
Whitsunday Regional Council acknowledges the traditional owners and custodians of the lands in our region and we pay respect to the elders both past and present.

This year’s Annual Report provides an overview of the regional activities and achievements during 2017-18 undertaken to move our organisation and our community forward over the past year.

The report demonstrates how WRC is aligning with the four key themes of the current Corporate Plan – Governance and Leadership, People, Place and Prosperity as well as the Operational Plan and the Local Government Act 2009.

The Annual Report also provides an insight into Council’s operations and financial position. Our stakeholders include ratepayers, residents, businesses, community and interest groups, news media, all levels of government, council staff and the wider general community.

Feedback
We'd love to hear from you!

Please direct any feedback or suggestions about this Annual Report to the Communications and Marketing Team:

Email: communications@whitsundayrc.qld.gov.au

Phone: 1300 WRC QLD (972 753)
1.1 A PROFILE OF THE WHITSUNDAY REGION

The Whitsunday Region is home to approximately 35,000 permanent residents and attracts 786,000 visitors each year (2017). Renowned for its relaxed lifestyle, the region boasts beaches, rainforests and large tracts of national parkland, encompassing a total land area of 23,682 square kilometres.

Airlie Beach, Bowen, Cannonvale, Collinsville and Proserpine are the main townships with numerous rural and coastal communities and residential areas scattered throughout the region.

While the region is rural and coastal in its nature, residents and visitors alike enjoy access to good community infrastructure such as transportation, hospitals, educational facilities, telecommunications, power, water and sewer utilities as well as contemporary facilities including museums, art galleries, cafes, hotels and restaurants, entertainment facilities and cinemas.

Fuelled by economic activity and lifestyle advantages, the population has been growing steadily at 1.5% p.a. for the past 16 years.

Population growth estimates adopted by Council form the basis of our regional planning, which indicate population is likely to reach 50,000 by 2036.

The Bruce highway is the major transport corridor running from Mackay in the South to Townsville in the North. The Queensland State Capital of Brisbane is less than 2 hours by air from the Whitsunday Coast Airport.

The Whitsundays boast a successful and established tourism industry, with an internationally renowned reputation for its relaxed lifestyle, beautiful island and mainland beaches, rainforests, and large tracts of national parkland.

The region is economically resilient with the Gross Regional Product of the Whitsunday LGA estimated at approximately $2.46 billion in 2017. With over $4.7 billion in major projects planned or under construction, the region is expecting rapid growth over the next 10 years.

The region is a well-established transport hub with the WRC owned and operated Whitsunday Coast Airport located 10 minutes drive from the township of Proserpine, and a number of smaller aerodromes in Bowen, Collinsville and Mt Coolon. Privately owned airports are located on Hamilton Island, Jubilee Pocket and at Shute Harbour.

The region is economically resilient with the Gross Regional Product of the Whitsunday LGA estimated at approximately $2.46 billion in 2017. With over $4.7 billion in major projects planned or under construction, the region is expecting rapid growth over the next 10 years.
1.2 REGIONAL HIGHLIGHTS

- **Population of 34,831**
- **Population Target by 2036 is 50,000**
- **Area: 23,863m²**
- **514km of coastline**
- **11 Rivers in the Region**
- **Top Industry Employer - Mining**
- **Australia’s Largest Winter Growing Vegetable Region**
- **786,000 Visitors per annum spending $657M**
- **18 Schools and 3 Hospitals in the Region**
- **GRP of $2.4B**
- **Workforce of 19,500**
- **3500+ Businesses**
- **Mining is the largest economic output with $75M**
Council believes that providing residents with improved facilities and services will help us achieve our goal of a happy and thriving community.

COUNCILLOR ANDREW WILLCOX
MAYOR

On behalf of my fellow Councillors and our whole organisation, I am pleased to present the 2017/18 Annual Report.

This report provides a snapshot of what Whitsunday Regional Council has achieved over the past financial year.

This council is passionate in maintaining a consistent level of service for our 35,500 residents and also delivering major infrastructure projects to improve liveability, create jobs, and thereby help forge a bright future for Our Whitsunday region.

Council and our residents are still in the process of rebuilding our region, including our Council’s community assets, damaged by the natural disaster in 2017. While we are supported in these endeavours by our state and commonwealth governments, these activities do require significant investment of Council’s own funds.

Council will continue to roll out kerbside recycling, which was introduced in the first half of this year. Recycling saves valuable materials from being wasted in landfill sites. Without a recycling option all our waste would go to landfill meaning we would drastically shorten the life of our landfill sites. This would have an impact on ratepayers as each landfill cell costs more than $1M to construct.

Attracting investment and creating jobs within our region was the main priority of the Whitsunday Region Economic Development Strategy 2017-2021 which was adopted by Council in August 2017.

Adopting this region’s first ever Economic Development Strategy (EDS) was an historic day for the whole community. The EDS identifies the three pillar industries that underpin our economy; mining, agriculture and tourism. Our region’s other industries are closely integrated with the big three through local supply chain links. The EDS has been developed in collaboration with the whole community and will be an economic blueprint to drive employment and boost growth.

In November, Council established a Major Projects Advisory Board to oversee almost $200 million of regional capital projects to be delivered by council by the end of 2019. The Major Projects Advisory Board (MPAB) is made up of myself, Deputy Mayor John Collins, CEO Barry Omundson, Director of Engineering Jason Raiteri, Chief Staff Officer Paul Fendley (secretariat) and five experienced independent board members recruited from around Australia.

The high quality independent board members are headed by Proserpine old boy and former Queensland treasurer Andrew Fraser, procurement and contract specialist Brad McCosker, Major capital program delivery expert Nick Jukes, Urban planning and major project delivery guru Michael Kerry and IT expert and business process specialist Peter Carr. I am elated to have such a diverse and experienced board to help ensure council delivers the long list of major projects including Shute Harbour Restoration, Airlie Beach Foreshore Revitalisation, Greening and Growing Bowen and Whitsunday Coast Airport upgrades.

I believe our region is on the cusp of a strong growth period and as a proactive council we need to continue with sensible planning, keep rates steady, maintain a value-for-money approach to our frontline services and have firm commitment to an open-for-business agenda. We have made great progress in just over two years and I applaud our elected Councillors and the Chief Executive Officer Barry Omundson and his staff for playing their part in a united team. Our organisation is always striving to improve and we are on a journey together. Council and Community, are keen to make the Whitsunday region the best place in the world to work, live, play and invest.

It is a privilege to serve the Whitsunday Region community as Mayor.

Andrew Willcox
Mayor
Disruption - Resilience -
Fortitude - Delivery

The 2017-18 Financial Year followed very shortly after Tropical Cyclone Debbie. A category 4 going 5 cyclone that in late March 2017, struck every part of our wider Whitsunday region.

A good plan we thought. Having so early in our second year of planning to deal with such a destructive natural disaster only added to the sizeable task this Council had.

Under Mayor Andrew Willcox’s leadership we had set a strategic path very early in this Council’s term of ascertaining and addressing the numerous matters, both asset and cultural in our first year. This was followed by a year of planning and design, and with the remaining two years of completing the multitude of projects to the benefit of all who live in the wonderful Whitsundays.

Writing this message for the 2018 Annual Report we still have most of our staff in makeshift staffing accommodation. In the southern parts of our region where we normally have staff in one administration building, they are now in 11 different sites. It is likely we will not be back together until December 2019. In the north, our Administration Building has also finally worked its way through the painful insurance process and as a consequence our staff are housed elsewhere for 5 months.

When one speaks of resilience, fortitude and perseverance, my bet is that Whitsunday Regional Council’s Mayor, Councillors and staff are right up there as positive examples.

So, our job this year became harder. No biggie. I have found that with the right attitude and leadership, most things can be overcome. This was exemplified with the efforts throughout the year of our team here in the Whitsundays.

Delivering at the time, an unprecedented $120M plus capital program and achieving a little over 80% was an outstanding effort by all. Our capital program this coming year is a little bigger yet, however we have learnt well and put in place a number of comprehensive processes and employed the best of people to ensure delivery to the highest standard.

In a year of disruption, we have set a high benchmark and fared well in our achievements.

The Hub has also seen the creation of the Climate Change Innovation Hub Advisory Panel (CHAP). The CHAP is made up of recognised climate and interrelated experts from Australia and abroad, capable of advising and providing insight into climate change related issues, subject matter, technical topics and opportunities.

The Hub is now well positioned to start delivering innovative solutions for our region with a number of exciting projects with high profile partners soon to be announced.

Our core program which underpins all we do in Our Culture Our Life, progressed very well with the latest pulse survey indicating significant cultural improvement on two years past results. This result is for me one of our greatest achievements as it highlights just how good our Mayor, Councillors and staff are. In all the disruption, in all the change and in all the action, being located in numerous different places across the region - we still were 90% more positive, happier than two years past. From our results this year, we were also significantly more productive.

My experience is if you have a happy team, with clear direction and, regular two-way communication the chances of excelling our considerably enhanced.

Our Roads & Drainage teams undertook more work than ever before with noticeable differences in every corner of our region. Whitsunday Water continued to excel and work closely with our close colleagues in Mackay and Isaac Regional Councils. The outcomes of this close collaboration are obvious to all within our greater Whitsunday region.
Our $80M to $100M NDRRA capital task after Tropical Cyclone Debbie is well in hand through the appointment of a specialist Project Director, a few Council staff and our friends from PDM. So too is the Shute Harbor Project. This $24M project is one of our most complex projects and will be very difficult to deliver by June next year, given the geotechnical and marine complexities. Yet we have a good team in place who is working tirelessly to deliver on time.

Detailed design has commenced after the forming of a community based consultative committee for the Beautiful Bowen Project. Thanks to the state government we have $5M as a catalyst for stage one of a three stage project to enhance the town entrances and main streets of Bowen. Work on the ground is expected to commence in late October 2018.

Similarly, driven by Mayor Andrew Willcox with great support from Sunwater CEO Nicole Hollows, we have been able to have the recreational element of Peter Faust Dam, or Lake Proserpine as it is also known, transferred to Council. During the year Council expended over $100,000 on a feasibility and constraints analysis report to ascertain how best to impound Barramundi fishing facility.

Collinsville and Scottsville, while an hour or so out from Bowen, still felt the affects of Tropical Cyclone Debbie. Roofs were damaged, trees uprooted, and the golf course smashed. Council helped out as did members of these small communities. The Council rejuvenated RV stop and Visitor Information Centre at Collinsville has rapidly become the inland mecca for grey nomads in their pursuit of a nice free spot to sit for a while and enjoy life.

In Proserpine, the more we looked at the cyclone damaged Entertainment Centre, the hub of this community, the more we found had to be done. Again, the state government supported Council with an allocation of $500,000, which at the time seemed to be what we were looking for to bring back to life this community facility. More work, and more money is required here to ascertain the extent of what is required after the facility was for so long in the insurers hands.

Our regular Community Catch Ups have been a hit with our smaller and more remote parts of our community. The Mayor, Councillors and Senior Executive Team take Council to the people as we sit face to face with locals in the heart of these small and remote communities and update all on what we have been up to, along with explaining what is in it for them, and of course listening to their views. We then take whatever actions arise from the community catch ups and add to our ‘get it done soon’ list.

The Senior Executive Team has evolved into a tight knit group, very much in support of the direction as set by the Mayor and Councillors. From essentially several years past, where very little respect existed between the elected members and the executive, the relationship has grown and been built upon doing what we promise to do, good governance, trust and communication, within and external to Council. This is evident in the amount of work being undertaken and completed by Council.

This Council has strategically set about rebuilding relationships. The growing relationship with other levels of government is evidenced by the increasing grant opportunities being realised. We are grateful for the support of the state government and that of the commonwealth.

We are also cognisant of, and thankful for, the relationships we have forged locally with hard working groups such as the Bowen Collinsville Enterprise, the several Chambers of Commerce within the region, Tourism Whitsundays, Collinsville DIG, Bowen Tourism, The Bowen Gumlu Growers Association, our local cane industry representatives and various private enterprise within the region.

No doubt however, in a year where disruption became a friend to many, the biggest acknowledgment goes to our Mayor, Councillors, staff and contractors. While we have much room for improvement, the results for the year, without TC Debbie were a vast improvement from previous years. The fact that we endured what such a large natural disaster can dish up and still achieve what we did, is simply an outstanding effort by our Whitsunday Regional Team.

From a personal level, being CEO of Whitsunday Regional Council remains a privilege, and I am indebted to the support and confidence of Mayor Andrew Willcox and his hard-working Councillor team. I am pleased to see the growth in our executive management team who are moulding nicely into a high performing group, supporting each other and living the values of this organisation. My wife Tonio remains legendary in her ability to support me, when I am sure I am not at times the most pleasant to deal with by the end of the week.

Mr Barry Omundson
Chief Executive Officer
1.4 COUNCILLOR PROFILES

Councillor Andrew Willcox

Mayor

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Andrew Willcox was sworn in as the third Mayor of Whitsunday Regional Council on Monday, 4 April 2016. Born and raised in Bowen, Andrew owned and managed a tomato farm and business before entering local government. Andrew and his wife Raylene live at Queens Beach, where they have raised their three children.

Andrew was first elected to Council in 2012 as Councillor Division 6, representing the communities of Bowen, Queens Beach, Merinda, Cape Upstart and Guthalungra.

His priorities include supporting economic development and job creation opportunities, delivering the vital infrastructure required to support the region’s growing population, and engaging the community to better inform Council’s decision making. In his spare time, Andrew enjoys fishing, snow skiing and spending time with his family.

COMMITTEES
- Bowen Collinsville Enterprise
- Don River Improvement Trust
- Tourism Whitsundays
- Whitsunday Regional Roads Group
- Whitsunday Regional Organisation of Councils
- Audit & Risk Committee
- Rural Fire Finance Committee
- Whitsunday Disaster Management Committee
- Advocacy Advisory Committee
- Economic Development Advisory Committee
- Major Projects Advisory Committee
- Traffic Advisory Committee

Jan has always been a strong advocate for protecting and preserving the natural environment in the Whitsundays, both on the mainland and in the Great Barrier Reef Marine Park.

COMMITTEES
- Australian Local Government Women’s Association State Executive Committee
- Reef Catchments
- Safe Night out precinct
- Whitsunday Coast Chamber of Commerce
- Whitsunday Housing Committee
- Whitsunday PCYC
- Whitsunday Rivers Improvement Trust
- Airlie Foreshore Project Control Group
- Environment Recovery Sub-Group
- Bicycle Advisory Committee
- Regional Arts Development Fund
- Traffic Advisory Committee

Division 1
- Councillor Jan Clifford

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Councillor Jan Clifford was re-elected in the 2016 Queensland local government elections as the representative for Division 1 of the Whitsunday Regional Council, making this her third successive term as a Councillor.

Jan is well known for her energy and commitment to the well-being of the Whitsunday area and its citizens and is an active member of the community, serving on many boards and committees and volunteering at events.

Jan has called the Whitsundays home since early in 1995 after a long career across Australia in various management, sales and marketing roles. In 1997 Jan started her own sales and marketing business and was voted Best Sales Representative by A.F.T.A. She was eventually drawn to Council to be of service to the Whitsunday Region and its people.
**Division 2**  
- Councillor Ron Petterson  

Phone: 0408 544 558  
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Ron lives in Cannonvale with his wife Kelly and three sons and has lived in the Whitsundays since first moving here in 1997. Moving back to Victoria to help care for his mother following the death of his father, the Whitsundays was always home and Ron moved back to the region with his family in 2008.

With a strong background in the retail sector and building trade, along with business development, training and personal development, Ron has held several senior and management roles throughout his career including running his own business. Ron brings a variety of skills and knowledge to the Council including his passion for community and social wellbeing. This is evident through Ron’s extensive volunteer and community work that he engages in outside of Council, including serving as Chair on the Whitsunday PCYC, Whitsunday Suicide Prevention Network Inc, Whitsunday Counselling and Support and the Whitsunday Ronald McDonald House Charity Committee.

**Ron’s focus lies with encouraging greater regional liveability, driving economic growth, fostering social support networks and creating a prosperous region that maintains a high sense of community spirit.**

**COMMITTEES**

- Whitsunday Sports Park
- Whitsunday Local Marine Advisory Committee
- Whitsunday Community Services
- Whitsunday Catchment Landcare
- Logan’s Adventure Playground Committee
- Bowen PCYC Committee
- Human Social Recovery Sub Group Committee
- Rural Fire Finance Committee
- Airlie Foreshore Project Control Group
- Rates Relief Advisory Meeting

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**Division 3**  
- Councillor John Collins  

Deputy Mayor  

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Deputy Mayor John Collins was first elected as Councillor for Division 3 on Whitsunday Regional Council in 2012, and was returned at the 2016 Local Government Quadrennial Elections.

Division 3 is centred on the town of Proserpine, which is the Whitsunday region’s agricultural and government services hub, and includes the surrounding rural communities of Mount Julian, Preston, Conway and Wilsons Beach.

While John’s family lived at Silkwood, south of Innisfail, he was born in Toowoomba. At age four, his family relocated to Proserpine when his father was transferred as the local police sergeant. John completed his schooling at the local St. Catherine’s Catholic College and Proserpine State High School, and currently lives in Proserpine with his wife Jill and four daughters.

Since 1990, John and Jill have owned and operated their own small business on Proserpine’s Main Street, Downtown Butchery.

**John is a strong advocate for developing the local rural tourism sector to entice travellers off the highway and into our townships. John has championed the creation of further tourism opportunities at the Peter Faust Dam, which has the largest barramundi population of any impoundment in Australia, and is a strong advocate for promoting Proserpine as an RV Friendly town.**

**COMMITTEES**

- Whitsunday Rivers Improvement Trust
- Proserpine Junior Sporting Complex
- Proserpine Chamber of Commerce
- Les Stagg Oval Advisory Committee
- Whitsunday Disaster Management Committee
- Audit & RISK Committee
- Major Projects Advisory Board
- Advocacy Advisory Committee
Division 4
– Councillor Peter Ramage

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Peter is a third generation Collinsville resident with a strong and proud family history. Prior to entering local government, Peter spent 26 years in the mining industry followed by grazing, both very prevalent and integral industries in Collinsville.

In 1999, Peter ran for the Bowen Shire Council as the Councillor for Collinsville and has continued on as the Division 4 Councillor since the amalgamation of the Bowen and Whitsunday Shire Councils in 2008. He continues to represent his home town of Collinsville but in addition he also represents the communities of Hydeaway Bay and Dingo Beach.

Peter joined Council to make a difference in his community, and in particular, to give a voice to the rural communities. Peter is proud to extend his passion to include the small coastal communities and the broader Whitsunday grazing communities.

COMMITTEES
- Collinsville Development & Industry Group (DIG)
- Whitsunday Pest Management Committee

Division 5
– Councillor Dave Clark

Phone: 0408 642 268
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Dave was born and raised in Bowen and continues to reside there with his family today. Dave has a background in building and construction and has owned his own business in Bowen for many years.

Having lived in the Bowen community for his whole life, the move to council was a natural progression as he has always had a desire to help his community. He has a strong belief in providing for the children and the next generation to come as well as caring for the elderly. Dave’s focus in his role as Councillor is very much on ensuring council provides good quality services, facilities and infrastructure.

COMMITTEES
- North Queensland Sports Foundation
- Local Authorities Waste Management Advisory Committee
- Don River Improvement Trust
- Bowen Sporting Complex Committee
- Bowen Burdekin Local Marine Advisory Committee
- Infrastructure Recovery Sub Group
- Local Government Infrastructure Plan Priority Project Control Group
Division 6  
– Councillor Mike Brunker

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The Councillor for Division 6, Mike was born and raised in Collinsville but has lived in Bowen for 20 years where he currently runs a newsagency with his wife Kylie.

As a former coal miner and Mayor of Bowen Shire Council and Whitsunday Regional Council for 17 years, Mike has a proven track record of delivering outcomes for the people of Bowen and Whitsunday.

Mike’s background in mining and local government has given him a thorough understanding of the challenges faced by communities, families and local businesses from the coalfields to the coast.

Mike has always been passionate about creating job opportunities through economic development and that remains his focus today.

**COMMITTEES**

- Tourism Bowen
- Bowen Gumlu Growers Association Inc. (including Processing Plant Sub-Committee
- Bowen Collinsville Enterprises
- Economic Recovery Sub Group Committee
- Community Advisory Committee
- Advocacy Advisory Committee

**1.5 MAJOR EVENTS AND AWARDS**
Inaugural Australia-China International Youth Arts Exchange Festival

Council welcomed a group of Chinese dance students for a special performance as part of the inaugural Australia – China International Youth Exchange Festival.

The Star Dance Troupe from Suzhou performed at the McKenna Hall at the Bowen State High School on 6 August, and the Cannonvale State School on 7 August 2017.

Local Cannonvale dance school, Adore Dance, supported the multi-cultural experience with a range of their own dance routines performed as part of the evening in Bowen.

The aim of the exchange was to promote cultural understanding, education and communication between our region and communities in China.

The Star Dance Troupe was established in 2006 and offers many kinds of cultural art services and activities such as dance training, cultural exchange activity and, stage designing.

They are one of the national dancer selection schools for China Dancing Association and have organised many performance events at home and abroad, including France and Japan.

Fun Day on the Runway

One of the most successful community events ever to be hosted by Whitsunday Regional Council was ‘Fun Day on the Runway’ to celebrate the start of the $40 million runway and terminal upgrade.

The free event was extremely popular with over 800 people attending to enjoy the festivities, fun and food galore! It offered a range of unique activities including an aerobatic performance by CQ Adventure Flights, WWII and bi-planes on display, the chance for kids to ride their bikes and scooters on the apron and a special Criterium multi-lap bike race with Council’s own two-time Paralympic gold medallist David Nicholas taking on cyclists from Townsville, Mackay and Rockhampton.

Council also took the opportunity to premiere the screening of our new community spirit regional video ‘Our Whitsunday: Our Utopia’ followed by an outdoor family movie screening of ‘Zootopia’.

And thanks to our airline partner Tiger Air, one lucky person won a $500 travel voucher to fly friends or family to visit the wonderful Whitsunday Region.

“\nThis was a perfect opportunity for the Whitsunday Region community to celebrate the start of the $40 million runway upgrade and airport expansion.”

Mayor Andrew Willcox
Escape to Everywhere with Children’s Book Week


His Rap & Rhyme and Rocking Poetry shows were performed at participating local schools across the region and he conducted a special Rap & Rhyme show at the Cannonvale Library for our 0 to 5 year age group.

Our libraries were decorated to the theme of Escape to Everywhere and some special magic Storytime sessions were held for our little audiences.

Local artists Jeudi Croker, Andrea, Jason and Anaka volunteered their time and artistic skills to paint the mural and spent around 2 weeks creating both the mural and the extra branches and leaves on the tree trunk.

