	-	-	-	-	-	-	11,316,515	-	-	-	-	11,316,515	-	-
-	-	-	-	-	-	-	-	78,434	-	-	-	-	78,434	-	-
-	-	-	-	-	-	-	-	247,599	-	-	-	-	247,599	-	-
-	-	-	-	-	-	-	-	338,853	-	-	-	-	338,853	-	-
-	-	-	-	-	-	-	-	1,578,734	-	-	-	-	1,578,734	-	-
-	-	-	-	-	-	-	-	338,853	-	-	-	-	338,853	-	-
-	-	-	-	-	-	-	-	247,599	-	-	-	-	247,599	-	-
-	-	-	-	-	-	-	-	17,046,698	-	-	-	-	17,046,698	-	-
-	-	-	-	-	-	-	-	19,213,653	-	-	-	-	19,213,653	-	-

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

15 Fair value measurements

(i) Recognised fair value measurements

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

Property, plant and equipment

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

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

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

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

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

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

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

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

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

The table presents Council's assets measured and recognised at fair value at 30 June 2016.

		Level 2 (Significant other observable inputs)	Level 3 (Significant unobservable inputs)	Total	Level 2 (Significant other observable inputs)	Level 3 (Significant unobservable inputs)	Total
	Note	\$	\$	\$	\$	\$	\$
Recurring fair value		2016	2016	2016	2015	2015	2015
Land	14	10,935,974	-	10,935,974	9,602,671	-	9,602,671
Buildings	14	-	40,650,413	40,650,413	-	38,083,351	38,083,351
- Commercial buildings		-	209,442,599	209,442,599	-	203,544,595	203,544,595
Road, drainage and bridge network	14	-	42,206,233	42,206,233	-	40,330,146	40,330,146
Water	14	-	31,590,731	31,590,731	-	30,993,899	30,993,899
Sewerage	14	-	7,119,383	7,119,383	-	6,740,950	6,740,660
Other infrastructure	14	-	-	-	-	-	-
		10,935,974	331,009,480	341,945,434	9,602,671	319,962,851	329,565,322

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

There were no transfers between levels during the year.

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

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

The valuations of Council's assets measured and recognised at fair value were undertaken effective 1 January 2014, the date Council was re-established and the date of transfer of assets from the de-amalgamating council. Council has conducted an analysis of the movement in applicable indices, where it has been determined that the movement is material, the carrying values of those assets at 30 June 2016 and additions since 1 January 2014 have been adjusted to reflect this movement.

(ii) (a) Land (level 2)

Land fair values were determined by independent valuer, AssetVal Pty Ltd, effective 1 January 2014. Land fair values have been measured by the "Market Approach by Direct Comparison" methodology, an accepted valuation methodology under AASB13. Level 2 valuation inputs were utilised, being sales transactions of other properties within the region, and adjusted for differences between key attributes of the properties. The main input is the price per square metre or price per hectare of land area. The "Market Approach by Direct Comparison" is considered a level 2 measurement.

An analysis of the Consumer Price Indexes provided by the Australian Bureau of Statistics was conducted and the movement of 4.09% was considered to be material, therefore the carrying values of land assets has been adjusted to reflect this movement.

(ii) (b) Buildings (level 3)

The fair values of buildings were also determined by an independent valuer, AssetVal Pty Ltd, effective 1 January 2014. Due to the predominantly specialised nature of local government assets, the building valuations have been undertaken on a Cost Approach (Depreciated Replacement Cost), an accepted valuation methodology under AASB13.

An analysis of the non-residential construction indexes provided by the Queensland Government statistics database was conducted and the movement of 9.13% was considered to be material, therefore the carrying values of building assets has been adjusted to reflect this movement.

Under this approach, the following process has been adopted:

*Where there is no market, the net current value of an asset is the gross current value less accumulated depreciation to reflect the consumed or expired service potential of the asset. Published/available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost (gross value) of the asset, including allowances for preliminaries and professional fees. This is considered a level 2 input.

*A condition assessment is applied, which is based on factors such as the age of the asset, overall condition as noted by the valuer during inspection, economic and/or functional obsolescence. The condition assessment directly translates to the level of depreciation applied.

