

# State of the Region



Mayor Wayne Kratzmann

*28 February 2014*



# State of the Region

- Roads
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- Memerambi Historical Subdivision
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- Regional Economic Development Advisory Committee (REDAC)
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- Financial Shocks
- Fixed Operating Costs
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# Road Works Completed/Underway

- Installing a culvert under Crawford Road at the intersection with Siefert Street to prevent overtopping - **\$26,000.**
- Widening a section of Malar Road, Booie to a 2 lane sealed surface - **\$292,000.**
- Two lane sealing of a section of Radunz Road between Kingaroy Barkers Creek Road and the cemetery - **\$265,000.**
- Widening a section of Stuart Valley Drive to 2 lane sealed surface - **\$277,000**



# Road Works Completed/Underway cont'd...

- Realigning a section of Memerambi Barkers Creek Road near Wattlecamp and sealing it to two lane width to remove a sharp horizontal curve and blind crest - **\$907,000**.
- Installing several large box culverts at 2 locations on Wattlecamp Road which have been regularly overtopped - **\$412,000**.
- Replaced the deteriorated timber bridge in Thompson Street, Murgon with a set of concrete culverts - **\$265,000**.



# Road Works Completed/Underway cont'd...

- Kerb and channelling works on Cooper and Nutt Streets, Murgon - **\$145,000.**
- Realigning a section of T H Burns Road in the Wilkesdale area to straighten a sharp corner and seal to two lane width - **\$477,000.**
- Kerb and channelling in Hodge Street North, Wondai - **\$75,000.**



# Proposed Work – completion date 30 June 2014

- Intersection improvements at the corner of Transmitter and Tingoorra/Chelmsford Roads, Tingoorra - **\$100,000**.
- Widening the seal width to 2 lanes on a section of Franks Road, Blackbutt - **\$474,000**.
- Cross road culvert installation on Crawford Road, Rackemanns, Tingoorra Chelmsford, Springs, Mt McEuen, Manar and Gayndah Hivesville Roads to prevent cross road scouring - **\$156,000**.
- Kerb and channelling and sealing works along Pine and Douglas Streets, Blackbutt - **\$300,000**.
- Sealing and intersection works on Langton Road, Blackbutt - **\$200,000**.



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## Proposed Work – completion date 30 June 2014 cont'd...

- Pavement reconstruction of Markwell Street between Kingaroy and Glendon Streets, Kingaroy - **\$300,000**.
- Intersection improvements at the corner of Beresford Street and Middle Road, Proston - **\$40,000**.
- Floodway improvements on Sportsground Road, Wooroolin - **\$30,000**.
- Seal widen on sharp crests on Weens Road south west of Crawford - **\$140,000**.

*Council has spent approximately **\$4.1 million** on Council road maintenance this year with a further **\$1.5 million** to be spent by 30 June 2014*



# Roadwork Program 2013/14

- As stated in my budget presentation Council proposes to spend a record \$66.2 million on roads and associated infrastructure this financial year.
- This represents around 51% of our total budget which includes water, sewerage and waste management, or around 63% of our general budget.





# Water Treatment & Quality

Location	Projects \$\$\$
Blackbutt - Wastewater	120,000
Kingaroy - Wastewater	600,000
Kingaroy - Water	3,060,000
Murgon - Wastewater	350,000
Murgon Water	295,000
Nanango - Wastewater	260,000
Nanango - Water	170,000
Proston Wastewater	20,000
Proston - Water	110,000
Wondai - Wastewater	250,000
Wondai Water	180,000

# New Planning Scheme

## Where to from here?

- Draft discussed at workshops with Councillors after stakeholder consultation by Council's consultant.
- Strategic Framework sets out Council's overall land use policy direction.
- State Planning Policy – Planning Scheme will reflect the State interests identified in the policy.
- The Priority Infrastructure Plan which is now in draft form and being reviewed by Council's Infrastructure Department. (This plan identifies Council's trunk Infrastructure networks and where funds from development contributions collected should be paid.)

# New Planning Scheme cont'd..

## **When will the Draft Planning Scheme be put on public display?**

- Once the changes relating to the State Planning Policy have been made and review of the Priority Infrastructure Plan completed. (Council then refers the Draft Scheme to the Department of State Development, Infrastructure and Planning.)
- After the State has carried out its 'State Interest check' then the Minister will advise that the Draft Scheme may be publicly displayed to the community and other relevant stakeholders.
- It is anticipated that referral to the State will take place in May/June 2014 and subsequent public notification likely to commence thereafter.