Freedom of Entry awarded to Defence Force

The 3rd Combat Engineer Regiment from the 3rd Brigade in Townsville was granted ‘Freedom of Entry’ to the Whitsunday Region on 10 November 2017, in recognition of their assistance during Tropical Cyclone Debbie.

The Regiment of 300 soldiers in ceremonial dress arrived in Bowen to hold a ceremonial Parade and March, before being involved in the local Remembrance Day celebrations the following day on 11 November.

The Freedom of Entry protocols include a ceremonial ‘challenge’ between the Regiment and local Police, which took place during the March and which represents the Regiment’s right to enter the town.

A free community BBQ event was held after the Parade and March at the Soundshell on the Bowen foreshore, where residents were able to mingle with the Regiment and enjoy a sausage sizzle.

“The 3rd Brigade, but particularly the 3rd Combat Engineer Regiment has a long and proud association with the North Queensland Community. We are proud to be part of this region and stand ready to support in times of need.”

Lieutenant Colonel Jennifer Harris
Bowen hosts the North Queensland Sports Star Awards

Whitsunday Regional Council partnered with the North Queensland Sports Foundation to host the 2017 Sportstar Awards in Bowen on 14 October 2017.

The awards were held at the Merinda Village Hotel in Bowen with breakfast radio DJ Rob Kidd hosting along with special guest, former Olympic gold medalist, Tracey Belbin.

Our best athletes and sporting community members will be recognised in five categories (senior, junior, athlete with a disability, masters and service to North Queensland sport).

Queensland Rugby League was the major sponsor for the evening with Wilmar Sugar, PAYCE, Inclusion Works, Whitsunday Cruises and the Merinda Hotel supporting the awards.

2017 Mayor’s Charity Ball raises over $75,000

Mayor Andrew Willcox hosted his very first Mayor’s Charity Ball at the Grandview Hotel in Bowen on 4 August 2017.

The evening included a three-course dinner, live entertainment by the Royal Australian Regiment (1RAR) Band and a charity auction and treasure chest to raise money for RACQ CQ Rescue.

Council is extremely proud that this event raised $75,783.12 for the vital service.

Proserpine and the Whitsunday Islands were among the top three frequented destinations in 2016 for the RACQ CQ Rescue helicopter. The generous commitment by local residents ensures they can continue to provide vital aeromedical service to residents, workers and tourists in a time of crisis.

It costs more than $8.65 million annually to keep the world-class helicopter rescue service in the sky and a large proportion of this money came from community donations and sponsorship.

“We are incredibly grateful to be the recipients of this vital support from Whitsunday Regional Council which ensures we can have a world-class aeromedical helicopter service on our doorstep and available anywhere, anytime, throughout Central Queensland.”

RACQ CQ Rescue CEO Ian Rowan
It’s Christmas in the Whitsundays!

At that special time of year, residents of the Whitsundays were invited to help celebrate the switching on of the Christmas lights at the community Christmas trees in each of the major towns in the region.

The Christmas Tree Lighting formed part of existing community events including Rotary Carols by the Beach on Sunday 3 December on the Airlie Foreshore, the Bowen Street Fair in the Town Square on Friday 8 December, the Lions Christmas Carols in Collinsville on Sunday 3 December and the Rotary Christmas Fair on Friday 15 December in Proserpine.

Food and music on the menu at Great Australian Bites

A day of tasty local food and live entertainment were on the menu at the Great Australian Bites festival held on Australia Day 2018 at Airlie Beach.

The full day of festivities included pop-up stalls from local restaurants, live music by homegrown performers and iconic Aussie themed activities.

Guests indulged in modern tasting items such as Salmon Tartare from Walters Lounge, Roast Lamb on the Spit from Fussea Buggers, Crumbed Calamari from Fish D’Vine, Vegetarian Arancini from Treehouse, Pork Belly Taco’s from Denmans Cellars, and traditional Italian Tiramisu from La’Tabella with ice-cream for those who wanted a cold treat on a hot summers day.

The Great Australian Bites Festival was first launched in Brisbane in 2014 to celebrate Australia Day and has now grown into a series of regional events that champion local talent and produce.

Great Australian Bites Airlie Beach is delivered by Whitsunday Regional Council in partnership with the Queensland Government.

“The Great Australian Bites festival was a family friendly event that would bring together locals in celebration of the Whitsunday community, regional produce and way of life.”

Deputy Mayor, Cr John Collins
Australia Day - celebrating the achievements of everyday people

In 2018, we celebrated the achievements of our residents with 29 worthy recipients receiving Australia Day awards at ceremonies in Collinsville, Bowen and Proserpine.

It is always a great honour to present the awards to our residents who represent excellence in our region and share a common commitment to the local community.

Council also welcomed 3 citizens as part of the 2018 Australian Citizenship Ceremony.

Clipper Round the World Yacht Race

Whitsunday Regional Council was excited to be a major sponsor of the first ever Whitsundays Clipper Race Carnival which put our region firmly on the world’s yachting stage.

A raft of events were organised right across the Whitsundays, kicking off with the Clipper Race Welcome Party on January 19, on Airlie Beach Foreshore.

Other events during the carnival included the White on Whitehaven Long Lunch on our world-famous beach and the Rodeo by the Reef in Bowen on 27 January.
Queens Baton Relay gets a Whitsunday welcome

The eyes of the Commonwealth were on Airlie Beach, Bowen and the Whitsunday Islands on March 19 as we played host to the Queen’s Baton Relay.

The Queen’s Baton carries a message from Her Majesty the Queen through the entire Commonwealth and started its global journey at Buckingham Palace on Commonwealth Day, 13 March 2017. Collectively across the country, baton bearers took more than a million steps to take the Baton to its final destination, the Commonwealth Games’ Opening Ceremony on 4 April 2018.

Residents lined the streets to support our baton bearers with the relay starting in Bowen from the Soundshell on March 19. A Welcome to Country and smoking ceremony took place followed by an official speech by Mayor Willcox and a Guard of Honour by the 1956 Olympic Torch Baton Bearers.

The Baton then travelled to Airlie Beach, for the relay from Abell Point Marina on the same day. The Airlie Beach relay route finished at the Lagoon with a community celebration. This celebration included a welcome to country and smoking ceremony by traditional owners, an official speech by Mayor Willcox, a Guard of Honour by the 1956 Olympic Torch Baton Bearers, entertainment by MamaDojo and a free sausage sizzle.

Innovation and Excellence Award at the Australian Airports Associations (AAA)

Whitsunday Coast Airport manager Tony Schulz and Airport Projects Executive Assistant Amy Reddicliffe were on hand to accept the Innovation and Excellence Award for the Whitsunday Coast Airport.

The award in the Technology category was for the Development of a Performance Based Airport Asphalt Specification and reflected collaboration between the Whitsunday Coast Airport, Dubbo Airport and the University of the Sunshine Coast (USC).

In preparing for the pavements upgrade, it was critical that we explored all options for mitigating project risk to Council. Our research led us to Director Greg White and the Pavement Research Program at USC. It quickly became clear that they had our solution in their proposal to develop a performance-based asphalt specification but amazingly, they lacked adequate support from industry to make it a reality.

“It has definitely been a ground-breaking project and now the rest of the Australian and international airport industry can enjoy the benefits of the performance-based asphalt specification that we have just validated.”

Mayor Andrew Willcox
Horseshoe Bay in the tourism spotlight

One of Australia’s hidden gems, Horseshoe Bay in Bowen, was awarded gold at the 2017 Whitsunday Tourism Awards.

More than 340 people attended the Gala Dinner on Hamilton Island to recognise their peers’ achievements and celebrate the industry’s successes. Bowen’s beaches have long been an undiscovered gem of the Whitsundays.

Council also won bronze in the Festivals and Events category for the Annual Schoolies Week event.

Excellence in Community Shaping

Regional community pride video,

Our Whitsunday: Our Utopia

was the winner of the Excellence in Community Shaping category at the Local Government Managers’ Association Awards for Excellence.

The nominations in this category must have shaped community opinion, practice and behavior. These initiatives have actively sought to galvanise community response to improve the wider community.

The concept was simple, a social media, print, digital and billboard campaign supported by a video highlighting the strength and resilience of the community and its people, with Council playing its role as a community leader. By including local people in the campaign and encouraging ongoing engagement on social media platforms, there is a growing sense of community ownership and participation in Our Whitsunday.
Success for Council apprentices at TORGAS awards

Congratulations to four Whitsunday Regional Council apprentices for their success in winning ‘Apprentice of the Year’ in their respective categories at the TORGAS Awards held in Townsville on Friday 1 June 2018.

Awards for Most Outstanding 2nd Year Engineering Apprentice and 2nd Year Construction Apprentice were presented to Proserpine based Jack Henderson and Cadell Schlenner respectively while the Most Outstanding 3rd Year Automotive Apprentice and 3rd Year Engineering Apprentice awards were presented to Bevin Querro and Brodie Malone, both based in Bowen.

The TORGAS Awards is an event that rightly recognises these wonderful young achievers. TORGAS Inc is a Townsville based not-for-profit organisation, with dedicated resources based within the Whitsunday region, operating as a commercial business providing apprentices and trainees to businesses throughout Queensland.
2.1 Governance Leadership

2.2 People

2.3 Place

2.4 Prosperity

These four themes will guide Council’s focus for the period 2014 – 2019.

Our Annual Report allows us to review our progress on the delivery of Whitsunday 2020 objectives.
OUR GOAL
In 2020, the Whitsunday Region is united and our leadership delivers open, accountable and transparent local government. Our community is engaged, informed and actively involved in Council decision making. Whitsunday Regional Council is an innovative and financially sustainable organisation and our staff are skilled, valued and productive.

PERFORMANCE MEASURES
- Community and stakeholder satisfaction with Council
- Financial sustainability ratios
- Number of community engagement initiatives undertaken annually and community satisfaction with process
- Number of joint initiatives between Council and government, industry, business and community
- Progress in advocating our strategic priorities to government, industry, business and community
- Development and implementation of strategies

Major Projects Board oversees $200 million of capital projects
In November 2017, Whitsunday Regional Council established a Major Projects Advisory Board to oversee almost $200 million of regional capital projects being delivered by council over an 18 months timeframe.

The Major Projects Advisory Board (MPAB) is made up of WRC Mayor Andrew Willcox, Deputy Mayor John Collins, CEO Barry Omundson, Director of Engineering Jason Raiteri, Chief Staff Officer Paul Fendley (secretariat) and five experienced independent board members recruited from around Australia.

The major projects include Shute Harbour Restoration, Airlie Beach Foreshore Revitalisation, Greening and Growing Bowen, Beautiful Bowen Project and Whitsunday Coast Airport upgrades.

The board was established after the Mayor and CEO identified a risk to efficiently delivering council’s normal 2017/18 $100 million capital works program in conjunction with the $200 million in co-funding projects to help rebuild our region post Tropical Cyclone Debbie.

2.1 GOVERNANCE AND LEADERSHIP

The external board members include:

MICHAEL KERRY - An Urban Management Advisor, a consultant to Infrastructure New South Wales and an Independent Director on the Boards of Capital Metro Agency (Canberra Light Rail) ACT and SunCentral Maroochydore Pty Ltd. He was responsible for establishing the OUM in 2004 and preparing the first Regional Plan and Infrastructure Plan and Program for SE Queensland. Michael has extensive experience in city and regional planning, urban design, transport and infrastructure planning, major projects, housing policy, urban renewal and development.

NICK JUKES - currently Executive Director and Chairman of JukesTodd which he founded in 2007 to provide commercial advisory and project management services principally on major infrastructure projects. He was previously Managing Director of Sedgman, when an ASX listed company, and a Director and General Manager of a number of Thiess companies. Nick spent 25 years with Thiess on major projects in Australia and offshore.
BRAD McCOSKER - as a partner at McCullough Robertson Lawyers for 20 years Brad previously specialised in providing legal advice to construction, resources and infrastructure projects. Brad has since opened BPMC Consult and assists in providing commercial and strategic advice regarding project delivery to a range of proponents including government. Brad’s roles now include evaluating appropriate delivery structures for projects, facilitating contract formation and management of projects to commercially desirable solutions.

PETER CARR - With more than 20-years as an industry analyst and business advisor he has accumulated a significant body of knowledge regarding the operational and strategic management of local government in Australia and overseas. In 2017 Peter was invited to participate as the independent business advisor for the City of Hobart delegation to the European Union World Cities program which included visits to the City of Katowice (Poland) and speaking at the EU Parliament in Brussels.

ANDREW FRASER - is an experienced director across a range of sectors. Presently he is an independent director of Sunsuper, and Chairman of the Investment Committee which oversees more than $45 billion in funds. After four years at the NRL as Head of Strategy and Investment, he is a director of the Titans Rugby League, the Rugby League World Cup 2017 and NZ Rugby League. In the charitable sector, Andrew is a director of the Hear and Say Centre. Previously Andrew served in the Qld Parliament, and was Treasurer of Queensland from 2007-2012.

Moving to the Cloud
Due to building damage caused by Tropical Cyclone Debbie, Council reviewed the way it stored and protected its critical data assets in its local data centre. The Council data centre stored all of Council’s electronic data, including critical property and confidential ratepayer information. After a detailed assessment, it was decided, in order to reduce costs, increase resilience and optimise services, to move all of Council’s critical data assets into the cloud.

As a result, Council now has a fit for purpose solution, efficiently managed and administered that is highly secure and can easily be changed to align to service requirements. The solution reduces operational costs, provides a reliable, dynamic platform for operations and is fully redundant and highly secure. The technology in use is the leading technology of its type in the world from both a cloud and security perspective.

This highly innovative project has positioned Council as a leading organisation in the technology infrastructure space with a foundation that will enable efficient and advanced electronic services into the foreseeable future.

Smarter Systems
Council is highly committed to continuously improving the services it provides to the community and this includes our digital services. Over the last twelve months Council has analysed our current and future system requirements and, after a detailed procurement process, selected Technology One as our technology partner to deliver our systems for the future.

Implementation of the new system will commence in 2018/19 and drive improvements such as enabling smart technologies, mobile computing, enhance online customer engagement, and improved online mapping. Council is excited by the opportunity to bring an improved digital experience to the Whitsunday region.

Preparation and Restoration of Insured Damages
Along with our local residents and business, Council’s assets were severely damaged by Tropical Cyclone Debbie. Preparing claims and repairing the damage for Council is no different to the experience our residents and businesses have but, with a thousand assets scattered across the region, it is much larger in scope – each part of each claim needs detailed assessment and documented evidence, which is presented to the loss adjustor for assessment, before Council can proceed with the restoration of the asset. Following the cyclone an early estimate of the damage exceeded $20 million, however that figure has been well exceeded.

Damage to Council’s insured assets is now estimated to be closer to $40 million.

Council has been working closely with the insurance companies to expedite the restoration of assets. The major and critical assets have been restored and repaired through the insurer’s panel builders, with the insistence of Council that local sub-contractors be used wherever possible. The remaining damage on smaller facilities or less critical assets has been carefully assessed and Council is pursuing the restoration of the assets using the contracted local suppliers.

Council has prepared and submitted over 1,500 separate scope of works to our insurance companies for assessment. In collaboration with the insurance loss adjustors, Council has determined the insured losses, estimated or quoted the repairs and has begun the process of releasing the works to local contractors to complete the works. By the end of the works, Council intends to have released 32 packages of works to local suppliers, generating over $15 million in restoration works for our local community.

Planning Scheme Goes Interactive and Digital
Council introduced a new digital service providing interactive online mapping tools, showing the current and previous planning scheme data, via the Council website.

The tool allows website visitors to view planning information via a mapping interface. Information such as parcel details, easements, local plan boundaries, zones, soil types, bushfire risk areas, climate regions, erosion areas, storm tide information, waterways and wetlands, environmental significant areas, heritage areas, and selected infrastructure can all be interactively viewed.

Users are able to search for properties either spatially or through direct entry of address. They can then overlay a number of additional layers to determine how different attributes impact the selected property. Ariel imagery as well as disaster evacuation details are also available.
Users are also able to measure distances such as length and width of spaces using the simple online tools. Links to planning documents, relative to the land selected, are also provided. The tool has been exceptionally well received by industry and residents alike.

Community engagement strengthens

Whitsunday Regional Council has a strong focus on being a modern, innovative and engaging leader for the Whitsunday region. Part of being a good leader is acknowledging the community’s need to participate in decisions and issues which affect them. Council believes input from the community into the decision-making process leads to better, more informed decision for everyone. Community Engagement remains a top priority at Whitsunday Regional Council, with the formal adoption of the Community Engagement Policy in March 2018. Under the Policy, Council aims to provide inclusive, transparent, effective and meaningful engagement processes for the community. By providing opportunities for residents to be involved and have their say, Council is building a stronger relationship with the community.

Management and staff at Council continue to be upskilled in best-practice community engagement techniques, with annual training offered in the region by the International Association of Public Participation (IAP2). IAP2 is a well-regarded international membership organisation, and Council has been a member since 2017. Council’s Engagement & Marketing Coordinator provides strategic advice and develops community engagement plans for projects, as well as coordinating and undertaking consultation activities. A comprehensive Community Engagement Guidelines document has been developed to provide information and resources for Council staff and will be distributed to staff via the intranet. To further empower staff when undertaking community engagement activities, an internal ‘Engagement Champions’ project will be rolled out later this year. This program will provide training and mentorship in the field, using both IAP2 and in-house resources, to build new skills and confidence within the organisation. This program is designed for the participants to bring their new-found skills back to their own teams, ensuring a flow on effect across all areas within Council.

Community spirit campaign a success

The Whitsunday region is wide and diverse, with each town and community having their own unique sense of identity. Council regularly informs the community via a monthly full page ‘Our Whitsunday Community Update’ in the three local papers, where targeted project updates and a column from the Mayor keeps residents in the loop. Social media and online platforms continue to be the best way for Council to inform a wide audience and engage with residents and visitors. Facebook is very popular with residents in all towns in the region, and local issues and concerns are discussed in community noticeboard pages. The Communications & Marketing team develop and publish regular social media videos to keep residents informed on Council news, and these videos are well-received and generate a lot of interest.

From July 2017, a major social media campaign was delivered called ‘Our Whitsunday, Our Utopia’ with the launch of a 3-minute video ‘Our Utopia’ and 6 follow up videos, featuring local residents. The video series was designed to evoke community pride and spirit, particularly important for residents in the wake of devastation caused by Tropical Cyclone Debbie. The campaign was unique in local government circles, as a community ‘brand’ has been created in participation with residents. The success of this campaign is evident in the huge reaction Council received online, with 42,000 views, 507 positive reactions and 493 shares.

The campaign was expanded to include the launch of Council’s new Instagram platform and the hashtag #ourwhitsunday, with unique branding that has been promoted across all marketing collateral, including billboards and print media advertising. Whitsunday Regional Council was successful in winning the Community Shaping award for the ‘Our Whitsunday, Our Utopia’ campaign at the recent LGMA Awards for Excellence in April 2018.
Social Media

Facebook
Whitsunday Regional Council’s Corporate Facebook page grew from 4,684 Likes on 1 July 2017 to 6,361 Likes on 30 June 2018. That’s an increase in Likes of 1677 in one year.

Demographics are shown below:

<table>
<thead>
<tr>
<th>AGE RANGE</th>
<th>WOMEN (74%)</th>
<th>MEN (25%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13-17</td>
<td>0.668%</td>
<td>0.319%</td>
</tr>
<tr>
<td>18-24</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>25-34</td>
<td>24%</td>
<td>8%</td>
</tr>
<tr>
<td>35-44</td>
<td>20%</td>
<td>7%</td>
</tr>
<tr>
<td>45-54</td>
<td>12%</td>
<td>4%</td>
</tr>
<tr>
<td>55-64</td>
<td>6%</td>
<td>2%</td>
</tr>
<tr>
<td>65+</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>&lt;&lt; AGE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Instagram
Whitsunday Regional Council launched its Instagram account @whitsundayrc on 31 October with a competition! Residents were asked to capture moments with family and friends or a particular place in the region, share it on the new Instagram account with #ourwhitsunday, tag @whitsundayrc and show Council ‘what you love about where you live’.

The lucky winner attended the 2018 Australian Open sponsored by Seven News Mackay including return flights to Melbourne and two nights’ accommodation in a 4.5 star hotel.

To date, the Instagram account has 975 followers. Demographics are show below:

<table>
<thead>
<tr>
<th>AGE RANGE</th>
<th>GENDER</th>
</tr>
</thead>
<tbody>
<tr>
<td>13-17</td>
<td>1%</td>
</tr>
<tr>
<td>18-24</td>
<td>6%</td>
</tr>
<tr>
<td>25-34</td>
<td>5%</td>
</tr>
<tr>
<td>35-44</td>
<td>16%</td>
</tr>
<tr>
<td>45-54</td>
<td>16%</td>
</tr>
<tr>
<td>55-64</td>
<td>11%</td>
</tr>
<tr>
<td>65+</td>
<td>0%</td>
</tr>
</tbody>
</table>

Twitter
Twitter, though smaller in reach, continues to grow in strength and we currently sit at 146 followers. Of those 146 followers, 58% are Male and 42% are female.

Social Media Benchmarking

Neighbouring councils in the region have embraced social media as an increasingly valuable communication tool for connecting with their constituents. Social media provides an immediacy of communication and ability to communicate and dialogue with audiences who may otherwise find it difficult to engage with the council. Councils in the area use the platforms primarily to promote council activities and news. Mackay, Townsville and Cairns are proactive in also promoting their community engagement initiatives.

The table below gives an indication of how WRC benchmarks against neighbouring councils however it must be noted that the success of the page does not solely rely on the number of Likes/Followers. While some council’s may have a smaller following, their engagement rate on each post may be higher than that of the council with more likes. This means that more people are reading/commenting/reacting to their posts as opposed to just following the page.