*In determining the level of accumulated depreciation for major assets, they have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). Residual value is also factored which is the value at the time the asset is considered to be no longer available. The condition assessment is applied on a component basis.

*While the replacement cost of the assets could be supported by market supplied evidence (level 2), the other unobservable inputs (such as estimates of residual value, useful life, and asset condition) were also required (level 3).

(ii) (c) Infrastructure assets (level 3)

The fair value of Council's Infrastructure assets was determined by independent valuer, AssetVal Pty Ltd, effective 1 January 2014, (excluding the "Other Infrastructure" asset class).

Due to the predominantly specialised nature of local government assets, the infrastructure valuations have been undertaken on a Cost Approach (Depreciated Replacement Cost), an accepted valuation methodology under AASB13. The Cost Approach is considered a level 3 measurement. The Cost Approach is also the approach used to fair value Council's buildings. The process adopted under the Cost Approach is as set out above for Buildings.

In addition, for infrastructure assets, the remoteness of the assets and distances required to travel have been taken into account when considering unit rates. Due to the time needed to travel to a particular work site, a premium of 10-15% has been applied to account for any reduction of site hours within a standard work day, or to account for overtime required to travel to and from the site. This rate has been considered in conjunction with Rawlinson's Australian Construction Handbook (2013) and consultation with suppliers of construction materials.

Mareeba Shire Council**Notes to the financial statements**

For the year ended 30 June 2016

Infrastructure - calculation of current replacement cost**Roads***Current replacement cost*

Roads are categorised by the following: Class (urban/rural), Type (formed/unformed), Road Hierarchy (access, collector, arterial) and Seal Type (bitumen, asphalt, gravel and others). These criteria are used to apply unit rates to three road components: formation, pavement and seal. It is assumed soil, climatic and topographic factors are consistent across the network. All roads are managed in segments. All road segments are then componentised into formation, pavement and seal (where applicable). Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

The replacement cost is calculated by component then summed to give a total per segment. Currently the formation and seal are calculated per square metre and the pavement is calculated using a cubic metre rate. The pavement depth is implied from the road hierarchy, with some additional field collected data on unsealed road pavement depth being utilised. Rates are verified against recent projects, consultation with Council staff and additional Council data from the region.

Accumulated depreciation

In determining the level of accumulated depreciation, roads were disaggregated into significant components which exhibited different patterns of consumption (useful lives). Residual value is also factored which is the value at the time the asset is considered to be no longer available for use. The condition assessment is applied on a component basis and was used to determine remaining useful life.

Estimated useful lives and residual values are disclosed in note 14.

Bridges*Current replacement cost*

Each bridge was componentised and valued individually according to component material type, dimensions, construction standard, location and site conditions.

Major culverts were valued using quantity adjusted unit rates, dependant on dimensions, number of cells and material type. Environmental factors, like soil type, topography and accessibility were assumed to be consistent across the category.

Accumulated depreciation

In determining the level of accumulated depreciation, bridges were disaggregated into significant components which exhibited different patterns of consumption (useful lives). Residual value is also factored which is the value at the time the asset is considered to be no longer available. The condition assessment is applied on a component basis and was used to determine remaining useful life.

Estimated useful lives and residual values are disclosed in note 14.

Drainage Infrastructure*Current replacement cost*

Consistent with bridges, Council assumes that environmental factors such as soil type, climate and topography are consistent across the network and that the network is designed and constructed to the same standard and uses a consistent amount of labour and materials. Where drainage assets are located underground and physical inspection is not possible, the age, size and type of construction material, together with current and planned maintenance records are used to determine the fair value. Construction estimates were determined on a similar basis to roads.

Accumulated depreciation

In determining the level of accumulated depreciation, drainage assets were disaggregated into types of drainage assets which exhibited different useful lives.

Estimates of expired service potential and remaining useful lives were determined on a straight line basis based on industry standard practices and past experience, supported by maintenance programs.

Estimated useful lives and residual values are disclosed in note 14.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Water and sewerage

Current replacement cost

The water and sewerage assets were segregated into active and passive assets; passive assets were not further componentised and consisted of mains, hydrants, manholes and water meters.

The remaining active assets consisted of treatment, pumping and storage assets. These assets were componentised and valued independently, with allowances for complexity, size, function and site factors. These are generally valued as a lump sum item and compared against recent similar projects and in-house databases.