# New Planning Scheme cont'd..

## **How will I know when the Draft Scheme is on display for submissions?**

- Council will conduct an advertising campaign seeking comments. (This will include the Draft Scheme being displayed at Customer Contact Centers and Libraries throughout the South Burnett Region. Staff will be available during inspection times to answer any questions.)
- In addition specific presentations to focus groups will also be available.



# New Planning Scheme cont'd..

## **How long is this document on display?**

- The Sustainable Planning Act 2009 specifies a minimum public consultation Period of 30 business days, however Council can resolve to place the document for a longer period.

## **When will the Scheme be finalised?**

- It is anticipated that the final Planning Scheme could be submitted to the Minister for State Development, Infrastructure and Planning towards the end of 2014.



# Memerambi Historical Subdivision

Most of you would be aware of the issues with the Memerambi Historical Subdivision and the recent court proceedings by the applicant and owners of the land seeking the following declarations in the Planning and Environment Court.

## **1<sup>st</sup> Declaration**

- The applicant Company if liquidated then infrastructure (roads etc) to be completed by Steven Turner and if not financial capable of providing infrastructure, the order sought Council to complete infrastructure at no cost to property owners.
- The above matter was determined in favour of Council.

## **2<sup>nd</sup> Declaration**

- The applicants can construct roads and stormwater infrastructure in road reserves without further approval from Council.
- The matter was determined in favour of Council.

# Memerambi Historical Subdivision cont'd...

The following are options available to resolve infrastructure to the Memerambi Estate:

1. Do nothing
2. Declare estate a benefited area and Council do the work and levy owners rates – therefore no cost to the ratepayers outside benefited area.
3. Work with owners in resolving matter.



# Streetscape Update



Nanango Entry





# Wondai Village Green (*Coronation Park Stage*)

- Internal paths completed
- Installed 2 x new shelters and tables/chairs
- Installed all ability (disabled – able) all ages (2 -100) interactive percussion (musical) play ground. (It is the first true all age/ability family play area in SBRC and a different activity to anywhere else and key to creating the diversity of recreation across SBRC as a whole. It is hoped that it will become a popular destination for families of SBRC and a stop for travellers.)
- Slab for the chess (outdoor) board completed and will be painted black and white (next week or two)
- Installed new BBQ



# Wondai Village Green (Coronation Park Stage) cont'd...

- Footings for lights installed (power points in base of 6 lights for markets), light poles and fittings ordered.
- Shelter over BBQ and seat and curved shelter in Clock feature area to be installed.
- 24 hour area – obtained quotes and designs for shower/toilet, install April/June on receipt.
- Connecting deco paths after shower/toilet block completed



# Nanango - Scott Carpark

- Carpark extension from 45 to 70 + car parks completed
- Internal line marking completed
- Relocated toilet connected and operational
- Shade sail structures erected, awaiting sails
- Started Little Drayton street resurfacing



# Nanango - Henry Street

- Installed trees in Court House and RSL block
- Concrete edges around trees to start March (waited for ground around trees to settle)
- Designs for entry statements completed and with TMR for approval, scheduled to start March
- Traffic Lights (TMR) scheduled to start March



# Nanango - Fitzroy Street

- Will have refresh of existing gardens and some replacement of damaged trees
- Scheduled to start March/April 2014



# Nanango - Drayton Street

- Preliminary designs completed
- Public engagement completed
- Wait for final design from TMR on the traffic lights to finalise drawings (will have final construction drawings by June 30)
- Project to start early new financial year



# South Burnett Directions

Projects identified as regionally significant:

	<b>Status</b>
• Health – Public Private Partnerships	Underway
• Business Excellence Awards	Underway
• Mentoring for Growth	Underway
• Tourism Development	Underway
• Digital Connectivity	Underway
• Transport Infrastructure to Support the Agriculture Industry	Underway
• Sister City Relationship – based on trade development – objectives to be developed	Not yet started
• Education Pathways – objectives to be developed	Not yet started



# Regional Economic Development Advisory Committee (REDAC)

## Projects Underway

- Liveable Cities Liveable Towns
- Attract new residents and businesses to live in the WBB
- Digital Economy
- Rural Innovation
- Wide Bay Burnett Economic Development Strategy





# Tourism

- 2014 South Burnett Touring Guide revamped and distributed within 250km radius of the South Burnett and at selected shows and events outside the region.
- South Burnett and Cherbourg on Show (SBCoS) Event will be held again during the October 14 long weekend. (Grant funding being sought to assist to market the event.)