### September 2016

<table>
<thead>
<tr>
<th>Platform</th>
<th>Whitsunday RC</th>
<th>Isaac RC</th>
<th>Mackay RC</th>
<th>Burdekin Shire</th>
<th>Townsville City</th>
<th>Cairns RC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>1920 likes</td>
<td>3862 likes</td>
<td>13,307 likes</td>
<td>2173 likes</td>
<td>12,096 likes</td>
<td>11,275 likes</td>
</tr>
<tr>
<td>Twitter</td>
<td>Not utilised</td>
<td>114 followers</td>
<td>1974 followers</td>
<td>520 followers</td>
<td>5278 followers</td>
<td>3867 followers</td>
</tr>
<tr>
<td>Instagram</td>
<td>Not utilised</td>
<td>225 followers</td>
<td>986 followers</td>
<td>36 followers</td>
<td>182 subscribers</td>
<td>Not utilised</td>
</tr>
<tr>
<td>Youtube</td>
<td>3 subscribers across 2 channels</td>
<td>77 subscribers</td>
<td>8 subscribers (low use)</td>
<td>182 subscribers</td>
<td>Not utilised</td>
<td></td>
</tr>
<tr>
<td>Linkedin</td>
<td>408 followers</td>
<td>1733 followers</td>
<td>1343 followers</td>
<td>64 followers</td>
<td>828 followers</td>
<td>1927 followers</td>
</tr>
</tbody>
</table>

### January 2018

<table>
<thead>
<tr>
<th>Platform</th>
<th>Whitsunday RC</th>
<th>Isaac RC</th>
<th>Mackay RC</th>
<th>Burdekin Shire</th>
<th>Townsville City</th>
<th>Cairns RC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>5,582 likes</td>
<td>6216 likes</td>
<td>21,517 likes</td>
<td>3141 likes</td>
<td>18,689 likes</td>
<td>16,427 likes</td>
</tr>
<tr>
<td>Twitter</td>
<td>98 followers</td>
<td>363 followers</td>
<td>2,521 followers</td>
<td>677 followers</td>
<td>6,133 followers</td>
<td>4,522 followers</td>
</tr>
<tr>
<td>Instagram</td>
<td>469 followers</td>
<td>489 followers</td>
<td>1,560 followers</td>
<td>135 followers</td>
<td>Not utilised</td>
<td>Not utilised</td>
</tr>
<tr>
<td>Youtube</td>
<td>17 subscribers</td>
<td>5 subscribers</td>
<td>101 subscribers</td>
<td>9 subscribers</td>
<td>316 subscribers</td>
<td>244 subscribers</td>
</tr>
<tr>
<td>Linkedin</td>
<td>969 followers</td>
<td>2,140 followers</td>
<td>2,093 followers</td>
<td>154 followers</td>
<td>2,056 followers</td>
<td>3,588 followers</td>
</tr>
</tbody>
</table>
Your Say Whitsunday Community Engagement Platform

Council’s online engagement platform Your Say Whitsunday continues to grow every year, with a steady increase in registrations and interaction. The website has been used for 35 projects (some of these projects were for information, not engagement), had 6,500 visits, with 162 new registrations over the last year. To increase awareness of the platform and boost registrations, the Council is developing a social media video to promote on all online channels. The video will show residents, in a fun and quirky manner, how easy it is to use Your Say Whitsunday, focusing on the convenience of completing feedback in their own time on smartphones, tablets or PC’s. The video is currently in production and will be rolled out in the next month with accompanying print and tv advertising.

Engagement activities give a voice to our residents

To further demonstrate the importance of engaging with the community, a 3-minute video was recently produced to promote the Proserpine Master Plan. The Master Plan was adopted by Council in November 2017 and was developed in consultation with the community. The video takes the viewer on a journey through the entire process, from consultation and development of the plan in 2017, through to the implementation of the first major project, the Proserpine Water Park. The video has been received very well on Facebook, with over 8,000 views, 147 positive reactions and 76 shares.

Over the 12 months Council has engaged the community on many projects, including:

- Airlie Beach Foreshore Revitalisation
- Shute Harbour Restoration Project
- Kerbside Recycling Implementation
- Disaster Recovery projects
- Airlie Lagoon Refurbishment
- Airport Terminal Expansion Upgrade
- Proserpine Master Plan
- Bowen Water Tank Mural
- Cannonvale Foreshore Upgrade
- Bowen parks consultation
- Proserpine parks consultation
- Trade Waste Management Policy and Plan
- Local Government Infrastructure Plan
- Region-wide Bushfire Management Policy and Plan
- Erosion and Sediment Control Policy and Plan
- Proposed upgrade of Wildlife Park, Jubilee Pocket
- Airlie Beach Foreshore Land Management Plan
- Bowen Signage Trail
- Flying Fox Management Plan
- Coastal Hazards Adaptation Strategy
- Proserpine Water Park
- Beautiful Bowen Project
- Road and Drainage Upgrades in Bowen
- Amenity Block upgrades in Bowen and Proserpine

2.2 People

The new Customer Experience Directorate

At the beginning of the 2017-18 financial year, an organisational restructure resulted in the creation of the Customer Experience Department. The Customer Experience Department was created to provide Council with the primary goal of providing customers with a better experience in the day to day interactions with Council.

Our purpose is also to honour the value of Continuous Improvement by becoming a leading Local Government organisation that will become the best in the world at what it offers.

The department’s vision is delivered by bringing together the functions of Customer Service, Parks & Gardens and Waste Management Services. In the short time that the Customer Experience Directorate has been established, there have been many significant successes achieved by the three branches.

Performance Measures

- Response to emergencies and natural disasters
- Community and stakeholder
- Satisfaction with public spaces and facilities
- Attendance at Council facilitated events

Our Goal

In 2020, the Whitsunday Region is an inviting and welcoming community with an envious lifestyle. Our region is active, healthy and inclusive, and our residents enjoy access to a range of social, cultural and recreation activities. We are a fair, equitable and affordable community and we respect our region’s diversity.
Providing the high-quality customer experience

Whitsunday Regional Council's reputation and performance is marked on our timely response to Council’s requests and our quick and satisfactory resolution of complaints.

Council has a responsibility to deliver consistent and professional Customer Service to all those who interact with Council, whether they are residents, ratepayers, business operators, our visitors, contractors, Councillors and our own staff.

During the 2017-18 financial year, Council fielded over 84,000 phone calls and in excess of 15,000 recorded customer requests by phone excluding written correspondence. There was also in excess of 130,000 transactions that took place at our Customer Service Centres as well as online. On average 905 of requests were resolved within Customer Service Charter timeframes.

Council’s Customer Service Charter was revised in late 2017 to align with our current list of values to ensure that interacting with Council is a positive experience. It was our new promise to the community in regard to expectations and is designed to be a streamlined and concise statement of our collective initiative to better serve our customers.

The Charter is one of numerous initiatives that was undertaken by Council in the 2017-18 period to improve customer service, another of which included the opening of the Cannonvale Customer Service Centre which has been a new addition to the Customer Service Centres at Bowen, Proserpine and Collinsville.

As a result of Cyclone Debbie, Council’s services were separated between several locations due to damage sustained to the Administrative Office in Proserpine. After many months of behind the scene work across several departments, Council opened a new Customer Service Centre at the Whitsunday Shopping Plaza. The opening of the centre has been positively received, allowing Council to be readily accessible, and in turn more open and responsive to our community. During the 4 months it was open in the 2017-18 financial period, over 1000 customers visited the centre.

Free use of Council aquatic facilities

In November 2017, Council resolved to make all aquatic facilities across the region free to users. This came as a result of wanting to provide safe swimming options to the community and another avenue of free recreational activity within the region.

The response from the community following Council’s decision was well received, which is evident in the monthly pool attendance numbers. Since November, Council has had approx. 65,000 users visit our three pools, making an overall 2017-18 user total of approx. 75,000.

The total number of users for 2017-18 is 10,000 more than in 2016-17.

Proserpine delivers first major project from Master Plan

The Proserpine Water Park was identified in the Proserpine Masterplan as a project which Council would deliver in the 17/18 financial year. Works were completed in August 2018 and the exciting new facility was unveiled to the public. The water park is expected to provide hours of fun for the local community and hopes to help with increasing the number of visitors to the town. Council funded 100% of the $1.7 million water park which is located at the Proserpine pool on Anzac Road.

Airlie Beach and Bowen Local Plans to help make the most of our public spaces and facilities

The Airlie Beach and Bowen Local Plans will be included in the Planning Scheme through the amendment process, with public consultation expected in early 2019.

Airlie Beach Main Street and surrounds will have their unique characteristics identified and protected through the provision of the Airlie Beach Local Plan. The Plan will protect the existing identity of Airlie Beach and ensure that future developments are complimentary and sensitive to the existing character, which attracts the community and tourists alike.

Bowen’s Boat Harbour was also the subject of a large strategic planning project. The Plan seeks to reduce the levels of assessment for desirable uses, such as the Whitsunday Marine Centre of Excellence, making it easier to do business in and around the Harbour and Bowen Foreshore areas.

Improve Public Safety Through CCTV

Whitsunday Regional Council, together with the Commonwealth Government, Queensland Police and the Safer Streets Program, installed 115 CCTV cameras in the Airlie Beach Main Street and Foreshore area. The cameras act as a deterrent to distasteful behaviour and have assisted Police in resolution of incidents. As at June 2018, after 7 months of operation, Police utilised the footage 14 times to gather evidence for serious assault matters. Additionally, Whitsunday Police have conducted over 50 targeted searches to identify and gather evidence of Police related incidents. Police have stated the footage has been invaluable in the success of these prosecutions and has greatly assisted towards reducing the resolution times involved with investigating incidents of assault.

Council’s survey of locals and visitors demonstrated that people feel safer in the areas covered by CCTV. Council is actively working to expand its CCTV network on the back of the success of this project.
The region continues to recover from TC Debbie

Following the TC Debbie, Whitsunday Regional Council launched the Local Recovery Plan to assist services across the region return to normality. Four recovery sub-groups were established; Human Social, Economic, Environment, and Infrastructure. These groups met frequently during the year to progress complex recovery matters. Currently all sub-groups have finalised recovery activities, with only the Human Social group still meeting. This group continues to meet to address complex recovery matters, ensure coordination across NDRRA funded providers, and collaborate with stakeholders.

Following a review into the TC Debbie response, Disaster Management developed the Improvement Action Plan, to capture and implement recommendations from the review. The Tropical Cyclone Debbie IAP identified 45 actions across the key themes of staffing, logistics, training, communication, security, operational readiness, health and safety, agency representation, and resource management. Of the 45 actions, 42 were implemented by the end of the financial year. The remaining 3 actions are underway.

In response to TC Debbie, the Commonwealth and the State Government activated the Natural Disaster Relief and Recovery Arrangements (NDRRA). Whitsunday Regional Council was successful in receiving funding under the Category C - Community Recovery Package, to the amount of $517,703. The funding provides for two Community Development Officers for two years, ending in March 2019. The NDRRA Community Recovery and Resilience project is designed to support a holistic approach to the recovery of our communities and sectors severely affected by Cyclone Debbie in March 2017.

The Disaster Management Community Development Strategy 2018-2019 was established to provide a clear framework in which to deliver the Natural Disaster Relief and Recovery Arrangements (NDRRA) Category C funding within Whitsunday region. The aim of this funding is to deliver activities/projects that focus on community recovery, community development, community resilience and capacity building for the future. Disaster Management Community Development Strategy 2018 – 2019 has identified key areas in which to deliver specific activities in relation to disaster management, community engagement, development of local resilience community plans, public education, advocacy and a disaster management information strategy.

The Disaster Management team has also established the Whitsunday Disaster Dashboard. Whitsunday residents can now easily access disaster information on Council’s website, through this dashboard. The dashboard draws on real time data from the Local Disaster Coordination Centre during an event, so Whitsunday residents to get the latest information quickly and easily. The dashboard also contains a range of useful disaster preparedness information and can be accessed at http://disaster.whitsundayrc.qld.gov.au/

Throughout the year several public education activities were performed by the Disaster Management team which include:

- Get Ready Week – in partnership with the SES, Police, Queensland Fire and Emergency Services, Red Cross & Department of Communities. Staff visited Collinsville, Cannonvale, Bowen and Proserpine, encouraging residents to prepare for the storm season.
- Cyclone Saturday – an event was held at Bunnings, Cannonvale, to increase awareness of Cyclone risk, and encourage preparedness.
- Disaster kit for new residents - in partnership with local real estate agencies and Whitsunday Council launched the Local Recovery Plan to assist residents, packs were provided to new residents in the region. Packs contained the Emergency Action Guide, and other useful information.
- The Local Emergency Community Group in Collinsville was established to discuss emergency preparations for their community. The group aims to clarify roles and lines of communication between Collinsville and the Local Disaster Coordination Centre (LDCC) during emergency events, and to coordinate between organisations in the region. Next steps for this group include disaster management training, and planning for key resources to facilitate greater resilience to future events.

The Whitsunday temporary Local Disaster Coordination Centre was established following the closure of the Proserpine Administration Building. The facility was kept in a ‘warm’ state over the 2017/2018 storm season, ready to be used for any event.

First appearing on radars towards the end of March, the team was actively monitoring Tropical Cyclone Iris as the system intensified over the Easter weekend. The Local Disaster Management Group activated to “Stand-Up” level on Tuesday afternoon due to the proximity of Iris to our coastal areas and islands, and due to the unpredictable nature of the system. During “stand-up” mode the disaster team operated on a 24-hour basis and our Local Disaster Coordination Centre team and Cyclone Shelter teams were on stand-by, ready to respond. The operation moved to “stand-down” on Friday April 6, once Iris had weakened to a tropical low, moving away from our region. During the event, a range of agencies and organisations worked together to achieve coordinated disaster management in support of our communities.

Two practical training sessions for our Local Disaster Coordination Centre (LDCC) staff were held during the year. The sessions were an opportunity for the team to learn about the processes and positions within the LDCC, and for our more experienced team members to revise their skills. Attendees got to put into practice recent learnings and set up a mock Local Disaster Coordination Centre during the exercise held in June.
First 5 Forever – Library Program

First 5 Forever is an initiative of the State Library of Queensland and the Queensland Government, delivered in partnership with Whitsunday Regional Council Libraries.

The literacy program for children aged 0 – 5 years, directly supports parents and primary caregivers in being their child’s first and most important educator as well as providing families with increased access to resources through public libraries, outreach and online programs.

In the first half of 2018 alone, 180 sessions were held across the region, with a total of 3,262 caregivers and children attending.

Whitsunday Schoolies

The ever-popular Whitsunday Schoolies was held in Airlie Beach from the 18th to the 23rd of November 2017.

Whitsunday Regional Council welcomes the arrival of Schoolies to the Whitsunday Region and encourages young people to stay safe amongst the celebrations.

Keeping Schoolies safe and ensuring they enjoy their experience in the Whitsundays is a huge task that relies on the generosity of volunteers, who donate their time, as well as our Council staff – it’s a team effort.

Whitsunday Schoolies offers a range of dance parties and activities throughout the five days as well as the special Schoolies discounted tours and free activities such as swimming at the Airlie Beach Lagoon or visiting the markets.

Some of the activities on offer throughout 2017 Whitsunday Schoolies includes:

- Tie-Dying Activities
- Themed dance parties
- Beach Volleyball
- BBQ’s
- Chai Tent
- Inflatable slide
- Discounted tours
- Airlie Beach Lagoon
- Photo booth
- Sticky Wall Climbing

917 surveys were distributed with a 1 to 10 scoring system with results listed below:

- Service providers scored 4 to 8
- WRC scored 4 to 8 for activity schedule
- Whitsunday Transit scored 8
- Red Frogs scored 10
- Choices Program 9

The feedback received was that the Schoolies enjoyed being treated like adults.

The key to a safe schoolies response is to provide diversionary activities, support services and safety initiatives to help the young people stay safe during the end of school celebrations and allow them to have the fun they deserve in our beautiful region.

2.3 PLACE

OUR GOAL

In 2020, the Whitsunday Region is thriving and sustainable. Our region’s infrastructure supports our growing population and our towns are well planned, with our unique heritage and character protected. We value our natural environment and work together to protect and enhance our region’s natural assets.

PERFORMANCE MEASURES

- Community and stakeholder satisfaction with Council
- Growing our asset base
- Community and stakeholder satisfaction with our road, water and sewerage infrastructure and networks
- Compliance with State and Federal benchmarks and standards
- Percentage of total capital works completed
- Percentage of total operating projects completed
- Development and implementation of strategies

Kerbside Recycling is introduced in the Whitsundays

During 2017-18, Council introduced kerbside recycling across the region. This is something which the community had been asking Council to do for many years and which was identified as a top priority action under our Waste Management Strategy. The new service, introduced during National Recycling Week in November 2017, collects from over 11,000 homes, and saw more than 1,000 tonnes of waste recycled in 7 months of the 2017-18 year, diverting 13% of the region’s household wheelie bin waste from our landfills.

Ensuring that only recyclable materials are collected is crucial to the success of the recycling service. An analysis of recyclables collected in June showed that close to 90% of the recyclables collected from Whitsunday residents was recyclable, which is a great achievement for a new service.

During the 2017-18 period, waste education in schools was a primary focus to better educate the reduction of waste for generations to come. Council will remain proactive in educating the community with regard to recycling and how they can better reduce waste to minimize our footprint on the environment.
Parks and gardens enhancements improve liveability

During the 2017-18 period, Council’s Parks & Gardens team were assigned with delivering many capital projects, to create or enhance existing recreational spaces available to the public across the region.

Major projects included the refurbishment of the Airlie Beach Lagoon, Proserpine Pool, as well as our remaining aquatic facilities following the widespread destruction caused by Cyclone Debbie. It was critical to reopen all of the aquatic facilities as soon as possible to return some sense of normality back to our community.

Parks and Gardens also placed a major focus on assisting park improvements as part of State Government funding through the Works for Queensland grants and played a pivotal role in assisting disaster recovery operations to repair Council assets across the region.

Local Government Infrastructure Plan (LGIP)

Following the adoption of the Whitsunday Planning Scheme in 2017, Council continued their journey with the inclusion of the Local Government Infrastructure Plan (LGIP) into the Scheme in June 2018.

The LGIP outlines Council’s plan for trunk infrastructure within the urban areas for the next 15 years and will ensure that Council can accommodate the region’s growth, while meeting the desired standards of service. The development of Council’s trunk transport, water, waste water, stormwater and community facilities networks will provide transparency and assurance to the development industry and the community.

Climate Change Innovation Hub

The Climate Change Innovation Hub (the Hub) now has a physical presence and identity with the creation of the Hub logo and the Hub Office opening its doors within the Whitsunday TAFE Campus precinct. The location provides a visible, easily accessible location that is capable of delivering on the Hubs objectives.

The Hub has also seen the creation of the Climate Change Innovation Hub Advisory Panel (CHAP). The CHAP is made up of recognised climate and interrelated experts capable of advising and providing insight into climate change related issues, subject matter, technical topics and opportunities.

Coastal Hazard Adaptation Strategy (CHAS)

Whitsunday Regional Council is taking a proactive approach to climate change by identifying climate change adaptation as a key focus for the region.

Part of Council’s proactive strategy is the development of a Coastal Hazard Adaptation Strategy (CHAS). The strategy aims to complete a detailed assessment of current coastal hazards, as well as those predicted under future climate change scenarios.

To support the development of the CHAS a number of technical studies have been completed in the 2017-18 year by Council including:

- Town of Whitsundays Drainage Study (TOWDS);
- Bowen Water Hazard Study (BWHS); and
- Coastal Hazard Mapping Refinement Study

These studies will be utilized as a fundamental planning tool across Council. The studies are also contributing to identifying Council’s assets which are most at risk of being affected by coastal related climate change impacts. This will enable planning for a resilient Whitsunday community into the future.

Climate Change Mitigation Strategy

The development of Council’s Climate Change Mitigation Strategy discusses the impacts of climate change for Council’s operation and management. It outlines ways in which Council will seek to mitigate these impacts.

The Strategy aims to significantly reduce Council’s greenhouse emissions and lower Council’s energy use.

The strategy sets out CO2 equivalent emission targets for Council’s infrastructure and operations for 2020, 2030 and 2050. In order to meet those targets, Council has developed fourteen Priority Actions which will support Council’s commitment to reach its emission targets.

The Strategy will be put forward to Council for adoption in the near future and will become an active part in contributing to a sustainable future for the Whitsunday community.

Works for Queensland

The Works for Queensland (W4Q) program is a $200 million Queensland Government initiative funded under the State Infrastructure Fund. W4Q is about employing local businesses, creating jobs and stimulating the local economy. The W4Q projects include upgrades to Council-owned park equipment and facilities, shade structures and shelters, foreshore improvements, water and waste, installation of solar panels and more.

Whitsunday Regional Council was allocated $4.36 million in 2017, and delivered the below projects by the end of November 2017.

In 2018, Council has been allocated a further $4.07 million under Round 2 of the W4Q funding. Planning and design is currently underway for a number of proposed projects.
### PEST MANAGEMENT

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>WILDLIFE ROAD PARK, JUBILEE POCKET</td>
<td>Stage 1 - Large playground, shade structure, BBQ, landscaping, dog off-leash enclosure</td>
</tr>
<tr>
<td>AIRLIE BEACH LAKE</td>
<td>Shade structures</td>
</tr>
<tr>
<td>SHINGLEY BEACH, CANNONVALE</td>
<td>Stage 1 - Replacement of existing skillion structure and BBQ</td>
</tr>
<tr>
<td>CANNONVALE LAKE, ON PARKER ROAD</td>
<td>Stage 1 - Playground, shade structure, BBQ, landscaping</td>
</tr>
<tr>
<td>CANNONVALE BEACH FORESHORE UPGRADE</td>
<td>Stage 1 - Playground, exercise equipment, skillion structure, BBQ, landscaping</td>
</tr>
<tr>
<td>ETONWAY BEACH</td>
<td>Playground, shade structure, skillion structure and BBQ</td>
</tr>
<tr>
<td>WILSON BEACH</td>
<td>Playground, shade structure, skillion structure and BBQ</td>
</tr>
<tr>
<td>ANZAC PARK, COLLINSVILLE</td>
<td>Landscaping</td>
</tr>
<tr>
<td>LIONS PARK, COLLINSVILLE</td>
<td>Skillion structure and BBQ</td>
</tr>
<tr>
<td>HORSESHOE BAY PARK</td>
<td>Skillion structure</td>
</tr>
<tr>
<td>MULLERS LAGOON, BOWEN</td>
<td>Skillion structure and BBQ</td>
</tr>
<tr>
<td>GIDEON POTT PARK, ON QUEENS BEACH ESPLANADE, BOWEN</td>
<td>Stage 1 - Shade structure, extension of basketball court</td>
</tr>
<tr>
<td>HERN MURRAY PARK, AT MERINDA, BOWEN</td>
<td>Replacement of playground, skillion structure and BBQ</td>
</tr>
<tr>
<td>GREYS BAY, BOWEN</td>
<td>Shade structure, BBQ</td>
</tr>
<tr>
<td>COUNCIL FACILITIES - 2017</td>
<td></td>
</tr>
<tr>
<td>PROSERPINE SWIMMING POOL</td>
<td>Replacement of grandstand and roof frame</td>
</tr>
<tr>
<td>COLLINSVILLE SKATE RINK</td>
<td>Shade structure</td>
</tr>
<tr>
<td>BOWEN SKATE PARK</td>
<td>Shade structure</td>
</tr>
<tr>
<td>BOWEN PCYC SKATE PARK</td>
<td>To be upgraded with a new and improved layout</td>
</tr>
<tr>
<td>BOWEN WATER TREATMENT PLANT</td>
<td>Solar power installation</td>
</tr>
<tr>
<td>AIRLIE BEACH LAKE PUMP STATION</td>
<td>Solar power installation</td>
</tr>
<tr>
<td>PROSERPINE COMMUNITY CENTRE</td>
<td>Solar power installation</td>
</tr>
<tr>
<td>BOWEN COUNCIL CHAMBERS LIBRARY AND SES BUILDING</td>
<td>Solar power installation</td>
</tr>
<tr>
<td>COLLINSVILLE COMMUNITY CENTRE</td>
<td>Solar power installation</td>
</tr>
<tr>
<td>BOWEN PCYC</td>
<td>Solar power installation</td>
</tr>
<tr>
<td>BOWEN DEPOT</td>
<td>Solar power installation</td>
</tr>
</tbody>
</table>

**77** landholders participated in coordinated feral animal baiting.

**1,203** feral animals were destroyed via the 12 aerial control flights.

**55** 55 feral pigs were caught in cage traps in urban and urban fringe areas. This is a large increase compared to previous years and the increase is attributed to the impact of Cyclone Debbie on forests and food sources.