Unit rates applied were based on:

- Unit rate databases
- Similar recent project costs
- Indices
- Rawlinson's rates for building and construction, and
- Suppliers' quotations

As an example, in relation to a length of pipe, the cost per metre is the sum of the raw cost of the pipe, the cost to deliver the pipe to site, the cost to lay the pipe, the cost of excavation and backfilling and various overheads such as design, survey, administration, management and contingency.

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 remaining life was dependent on the recorded condition assessment (see above).

Where site inspections were not conducted (i.e. for passive assets), the remaining useful life was calculated on an age basis after taking into consideration current and planned maintenance records.

Other infrastructure

Other infrastructure fair values were determined by Council's engineers effective 30 June 2016 and considered to approximate the carrying values at that date. An assessment was made at that time to determine each component or asset's remaining useful life in order to determine accumulated depreciation.

An analysis of the non-residential construction indices provided by the Queensland Government statistics database was conducted and the movement of 9.13% was considered to be material, therefore the carrying values of other infrastructure assets has been adjusted to reflect this movement.

(iii) Changes in fair value measurements using significant unobservable inputs (level 3)

The changes in level 3 assets with recurring fair value measurements are detailed in Note 14 Property, Plant and Equipment.

(iv) Valuation processes

Council's valuation policies and procedures are outlined in the non-current assets policy. Valuations are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Council's current policy for the valuation of property, plant and equipment is set out in Note 1.N.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
16 Intangible assets			
Software			
Gross carrying value at beginning of period		1,951,662	1,900,884
Transfers from capital WIP		23,465	50,778
Closing gross carrying value		1,975,127	1,951,662
Accumulated amortisation			
Opening balance		417,893	128,568
Amortisation in the period		297,634	289,325
Closing balance		715,527	417,893
Net carrying value at end of financial year		1,259,600	1,533,769
The software has a finite life estimated at 10 years. Straight line amortisation has been used with no residual value.			
17 Trade and other payables			
Current			
Creditors and accruals		6,443,308	4,464,345
Annual leave		1,915,012	2,020,308
Other trade and payables		234,690	815,465
		8,593,009	7,100,118
Non-current			
Security deposit (capping of landfill) - SITA		1,068,442	940,049
		1,068,442	940,049
18 Borrowings			
Current			
Loans - Queensland Treasury Corporation		342,959	140,437
Finance leases	19	17,720	16,414
		360,679	156,851
Non-current			
Loans - Queensland Treasury Corporation		5,516,487	1,857,904
Finance leases	19	189,506	207,226
		5,705,993	2,065,130
Loans - Queensland Treasury			
Balance on 1 July 2015		1,996,341	2,135,473
Loans raised		5,000,413	-
Principal repayments		(136,307)	(137,132)
Book value at end of financial period		5,859,446	1,998,341

The QTC loan market value at the reporting date was \$7,315,936. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by Council for any liabilities, however all loans are guaranteed by the Queensland Government.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current period. Expected final repayment dates vary from 15 March 2024 to 15 June 2036. There have been no defaults or breaches of the loan agreement during the period.

Principal and interest repayments are made quarterly in arrears.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

	2016	2015
Note	\$	\$
Working Capital Facility (overdraft) - Queensland Treasury		
Balance at beginning of period	-	4,032,780
Loans raised	-	988,310
Interest charged	-	132,531
Repayments	-	(5,154,621)
Book value at end of financial period	-	-

Council settled the Working Capital Facility (overdraft) on 29 June 2015 as the discharge date was extended from 31 December 2014 to 30 June 2015 as per an amendment to the *Local Government (De-amalgamation Implementation) Regulation 2013 section 37(3)*.