## **Southern Queensland Country Tourism:**

- Developing a destination tourism strategy to fit with the Qld Govt's objective to double tourist visitation by 2020

## **Australia Country Way:**

- New signage being developed by Qld Main Roads to promote natural attractions along the inland highway from Sydney to Rockhampton (through the South Burnett)
- South Burnett participating in the ACW's stand at the Sydney Camping and Caravan Show in April 2014

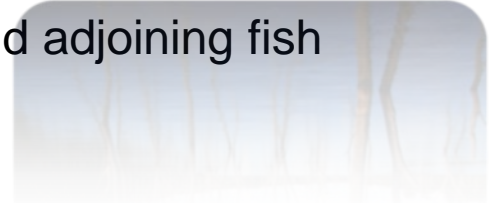
# Commercial

## Aerodromes

- Kingaroy Aerodrome v Non-Directional (radio) Beacon decommissioning regularity process is underway

## Dams

- Boondooma Dam:
  - Visitor numbers up 11 % on previous year
  - New entertainment/gathering area with pizza oven and adjoining fish and tackle shop are open
  - Additional camping sites are open
  - Over 600 competitors participated in the February Yellowbelly Fishing Comp
- Yallakool Park on Bjelke Petersen Dam:
  - Visitor numbers up 14% on previous year
  - New Amenities Block opened in December 2013



# Commercial cont'd...

## Saleyards

- Cattle throughput is in line with the previous year. It is forecast that approximately 10,000 cattle will be sold at the yards during 2013/14. But annual sales remain down on prior years primarily due to the inland drought which is affecting sale numbers and pricing.



## South Burnett Private Hospital

- Renovation of the Patient Rooms underway.



# Grants

Council has submitted for grants.

- Royalties for Regions – Stuart River Bridge over Kumbia Maidenwell Road
- Disaster Recovery - Telecommunications Tower



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# Events

The following are planned external events that Council will be attending.

- Royal Queensland Show (Brisbane Exhibition – Ekka)
- Regional Flavours



# Recent External Shocks to Qld LG

- Natural Disasters (with tight NDRRA funding control)
- Loss of most Capital Works Subsidies
- FAG pool reduction
- Infrastructure Charges restrictions
- Amalgamations
- De-amalgamations
- Carbon Tax
- Massive infrastructure cost inflation (x 8%)
- Shocks have come from other levels of government)



# Fixed Operating Costs

Council faces similar operational costs as every business in this room faces and suffers the same increases. For example our payments in 2012/13 for the following were:

Electricity	\$1,858,500
Insurance Premiums	\$499,200
Workers Compensation Premium	\$334,750
Vehicle Registration fees	\$175,100
Fuel	\$590,000
Bank fees & charges	\$124,000
Compulsory Superannuation Contributions	\$1,682,500
Microsoft Licenses	<u>\$144,900</u>
	\$4,543,200



# State Government Charges

In addition Council is required to pay various compulsory annual fees and charges set by the State Government.

<b>Payroll Tax</b>	<b>\$165,600</b>
<b>Queensland Audit Office Fees</b>	<b>\$238,050</b>
<b>Valuation Fees</b>	<b>\$140,000</b>
<b>Stock Routes Precept</b>	<b><u>\$ 82,870</u></b>
	<b>\$626,520</b>





# Council Operating Costs

In spite of the above Council's operating costs for last financial year were only 0.5% more than the combined four former shires in 2006/07.

In real terms this means that we have reduced our operating expenditure by around 22% or \$11.6 million in last five years.



# Council Operating Costs

- This included reducing our workforce by around 12% in that period.
- Unfortunately at the same time we received significant reductions in unrestricted revenue received from Federal & State Governments
- This has meant that Council has to rely on its own revenue to fund its operations. Council now funds around 74% from its own revenue compared to 59% prior to amalgamation.



# Financial Assistance Grant

The Federal Government provides Financial Assistance to local government through the Queensland Grants Commission.

Without this assistance local government particularly the smaller rural and regional councils simply could not survive.

Unfortunately for South Burnett this has reduced in the last two years from \$8.23 million in 2010/11 to \$7.12 this financial year, a drop of nearly 13%.

A 1% rate increase only provides council with around \$210,000 so as you can see this reduction alone equals a 5% rate increase.