**45** landholders have benefited from the Council’s weed incentive program with reduced cost herbicide.

**72** property pest plans covering 158,977ha. The plans will lead to improved land condition and more productivity grazing land.

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**Bushfire Management**

- One prescribed burn was conducted in the Nelly Bay – Dingo Beach area to reduce bushfire hazard.
- The Council has developed a draft Bushfire Management plan to identify high bushfire hazard areas and prioritise Council resources.
Coastal Management

- The Queens Beach sea wall adjacent to the Bowen golf course was completed in November 2017. The 87m sea wall will help to protect residential areas and the Bowen golf course from coastal erosion.
- The Council assisted the Molongle Creek Boat Club in dredging the boat access channel. The operation removed 10,400m³ of sediment and managed this material to ensure there was minimal impacts on the environment.

Disaster Resilience, Climate Innovation and Administration Centre

To complement the insurance funding received as result of TC Debbie damage, and to optimize the improvement of Council facilities, Council invested in excess of $1.5 million in Council owned property and facilities.

Following a comprehensive procurement process, local builders Lowcock Builders were awarded the contract for the major renovation works to the Bowen Administration Building. The works include the replacement of the roofing structure, upgrade to air-conditioning system and internal repairs and refurbishment. Works are projected to be completed in October 2018.

Proserpine Administration Building was extensively damaged from TC Debbie and as a result was vacated due to safety concerns for employees and the community. The Mayor in particular has worked on building strong relationships with all level of politics and consequently, over $8 million has been secured to demolish and reconstruct a Disaster Resilience, Climate Innovation and Administration Centre’ on the existing site. Council has since commenced procurement activities for both the demolition of the existing building and for the Concept Plan of the new building.

During 2017/2018 the upgrade of public amenities continued across the region with the completion of the Horseshoe Bay amenities in Bowen, installation of new play equipment in the Bowen PCYC, renovation and toilet construction at the Collinsville Showgrounds Tourism facility and reconstruction of the Pioneer Park amenities in Proserpine.

Revitalisation of the iconic Shute Harbour

The Shute Harbour Transfer Terminal was severely damaged by Cyclone Debbie. Council has reinstated one pontoon to allow limited commercial activities.

Cruise Whitsunday provides multiple services to Hamilton Island serving residents and day workers of the island. Other small operators continue to operate from the Harbour providing tourism activities such as island camping, sea kayaking and small island resort transfers.

The Natural Disaster Relief and Recovery Arrangements and insurance will fund a complete rebuild of Shute Harbour.

The first stage of the reconstruction has been completed with the demolition of the damaged building, jetties and pontoons. The second stage will comprise of rebuilding the sea wall and raising the car park by 0.7m to provide a better buffer against tidal storm surges.

The final stage of the project involves building a new transfer terminal, jetties, pontoons and fuel facilities. Construction is expected to begin on this stage in late 2018 with completion in the middle of 2019.

As part of an election commitment, the Queensland State Government will provide funding for a new three lane boat ramp adjacent to the transfer terminal. The boat ramp is being integrated into the design for the area and Council is working with the State to provide a functional facility that compliments the other facilities.

The new transfer terminal will be run as a commercial operation providing a commercial return to Council.

Connecting our Community

In 2017-18 Council constructed new shared paths on Argyle Park Road and Queens Road in Bowen, and along Shute Harbour Road in Jubilee Pocket. These all form part of our principal cycle network which is targeted at providing improved connectivity for tourists, commuters and the general public to use for a leisurely bike ride. We received over $800,000 of funding from the State towards the shared path projects through the Cycle Network Local Government Grant program.

Upgrades were completed on Strathmore Road near Myuna Road and Johnny Cake Road to improve drainage, drivability and safety. This is a road which is well-used by residents, cattle properties and visitors to the Bowen River Pub. Over 700,000 of funding was provided for this project by the State through the Transport Infrastructure Development Scheme.

Over $1.4 M have also been utilised from Roads to Recovery funding from the Federal Government to carry out significant upgrades to the drainage and pavement along Gloucester Avenue. This will reduce maintenance, and vastly improve the safety and drivability of the road which is used year-round by residents and tourists to visit one of the most popular landscapes in the region. These works will continue through the 18/19 financial year.
Bowen Water Treatment Plant Solar Array and Resilience Upgrade

The $1.1m project consisted of five interlocking components:

1. Construction of a 400kW solar array capable of generating over 620MWh per year of clean energy, resulting in annual savings of up to $200,000 and a reduction of over 570t in Greenhouse Gases;
2. Integration of 450kW of stand by generation to be remotely activated for emergency operation;
3. Installation of a new main switchboard for efficient power distribution to the existing site facilities;
4. Consolidation of 3 pole mount transformers into a single highly efficient 1000kVA pad mount transformer to optimise energy use; and
5. Upgrade of the BWTP’s operating systems to increase remote system control and operational visibility.

The project was successfully completed on time and on budget in January 2018 using over 75% local contractors.

Since its completion, the use of solar energy at the BWTP has resulted in a reduction of over 150,000kgs of CO2, 65kgs of Nitrogen Oxide (NOx), 15kgs of Sulphur Dioxide (SO2), and has saved over 120 t of carbon going into the atmosphere which is the equivalent to over 13 hectares of deforestation.

This project also won the Infrastructure Project Innovation Award at the Australian Water Association – Qld Water Awards in Brisbane in September 2018.

Proserpine Sewerage Treatment Plant

Proserpine is the sugar heartland of the tropical north and the PSTP daily output of around one million litres of nutrient enriched effluent can now be gravitated to nearby sugar cane farms for flood irrigation purposes in dry weather conditions.

The previous sludge treatment and disposal operation at the PSTP used geo-fabric bag dewatering techniques which caused serious environmental concern and public nuisance odour complaints. The completed sludge handling facility alleviates all these issues.

The PSTP site is also on the Bruce Highway at the gateway into the Proserpine township. This is a very visible facility that needed to be re-fenced for security and safety reasons and the old redundant treatment structures were required to be demolished for housekeeping and maintenance reasons.

The project cost was $5.6m, completed within budget in March 2018.

1. Sewerage Treatment capacity - Marginal capacity lift using specialised technology to safely treat sewage for Proserpine Township till 2026
2. Ability to expand the town population - Economic growth that will match the latest regional plan population growth trend estimates
3. Capacity for the town industry to grow - Creating the potential for economic growth
4. Ability to meet environmental licence - Ability to meet environmental licence and avoid public nuisance odour complaints till 2026
5. Delivery of recycled water to nearby sugar cane farms for flood irrigation - Reduction in nutrients entering Proserpine River and downstream Great Barrier Reef waters boosting cane farm productivity with recycled water nutrients. Additional potential long-term opportunity for Council to draw a small commercial return from recycled water sales.
6. Additional groundwater availability with the beneficial reuse of the STP effluent - Groundwater source allocations are fully committed; the availability of recycled water creates some availability
Significant sewer works in Jubilee Pocket

A sewer rising main connects Shute Harbour to the sewer network at the Jubilee Pocket Pump Station. Investigations determined that the existing sewer pipe had failed due to H2S gas induced acid attack on 12 and 20-year-old sections of cement lined pipeline.

The 1.1km pipeline route is within the road pavement of this State Controlled Road from the top of Mandalay Hill extending through to the base of the hill on the Jubilee Pocket side. Mandalay Hill is a challenging location due to high traffic volumes, a steep drop-off shoulder grade and minimal separation between services. To replace the main would have cost in excess of $1.2m.

Mazlin Hill Sewer Main

Council replaced a section of the existing pipeline near Summit Avenue and Mazlin Street in Airlie Beach, to improve the performance of the sewer main and reduce ongoing maintenance costs to the community.

Council initially engaged a drilling contractor to tunnel the new main through at a suitable alignment, however this was unable to be completed, due to the geotechnical profile of Mazlin Hill varying substantially throughout the drilling alignment. A decision was made to terminate the contract and instead pursue an alternative relining option.

This project was completed in July 2018 and is on track for final commissioning in August 2018 at a cost of $835,000. As a result of the relining, Council has removed the risk of future sewage overflow on Mazlin Hill. The main is now not susceptible to future gas attack due to the material of the relined pipeline.

2.4 PROSPERITY

Focus on economic development continues to grow our economy

Following on from the development phase in 2016-17, the Whitsunday Regional Council Economic Development Strategy 2017-2020 was formally adopted by Council on 27th September 2017.

The Economic Development Strategy supports the achievement of Council’s three key desired economic outcomes:

- A $6 billion economy
- 1,000 new jobs
- Inter-regional exports that account for more than half the region’s GRP

Six themes, or ‘action areas’ are identified within the Strategy, which represent an area of strategic intent, the objectives of which are as follows:

- A Diverse and World-class Tourism Destination
- A Sustainable and Profitable Farming Region
- An Environmentally-Sustainable Region Supported by Climate-Adapted Industries
- A Globally-connected and Dynamic Region of Choice for Investment
- A Skilled Workforce and Prosperous Small Business Sector
- A Region of Vibrant Towns and Centres

Upon adoption of the strategy, staff were recruited to deliver the Strategy, with a priority being the development of comprehensive business cases for grant funding for the region’s game changer projects and Council’s large capital projects. In addition to these funding applications, funds were sought and secured for assets that were severely damaged during Tropical Cyclone Debbie in March 2017.
In 2017/18 Council have been successful in obtaining over $50M in funding from these funding applications, which will see the delivery of projects such as the Shute Harbour Redevelopment, Airlie Foreshore Redevelopment, Greening & Growing Bowen, Whitsunday Community Resilience and Innovation Hub, the Whitsunday Critical Asset Resilience Program - Emergency Power Supply, Flagstaff Hill Conference and Cultural Centre and Stage 1 of the Lake Proserpine Barramundi Fishing and Interactive Nature Recreational Precinct in the coming years.

Funding was also secured to deliver the Whitsunday Clipper Race Carnival in January 2018, which saw 12 international yachts and over 400 crew introduced to the region, along with their family and friends. Council delivered the event with consortium partners, and feedback following the event indicated that all stakeholders deeming the two-week carnival a huge success. Independent analysis of the carnival identified that direct expenditure of $1,954,448 was injected into the Whitsundays economy, with almost 8,800 visitor nights were generated. Exposure for the region was significant with over 1.3 million people reached via social media during the campaign.

To expand on visitor numbers and visitor expenditure in the region, the Economic Development team were successful in 2017/18 in gaining funding to develop the Whitsunday Major Festival and Events Attraction Strategy. This strategy along with the creation and implementation of the Whitsunday Start-up Business Support Program will occur in 2018/19 in accordance with the Economic Development Strategy action plan. Council is currently working with Tourism Whitsundays (the region’s regional tourism organization), to revise the region’s tourism destination plan and regional branding, which will both be released in 2018-19.

Council will continue to seek out funding for projects of significance in 2018/19 such as the Whitsunday Marine Centre of Excellence Education Facility, Collinsville Industrial Precinct, Stage 2 of the Lake Proserpine Precinct, in addition to supporting the further expansion of the Whitsunday Coast Airport and industry support via the Climate Change Innovation Hub. Tourism disbursement will be a focus with an emphasis on mainland tourism product development in 2018-19.

Adoption of the Proserpine Area Sustainability and Future Growth Master Plan

The Proserpine Area Sustainability and Future Growth Master Plan has now been adopted and Council has begun delivering the list of 2018 projects. The delivery of scheduled projects is high on Council’s agenda, with highlights including the development of the Lake Proserpine Master Plan, which will see improved recreational facilities, camping areas and boat ramp upgrades at the lake.

Cannon Valley Growth Strategy

Council will begin preparing a Cannon Valley Growth Strategy to guide future urban expansion and protect these areas. The Strategy will assist in securing future infrastructure corridors and provide guidance to the development industry, when preparing structure plans.

Council is committed to supporting local business

Council continued its strong support of local business and industry through its Buy Local Procurement Policy. The policy stipulates that Council must seek quotations from local suppliers from within the township where the works or services are being performed. Local suppliers receive a 10 percent weighting advantage over non-local suppliers in the assessment of procurement transactions.

Through the adoption of this policy, Council awarded over $30 million worth of work to local suppliers for contracts over $200,000.

Public pre-tender information sessions and contract inductions were conducted across the region to support local business and industry, while complying with local government tendering rules.

Council also formed a number of prequalified panel arrangements, with more than 100 local suppliers successfully appointed to supply agreements for trade services, installation and maintenance of solar systems, and wet and dry hire of plant and equipment.

Growth of the Whitsunday Coast Airport continues to impress

The Whitsunday Coast Airport provides passenger and aviation facilities acting as a hub for the region. Virgin Australia, Jetstar and Tigerair provide passenger flights to destinations that include Brisbane, Sydney and Melbourne as direct services.

The airport has had a 33% growth in passenger numbers over the previous financial year. It serviced in excess of 470,000 passengers over the year, making it the 11th busiest regional airport in Australia.

The $25M runway upgrade project was completed during the year. This involved a complete rebuild of the runway and aircraft parking areas. A $15M terminal upgrade has also commenced, which will almost double the existing footprint and refresh the entire building and interior aspects. This project is expected to be completed in December 2018. The upgrade will enable WCA to handle in excess of 800,000 passengers per annum.

More than 20 local sub-contractors and suppliers are sharing in the benefits of the first stage of the $40 million Whitsunday Coast Airport runway upgrade and airport expansion. More than $4 million in contracts had been awarded on the airport project under this council’s Local Buy policy.

The major contractors Fulton Hogan agreed to terms that a priority be placed on awarding as much sub-contract work as possible within region.
Regional marking drive to attract regional airline travellers

A delegation from Council and Whitsunday Coast Airport hosted more than 50 Mackay travel agents and media in Mackay for a marketing drive aimed at attracting regional airline travellers.

The delegation hosted a Fly Whitsunday meet and greet cocktail function at The Dispensary and updated stakeholders on progress of the recently commenced $40 million Whitsunday Coast Airport runway upgrade and terminal expansion.

A three-month TV and radio marketing campaign was launched at the function targeting potential flyers within a two hour drive radius of the Whitsunday Coast Airport. The digital initiative was supported by an extensive regional billboard campaign.

As part of the marketing campaign, people arriving and departing from Whitsunday Coast Airport in August, September and October had the chance to win one of three trips for two people, including flights and accommodation, to attend the 2017 Rugby League World Cup final on December 2.

Quarry Operations

The Quarry has seen significant upgrades and growth within its infrastructure and capabilities over the past 12 months. These upgrades included the construction of:

- New switchboard and electrical control systems
- Stationary rock hammer with support towers
- Triple deck Screen
- Vertical Shaft Impactor
- Radial Stacker Unit

These upgrades already have and will continue to significantly enhance the Quarry’s production capacity.

Coinciding with the ongoing infrastructure upgrade, annual sales of quarry materials have continued for both internal council use and external customers. Once the new crushing plant comes into production in September 2018, the Quarry’s ability to provide an affordable product at competitive pricing will improve for all private sector sales and increase the Quarry’s overall market share.

Internal uses include supplying materials for the Wilson Beach Rockwall revetment, the Whitsunday Coast Airport runway expansion, Shute Harbour revitalization project, and the Gloucester Avenue reconstruction.
3.1 DEMOCRATIC GOVERNANCE

3.1.1 ROLE OF COUNCIL

The Local Government Act 2009 outlines the roles and responsibilities of Councillors, the Deputy Mayor, Mayor and the Chief Executive Officer.

The Role of the Mayor and Councillors

1. A councillor must represent the current and future interests of the residents of the local government area.
2. All councillors of a local government have the same responsibilities, but the mayor has some extra responsibilities.
3. All councillors have the following responsibilities:
   a. ensuring the local government -
      (i) discharges its responsibilities under this Act; and
      (ii) achieves its corporate plan; and
      (iii) complies with all laws that apply to local governments;
   b. providing high quality leadership to the local government and the community;
   c. participating in council meetings, policy development, and decision-making, for the benefit of the local government area;
   d. being accountable to the community for the local government’s performance.
4. The mayor has the following extra responsibilities:
   a. leading and managing meetings of the local government at which the mayor is the chairperson, including managing the conduct of the participants at the meetings;
   b. preparing a budget to present to the local government;
   c. leading, managing, and providing strategic direction to the chief executive officer in order to achieve the high quality administration of the local government;
   d. directing the chief executive officer and senior executive employees, in accordance with the local government’s policies;
   e. conducting a performance appraisal of the chief executive officer, at least annually, in the way that is decided by the local government (including as a member of a committee, for example);
   f. ensuring that the local government promptly provides the Minister with the information about the local government area, or the local government, that is requested by the Minister;
   g. being a member of each standing committee of the local government;
   h. representing the local government at ceremonial or civic functions.

The Role of the Chief Executive Officer

- Implements the local government’s policies and decisions;
- Is responsible for organising the presentation of reports and reporting to the local government; conducts correspondence between Council and other persons; manages and oversees the administration of Council and its corporate plan, and coordinates the activities of all Council employees.
3.1.2 COUNCIL MEETINGS

Councillors and officers are committed to providing the Whitsunday Region with strong and responsive local government and achieving an innovative, efficient and sustainable organisation.

Council’s governance practices focus on providing a framework that demonstrates a high standard of ethical and transparent behaviour at all times.

Members of the public can attend Council’s ordinary meetings which are held on the second and fourth Wednesday of each month. The meeting location is rotated between Proserpine and Bowen Council Chambers with meetings held in Collinsville and Cannonvale a few times a year.

Council has also commenced ‘Country Community Catch-Ups’ to various locations in between the major townships such as Scottville, Mount Coolon, Dingo Beach, Hydeaway Bay, Conway Beach, Wilsons Beach and Molongle Creek & Gumlu.

At each Council meeting there is an opportunity for residents and ratepayers to ask questions from Council, with a response being provided at the following Council meeting. Those who wish to address a meeting must submit their question to the Chief Executive Officer prior to the meeting they wish to address.

There were 22 Ordinary Council meetings and 1 Special Council Meeting in 2017-18.

ORDINARY MEETINGS

2017

2018
31 January, 14 February, 28 February, 14 March, 28 March, 11 April, 24 April, 16 May, 29 May, 13 June, 27 June

SPECIAL MEETINGS

2018
11 June

3.1.3 MAYOR AND COUNCILLOR ATTENDANCE AT MEETINGS

<table>
<thead>
<tr>
<th>Councillor</th>
<th>Ordinary</th>
<th>Ordinary Absent</th>
<th>Special</th>
<th>Special Absent</th>
<th>Total Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Willcox</td>
<td>22</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>23</td>
</tr>
<tr>
<td>J Clifford</td>
<td>22</td>
<td>0</td>
<td>1</td>
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<td>23</td>
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<tr>
<td>R Petterson</td>
<td>22</td>
<td>0</td>
<td>1</td>
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<td>23</td>
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<tr>
<td>J Collins</td>
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<td>P Ramage</td>
<td>22</td>
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<td>D Clark</td>
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<td>M Brunker</td>
<td>20</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>21</td>
</tr>
</tbody>
</table>

3.1.4 REMUNERATION, EXPENSES AND REIMBURSEMENTS

Mayor and Councillor Remuneration

Councillor remuneration is set by the independent Local Government Remuneration Tribunal established under the Local Government Act. The tribunal determines remuneration for Mayors, Deputy Mayors and Councillors. These pay scales take into consideration factors such as the size of the council, the area it covers and the population it serves.

In addition to the remuneration listed below, Councillors have access to a Council vehicle, laptop, mobile phone, tablet and home office equipment.
1 JULY 2017 – 30 JUNE 2018

CR ANDREW WILLCOX
Mayoral Remuneration $129,901.00
Mayoral Superannuation $15,588.12
Telecommunications Expenses $8,849.20
Conference, training, travel and incidental $40,638.98
Total $191,977.30

CR JAN CLIFFORD
Councillor Remuneration $69,008.40
Councillor Superannuation $8,281.01
Telecommunications Expenses $2296.26
Conference, training, travel and incidental $12301.98
Total $91,887.65

CR RON PETTerson
Councillor Remuneration $69,008.40
Councillor Superannuation $8,281.01
Telecommunications Expenses $2850
Conference, training, travel and incidental $3195.68
Total $83,335.09

CR JOHN COLLINS
Deputy Mayoral Remuneration $78,136.19
Deputy Mayoral Superannuation $9,376.34
Telecommunications Expenses $2839.70
Conference, training, travel and incidental $1016.66
Total $91,368.89

CR PETER RAMAGE
Councillor Remuneration $69,008.40
Councillor Superannuation $8,281.01
Telecommunications Expenses $4164.25
Conference, training, travel and incidental $288.18
Total $81,741.84

CR DAVID CLARK
Councillor Remuneration $69,008.40
Councillor Superannuation $8,281.01
Telecommunications Expenses $2103.90
Conference, training, travel and incidental $903.96
Total $80,297.27

CR MIKE BRUNKER
Councillor Remuneration $62,107.81
Councillor Superannuation $7,452.94
Telecommunications Expenses $2660
Conference, training, travel and incidental $4539.21
Total $76,759.96

Senior Officers Remuneration
Total of all remuneration payable to the senior management for the year is $1,611,824. Senior Officers total remuneration package for the period 1 July 2017 – 30 June 2018:

- $100,000 - $199,000: 3
- $200,000 - $299,000: 3
- $300,000+: 1

3.1.5 COMMUNITY ASSISTANCE GRANTS

The Community Assistance Grants Program has been extremely well received by the Whitsundays not-for-profit clubs and associations sector. The key outcomes for 2017/18 included:

54 applications received, in total, from clubs and associations
- 37 applications for the Sport and Recreation Clubs Grant
- 15 applications for the Special Projects Grant and;
- 2 applications for the Facilities Management Grants

95 applications received, in total, from clubs and associations
- 52 applications for the Sport and Recreation Clubs Grant
- 37 applications for the Special Projects Grant and;
- 2 applications for the Facilities Management Grants

Below are the figures from the 2016/2017 FY:

- 54 applications were approved
- 50 applications were approved

Approximately $252,356 was injected by Council into local clubs and associations
Approximately $250,000 was injected by Council into local clubs and associations

Case Study
Volunteer Marine Rescue in Bowen

VMR Bowen applied for the Special Projects grant to construct an enclosed covered area to install a generator and associated electrical wiring to the eastern side of the building. VMR Bowen has had two previous occasions where activations for assistance have been required, but due to power failure, have not been able to respond. The community will benefit by allowing the VMR to have the ability to activate even during times of mains power supply failure. VMR Bowen were awarded $17,846.
Regional Arts Development Fund Grants

Regional Arts Development Fund (RADF) Program is a partnership between the Queensland Government and the Council to support local arts and culture in regional QLD.