19 Finance leases

The minimum lease payments are payable as follows:

Not later than one year	32,500	32,500
Later than 1 year but not later than 5 years	130,000	130,000
Later than 5 years	119,166	151,667
Total minimum lease payments	281,666	314,167
Less: Future finance charges	(74,440)	(90,527)
Lease liability recognised in the financial statements	207,226	223,640

Classified as:

Current	17,720	16,414
Non-current	189,506	207,226
	207,226	223,640

The present value of above minimum lease payments are payable as follows:

Not later than one year	17,720	16,414
Later than 1 year but not later than 5 years	85,486	79,393
Later than 5 years	104,020	127,833
	207,226	223,640

The carrying value of the leased asset is as follows:

Building	806,272	866,618
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20 Provisions

Current

Refuse restoration	5,500,000	1,000,000
Long service leave	329,285	339,529
	5,829,285	1,339,529

Non-current

Refuse restoration	1,496,647	5,908,169
Long service leave	2,126,293	2,014,537
	3,622,940	7,922,707

Details of movements in provisions:

Refuse restoration

Balance on 1 July 2015	6,908,169	6,084,697
Increase in provision due to unwinding of discount	88,478	168,013
Increase in provision due to estimated costs to restore Mareeba landfill	-	645,459
Balance at end of financial period	6,996,647	6,908,169

The old Mareeba Landfill site is scheduled to be capped in the 2016/17 financial year. A contract has already been awarded for this project. This is the present value of the estimated cost of restoring the refuse disposal site to a useable state at the end of its useful life.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

Note	2016 \$	2015 \$
Long service leave		
Balance at beginning of period	2,354,067	2,100,885
Long service leave entitlement arising	401,161	383,809
Long service entitlement paid	(299,650)	(130,627)
Balance at end of financial period	<u>2,455,578</u>	<u>2,354,067</u>
21 Commitments for expenditure		
Operating leases		
Minimum lease payments in relation to non-cancellable operating leases are as follows:		
Within one year	<u>1,137</u>	<u>2,925</u>
	<u>1,137</u>	<u>2,925</u>
Contractual commitments		
Contractual commitments at end of financial period but not recognised in the financial statements are as follows:		
Garbage collection contract	2,181,065	3,782,555
Cleaning contractors	434,392	375,417
	<u>2,615,457</u>	<u>4,157,972</u>

22 Contingent liabilities

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

Local Government Mutual

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 2016 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 workers compensation authority may call on any part of the guarantee should the above circumstances arise. The indemnity amount provided by Mareeba Shire Council as at 30 June 2016 in relation to the Local Government Workcare Bank Guarantee is \$201,091.

23 Superannuation

Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB119 *Employee Benefits*.

The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has three elements referred to as:

The City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund

The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments, and the Accumulation Benefits Fund (ABF).

Mareeba Shire Council
Notes to the financial statements
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The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

The Regional DBF is a defined benefit plan as defined in AASB119. Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to Council for its proportionate share of the defined benefit obligation, plan assets and costs. The funding policy adopted in respect of the Regional DBF is directed at ensuring that the benefits accruing to members and beneficiaries are fully funded as they fall due.

To ensure the ongoing solvency of the Regional DBF, the scheme's trustee can vary the rate of contributions from relevant local government employers subject to advice from the scheme's actuary. As at the reporting date, no changes had 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.

Any amount by which either fund is over or under funded would only affect future benefits and contributions to the Regional DBF, and is not an asset or liability of Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

As at the reporting date, the assets of the scheme are sufficient to meet the vested benefits.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2015. The actuary indicated that "At the valuation date of 1 July 2015, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date."

In the 2015 actuarial report the actuary has recommended no change to the employer contribution levels at the time.

Under the *Local Government Act 2009* the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members benefits.

There are currently 69 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 69 entities. Mareeba Shire Council made less than 4% of the total contributions to the plan in the 2015-16 financial year.

The next actuarial investigation will be conducted as at 1 July 2018.

Note	2016 \$	2015 \$
The amount of superannuation contributions paid or payable by Council to the scheme in this period for the benefit of employees was:	6 1,722,533	1,789,294

24 Operating lease income
 Council has leased facilities to independent operators.
 The minimum lease receipts are as follows:

Not later than one year	376,366	408,657
One to five years	1,294,357	1,333,798
Later than five years	3,862,353	1,114,324
	<u>5,533,076</u>	<u>2,856,679</u>

25 Trust funds
 Trust funds held for outside parties
 Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities

	571,485	686,211
	<u>571,485</u>	<u>686,211</u>

Council performs only a custodial role in respect of these monies. As these funds cannot be used by Council, they are not brought to account in these financial statements.