# Grants & Subsidies

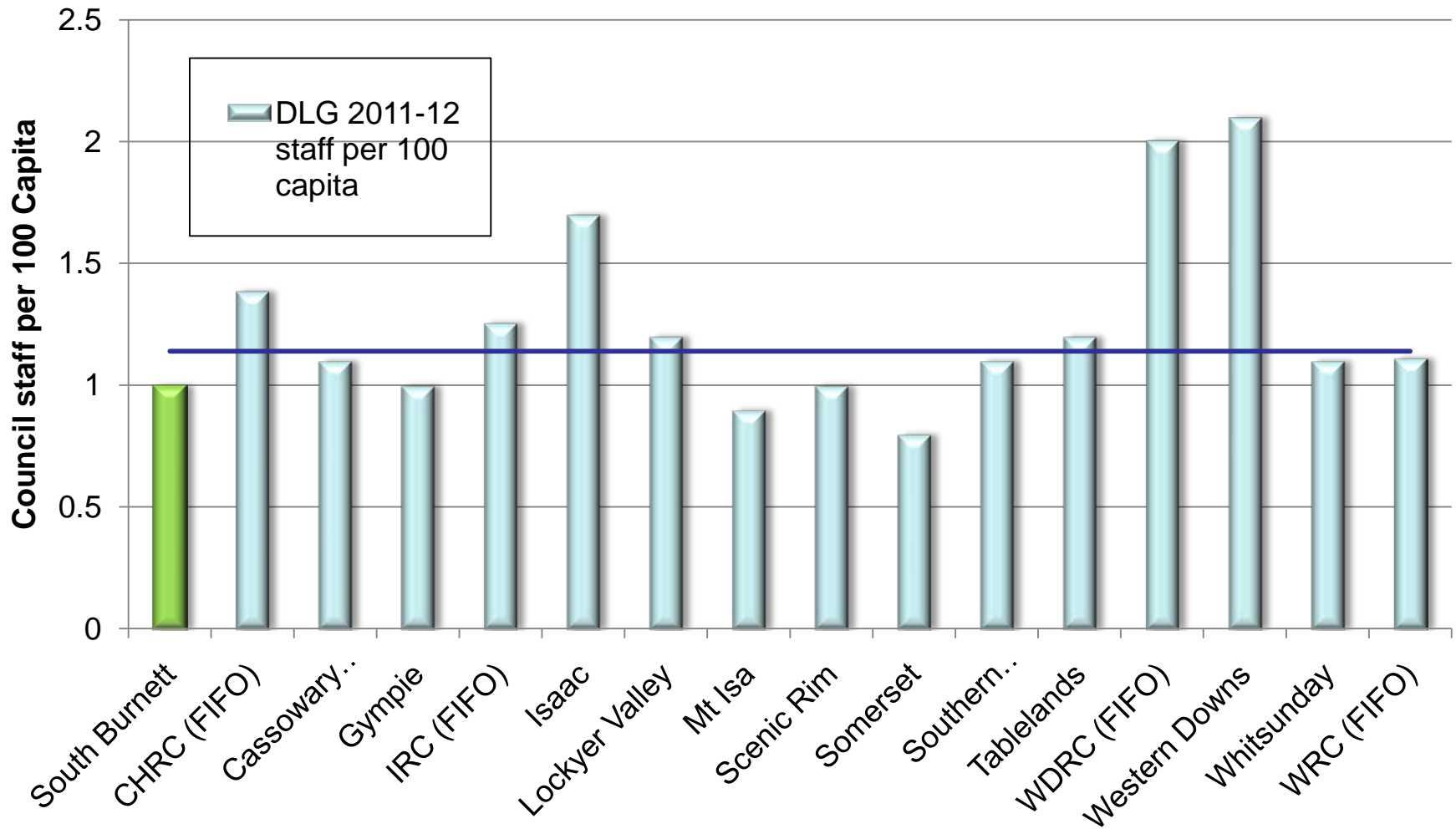
The situation would actually be worse without the determined lobbying of Councillors and our State Member which saw Council receive or promised to receive the following grants & subsidies:

- Road Betterment Funds \$4,343,000
- Kingaroy Waste Water Treatment Plant \$10,000,000
- Kingaroy Water Treatment Daf Plant \$612,000
- Yallakool Amenities Block Upgrade \$184,700
- Nanango Streetscape \$276,000
- Wondai Village Green \$60,000



# Council Staffing

## 2011-12 Council Staff Ratio



# Financial Sustainability Ratios

A recent financial health check by external consultant indicated that Council is above the benchmark set by Department for Local Government for each of the following key financial indicators.

- Operating Surplus
- Self Generated Revenue
- Interest Coverage
- Cash Expenses Cover
- Net Financial Liabilities
- Asset Sustainability Ratio



# South Burnett Regional Council Finances

- From Very Weak to Moderate/Developing FSR
- Potential Sound FSR after 2017
- Cash & Debt pinch points to 2017
- Asset Management Planning less reliable after 2017



# Summary...

SBRC travelling well

**BUT**

need to make prudent decisions in future budget!