In 2017-18, 12 grants were provided to applicants across the Whitsunday region.

Community Drought Support Funding Grants

QLD Government’s Department of Communities, Disability Services and Seniors aims to provide assistance through the Community Drought Support Package to deliver initiatives that strengthen the resilience of Queenslanders living in drought-declared regions.

In 2017-18, 12 grants were provided to applicants across the Whitsunday region.

3.1.6 REBATES AND CONCESSIONS

The Whitsunday Regional Council grants a range of rebates and concessions for rates and charges to assist the community.

- Economic Development Incentives Policy
- Hardship Policy
- Interest Free Loans to not-for-profit sporting and community groups
- Owner Occupier Concession
- Rates Assistance for eligible pensioners
- Paying Rates by Arrangement
- Discount on rates when special circumstances apply
- Waiving, reducing or refunding development fees and charges

3.2 CORPORATE GOVERNANCE

3.2.1 Corporate Governance
3.2.2 Our Organisation
3.2.3 Executive Leadership Team
3.2.4 Our Culture, Our Life
3.2.5 How we measure our performance
3.2.6 Training
3.2.7 Employee Overseas Travel
3.2.8 Code of Conduct
3.2.9 Access to registers and documents
3.2.10 External and Internal Audit
3.2.1 CORPORATE GOVERNANCE

Right to Information

There were 12 Right to Information requests, all of which were finalised in the 2017/18 financial year.

Administrative Action Complaints

The Administrative Action Complaints Management Policy sets out the formal policy position of Council in relation to Administrative Action Complaints. A key objective of this policy is to promote public confidence in Council by ensuring openness and transparency in handling applications for administrative review of decisions made about its services and products.

The policy was developed in accordance with section 268 of the Local Government Act 2009, and section 306 of the Local Government Regulation 2012. The Administrative Action Complaints Management Process adheres to the principles contained within the Policy. The Policy sets out in detail the process by which customers administrative action complaints will be dealt. This provides customers with the opportunity to request an administrative action review of decisions made by Council officers or Council. Council places a high value on feedback from its customers and this feedback is used to shape and refine the future delivery of products and services.

Complaints made against Councillors

In the 2017/18 Financial Year there were 2 complaints made against a Councillor. Both complaints were handled via internal review process and did not require referral to the Department of Local Government or the Crime and Corruption Commission Queensland.

The Whitsunday Regional Council strives to efficiently and effectively investigate and manage administrative action complaints following the principle of natural justice.

Council’s record keeping systems show that there were 11 administrative action complaints in the 2017/18 financial year. Of the 11 complaints, 10 have been resolved.

3.2.2 OUR ORGANISATION

OUR STRATEGIC PLANNING FRAMEWORK

COMMUNITY PLAN
Adopted by Council in 2011
A ten-year strategic plan that reflects the community’s vision for the future of the Whitsunday region, and outlines Council’s goals, strategies and policies for implementing that vision.

CORPORATE PLAN
Scheduled for adoption by Council on 25 June, 2014

BUDGET AND OPERATIONAL PLAN
The Budget and Operational Plan detail the actions that Council will take over the financial year to deliver on the objectives of Council’s Corporate Plan.

QUARTERLY REPORTS
A quarterly report adopted by Council that reports on the progress of implementing the Operational Plan in line with Budget constraints.

ANNUAL PLAN
Annual report on Council’s performance against its operational plan and budget.

MISSION:
NATURAL BEAUTY,
GLOBAL ATTRACTION.
WE HAVE IT ALL.

VISION:
WE ARE COMMITTED TO PROVIDING THE WHITSUNDAY REGION WITH STRONG AND RESPONSIVE LOCAL GOVERNMENT AND ACHIEVING AN INNOVATIVE, EFFICIENT AND SUSTAINABLE ORGANISATION.
"My vision for the Whitsunday Regional Council is to be the Council that others seek to copy"

Barry joined the Royal Australian Navy as a 15-year-old apprentice, where he spent the next 16 years before venturing into local government.

Barry started working in Local Government in 1996 at the Logan City Council as the Manager of Mechanical Electrical. During that time, Barry was part of the Management Challenge Team who came 2nd in Australasia. It was at that time that he was approached to see if he would be interested in the role of Board Manager, Townsville Thuringowa Water Board, which he later transformed as CEO over the course of three years, into NQ Water.

As CEO, Barry reported directly to a Board consisting of one independent chairperson and the Mayors and one Councilor of Thuringowa City Council and Townsville City Council.

Barry spent some time in commercial organisations including several years in a large multi-national services and civil business in a senior leadership role before returning to Local Government working as Deputy CEO – Planning & Development at Beaudesert Shire Council followed by an appointment as the Director of Commercial Services Mackay Regional Council. Due to family commitments soon thereafter, Barry moved to Tasmania where he spent three years at Cradle Mountain Water as Executive Manager Operations, reporting to the CEO.

Ultimately Barry decided his goal was to be CEO of a large local government and he became CEO of Mackay Regional Council for three years before being afforded and opportunity to work as the CEO at the Whitsunday Regional Council where he remains.

The Chief Executive Officer is responsible for managing the Council’s administration, focusing on:

- effective, efficient and economical management of public resources and excellence in service delivery and continuous improvement
- managing employees and promoting equal employment opportunity and workplace health and safety
- providing the Mayor and Councillors with advice to assist them in carrying out their duties and implementing Council decisions and priorities.

In practical terms, this involves:

- leading the development of the annual draft budget and financial overview for presentation to the Mayor
- driving key strategic agendas
- the ongoing review of City functions and services
- meeting with key stakeholders and government partners to negotiate and progress significant regional opportunities

This directorate also strengthens the local economy by creating and delivering projects in partnership with the private and public sectors. Key areas of responsibility include export development, industry development, cultural development and major projects delivery.
Adam Hagy
Director of Customer Experience

Adam’s career started in Horticulture before becoming an owner of a structural landscaping business for ten years. He first joined Local Government approximately 5 years ago as the Coordinator of Shire Presentation at a Council in NSW. He says his current role as Director of Customer Experience provides great variety, more exposure to the community and the ability to find out what the community desires to help create a wonderful place to live and visit for us all.

At WRC, Adam loves the cultural transformation – seeing the values that we’ve agreed to come to light and the transition that is occurring to empower our workers. We have a lot of work to do for this community and the only way we will get there is if everyone is on board and everyone has empowerment and trust.

In his spare time, Adam enjoys boating, fishing and scuba diving with his family and being able to experience the wildlife.

This directorate is responsible for areas that directly relate to services that directly affect our residents. Key areas of responsibility include customer service, waste and recycling services and parks and gardens.

Julie Wright
Director of Community & Environment

Julie worked for the Burdekin Shire Council as an Animal Management Officer for five and half years. Julie recalls her first day where she caught a stray dog, cleaned the pound and cleaned rubbish bins.

The following 10 years were spent at Cairns Regional Council in the compliance field before moving to the Whitsunday Regional Council in 2010.

Julie loves the family orientated feel of the Whitsunday Regional Council – everybody is so friendly and it’s a fun place to work. She feels that trust is important in an organisation as it allows staff to grow into their positions, take ownership and be the best they can possibly be.

In her spare time, Julie enjoys spending time with her grandchildren, fishing and spending time at her parent’s property on the beach.

This directorate provides community services focused on public health and safety, natural resource management, social development, sport and recreation. Key responsibilities include community and library services, sports facilities, environmental and public health, regulatory and lifeguard services, Schoolies, community safety and local laws.
Neil McGaffin
Director of Planning & Development Services

Neil started his local government career in Adelaide at the City of Noarlunga but then moved from state to state with appointments in Mildura, Kilmore and Wollongong. Neil has been through numerous Council amalgamations and has had extensive experience working with and in the State Government.

On Whitsunday Regional Council Neil says he loves the people, loves the work and he loves the lifestyle. In his spare time, Neil and his wife Sue who also works at Council like to travel to the islands on their jet skis, snorkelling and the whole lifestyle of living close to the water.

This directorate supports sustainable living in the region through land use and infrastructure planning and development control. Key areas of responsibility include strategic land use planning, urban design, planning, implementation and assessment, development compliance, infrastructure charging, growth management, environmental planning, nature conservation and place making.

Jason Raiteri
Director of Engineering Services

Jason grew up in the Whitsundays before joining the Royal Australian Airforce as an Engineer in 1994. At the completion of his 17-year service career, Jason returned to the Whitsundays and secured a position as the Fleet Coordinator at Whitsunday Regional Council in 2015.

It didn’t take long for Jason to get promoted to the role of Director of Engineering Services.

What Jason enjoys about working at Whitsunday Regional Council is that he gets to travel all over the region and work with a diverse range of staff – from the beach to the outback.

Jason’s spare time is spent playing guitar and riding horses.

This Directorate delivers and maintains quality infrastructure and services to meet the current and future needs of the region. Key areas of responsibility include emergency and disaster management, municipal infrastructure and local area works delivery, transport planning network management and maintenance and town cleaning.

Whitsunday Water and Waste and the Fooldale Quarry both operate as separate business units that fall under the leadership of the Director of Engineering Services.

Jodie Rugless
Director of Corporate Services

Prior to working in local government, Jodie worked in the IT sector in health care. Her first local government job was straight out of university at Indigo Shire Council and then spent time in some South Australian Councils for approximately 5 years before moving to the Whitsundays.

Jodie was working as the I.T. Manager before she was afforded the temporary role of Acting Director of Corporate Services. When the position was opened up full-time, Jodie applied and was successful.

Jodie says the Whitsundays is the most beautiful place in the world and she has an amazing opportunity to continually contribute to the diverse communities in the region.

Jodie and her husband and kids enjoy riding horses and going out in their boat.
3.2.4 OUR CULTURE, OUR LIFE

Our Culture Our Life is the platform by which our Council delivers to our community. It entails recognition that our lives at home are effected by our work lives and the opposite is also true. Our belief is that if we can provide the very best work environment, with great leadership and support services that this will enrich the lives of our people. A positive mind set develops that goes home with our people and this positive energy charges those family and friends at home, enriching their lives as well. However without good leadership, good systems, processes, governance, policies and support services it is quite likely our people will leave work with a negative mindset. This negativity is then quickly transferred to those at home, and all of a sudden, because of a failure at work people, those close to them, are on tender hooks, walking on egg shells, silent and unhappy. This negativity is absorbed and in the case of our peoples children, taken to school the next day and negatively impacts on their child’s performance. Or negatively effects the partner as she or he struggle at work or at home the next day, hoping that their loved one comes home happier today.

All of this because as leaders we failed to provide the best work environment we can.

Whitsunday Regional Council recognises the value of a great culture. The fact is that a good culture adds to the bottom line, while a poor culture will cost an organisation millions in lost productivity. People make culture, good, bad or indifferent. It is up to those leading an organisation to provide the leadership, systems and process to ensure their people are able to bring their best to work. Our Culture Our Life is something we believe will assist in delivering the best service possible to our community.

Indeed, we have measured ourselves several times in terms of a more satisfied employee’s perspective. It is heartening to see our teams cultural improvement, as they deliver far more productive work so soon after the devastation of Tropical Cyclone Debbie while many themselves are still not in their homes and most are still not back in their usual workplaces.

In seeking to be the best Council in the best Region, we still have much work to do, yet through Our Culture Our Life, we continue to grow as a team, and actively and collectively work on improving our performance.

Observed behaviour changes of WRC Leaders:

- Positive increase in observed behaviours of leaders – approachable, clarity of direction, improved communication

What employees are looking for leaders to change or do more of:

- Similar themes are evident between pulse surveys. Continue to improve communication (depth and consultation), listening and inclusion, accountability holding people to account and empowerment.

Outdoor staff completed the survey via paper copy in teams with assistance provided by Champions at the time of completion.

Indoor staff had access to the survey monkey online to complete.

Over the 2017/2018 Financial Year, the following culture workshops were held across the organisation:

- Employee cultural workshop sessions
- Cultural champions workshop
- Combined management team cohort session
- Supervisors cohort session
- Monthly cultural activities each team
- Peer group team activities per month
3.2.5 HOW WE MEASURE OUR PERFORMANCE

Performance management involves more than just sitting down during review periods to see how the Executive is performing. As mentioned earlier, it is a continuous process involving Planning, Developing, Monitoring and Recognising/Rewarding.

The continuous nature of performance management can be best illustrated by Council’s Performance Management Cycle.

All Whitsunday Regional Council employees undertake a Personal Development Plan twice yearly. The purpose of the Personal Development Plan discussions is to promote an open two-way communication between a manager/supervisor and their team members. This process gives both parties the opportunity to discuss and record information about their role, their expectations, learning and development opportunities and to provide positive and constructive feedback in an open and respectful manner. It also provides opportunities to set KPI’s for the year ahead.

Performance Review – Chief Executive Officer

“Mr Omundson’s ability to embrace change to improve Council’s productivity and his open door engagement with councillors and all staff has seen the culture of the organisation increase markedly.”

Mayor Andrew Willcox

Council has adopted an Executive Performance Management Framework which outlines the way in which council manages the performance of its Executive. The Framework is based on the Leadership Competencies and visibly links individual performance to achievement of organisational objectives. The Leadership Competencies are as follows:

<table>
<thead>
<tr>
<th>Leadership Competency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMOTIONAL INTELLIGENCE</strong></td>
<td>Can successfully manage the impact their words and actions have on others and works hard to ensure they have a positive impact on everyone</td>
</tr>
<tr>
<td><strong>CHANGE AGENT</strong></td>
<td>Flexible and agile in the face of change. Keen to learn and develop through feedback. Displays a positive attitude towards change and keen for continuous improvement. Seeks opportunities to implement change and takes the initiative.</td>
</tr>
<tr>
<td><strong>EFFECTIVE COMMUNICATION</strong></td>
<td>Written and verbal communications are effective, clear, constructive and encourages two-way communication</td>
</tr>
<tr>
<td><strong>INTEGRITY</strong></td>
<td>Is a role model for integrity and shows respect to all those who they meet regardless of political persuasion or agenda</td>
</tr>
<tr>
<td><strong>DEVELOPING OTHERS</strong></td>
<td>Actively encourages others to develop and provides support, mentoring and coaching where required. Creates an environment where the team feels empowered and accountable for their development.</td>
</tr>
<tr>
<td><strong>INTERPERSONAL SKILLS</strong></td>
<td>Integrates well with others and is able to have difficult conversations without fear of conflict. Has a good level of political acumen. Demonstrates the ability to persuade and influence others and can negotiate positive outcomes.</td>
</tr>
<tr>
<td><strong>OPERATIONAL EXCELLENCE</strong></td>
<td>Focusses their energy on strategic thinking and achieves results within deadlines and within budget</td>
</tr>
<tr>
<td><strong>GROWTH MIND SET</strong></td>
<td>Actively looks for ways to improve, focusing on what is working well rather than what is not working. Encourages others to improve and creates a positive environment for this to occur.</td>
</tr>
</tbody>
</table>
3.2.6 TRAINING

Training sessions are conducted for all staff of various disciplines throughout the year to ensure we work safely, in a timely manner, and are prepared with the knowledge we need to do our jobs effectively. The following training was offered in 2017-18:

**GENERAL:**
- Authorised Persons training – Local Government training
- Code of Conduct
- Anti-Discrimination Act training – Employee and Managers sessions
- Community Engagement training
- Right to Information and Privacy training
- Guardian system training (Disaster Management)
- Disaster Management training – Disaster Management Arrangements, Warnings & Alerts, Coordination Centre Modules
- Local Disaster Management Group training
- Disaster Management Exercise
- WH&S Representative training
- Financial Delegations training (internal)
- Procurement Policy training (internal)
- Procurement & Contracts training (internal)
- Performance Management training
- Supervisors Program skills training (new program to support and supplement Cultural Program – internal/external run program)

**MORE SPECIALISED TRAINING:**
- Contracts Management training
- Asbestos training
- Working at Heights
- Chemical Accreditation
- CPR
- First Aid
- Mapinfo (internal led)
- Backflow prevention
- Traffic Control and Implement Traffic Management Plans training
- Predictor Modelling training
- Report on Health and Condition of Trees
- Chainsaw training
- Plant tickets and Verification of Competencies for Plant
- Confined Space
- Prince2 training
- Elevated Work Platforms
- Promapp training (internal run)
- Forklift training

Employees also attended various specialised training (training requests), study assistance was available with 14 employees approved for assistance through Council’s Study Assistance Policy. Employees also attended various conferences, seminars and workshops via approval from their respective departments.

Work Experience students were also assisted throughout the financial year with accessing on the job experience in various fields, including: Local Laws, Libraries, Airport Operations, Town Planning, Legal (Solicitor), Environmental Health and Parks & Gardens.

3.2.7 EMPLOYEE OVERSEAS TRAVEL

No employees travelled overseas in the 2017/2018 Financial Year.

3.2.8 CODE OF CONDUCT

Whitsunday Regional Council acknowledges that there are particular responsibilities which Councillors and employees have for safeguarding the public interest, exercising a duty of care and inspiring public confidence and trust.

Providing certainty to people in dealing with ethical matters will assist Council in being more efficient and will give staff a better appreciation of the need to use resources responsibly; to comply with Council policies; to develop good client relations; and to promote the public interest.

Codes of Conduct prescribe appropriate behaviour for all officers and employees of the Council, however they can provide for different requirements in respect of different classifications of officers and employees. The Act identifies five ethics principles as the basis of good public-sector practice.

**Principle 1: Respect for the law and system of government**
**Principle 2: Respect for persons**
**Principle 3: Integrity**
**Principle 4: Diligence**
**Principle 5: Economy and efficiency**

Code of Conduct training was run by the Operational HR Coordinator and the Manager of Legal and Governance. Goals were to remind employees of their obligations as Local Government employees, understand how the Code of Conduct applies to all employees and how to apply the Ethics Principles’ and the Council Values to everyday work practices.
63% of organisation attended a session

39% of attendees strongly agree that the training was relevant, helpful and the purpose presented clearly

57% agree with this statement

55% of attendees strongly agree that the facilitator presented clearly, the materials used were of a high standard and the training environment was comfortable

4% were unsure

1% disagreed

3.2.8 ACCESS TO REGISTERS AND DOCUMENTS

Council is required under the Local Government Act 2009 to keep certain documents and to maintain certain registers. Some of these are made available on the Whitsunday Regional Council website while others are used internally as part of Council’s operations.

- Financial Statements
- Council Budget and associated documents
- Fees and Charges
- Financial Statements
- Right to Information Disclosure Log
- Council Policies
- Annual Report
- Ordinary / Special Meeting Council Minutes and Agendas
- Corporate Plan
- Operational Plan
- Community Plan
- Register of Interests
- Register of Interests
- Awarded contracts above the value of $200,000
- Roads Register
- Delegations Register
- GIFTS and Benefits Register
- Public Interest Disclosure Register
- Administrative Complaints Register
- Lobbyist Register (internal)
- Policies; Procedures; and Forms Registers
- Audit Actions Register
- Special Needs / Vulnerable Persons Register
- Don River Flood Warning Call-up list
- Portable & Attractive Items Register
- IT Infrastructure Asset Register
- Mobile Phone & Device Register
- Lease Register ($10)
- Asset Register
- Land Register
- Road Register
- Contributed Asset Register
- Registered dogs and cats
- Impounded animals
- Impounded vehicles
- Infringements
- Local Law – prescribed activities:
- Accommodation
- Advertising signage
- Footpath Dining
- Goods on Footpath
3.2.9 AUDIT AND RISK COMMITTEE

The Whitsunday Regional Council Audit & Risk Committee comprises 4 members including two internal members – Mayor Andrew Willcox and Deputy Mayor John Collins and two external members – John Finlay and Graham Webb.

The role of the WRC Audit & Risk Committee is to provide independent assurance and assistance to Whitsunday Regional Council on matters relating to:

- Internal Audit
- External Audit
- Financial statements and reporting
- Risk management
- Internal control
- Legislative and policy compliance

The committee has no executive powers. The Audit & Risk Committee is a committee of Whitsunday Regional Council and is directly responsible to the full Council of the Whitsunday Regional Council.

In discharging its responsibilities, the committee has the authority to:

- Conduct or authorise investigations into matters within its scope of responsibility;
- Access information, records and personnel of Whitsunday Regional Council for such purpose;
- Request the attendance of any employee, including executive staff, at committee meetings;
- Conduct meetings with Whitsunday Regional Council internal and external auditors, as necessary;
- Seek advice from external parties, as necessary

Internal Audit

Through the internal audit role, Whitsunday Regional Council has the following goals:

- Assurance that processes and internal controls are in place to ensure accountability and compliance
- Assurance that Council’s systems and governance produce expected outcomes
- Identification of opportunities for improved performance and efficiencies
- Identification of processes to reduce Council’s risks.

The internal audit function also complements the work undertaken by the external auditors. Council has a focus on continuous improvement. The internal audit function will support the move towards more efficient and effective processes and systems.

The contract internal auditor will be responsible for the following key responsibilities:

1. Report to the Chair of the Committee or the Chief Executive Officer recognizing the primary reporting relationship is to the audit and risk management committee;
2. Prepare and develop an annual audit plan, in conjunction with the Audit Committee, based on the Queensland Treasury’s Audit Committee Guidelines and incorporating a risk based approach;
3. Prepare and internal audit program in conjunction with the committee, including the scope and objective of internal audits and the preparation of internal audit programs;

External Audit

Whitsunday Regional Council’s internal auditors are Crowe Horwath. In the 2017/2018 Financial Year, Crowe Horwath focused on the following areas over numerous audits:

- Grants management
- Records management
- Council resolutions
- Timesheets
- Legislative Compliance
- Complaints Management
- IT Systems and Security
- IT Governance / Projects
- Business Continuity

External Audit

Whitsunday Regional Council’s external Auditors, the Queensland Audit Office through their contractors William Buck Chartered Accountants and Advisors, conducted one single annual audit for 2017/18.