Mareeba Shire Council
Notes to the financial statements
 For the year ended 30 June 2016

	2016	2015
Note	\$	\$
26 Reconciliation of net result for the period to net cash inflow (outflow) from operating activities		
Net result	12,865,510	10,766,910
Non-cash items:		
Depreciation and amortisation	9,419,273	8,939,401
Finance costs	129,556	
Finance income	(714,075)	3,937
	8,834,757	8,943,338
Investing and development activities:		
Net (profit)/loss on disposal of non-current assets	327,782	48,100
Capital grants and contributions	(6,343,363)	(2,761,790)
Donated assets	(2,165,151)	(2,564,457)
	(6,180,732)	(5,320,146)
Changes in operating assets and liabilities:		
(Increase)/ decrease in receivables	4,716,344	7,060,174
(Increase)/decrease in inventory	920,247	97,631
Increase/(decrease) in payables	1,621,284	1,366,279
Increase/(decrease) in provisions	101,511	1,066,653
	7,359,387	9,610,737
Net cash inflow from operating activities	20,981,902	23,994,839

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2016

27 Financial instruments

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

- credit risk
- liquidity risk
- market risk

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

Financial risk management

Mareeba Shire Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

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

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. Council aims to manage volatility to minimise potential adverse effects on the financial performance of Council.

Mareeba Shire Council does not enter into derivatives.

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables from customers.

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

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

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

Refer to Notes 10, 11 and 12 for Council's financial assets, which represent Council's maximum exposure to credit risk.

Ageing of trade and other sundry receivables, excluding rates debtors and prepayments, and the amount of any impairment is disclosed in the following

	2016	2015
	\$	\$
Not past due	7,214,737	8,924,687
Past due 31-60 days	19,044	477,353
Past due 61-90 days	10,690	1,396
More than 90 days	30,393	30,715
Impaired	(1,887)	-
Total	7,278,978	9,434,150

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Mareeba Shire Council is exposed to liquidity risk through its normal course of business and through its borrowings with the Queensland Treasury Corporation for capital works or borrowings from other financial institutions.

Council manages its exposure to liquidity risk by maintaining a cash deposit to cater for unexpected volatility in cash flows.

The following table sets out the liquidity risk in relation to financial liabilities held by 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.

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	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2016					
Trade and other payables	5,706,427	-	-	5,706,427	5,706,427
Loans - QTC	608,812	2,480,000	8,187,535	9,256,347	6,859,445
Finance leases	32,520	130,000	118,166	281,686	207,225
	6,347,740	2,590,000	8,305,701	15,244,440	12,773,099
	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$
2015					
Trade and other payables	5,079,810	-	-	5,079,810	5,079,810
Loans - QTC	274,838	1,089,353	1,441,344	2,815,535	1,898,341
Finance leases	32,600	130,000	151,887	314,167	223,640
	5,387,148	1,229,353	1,593,011	8,209,512	7,301,791

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

Market risk

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

Interest rate risk

Mareeba Shire Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions.

Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Fair value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with 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. The market value of debt is provided by QTC and is disclosed in Note 18.

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.

Mareeba Shire Council
Notes to the financial statements
 For the year ended 30 June 2016

28 National Competition Policy

Business activities to which the code of competitive conduct is applied

The Mareeba Shire Council applies the competitive code of conduct to the following activities:

Water services
 Sewerage services
 Waste management
 Laboratory services
 Building services

This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council, and represents an activities cost(s) which would not be incurred if the primary objective of the activities was to make a profit. Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO by Council.

The following activity statements are for activities subject to the competitive code of conduct:

	Water services 2016 (\$'000)	Sewerage services 2016 (\$'000)	Waste management 2016 (\$'000)	Laboratory services 2016 (\$'000)	Building services 2016 (\$'000)
Revenue for services provided to the Council	300	38	-	-	-
Revenue for services provided to external clients	4,819	4,354	5,846	129	136
Community service obligations	-	119	-	-	4
	5,119	4,511	5,846	129	140
Less : Expenditure	4,696	2,737	4,766	207	161
Surplus/(deficit)	423	1,774	1,080	(78)	(21)

Description of CSO provided to business activities:

Only Council's sewerage and building certification activities include any community service obligations.