They focused on the following areas:

- Property, plant and equipment - Completeness, valuation and disclosures
- Probit and propriety considerations - Appropriateness of expenses and liabilities

Audit Actions Register

All recommendations from internal and external audit reports are included in a formal Audit Actions Register which is the internal reporting mechanism to monitor the progress of actions taken as a result of recommendations.

Responsible officers are required to update the Register on a timely basis detailing how recommendations are/ will be addressed.

Whitsunday Regional Council Audit & Risk Committee

Your address here

Date

Chairperson

Secretary

FOOTER PAGE - 96
Council undertakes several commercial business activities including two Significant Business Activities (SBAs) as defined by the Local Government Act 2009 (Act) and the Local Government Regulation 2012 (Regulation).

### 4.1 SIGNIFICANT BUSINESS ACTIVITIES

**A. Whitsunday Water**

This business unit provides potable water to the water supply areas within the region. The business unit also collects waste water (sewage) from the sewerage service areas, and treats the collected sewage in keeping with license and environmental requirements, before disposing of the treated effluent. As per the definitions contained in the Act and the Regulation, this business unit is a SBA. Council, to the extent practicable, applies full cost pricing principles in determining the pricing for water and sewerage services.

This business unit provides waste collection, recycling and waste disposal services to the serviced area within the region. As per the definitions contained in the Act and the Regulation, this business unit is also a SBA. Council, to the extent practicable, applies full cost pricing principles in determining the pricing for its waste services.

### 4.2 BUSINESS ACTIVITIES

**A. Whitsunday Coast Airport**

Council operates the Whitsunday Coast Airport (WCA) (airport code PPP) as a commercial business, primarily for passenger transport. Three airlines operates to and from the WCA. Council, to the extent practicable, applies the Code of Competitive Conduct (CCC) to the relevant business decisions related to this business unit.

**B. Foxdale Quarry**

Council operates the Foxdale Quarry as a commercial business. The quarry supply building materials for the construction and maintenance of roads and similar structures. The output of the quarry is used for Council’s internal purposes as well as sold to external parties. Council, to the extent practicable, applies the Code of Competitive Conduct (CCC) to the relevant business decisions related to this business unit.
C. Building Certification Services

Council provides building certification services to residential and non-residential developments within the region. As required by the Act and the Regulation, Council, to the extent practicable, applies the CCC to the relevant business decisions related to this business unit.

D. Caravan Parks

Council owns and operates two caravan parks, Wangaratta Caravan Park in Bowen and the Proserpine Caravan Park in Proserpine. The total costs of each of these operations are below the threshold stipulated in the Regulation, and as such there are no requirements to apply CCC.

E. Aerodromes

Council own and operate three aerodromes, one each at Bowen, Collinsville, and Mount Coolon. The total costs of each of these operations are below the threshold stipulated in the Regulation, and as such there are no requirements to apply CCC.

F. Independent Living Facility

Council owns and operates an independent living facility at Collinsville. The total costs of this operation is below the threshold stipulated in the Regulation, and as such there is no requirements to apply CCC.
COMMUNITY FINANCIAL STATEMENT 2018
(For the year ending 30 June 2018)

The income statement details Council’s revenue generated, as well as expenses incurred, in operating and maintaining Council assets, in order to deliver the required community services, during the reporting period.

Simplified Income Statement 2018 2017
For the year ended 30 June 2018
$ '000 $ '000
Operating revenue 128,117 114,776
Operating expenses (119,252)                    (113,695)
Capital grants, subsidies, contributions and other capital income 49,702 10,329
Asset disposals and write-downs (23,846)        (20,151)
Net result for the period 34,721 (8,741)

The balance sheet provides information regarding the assets Council owned, as well as liabilities that it had incurred, as at the last day of the reporting period.

Simplified Balance Sheet 2018 2017
As at 30 June 2018
$ '000 $ '000
What we have in the bank 58,397 50,177
What we own 978,606 966,711
What we are owed 17,356 17,176
Our total assets 1,054,359 1,034,064
What we owe our suppliers and employees 20,876 16,633
What we have borrowed 48,932 51,504
Our total liabilities 69,808 68,137
Net community assets (wealth) $84,551 $956,927

In order to minimise the impact on ratepayers, Council endeavours to maximise its revenue from sources other than General Rates by seeking appropriate contributions when property development occurs and actively pursuing grants and subsidies from State and Federal Governments.

Council also endeavours to apply the user pays principle and try recover full costs from Water, Sewerage and Waste Utility Charges as well as from its Fees and Charges, whenever possible and appropriate, which also help to minimise the reliance on General Rates.

Council was successful in securing the following operating and capital grants and subsidies during the reporting period.

Capital Grants & Subsidies Sourced

<table>
<thead>
<tr>
<th>Source</th>
<th>Source</th>
<th>$ Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proserpine &amp; Bowen Waste Water Improvement</td>
<td>State Govt.</td>
<td>3.78</td>
</tr>
<tr>
<td>Whitsunday Coast Airport Terminal Redevelopment</td>
<td>State Govt.</td>
<td>4.50</td>
</tr>
<tr>
<td>Work for Queensland</td>
<td>State Govt.</td>
<td>3.78</td>
</tr>
<tr>
<td>CCTV Project</td>
<td>Federal Govt.</td>
<td>0.43</td>
</tr>
<tr>
<td>Transport Infrastructure Development Scheme (TIDS) Program</td>
<td>State Govt.</td>
<td>0.91</td>
</tr>
<tr>
<td>National Disaster Recovery &amp; Reconstruction (NDRRA)</td>
<td>State/Federal Govt.</td>
<td>15.6</td>
</tr>
<tr>
<td>Other State Government Subsidies</td>
<td>State Govt.</td>
<td>1.14</td>
</tr>
<tr>
<td>Bowen Streetscape Improvement</td>
<td>State Govt.</td>
<td>1.50</td>
</tr>
<tr>
<td>Roads to Recovery Program</td>
<td>Federal Govt.</td>
<td>1.96</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>33.60</td>
</tr>
</tbody>
</table>
OUR COMMUNITY INFRASTRUCTURE

Council owns and manages infrastructure valued at more than $1.38 billion, to service the needs of the community.

Council adopts a progressive approach to asset management that ensures our assets are optimised and that the community continues to benefit from them, at present as well as in future years.

<table>
<thead>
<tr>
<th>Our Community Infrastructure</th>
<th>2018 $ Mn.</th>
<th>2017 $ Mn.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads, Bridges and Drainage and Network</td>
<td>668</td>
<td>660</td>
</tr>
<tr>
<td>Plant and Equipment</td>
<td>33</td>
<td>31</td>
</tr>
<tr>
<td>Buildings</td>
<td>135</td>
<td>145</td>
</tr>
<tr>
<td>Sewerage Infrastructure</td>
<td>218</td>
<td>217</td>
</tr>
<tr>
<td>Water Infrastructure</td>
<td>273</td>
<td>269</td>
</tr>
<tr>
<td>Land and Land Improvements</td>
<td>46</td>
<td>45</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,373</td>
<td>1,367</td>
</tr>
</tbody>
</table>

Council owns and manages infrastructure valued at more than $1.38 billion, to service the needs of the community.

Council adopts a progressive approach to asset management that ensures our assets are optimised and that the community continues to benefit from them, at present as well as in future years.

Our Community Infrastructure
- **Roads, Bridges, and Drainage**: 668 $ Mn, 49%
- **Plant and Equipment**: 33 $ Mn, 2%
- **Buildings**: 135 $ Mn, 10%
- **Sewerage Infrastructure**: 218 $ Mn, 16%
- **Water Infrastructure**: 273 $ Mn, 20%
- **Land and Land Improvements**: 46 $ Mn, 3%

**TOTAL**: 1,373 $ Mn

FINANCIAL RATIOS

Ratios are useful tools for getting a snapshot of the financial status and trends of an organisation. Ratios can also be useful in comparing a group of like councils to get a sense of relative financial strength.

The Queensland State government mandates three key sustainability ratios were mandated, with target ranges for each measure.

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Definition</th>
<th>Target Range</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Surplus Ratio</strong></td>
<td>Net operating surplus divided by total operating revenue. Expressed as a percentage</td>
<td></td>
<td>6.92%</td>
<td>0.94%</td>
</tr>
<tr>
<td><strong>Asset Sustainability Ratio</strong></td>
<td>Capital expenditure on the replacement of assets (renewals) divided by depreciation expense. Expressed as a percentage</td>
<td></td>
<td>168.46%</td>
<td>76.77%</td>
</tr>
<tr>
<td><strong>Net Financial Liabilities Ratio</strong></td>
<td>Total Liabilities less current assets divided by Total Operating Revenue. Expressed as a percentage</td>
<td></td>
<td>-5.85%</td>
<td>-0.72%</td>
</tr>
</tbody>
</table>
### Statement of Comprehensive Income

**For the year ended 30 June 2018**

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recurrent revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates and levies</td>
<td>$80,311,115</td>
<td>$76,499,562</td>
</tr>
<tr>
<td>Sale of goods and major services</td>
<td>$15,171,267</td>
<td>$9,757,250</td>
</tr>
<tr>
<td>Fees and charges</td>
<td>$3,743,435</td>
<td>$3,126,476</td>
</tr>
<tr>
<td>Interest received</td>
<td>$1,611,918</td>
<td>$1,891,565</td>
</tr>
<tr>
<td>Sales of contract and recoverable works</td>
<td>$5,488,589</td>
<td>$3,444,057</td>
</tr>
<tr>
<td>Rental income</td>
<td>$248,076</td>
<td>$442,444</td>
</tr>
<tr>
<td>Other recurrent income</td>
<td>$5,678,990</td>
<td>$15,863,398</td>
</tr>
<tr>
<td><strong>Total recurrent revenue</strong></td>
<td>$128,116,788</td>
<td>$114,775,807</td>
</tr>
<tr>
<td><strong>Capital revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants, subsidies, contributions and donations</td>
<td>$37,799,688</td>
<td>$10,319,190</td>
</tr>
<tr>
<td>Other capital income</td>
<td>$11,902,379</td>
<td>$10,232</td>
</tr>
<tr>
<td><strong>Total capital revenue</strong></td>
<td>$49,702,067</td>
<td>$10,329,422</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>$177,818,855</td>
<td>$125,105,229</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Recurrent expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>$(33,915,504)</td>
<td>$(31,497,567)</td>
</tr>
<tr>
<td>Materials and services</td>
<td>$(58,210,557)</td>
<td>$(55,862,441)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>$(3,150,493)</td>
<td>$(3,410,268)</td>
</tr>
<tr>
<td>Amortisation</td>
<td>$(161,307)</td>
<td>$(43,500)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$(23,813,646)</td>
<td>$(22,881,294)</td>
</tr>
<tr>
<td><strong>Total recurrent expenses</strong></td>
<td>$(119,251,507)</td>
<td>$(113,695,070)</td>
</tr>
<tr>
<td><strong>Capital expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$(23,845,851)</td>
<td>$(20,151,017)</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$(143,097,358)</td>
<td>$(133,846,087)</td>
</tr>
<tr>
<td><strong>Net result</strong></td>
<td>$34,721,497</td>
<td>$(8,740,858)</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that will not be reclassified to net result</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease in asset revaluation surplus</td>
<td>$(23,104,631)</td>
<td>$(28,729,115)</td>
</tr>
<tr>
<td><strong>Total other comprehensive income for the year</strong></td>
<td>$(23,104,631)</td>
<td>$(28,729,115)</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>$11,616,866</td>
<td>$(37,469,973)</td>
</tr>
</tbody>
</table>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.
### Statement of Financial Position

**As at 30 June 2018**

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents 10</td>
<td>58,396,759</td>
<td>50,176,596</td>
</tr>
<tr>
<td>Trade and other receivables 11 (a)</td>
<td>17,356,335</td>
<td>17,167,647</td>
</tr>
<tr>
<td>Inventories 12</td>
<td>1,546,076</td>
<td>1,615,768</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>77,299,170</td>
<td>68,960,011</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables 11 (b)</td>
<td>1,719</td>
<td>8,594</td>
</tr>
<tr>
<td>Equity investments 25</td>
<td>100,000</td>
<td>-</td>
</tr>
<tr>
<td>Investment properties 13</td>
<td>1,630,000</td>
<td>1,680,000</td>
</tr>
<tr>
<td>Property, plant and equipment 14</td>
<td>975,166,939</td>
<td>963,093,185</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>161,307</td>
<td>322,614</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>977,059,965</td>
<td>965,104,393</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,054,359,135</td>
<td>1,034,064,404</td>
</tr>
</tbody>
</table>

| **Current liabilities** |               |               |
| Trade and other payables 15 | 15,168,457 | 11,760,143 |
| Provisions 16 | 3,721,417 | 3,096,950 |
| Borrowings 17 | 2,827,117 | 2,683,491 |
| **Total current liabilities** | 21,716,991 | 17,540,584 |
| **Non-current liabilities** |               |               |
| Provisions 16 | 1,985,994 | 1,776,060 |
| Borrowings 17 | 46,105,367 | 48,820,900 |
| **Total non-current liabilities** | 48,091,361 | 50,596,960 |
| **Total liabilities** | 69,808,352 | 68,137,544 |

| **Net community assets** |               |               |
| 984,550,783 | 965,926,860 |

| **Community equity** |               |               |
| Asset revaluation surplus 18 | 335,541,650 | 358,646,281 |
| Reserves | - | 49,403,802 |
| Retained surplus | 649,959,133 | 587,876,777 |
| **Total community equity** | 984,550,783 | 965,926,860 |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.
Statement of Cash Flows
For the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>121,013,124</td>
<td>101,992,437</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(98,594,811)</td>
<td>(93,573,229)</td>
</tr>
<tr>
<td>Interest received</td>
<td>1,611,918</td>
<td>1,891,585</td>
</tr>
<tr>
<td>Rental income</td>
<td>248,076</td>
<td>442,444</td>
</tr>
<tr>
<td>Non capital grants and contributions</td>
<td>4,156,398</td>
<td>15,220,648</td>
</tr>
<tr>
<td>Borrowing costs</td>
<td>(2,765,832)</td>
<td>(2,896,307)</td>
</tr>
<tr>
<td>Net cash inflow from operating activities</td>
<td>36,385,873</td>
<td>22,786,558</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments for property, plant and equipment</td>
<td>(62,248,073)</td>
<td>(23,766,608)</td>
</tr>
<tr>
<td>Net movement in loans to community organisations</td>
<td>6,874</td>
<td>6,874</td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment</td>
<td>335,352</td>
<td>559,964</td>
</tr>
<tr>
<td>Payments for equity investments</td>
<td>(100,000)</td>
<td>-</td>
</tr>
<tr>
<td>Grants, subsidies, contributions and donations</td>
<td>36,412,044</td>
<td>9,371,149</td>
</tr>
<tr>
<td>Net cash outflow from investing activities</td>
<td>(25,993,803)</td>
<td>(13,848,621)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>(2,571,907)</td>
<td>(2,438,577)</td>
</tr>
<tr>
<td>Net cash outflow from financing activities</td>
<td>(2,571,907)</td>
<td>(2,438,577)</td>
</tr>
<tr>
<td>Net increase in cash and cash equivalents held</td>
<td>8,220,163</td>
<td>6,499,360</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the financial year</td>
<td>50,176,596</td>
<td>43,677,236</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of the financial year</td>
<td>58,396,759</td>
<td>50,176,596</td>
</tr>
</tbody>
</table>

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

Notes to the Financial Statements
For the year ended 30 June 2018

1. Significant financial policies

1.1 Basis of preparation

These general purpose financial statements are for the period 1 July 2017 to 30 June 2018 and have been prepared in compliance with the requirements of the Local Government Act 2009 and the Local Government Regulation 2012.

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Council's operations and effective for the current reporting period. Because the 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 (IFRSs), to the extent these inconsistencies are applied, these financial statements do not comply with IFRSs.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain non-current assets and investment properties which are measured at fair value less estimated cost of disposal.

1.2 Constitution

The Whitsunday Regional Council (Council) is constituted under the Queensland Local Government Act 2009 and is domiciled in Australia.

1.3 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.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective. The standards that are expected to have a material impact upon Council's future financial statements are:

**Standard and Impact**

**Applicable date**

- **AASB 9 Financial Instruments**
  - **01-Jul-18**
  - This replaces AASB 139 Financial Instruments: Recognition and Measurement, and will change the classification, measurement and disclosures of financial assets.

- **AASB15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities**
  - **01-Jul-19**
  - AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. AASB 2016-6 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1054 Contributions. Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

These standards will first apply to the Council from its financial statements for 2019-20.

Council has commenced analysing the new revenue recognition requirements under these standards and potential future impacts identifiable at the date of this report are as follows:

(a) Grants received to construct non-financial assets controlled by the Council will be recognised as a liability, and subsequently recognised progressively as revenue as the Council satisfies its performance obligations under the grant. At present, such Grants are recognised as capital revenue upfront.

(b) Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, these grants are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

(c) Depending on the respective contractual terms, the new requirements of AASB15 may potentially result in a change to the timing of revenue from sales of the Council's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that the Council has received cash but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). Council is yet to complete its analysis of existing arrangements for sale of its goods and services and the impact, if any, on revenue recognition has not yet been determined.

(d) As at 30 June 2018 Council had received pre-paid rates totalling $2,070,770. If Council had applied AASB 1058 this year these rates would have been recognised as a liability in the Statement of Financial Position.

(e) A range of new disclosures will also be required by the new standards in respect of the Council's revenue.

**AASB 16 Leases**

- **01-Jul-19**
  - Council has some leases that are not on its Statement of Financial Position. These will need to be included on the Statement of Financial Position when this standard comes into effect. A lease liability will initially be measured at the present value of the lease payments to be made over the lease term. A corresponding right-of-use asset will also be recognised over the lease term. If this requirement had been adopted at 30 June 2018 management estimate that there would be no material impact on the net assets of Council.
Notes to the Financial Statements
For the year ended 30 June 2018

1.4  Estimates and Judgements
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:

- Investment Property - note 13
- Valuation and depreciation of property, plant and equipment - note 14
- Provisions - note 16
- Contingent liabilities - note 21

1.5  Rounding and comparatives
The financial statements have been rounded to the nearest $1.
Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

1.6  Taxation
Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

The Council pays payroll tax to the Queensland Government on certain activities.

Notes to the financial statements
For the year ended 30 June 2018

2  Analysis of Results by Function

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

Office of the Chief Executive
Incorporates the offices of the Mayor, Councillors and the Chief Executive Officer to set and achieve the Council's goals and objectives for the citizens of the Whitsunday region by providing direction, support, co-ordination, sound resource management policy and achieve effective and efficient management of Council's assets and resources.

Corporate Services
Corporate Services is responsible for the provision of efficient, effective and accountable financial and administrative services to Council and the community it serves. The core branches include Asset Management, Accounting & Financial Services, Procurement, Property & Fleet, and Information Services.

Planning & Development
Planning and Development Services caters for Council's aim to achieve sustainable development in the region's communities through Planning Strategies, Development Assessment, Building Assessment, and Plumbing Assessment.

Community & Environment
Community and Environmental Services caters for Council's aim to achieve sustainability by maintaining a healthy economy, vibrant communities and a thriving biophysical environment. This includes Libraries, Civic Centre, Museums and Art Galleries.

Engineering
To provide well constructed safe efficient infrastructure networks and engineering services that will meet community needs.

Customer Experience
To provide efficient and effective service in the areas of cemetery and public open space management to meet the community's current and future needs. This area also manages Council's customer contact centres.

Waste Management
To protect public health, safety and the environment by the provision of an efficient system for safe collection, transportation, recycling and disposal of waste products.

Airport and Port Operations
To maintain fully operational airports and ports to meet the community and tourism needs within the Whitsunday region.

Water Services
To meet the community needs for potable water by the efficient purchase, treatment, storage and distribution of water to consumers.

Sewerage Services
To protect public health, safety and the environment by the provision of an efficient system for safe collection, transportation, treatment and disposal of sewage waste.

Some Council functions have been re-aligned for year ended 30 June 2018. CFO has been moved under the Office of the Chief Executive, and Commercial Operations has been moved to Community and Environmental Services. Customer Services and Parks have been moved from Corporate Services and Engineering respectively into a new function Customer Experience.
<table>
<thead>
<tr>
<th>Function</th>
<th>2017</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewerage Services</td>
<td>14,975,075</td>
<td>15,602,869</td>
<td>627,794</td>
</tr>
<tr>
<td>CFO and Commercial Operations</td>
<td>2,854,340</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Airport Operations</td>
<td>5,170,400</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Waste Management</td>
<td>5,647,267</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Engineering</td>
<td>9,341,666</td>
<td>9,849,477</td>
<td>507,811</td>
</tr>
<tr>
<td>Community and Environmental Services</td>
<td>445,675</td>
<td>794,215</td>
<td>338,540</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>5,265,486</td>
<td>53,348,468</td>
<td>53,083,982</td>
</tr>
</tbody>
</table>

### Revenue Analysis

#### 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.

- **General rates**: $48,925,966, $47,088,714
- **Water**: $8,980,572, $9,094,449
- **Water consumption, rental and sundries**: $6,275,670, $5,210,595
- **Sewerage**: $15,717,394, $15,312,842
- **Waste management**: $4,332,703, $3,480,264

Less: Discounts

- $3,266,882, $3,037,048

Less: Pensioner remissions

- $654,308, $662,254

Net rates and utility charges:

- $88,311,119, $76,469,382

#### 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.

The council generates revenues from a number of services. Revenue from contracts and recoverable works 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.

- **Paking and other ranger services**: $1,366,158, $1,051,023
- **Refuse tips and transfer station charges**: $5,226,495, $2,238,058
- **Aerodrome charges**: $5,924,253, $3,220,782
- **Quarry charges**: $2,623,344, $1,095,423
- **Shute harbour commercial activities**: $428,974, $383,396
- **Caravan parks fees and charges**: $566,278, $543,158
- **Water and sewerage fees and charges**: $735,765, $344,400

Net Revenue for the year ended 30 June 2018:

- **$15,171,267**, $9,797,256
Notes to the financial statements
For the year ended 30 June 2018

4 Grants, subsidies, contributions and donations

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

(i) Recurrent

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants &amp; subsidies</td>
<td>5,158,762</td>
<td>7,187,358</td>
</tr>
<tr>
<td>Commonwealth subsidies and grants</td>
<td>200,000</td>
<td>-</td>
</tr>
<tr>
<td>State Government subsidies &amp; grants</td>
<td>1,518,468</td>
<td>861,445</td>
</tr>
<tr>
<td>State Government grant for flood damage</td>
<td>8,783,745</td>
<td>7,139,525</td>
</tr>
<tr>
<td>Contributions</td>
<td>202,423</td>
<td>41,320</td>
</tr>
</tbody>
</table>

Total recurrent revenue 15,663,398 15,229,648

Council has not spent all recurrent grants in the year received and therefore Council has established an internal reserve for this purpose.