Activities	CSO description	Net cost (\$'000)
Sewerage	For providing free services to public areas and supporting small schemes	119
Building Certification	For providing the same fee across the shire regardless of distance travelled from main office	4

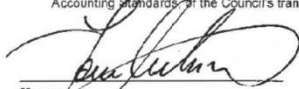
Mareeba Shire Council
Financial statements
For the year ended 30 June 2016

Management Certificate
For the year ended 30 June 2016

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

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

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 35, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial period and financial position at the end of the period.



Mayor
Thomas Gilmore
Date: 05 / 10 / 2016



Chief Executive Officer
Peter Franks
Date: 05 / 10 / 16

QAO
certified statements

INDEPENDENT AUDITOR'S REPORT

To the Mayor of Mareeba Shire Council

Report on the Financial Report

I have audited the accompanying financial report of Mareeba Shire Council, which comprises the statement of financial position as at 30 June 2016, 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 certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility 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 prescribed accounting requirements identified in the *Local Government Act 2009* and *Local Government Regulation 2012*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

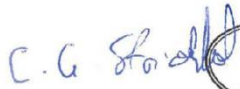
Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion -
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the financial performance and cash flows of Mareeba Shire Council for the financial year 1 July 2015 to 30 June 2016 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

C. G. Strickland

C G STRICKLAND CA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

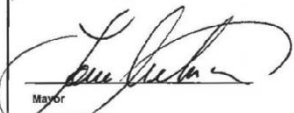
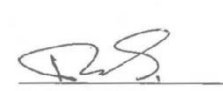
Mareeba Shire Council
Current Year Financial Sustainability Statement
 For the year ended 30 June 2016

Measures of Financial Sustainability

	How the measure is calculated	Actual - Council	Target
Council's performance at 30 June 2016 against key financial ratios and targets:			
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	6%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	124%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	-47%	not greater than 60%

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 Council's audited general purpose financial statements for the year ended 30 June 2016.

Certificate of Accuracy For the year ended 30 June 2016	
This current-year financial sustainability statement has been prepared pursuant to Section 178 of the Local Government Regulation 2012 (the regulation).	
In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.	
 Mayor Thomas Grimore Date: 05 / 10 / 2016	 Chief Executive Officer Peter Franks Date: 05 / 10 / 16

QAO
 certified statements

INDEPENDENT AUDITOR'S REPORT

To the Mayor of Mareeba Shire Council

Report on the Current-Year Financial Sustainability Statement

I have audited the accompanying current-year financial sustainability statement, which is a special purpose financial report of Mareeba Shire Council for the year ended 30 June 2016, comprising the statement and explanatory notes, and certificates given by the Mayor and Chief Executive Officer.

The Council's Responsibility 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 Responsibility

My responsibility is to express an opinion on the current-year financial sustainability statement based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the statement 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the statement.

My responsibility is to form an opinion as to whether the statement has been accurately calculated based on the Council's general purpose financial report. 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.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.212 of the *Local Government Regulation 2012*, in my opinion, in all material respects, the current-year financial sustainability statement of Mareeba Shire Council, for the year ended 30 June 2016, has been accurately calculated.

Emphasis of Matter – Basis of Accounting

Without modifying my opinion, attention is drawn 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.

Other Matters - Electronic Presentation of the Audited Statement

Those viewing an electronic presentation of this special purpose financial report should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

C. G. Strickland



C G STRICKLAND CA
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
Brisbane

**Mareeba Shire Council
Long-Term Financial Sustainability Statement
Prepared as at 30 June 2016**

Measures of Financial Sustainability

Measure	Prepared for the years ended											
	30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025		
Council												
Operating surplus ratio	9%	10%	9%	10%	10%	11%	11%	11%	11%	12%		
Asset sustainability ratio	124%	80%	85%	102%	88%	114%	108%	103%	99%	105%		
Net financial liabilities ratio	47%	42%	44%	48%	52%	53%	54%	59%	63%	67%		

Mareeba Shire Council's Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the sustainability of its financial position. Council's financial management strategy is sound and its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

Certificate of Accuracy

For the long-term financial sustainability statement prepared as at 30 June 2016

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 2(2)(b) of the Regulation we certify that this long-term financial sustainability statement has been accurately completed.

[Signature]

Mayer
Thomas Gibson

05/10/2016

[Signature]

Chief Executive Officer
Peter Franks

05/10/16

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