Developers pay infrastructure charges for trunk infrastructure, such as pump stations, treatment works, water & sewer mains, and water pollution control works. These infrastructure charges are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with them. Consequently, the infrastructure charges are recognised as income when received.

(ii) Capital

(a) Monetary revenue designated for capital funding purposes:

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth government grants</td>
<td>2,408,846</td>
<td>2,620,613</td>
</tr>
<tr>
<td>NDRRA flood damage grants for capitalised repairs</td>
<td>15,649,939</td>
<td>-</td>
</tr>
<tr>
<td>Contributions</td>
<td>2,769,649</td>
<td>1,715,380</td>
</tr>
</tbody>
</table>

Total capital revenue 15,839,046 10,319,190

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 "for maintenance" (i.e. the 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.

(b) Non-monetary revenue received is analysed as follows:

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer assets contributed by developers at fair value</td>
<td>1,387,644</td>
<td>948,041</td>
</tr>
</tbody>
</table>

Total capital revenue 14 37,799,688 10,319,190

(iii) Conditions over contributions

Non-reciprocal grants and contributions which were recognised as revenues during the reporting period and which were obtained on the condition that they be expended in a general specified manner (eg. headworks) by the contributor but had not been expended at the reporting date:

Non-reciprocal grants for infrastructure and services funding 22,455,994 6,318,189

Contributions for infrastructure and services 2,358,028 1,715,080

24,813,222 8,033,269

Non-reciprocal grants and contributions which were recognised as revenues during a previous reporting period and were expended during the current reporting period:

Non-reciprocal grants for infrastructure and services funding 6,436,748 191,093

5 Other income

The calculation of other income is as follows:

<table>
<thead>
<tr>
<th>Note</th>
<th>2018 $</th>
<th>2017 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from the sale of property, plant and equipment reversing previous revaluation down</td>
<td>11,900,366</td>
<td>-</td>
</tr>
<tr>
<td>Reduction in rehabilitation provision due to the change in the estimated future cost on land not controlled by council</td>
<td>2,013</td>
<td>10,232</td>
</tr>
</tbody>
</table>

11,902,379 10,232

6 Employee benefits

Councillors’ remuneration 25,877,744 23,728,280

Audit of annual financial statements by the Auditor-General of Queensland 120,725 118,000

Other audit fees - Internal audit 73,252 23,674

Legal, consultants & contractors 7,230,866 4,980,970

Insurance 1,417,675 1,228,879

Flood damage restoration work 9,395,809 11,743,784

Road maintenance 4,328,410 4,914,275

Plant operating costs 2,392,999 2,144,361

Recoverable and private works 2,414,961 1,434,846

Parties and gardens 1,697,070 1,365,034

Pools and enclosures 1,887,771 2,639,583

Aerodrome expenses 3,062,837 2,453,981

Water operations & maintenance 3,706,859 3,498,102

Sewage operations & maintenance 6,031,124 4,604,848

Refuse operations 5,508,435 4,303,732

Rentals - Operating leases 2,060,260 1,909,036

Community grants and donations 1,671,092 1,825,266

Investment properties direct expenses 517,117 300,917

111,291,557 95,882,441

7 Materials and services

Audit of annual financial statements by the Auditor-General of Queensland 120,725 118,000

Other audit fees - Internal audit 73,252 23,674

Legal, consultants & contractors 7,230,866 4,980,970

Insurance 1,417,675 1,228,879

Flood damage restoration work 9,395,809 11,743,784

Road maintenance 4,328,410 4,914,275

Plant operating costs 2,392,999 2,144,361

Recoverable and private works 2,414,961 1,434,846

Parties and gardens 1,697,070 1,365,034

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Community grants and donations 1,671,092 1,825,266

Investment properties direct expenses 517,117 300,917

111,291,557 95,882,441
Notes to the financial statements
For the year ended 30 June 2018

8 Finance costs

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance costs charged by the Queensland Treasury Corporation</td>
<td>2,765,832</td>
<td>2,896,307</td>
</tr>
<tr>
<td>Bank charges</td>
<td>332,125</td>
<td>332,270</td>
</tr>
<tr>
<td>Impairment of receivables and bad debts written off</td>
<td>38,515</td>
<td>169,163</td>
</tr>
<tr>
<td>Quarry rehabilitation - change in present value</td>
<td>14,021</td>
<td>12,528</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,190,493</strong></td>
<td><strong>3,410,286</strong></td>
</tr>
</tbody>
</table>

9 Capital expenses

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss on sale of capital assets</td>
<td>145,465</td>
<td>375,527</td>
</tr>
<tr>
<td>Loss on write-off of capital assets</td>
<td>23,650,366</td>
<td>10,081,246</td>
</tr>
<tr>
<td>Revaluation down of investment properties</td>
<td>50,000</td>
<td>120,000</td>
</tr>
<tr>
<td>Revaluation down of property, plant and equipment</td>
<td>-</td>
<td>9,574,244</td>
</tr>
<tr>
<td><strong>Total capital expenses</strong></td>
<td><strong>23,845,851</strong></td>
<td><strong>20,151,017</strong></td>
</tr>
</tbody>
</table>

10 Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, all cash and cheques received but not banked at the year end and deposits held at call with the Queensland Treasury Corporation.

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and on hand</td>
<td>1,584,956</td>
<td>524,173</td>
</tr>
<tr>
<td>Deposits at call</td>
<td>56,811,803</td>
<td>49,662,425</td>
</tr>
<tr>
<td>Balance per Statement of Cash Flows</td>
<td>58,396,759</td>
<td>50,176,596</td>
</tr>
</tbody>
</table>

Councils cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use.

(a) Externally imposed expenditure restrictions at the reporting date relate to the following assets:

- Restricted government grants and subsidies | 19,352,940  | 3,694,476  |
- Restricted developer contributions | 13,459,954  | 11,103,926  |

(b) Internally imposed expenditure restrictions at the reporting date relate to the following assets:

- Funds set aside by council and held in reserves for future projects | 25,583,864  | 34,601,490  |
- Total unspent restricted cash | 56,596,786  | 49,403,852  |

* These restrictions were previously disclosed as reserves. Council reallocates funds to meet operational expenditure where necessary. Council also has the ability to draw down additional loan funding from QTC.

Cash and deposits at call are held in the National Australia Bank (NAB), Westpac Bank and Queensland Treasury Corporation in normal term deposits and Business cheque accounts.

Trust funds

Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and undelivered monies (e.g. wages) paid into the trust account by Council.

Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

Trust funds held for outside parties

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monies collected or held on behalf of other entities to be paid out to or on behalf of those entities</td>
<td>94,468</td>
<td>98,193</td>
</tr>
<tr>
<td>Security deposits</td>
<td>1,435,367</td>
<td>1,358,575</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,529,855</strong></td>
<td><strong>1,456,768</strong></td>
</tr>
</tbody>
</table>

Notes to the financial statements
For the year ended 30 June 2018

11 Trade and other receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price or 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 impaired for potentially unrecoverable amounts.

All known bad debts were written-off at 30 June.

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 rate receivables.

Loans and advances are recognised in the same way as other receivables. Terms are usually a maximum of five years with interest charged at negotiated rates. Security is not normally obtained.

(a) Current

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rateable revenue</td>
<td>9,517,845</td>
<td>9,464,037</td>
</tr>
<tr>
<td>GST recoverable</td>
<td>363,147</td>
<td>407,151</td>
</tr>
<tr>
<td>Other debtors</td>
<td>7,167,336</td>
<td>6,874,570</td>
</tr>
<tr>
<td>Less: Impairment (234,279)</td>
<td>(234,279)</td>
<td>(234,961)</td>
</tr>
<tr>
<td><strong>Total current</strong></td>
<td><strong>16,808,040</strong></td>
<td><strong>15,510,797</strong></td>
</tr>
<tr>
<td>Prepayments</td>
<td>541,411</td>
<td>649,975</td>
</tr>
<tr>
<td>Loans and advances to community organisations</td>
<td>8,875</td>
<td>8,875</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17,356,335</strong></td>
<td><strong>17,167,647</strong></td>
</tr>
</tbody>
</table>

(b) Non-current

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and advances to community organisations</td>
<td>1,715</td>
<td>8,594</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,715</strong></td>
<td><strong>8,594</strong></td>
</tr>
</tbody>
</table>

Interest is charged on outstanding rates at a rate of 7% 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 receivables.

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 (trade and other receivables) is as follows:

- Opening balance | 234,961  | 692,556  |
- Impairment adjustment in period (682) | (682)  | (457,595)  |
- Closing balance | **234,279** | **234,961** |

Ageing of past due receivables and the amount of any impairment is disclosed in the following table:

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not past due</td>
<td>9,087,461</td>
<td>8,845,657</td>
</tr>
<tr>
<td>Past due 31-60 days</td>
<td>604,321</td>
<td>116,232</td>
</tr>
<tr>
<td>Past due 61-90 days</td>
<td>34,719</td>
<td>1,223</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>7,324,421</td>
<td>7,798,115</td>
</tr>
<tr>
<td>Impaired</td>
<td>(234,279)</td>
<td>(234,961)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18,010,643</strong></td>
<td><strong>18,529,248</strong></td>
</tr>
</tbody>
</table>
Notes to the financial statements
For the year ended 30 June 2018

12 Inventories
Inventories held for distribution (internal consumption) 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.
Inventory held for distribution is valued at cost, adjusted, when applicable, for any loss of service potential.

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.

Inventories for internal use

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarry and road materials</td>
<td>1,134,305</td>
<td>581,906</td>
</tr>
<tr>
<td>Stones and materials</td>
<td>411,771</td>
<td>445,185</td>
</tr>
<tr>
<td>Land purchased for development and sale</td>
<td>1,546,076</td>
<td>1,027,091</td>
</tr>
<tr>
<td>Total Closing Balance</td>
<td>1,546,076</td>
<td>1,027,091</td>
</tr>
</tbody>
</table>

13 Investment properties
Investment properties are measured using the fair value model. This means all investment properties are initially recognised at cost (including transaction costs) and then subsequently revalued annually at the balance date by a registered valuer. Where investment property is acquired at no or nominal cost it is recognised at fair value.

Gain or losses arising from changes in the fair value of investment properties are recognised as income or expenses respectively for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

Property held for rental income and capital growth

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value at beginning of financial year</td>
<td>1,680,000</td>
<td>1,800,000</td>
</tr>
<tr>
<td>Revaluation adjustment to income statement</td>
<td>(50,000)</td>
<td>(120,000)</td>
</tr>
<tr>
<td>Fair value at end of financial year</td>
<td>1,630,000</td>
<td>1,680,000</td>
</tr>
</tbody>
</table>

Investment properties comprises of:
- Proserpine Caravan Park
- Wangaratta Caravan Park

Investment properties were valued at fair value by Gregory Williams API No: 66044, QvRB No: 2004 from Herron Todd White, an independent professionally qualified valuation firm, as at 30 June 2018. Herron Todd White valuers have extensive experience in valuing properties of this nature in the Whitsunday Regional Council and surrounding areas.

Further information about the valuation techniques used to derive fair value are included in note 14.

Income from the investment properties are shown in note 3.

Operating expenses in respect of investment properties are shown in note 9.
### Notes to the Financial Statements

**For the year ended 30 June 2018**

#### 14 Property, plant and equipment

##### (a) Recognition

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than $7,500, and infrastructure assets and buildings with a total value of less than $10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Expenditure necessarily incurred in either maintaining the operational capacity of assets or ensuring that their original life estimates are achieved, is considered maintenance and is treated as an expense as incurred. Pre-feasibility project costs (which may involve research and development) are also treated as an expense in the year they are incurred.

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 or not. The analysis of the expenditure involves Council engineers reviewing 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 to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

##### (b) Measurement

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.

#### Capital and operating expenditure

Direct labour and materials and an appropriate proportion of overheads expenditure incurred in the purchase or construction of assets is treated as capital expenditure and is included in capital work in progress. Assets under construction are not depreciated until they are completed and commissioned, at which time they are capitalised to the appropriate property, plant and equipment asset class.

##### (c) Capital work in progress

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

##### (d) Depreciation

Land, Road Formation and Earthworks are not depreciated as they have 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, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

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

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

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

Depreciation methods and estimated useful lives of property, plant and equipment 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 current replacement cost are used to estimate the useful lives of these assets at each reporting date.
14 Property, plant and equipment (continued)

For the year ended 30 June 2018

(a) Land under roads

Land under the road network within the Council area that has been dedicated and opened for public use under the Land Act 1974 on the Land Title Act 1944 is not controlled by Council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

(b) Impairment of non current assets

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually.

(g) Valuation

(i) Valuation Processes

Council’s valuation policies and procedures are set by the Council, based on advice of the Executive Management Team which comprises the Chief Executive Officer, Chief Finance Officer, Director of Corporate Services, Senior Management Accountant and Executive Manager Asset and Project Management. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information.

Land and improvements, buildings, major plant and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 Property, Plant & Equipment and AASB 13 Fair Value Measurement. Other plant and equipment and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3 years from 1 July 2016. This comprehensive valuation process involves the valuer making their own assessments of the condition of the assets at the date of inspection by either physically sighting a representative sample of Council assets across all asset classes or by referring to condition inspection information provided by another independent party.

In the intervening years between comprehensive valuations, Council uses independent valuers or internal engineers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years. With respect to the valuation of the land and improvements and buildings classes in the intervening years, management engaged independent, professionally qualified valuers to perform a “desktop” valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are sound.

Any revaluation increase arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation account. Any revaluation decrease 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 with the change in the carrying amount of the asset and any change in the estimated remaining useful life.

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

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

- Investment properties
- Property, plant and equipment
- Buildings and Other Structures
- Transport Infrastructure
- Water
- Sewage

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land previously developed for sale and are disclosed in note 13. A description of the valuation techniques and the inputs used to determine the fair value of this land is disclosed below under the heading “Land (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.

<table>
<thead>
<tr>
<th>Note</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Guideline for Other Current Liabilities</td>
<td>Ultimate Guarantor</td>
<td>Total</td>
</tr>
<tr>
<td>Level 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment Property</td>
<td>1.630,000</td>
<td>1.680,000</td>
<td>-</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>46,155,906</td>
<td>44,776,533</td>
<td>75,823,020</td>
</tr>
<tr>
<td>Buildings and Other Structures</td>
<td>-</td>
<td>-</td>
<td>517,330,887</td>
</tr>
<tr>
<td>Transport Infrastructure</td>
<td>-</td>
<td>-</td>
<td>137,505,111</td>
</tr>
<tr>
<td>Water</td>
<td>-</td>
<td>-</td>
<td>137,505,111</td>
</tr>
<tr>
<td>Sewage</td>
<td>-</td>
<td>-</td>
<td>152,522,944</td>
</tr>
</tbody>
</table>

47,785,906 46,405,533 932,548,145 899,149,288 930,334,670 935,605,821

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

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) Specific valuation techniques used to value Council assets comprises:

- Investment Property
  - Land and Buildings (level 2)

Council obtains independent valuations every year for all investment properties. The last valuation was undertaken by Herring Todd White Valuers as at 30 June 2018.

Council’s investment properties are caravan parks in areas with regular sales of comparable properties. Therefore they were valued using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size (level 2).

- Land and Improvements (level 2)

The valuation of Land has been undertaken in accordance with the prescribed requirements on a market value basis. A Qualified Land Valuer was engaged via Assetic Pty Ltd (Assetic) to comprehensively valueland. Market values have been derived from Direct Comparison Method with local market trends. Investigations through RP Data Pty Ltd and realestate.com.au have provided sufficient sales evidence to enable the majority of the subject properties to be assessed. In some cases, however, such as commercial sites and isolated properties, no recent sales evidence is available. In these instances, the valuer has had regard to the best available evidence and adopted a value that reflects parity between similar properties in other locations as well as considering the level of demand and the market direction for that type of property and location.

The valuation report comments that Cyclone Debbie (a major natural disaster in March 2017) has had a negative effect on land valuations. Although repairs and upgrade are ongoing throughout the region, the valuer noted a reduced demand, especially in Airlie Beach, followed by Proserpine, Bowen and Collinsville.

Although land valuations generally decreased, the net movement in the fair value of the Land and Improvements (excluding investment land) show an increase of $755,970 due to assets identified that were not previously recognised.

- Buildings and Other Structures (level 2) and Residential Buildings (Level 2)

A comprehensive revaluation of fair value of buildings and other structures was determined by independent valuer Assetic effective 30 June 2018. Assetic valued the Buildings and Other Structures using the independent condition inspections performed by CT Management. Valuations to the investment include the design and construction, average cost of construction, condition and consumption score for each component. Assets were classified as Level 3 valuation inputs or unobservable inputs and being used for their highest and best use fair value.

As the condition of the buildings were found by CT Management to be generally in a better condition than the asset registers would suggest, the written down value has generally increased for the buildings asset class.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components with different useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, at the time the asset is considered to be no longer available for use and the condition of the asset. 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.

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

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Notes to the financial statements

For the year ended 30 June 2018

14 Property, plant and equipment (continued)

The table presents the Council’s assets and liabilities measured and recognised at fair value as at 30 June 2018.

- Sewerage
- Buildings and Other Structures
- Water
- Transport Infrastructure
- Buildings and Other Structures
- Investment property
- Land and Improvements
- Water
- Buildings and Other Structures
Infrastructure Assets (level 3)

Council categorises its road infrastructure into sealed and unsealed roads. Sealed roads and unsealed roads are managed in segments. All road segments are then compartmentalised into formation, base, sub-base and surface (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

The last full valuation of road infrastructure was undertaken by Assetic Pty Ltd (APV) effective 30 June 2015. CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. Council also assumes that raw materials may be sourced from the local Quarry with supply rate of $46 per tonne for gravel. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council’s Enterprise Management System for the road components to reflect the assessed condition provided by suitably qualified engineers and based on treatments approved by the Queensland Reconstruction Authority. This process reduces the remaining useful life of the components commensurate with the assessed damage and therefore decreases the written down value of the component. The replacement cost of the component stays the same. The impairment has been applied at 30 June 2018. In determining the impairment, road components to reflect the assessed condition provided by suitably qualified engineers and based on treatments approved by the Queensland Reconstruction Authority. This process reduces the remaining useful life of the components commensurate with the assessed damage and therefore decreases the written down value of the component. The replacement cost of the component stays the same. The impairment has been applied at 30 June 2018. In determining the level of accumulated depreciation, remaining useful lives were determined based on condition assessment. The condition assessment was made using an eleven point scale with zero being the worst condition to the highest. A zero condition assessment indicates an asset with an extremely high level of remaining service potential and ten represents an asset at the end of life.

Remaining useful lives were determined by the Valuer taking into consideration the visual condition, condition date, evidence of recent repairs or capital works and the surrounding environmental factors.

Drainage

Current replacement cost

The last full valuation of drainage infrastructure was undertaken by APV effective 30 June 2015. Council also engaged Whitsunday Survey to capture a full register of all drainage assets during the 2015/16 financial year. APV conducted a desktop revaluation using the new drainage register, effective as at 1 July 2015. CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices were based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council’s EBA. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average of completed similar projects over the last few years.

In determining the level of accumulated depreciation, drainage assets were segregated into significant components 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.

Water and sewerage infrastructure

Current replacement cost

The last full valuation of water and sewer infrastructure was undertaken by Assetic effective 30 June 2017. As part of a 3 year rolling revaluation plan, Assetic took part in the re-componentisation and investigation of water and sewerage assets. This provided a reliable measure of cost and service capacity and deterioration of estimated remaining life, based on accurate locality, use and asset information provided by project engineers. The asset inventory and condition data was independently assessed by Assetic via onsite visual assessments. This condition data was then used using Council’s Water and Sewerage Conditions Assessment Manual.

As per Council policy, Assetic was engaged to provide Vakuation Indices for period 1 July 2017 to 30 June 2018 to determine if a revaluation is required in the interim period between comprehensive valuations and whether the cumulative indices are material for recognition of a change in Fair Value. Assetic determined that the cumulative indexation since the previous comprehensive valuation was 5.6%. Council’s Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

The impact of the indices on infrastructure assets was considered to be not material to change the replacement cost of the infrastructure assets class as at 30 June 2018.

Specific valuation techniques used to value Council infrastructure assets

Roads

Current replacement cost

In determining the level of accumulated depreciation, drainage assets were segregated into significant components 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.

Assetic determined that the accumulartive indexation since the previous comprehensive valuation was 5.6%. Council’s Asset Accounting Policy establishes a material difference for changes in fair value as 10% of the relevant asset class.

The impact of the indices on infrastructure assets was considered to be not material to change the replacement cost of the infrastructure assets class as at 30 June 2018.
Notes to the financial statements
For the year ended 30 June 2018

15 Trades and other payables
Trade creditors are recognised upon receipt of the goods or satisfactory performance of the services ordered and are measured at the agreed purchased/contracted price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

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.

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes 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.

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

16 Provisions
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 the Council’s employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.

Where employees have met the prerequisite length of service and council does not have an unconditional right to defer this liability beyond 12 months long service leave is classified as a current liability. Otherwise it is classified as non-current.

Quarry rehabilitation
A provision is made for the cost of restoration in respect of the quarry where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of this facility. 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.

The provision represents the present value of the anticipated future costs associated with the closure of the quarry, reclamation and rehabilitation of 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 quarry rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time.

Management estimates that the restoration will occur in 2042.

<table>
<thead>
<tr>
<th>Note</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>10,028,263</td>
<td>7,084,370</td>
</tr>
<tr>
<td>Employee related accounts</td>
<td>1,129,717</td>
<td>1,144,709</td>
</tr>
<tr>
<td>Annual leave</td>
<td>3,830,885</td>
<td>3,305,059</td>
</tr>
<tr>
<td>Other entitlements</td>
<td>179,902</td>
<td>200,960</td>
</tr>
<tr>
<td>Total provisions</td>
<td>15,168,457</td>
<td>11,700,143</td>
</tr>
</tbody>
</table>

17 Borrowings
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.

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queensland Treasury Corporation</td>
<td>2,827,117</td>
<td>2,683,491</td>
</tr>
<tr>
<td>Queensland Treasury Corporation</td>
<td>48,105,367</td>
<td>48,820,900</td>
</tr>
<tr>
<td>Queensland Treasury Corporation</td>
<td>51,504,391</td>
<td>53,942,968</td>
</tr>
<tr>
<td>Queensland Treasury Corporation</td>
<td>2,827,117</td>
<td>2,683,491</td>
</tr>
<tr>
<td>Queensland Treasury Corporation</td>
<td>48,105,367</td>
<td>48,820,900</td>
</tr>
<tr>
<td>Queensland Treasury Corporation</td>
<td>51,504,391</td>
<td>53,942,968</td>
</tr>
</tbody>
</table>

Details of movements in provisions:

<table>
<thead>
<tr>
<th>Note</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of fiscal year</td>
<td>4,409,168</td>
<td>4,409,168</td>
</tr>
<tr>
<td>Amount provided for in the period</td>
<td>1,051,311</td>
<td>362,418</td>
</tr>
<tr>
<td>Amount paid in the period</td>
<td>(225,334)</td>
<td>(340,981)</td>
</tr>
<tr>
<td>Balance at end of fiscal year</td>
<td>5,281,612</td>
<td>4,459,635</td>
</tr>
<tr>
<td>Quarry rehabilitation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of fiscal year</td>
<td>445,375</td>
<td>483,700</td>
</tr>
<tr>
<td>Increase in provision - due to change in time</td>
<td>14,021</td>
<td>12,528</td>
</tr>
<tr>
<td>Decrease in provision - change in discount rate</td>
<td>(10,997)</td>
<td>(33,893)</td>
</tr>
<tr>
<td>Balance at end of fiscal year</td>
<td>444,399</td>
<td>444,375</td>
</tr>
</tbody>
</table>

This is the present value of the estimated cost of restoring the Foxdale Quarry site to a usable state at the end of its useful life. The projected cost is $505,562 and this cost is expected to be incurred in 2042.

Movements in borrowings

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of fiscal year</td>
<td>51,504,391</td>
<td>53,942,968</td>
</tr>
<tr>
<td>Principal repayments</td>
<td>(2,671,907)</td>
<td>(2,436,517)</td>
</tr>
<tr>
<td>Balance at end of fiscal year</td>
<td>48,832,484</td>
<td>51,504,391</td>
</tr>
</tbody>
</table>

The QTC loan market value at the reporting date was $56,141,080.20.
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 the council for any liabilities.
Borrowings are underwritten by the Queensland State Government.
Unsecured borrowings are provided by the Queensland Treasury Corporation.
No interest has been capitalised during the current or comparative reporting period.
Expected final repayment dates vary from 15 June 2026 to 15 June 2032.
There have been no defaults or breaches of the loan agreement during the period.
Principal and interest repayments are made quarterly in arrears.

Notes to the financial statements
For the year ended 30 June 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of fiscal year</td>
<td>51,504,391</td>
<td>53,942,968</td>
</tr>
</tbody>
</table>
Notes to the financial statements
For the year ended 30 June 2018

19 Commitments for expenditure (continued)

Operating leases
Minimum lease payments in relation to non-cancellable operating leases are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>129,126</td>
<td>235,270</td>
</tr>
<tr>
<td>Later than 1 year but not later than 5 years</td>
<td>164,260</td>
<td>27,887</td>
</tr>
<tr>
<td></td>
<td>293,386</td>
<td>263,157</td>
</tr>
</tbody>
</table>

Contractual commitments

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of Bowen and Kelsey Creek Landfill Services - expires January 2023</td>
<td>5,514,380</td>
<td>567,002</td>
</tr>
<tr>
<td>Refuse collection - Bowen and Whitsunday - expires June 2021</td>
<td>8,375,194</td>
<td>10,772,564</td>
</tr>
<tr>
<td>Waste water - operating and maintenance - expires May 2019</td>
<td>1,081,346</td>
<td>3,363,055</td>
</tr>
<tr>
<td>Apprenticeship program - expires June 2019</td>
<td>585,741</td>
<td>852,128</td>
</tr>
<tr>
<td>Project Management INDRRA and Insurance Works - expires June 2019</td>
<td>2,963,690</td>
<td></td>
</tr>
<tr>
<td>Provision of Airport Sweeping Services - expires June 2021</td>
<td>2,631,098</td>
<td></td>
</tr>
<tr>
<td>Provision of Lifeguard Services for Airlie Beach Lagoon - expires September 2020</td>
<td>1,102,692</td>
<td></td>
</tr>
<tr>
<td>Other contractual commitments - expires between 2018 and 2027</td>
<td>1,787,499</td>
<td>1,783,933</td>
</tr>
<tr>
<td></td>
<td>24,941,835</td>
<td>17,983,122</td>
</tr>
</tbody>
</table>

18 Asset revaluation surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Incremental increases and decreases in the carrying values of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases on revaluation are offset within a class of assets.

When a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

Movements in the Asset Revaluation Surplus were as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the beginning of financial year</td>
<td>358,646,281</td>
<td>387,375,396</td>
</tr>
<tr>
<td>Adjustments to property, plant and equipment through revaluations</td>
<td>(23,104,631)</td>
<td>(28,729,115)</td>
</tr>
<tr>
<td>Land and improvements</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Buildings and other structures</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Transport infrastructure</td>
<td>14</td>
<td>(21,884,141)</td>
</tr>
<tr>
<td>Water infrastructure</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Sewerage infrastructure</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Change in value of future rehabilitation costs credited (charged) to the surplus</td>
<td>3,983</td>
<td>43,821</td>
</tr>
<tr>
<td></td>
<td>(23,104,631)</td>
<td>(28,729,115)</td>
</tr>
<tr>
<td>Balance at end of financial year</td>
<td>335,541,650</td>
<td>358,646,281</td>
</tr>
</tbody>
</table>

Asset revaluation surplus analysis

The closing balance of the asset revaluation surplus is comprised of the following asset categories:

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and improvements</td>
<td>3,938,968</td>
<td>8,019,334</td>
</tr>
<tr>
<td>Buildings and other structures</td>
<td>2,859,856</td>
<td>2,731,701</td>
</tr>
<tr>
<td>Transport infrastructure</td>
<td>249,409,960</td>
<td>271,293,701</td>
</tr>
<tr>
<td>Water infrastructure</td>
<td>22,583,540</td>
<td>22,583,540</td>
</tr>
<tr>
<td>Sewerage infrastructure</td>
<td>56,749,708</td>
<td>56,749,708</td>
</tr>
<tr>
<td></td>
<td>335,541,650</td>
<td>358,646,281</td>
</tr>
</tbody>
</table>

20 Events after reporting period

There were no material adjusting or disclosing events after balance date.

21 Contingent liabilities

Details and estimates of maximum amounts of contingencies are as follows:

Local Government Workcare

The Whitsunday Regional Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme, the Council has provided a bank guarantee to cover bad debts which may remain should the self-insurance scheme be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government’s workers compensation authority may call on any part of the guarantees should the above circumstances arise. The Council’s maximum exposure to the bank guarantee is $684,519.

Local Government Mutual

The Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises. At 30 June 2017 the Financial Statements reported an accumulated surplus and it is not anticipated any liability will arise. Accumulated surplus $79,521,269.

Remediation of Landfills

Council operates three (3) landfills, namely Kelsey Creek landfill in Proserpine, Bowen landfill in Bowen and Mount Coolum landfill in Mount Coolum. In addition, Council is also the custodian of ten (10) former landfill sites which are no longer operational. It is possible that Council would need to undertake works at a future date at one or more of these sites to ensure that waste deposited at these sites do not contaminate the surrounding environment. At this point, it is not known whether any of the sites will require any work to be carried out, and if required, the extent of the work required or when it will be required. Council is in the process of identifying a suitable party to carry out a comprehensive assessment of the risks associated with each site and based on that risk assessment, identify what is likely to be required at each site (if any) and when such activities are likely to be required in order to ensure that Council conforms to its legal and social obligations. Council expects that it would be in a position to quantify any contingent liabilities associated with its landfill sites, by the end of the financial year 2018/19 including the need to establish a landfill restoration provision.

ANNUAL REPORT 2017-2018

For the year ended 30 June 2018

Notes to the financial statements

19 Commitments for expenditure

Capital commitments

Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gregory River Bridge</td>
<td>-</td>
<td>458,673</td>
</tr>
<tr>
<td>Proserpine Waste Water Treatment Plant - Ascoc Works</td>
<td>-</td>
<td>2,499,985</td>
</tr>
<tr>
<td>Whitsunday Coast Airport upgrade</td>
<td>8,655,359</td>
<td>23,158,185</td>
</tr>
<tr>
<td>Other Assets</td>
<td>1,694,338</td>
<td>1,853,097</td>
</tr>
<tr>
<td>Bowen Administration Building</td>
<td>714,547</td>
<td>-</td>
</tr>
<tr>
<td>Proserpine Water Park</td>
<td>1,495,076</td>
<td>-</td>
</tr>
<tr>
<td>Disaster Recovery (Cyclone Debbie)</td>
<td>1,119,629</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>13,649,349</td>
<td>27,929,940</td>
</tr>
</tbody>
</table>
Notes to the financial statements  
For the year ended 30 June 2018

22 Superannuation

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

The scheme is a defined benefit plan, however Council is not able to account for it as a defined benefit plan in accordance with AASB119 because LGIAsuper is unable to account for its proportionate share of the defined benefit obligation, plan assets and costs. Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate, but has not been recognised as an asset or liability of the Council.

Technically Whitsunday Regional Council can be liable to the scheme for a portion of another local governments’ obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIAsuper trust deed changes to council’s obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme was undertaken as at 1 July 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.” The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

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

Another actuarial investigation is being conducted as at 1 July 2018. At the time of signing these financial statements this investigation is still in progress. The most significant risks that may result in LGIAsuper increasing the contribution rate, on the advice of the actuary, are:

- Investment risk - The risk that the scheme’s investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.
- Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

There are currently 72 entities contributing to the scheme and any changes in contribution rates would apply equally to all 72 entities. Whitsunday Regional Council made less than 4% of the total contributions to the plan in the 2017-18 financial year.

Superannuation contributions made to the Regional Defined Benefits Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>170,553</td>
</tr>
<tr>
<td>2017</td>
<td>190,245</td>
</tr>
</tbody>
</table>

Other superannuation contributions for employees

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3,032,545</td>
</tr>
<tr>
<td>2017</td>
<td>2,862,079</td>
</tr>
</tbody>
</table>

Total superannuation contributions paid by Council for employees:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3,203,098</td>
</tr>
<tr>
<td>2017</td>
<td>3,052,324</td>
</tr>
</tbody>
</table>

Notes to the financial statements  
For the year ended 30 June 2018

23 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net result</td>
<td>34,721,497</td>
<td>(8,740,858)</td>
</tr>
<tr>
<td>Non-cash operating items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment of receivables and bad debts written off</td>
<td>38,515</td>
<td>169,163</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>23,974,953</td>
<td>22,924,794</td>
</tr>
<tr>
<td>Change in restoration provisions expensed to finance costs</td>
<td>14,021</td>
<td>12,528</td>
</tr>
<tr>
<td>Non-cash operating items</td>
<td>24,027,489</td>
<td>23,106,485</td>
</tr>
<tr>
<td>Investing and development activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital grants, subsidies and contributions</td>
<td>(37,799,688)</td>
<td>(10,319,190)</td>
</tr>
<tr>
<td>Capital income</td>
<td>(11,902,379)</td>
<td>(10,232)</td>
</tr>
<tr>
<td>Capital expenses</td>
<td>23,845,851</td>
<td>20,151,017</td>
</tr>
<tr>
<td>Non-cash operating items</td>
<td>(25,856,216)</td>
<td>9,821,595</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in receivables</td>
<td>(227,203)</td>
<td>(3,852,336)</td>
</tr>
<tr>
<td>Increase in inventories (excluding land)</td>
<td>(518,084)</td>
<td>(90,218)</td>
</tr>
<tr>
<td>Increase in payables</td>
<td>3,408,314</td>
<td>1,520,423</td>
</tr>
<tr>
<td>Increase in provisions</td>
<td>830,976</td>
<td>21,467</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td>3,493,103</td>
<td>(1,400,664)</td>
</tr>
<tr>
<td>Net cash inflow from operating activities</td>
<td>36,385,873</td>
<td>22,786,558</td>
</tr>
</tbody>
</table>
Disclosures about business activities to which the Competitive Code of Conduct applies, must be made in the annual financial statements.

A "business activity" of a local government is any activity that involves trading in goods or services.

The code of competitive conduct (CCC) must be applied to the following business activities:

(a) A building certifying activity that:
   - involves performing building certifying functions within the meaning of the Building Act, section 8 and
   - is prescribed under a regulation*.

(b) A roads activity, other than a roads activity for which business is conducted only through a state supplier arrangement, that involves:
   - the construction or maintenance of state controlled roads for which the local government submits an offer to carry out work in response to a tender invitation;
   - construction or road maintenance on another local government’s roads which the local government has put out to tender.

Each local government may elect to apply a Code of Competitive Conduct (CCC) to any other identified business activities. However, for any with current expenditure of $325,000 or more, the local government must decide, by resolution each year, whether to apply the CCC to that activity.

In general, applying the competitive code of conduct means that the competitive neutrality principle is applied to the business activity.

Under the competitive neutrality principle, an entity that is conducting a business activity in competition with the private sector should not enjoy a net advantage over competitors only because the entity is in the public sector.

The competitive neutrality principle may be applied by commercialisation or full cost pricing. This includes removing any competitive advantage or disadvantage, where possible, and charging for goods and services at full cost.

In addition the cost of performing community service obligations, less any revenue received from carrying out those obligations, must be treated as revenue for the business activity.

A community service obligation is an obligation the local government imposes on a business activity that is not in its commercial interest. For example, giving a concession to pensioners.

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

<table>
<thead>
<tr>
<th>Whitsunday Coast Airport</th>
<th>Foxdale Quarry</th>
<th>Shute Harbour Transit Terminal</th>
<th>Water Supply &amp; Sewerage Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 $</td>
<td>2017 $</td>
<td>2016 $</td>
<td>2015 $</td>
</tr>
<tr>
<td>Revenue for services provided to external clients</td>
<td>6,601,005</td>
<td>2,839,025</td>
<td>421,406</td>
</tr>
<tr>
<td>Community service obligations *</td>
<td>3,175,085</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less : Expenditure</td>
<td>9,776,105</td>
<td>2,900,025</td>
<td>421,406</td>
</tr>
<tr>
<td>Surplus (deficiency)</td>
<td>3,800,315</td>
<td>(245,500)</td>
<td>(40,720)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Whitsunday Coast Airport</th>
<th>Foxdale Quarry</th>
<th>Shute Harbour Transit Terminal</th>
<th>Water Supply &amp; Sewerage Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 $</td>
<td>2016 $</td>
<td>2015 $</td>
<td>2014 $</td>
</tr>
<tr>
<td>Revenue for services provided to external clients</td>
<td>5,918,429</td>
<td>5,524,925</td>
<td>344,194</td>
</tr>
<tr>
<td>Community service obligations *</td>
<td>2,681,407</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less : Expenditure</td>
<td>8,600,867</td>
<td>2,000,864</td>
<td>1,515,998</td>
</tr>
<tr>
<td>Surplus (deficiency)</td>
<td>2,714,371</td>
<td>(195,199)</td>
<td>(99,177)</td>
</tr>
</tbody>
</table>

* CSO’s provided to business activities during the period.

The following table summaries the financial results for these, including competitive neutrality adjustments if applicable.

25 Controlled entities that have not been consolidated

On the tenth day of March 2016 Whitsunday Regional Council formed the Whitsunday Coast Airport and Infrastructure Pty Ltd (ACN 611 242 198) as a registered company under the Corporations Act 2001.

This company, while being regulated with the Australian Security and Investments Commission, is currently a dormant company.

The Company's issued share capital is $10.

On the twentieth day of June 2017 Whitsunday Regional Council formed the Collinsville Independent Living Company Pty Ltd (ACN 619 842 732) as a registered company under the Corporations Act 2001.

The company traded for a period of approximately three months, at which point Council resolved to transfer the operations of the company back to Council and wind the entity up. The entity was in the process of being wound up at 30 June 2018. The transactions and balances have not been consolidated into the results of Council as they are immaterial (Revenue: Nil; Expenses: $11,775).

The Company’s issued share capital is $100,000.
### Notes to the financial statements

For the year ended 30 June 2018

<table>
<thead>
<tr>
<th>26 Related Parties</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>(a) River Improvement Trusts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Council have councillors as representative on both the Don River Improvement Trust and the Whitsunday River Improvement Trust. They are represented in the membership of the trusts pursuant to the River Improvement Act 1940. Council pays a precept to each trust, which is determined by the Trusts, based on the amount of revenue estimated by the trust in their budget for the year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Don River Improvement Trust</td>
<td>165,943</td>
<td>163,105</td>
</tr>
<tr>
<td>Whitsunday River Improvement Trust</td>
<td>165,943</td>
<td>163,105</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>331,886</strong></td>
<td><strong>326,210</strong></td>
</tr>
</tbody>
</table>

(b) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors, Council’s Chief Executive Officer and some Executive Management. The compensation paid to KMP for 2017/18 comprises:

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term employee benefits</td>
<td>2,934,902</td>
<td>2,487,740</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>310,166</td>
<td>286,609</td>
</tr>
<tr>
<td>Long-term benefits</td>
<td>79,944</td>
<td>47,806</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>228,702</td>
<td>307,187</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,553,714</strong></td>
<td><strong>3,129,422</strong></td>
</tr>
</tbody>
</table>

Detailed remuneration disclosures are provided in the annual report.

(c) Transactions with other related parties

All close family members of key management personnel were employed through an arm’s length process. They are paid in accordance with the Award and Council Enterprise Bargaining Agreement for the duties they perform.

The council employs 392 staff of which only 4 are close family members of key management personnel.

Council have reviewed all other related parties transactions and found that there were no materially relevant amounts to report.

(d) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of council live and operate within the Whitsunday Regional Council. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Dog registration
- Borrowing books from a council library
INDEPENDENT AUDITOR’S REPORT

To the Councillors of Whitsunday Regional Council


Opinion

I have audited the financial report of Whitsunday Regional Council.

In my opinion, the financial report:

a) gives a true and fair view of the council’s financial position as at 30 June 2018, and of its financial performance and cash flows for the year then ended

b) complies with the Local Government Act 2009, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

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

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

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

Other information

Other information comprises the information included in Whitsunday Regional Council’s annual report for the year ended 30 June 2018, but does not include the financial report and my auditor’s report thereon. At the date of this auditor’s report, the other information was the current year financial sustainability statement and long-term financial sustainability statement.

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

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

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

Responsibilities of the council for the financial report

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

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

Audit’s responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
Conclude on the appropriateness of the council’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the council to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

In accordance with s.40 of the Auditor-General Act 2009, for the year ended 30 June 2018:

a) I received all the information and explanations I required.

b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Melissa Read  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

14 August 2018
Whitsunday Regional Council

Current-year Financial Sustainability Statement
For the year ended 30 June 2018

Measures of Financial Sustainability

(i) Operating surplus ratio
   Operating surplus (fair result excluding all capital items) divided by total operating revenue (excludes capital revenue)

(ii) Asset sustainability ratio
   Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.

(iii) Net financial liabilities ratio
   Total liabilities less current assets divided by total operating revenue (excluding capital items).

Council's performance as at 30 June 2018 against key financial ratios:

<table>
<thead>
<tr>
<th></th>
<th>Operating surplus ratio</th>
<th>Asset sustainability ratio</th>
<th>Net financial liabilities ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>between 9% &amp; 10%</td>
<td>6.02%</td>
<td>100.4%</td>
<td>-0.90%</td>
</tr>
<tr>
<td>greater than 10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>not greater than 0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note 1 - Basis of Preparation
The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2018.

Certificate of Accuracy
For the year ended 30 June 2018

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
Andrew Willcox
Date: 10/8/18

Chief Executive Officer
Bryan Goodinson
Date: 10/8/18

INDEPENDENT AUDITOR’S REPORT

To the Councillors of Whitsunday Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion
I have audited the accompanying current year financial sustainability statement of Whitsunday Regional Council for the year ended 30 June 2018, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Whitsunday Regional Council for the year ended 30 June 2018 has been accurately calculated.

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

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

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

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

Other Information
Other information comprises the information included in Whitsunday Regional Council’s annual report for the year ended 30 June 2018, but does not include the current year financial sustainability statement and my auditor’s report thereon. At the date of this auditor’s report, the other information was the general purpose financial statements and long-term financial sustainability statement.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.
In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the council for the current year financial sustainability statement

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

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

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

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

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

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.
Long-Term Financial Sustainability Statement
Prepared as at 30 June 2018

Measures of Financial Sustainability

1. Operating surplus ratio
   - Operating surplus (Net result excluding all capital items) divided by total operating revenue (exclusive capital revenue)

2. Asset sustainability ratio
   - Capital expenditure on the replacement of assets (renewals) divided by depreciation expense

3. Net financial liabilities ratio
   - Total liabilities less current assets divided by total operating revenue

Council’s performance as at 30 June 2018 against key financial ratios:

<table>
<thead>
<tr>
<th>Target</th>
<th>Operating surplus ratio</th>
<th>Asset sustainability ratio</th>
<th>Net financial liabilities ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuals at 30 June 2015</td>
<td>6.92%</td>
<td>100.16%</td>
<td>3.20%</td>
</tr>
<tr>
<td>Projected for the years ended:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 June 2019</td>
<td>0.09%</td>
<td>137.07%</td>
<td>48.97%</td>
</tr>
<tr>
<td>30 June 2020</td>
<td>0.07%</td>
<td>103.58%</td>
<td>53.06%</td>
</tr>
<tr>
<td>30 June 2021</td>
<td>0.09%</td>
<td>93.68%</td>
<td>47.43%</td>
</tr>
<tr>
<td>30 June 2022</td>
<td>0.69%</td>
<td>100.01%</td>
<td>42.51%</td>
</tr>
<tr>
<td>30 June 2023</td>
<td>0.59%</td>
<td>84.69%</td>
<td>41.12%</td>
</tr>
<tr>
<td>30 June 2024</td>
<td>0.73%</td>
<td>81.93%</td>
<td>38.94%</td>
</tr>
<tr>
<td>30 June 2025</td>
<td>1.39%</td>
<td>66.83%</td>
<td>30.11%</td>
</tr>
<tr>
<td>30 June 2026</td>
<td>2.57%</td>
<td>69.31%</td>
<td>25.66%</td>
</tr>
<tr>
<td>30 June 2027</td>
<td>3.29%</td>
<td>87.73%</td>
<td>19.34%</td>
</tr>
</tbody>
</table>

Financial Management Strategy

Council monitors revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient utilisation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community’s current and future needs.

Certificate of Accuracy

For the long-term financial sustainability statement prepared as at 30 June 2018

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the Local Government Regulation 2012 (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

Mayor
Andrew Willcox
Date: 10/08/18

Chief Executive Officer
Barry O’Meara
Date: 10/08/18