

# Torres Strait Island Regional Council Annual Report 2011-2012

“Empowering our people, in our decision, in our  
culture, for our future”



2011-2012



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## ABOUT TORRES STRAIT ISLAND REGIONAL COUNCIL

This year, the Torres Strait Island Regional Council's (TSIRC) first term as an amalgamated Council came to an end, and another term began. Formed in 2008 as part of the Queensland Government's local council amalgamation policy, the TSIRC is a new local council governed under the Local Government Act 2009 (QLD). After four successful years as an organisation, the second term of TSIRC commenced this year after Local Government elections in April and in May, new and re-elected Councillors were sworn in.

All 15 island communities of the TSIRC are united under the one organisation to deliver a range of services on-ground. Prior to this, communities within the TSIRC area came under the jurisdiction of the Community Services (Torres Strait) Act 1984 (QLD) and each had their own independent Island Council.

The Torres Strait Islands are located in Far North Queensland, scattered between the tip of the Cape York Peninsula and Papua New Guinea. The Torres Strait shares an international border with Papua New Guinea and is located close to Indonesia. The location of the area has earned it the nick-name 'Australia's buffer zone.' This fact, along with the remote location and island environment brings with it a unique set of requirements and challenges for the TSIRC.



# TSIRC JURISDICTION





# TSIRC SERVICES

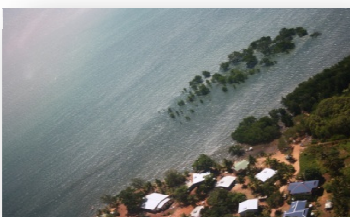
The role of a council, like the TSIRC, is to do all things necessary for the good rule and local government of its local government area, which may include deciding on facilities and services for communities and making local laws.

Traditionally councils have provided services such as road maintenance, water and waste but now more and more local councils like the TSIRC are involved in social, economic and cultural development and improving the livability and sustainability of the region.

## TSIRC SERVICES INCLUDE:

- WATER
- COMMUNITY POLICE
- WASTE & SEWERAGE
- ANIMAL MANAGEMENT
- ROADS & DRAINAGE
- COMMUNITY POLICE
- HOUSING
- PARKS & GARDENS
- AIRPORTS
- CHILDCARE
- LIBRARIES
- ENVIRONMENTAL HEALTH

Unlike most local councils, the TSIRC is in charge of fifteen separate communities; each with its own facilities and service requirements. This unique situation, coupled with the remote location and island environments adds further dimension to the complexity of service delivery.



# MAYOR'S REPORT

As the last year of the first term, of our newly amalgamated Council draws to a close, I would like to highlight the privilege it has been to serve you as the Mayor of the Torres Strait Island Regional Council (TSIRC).

In May, a new chapter began and a new team of Councillors were sworn in to commence TSIRC's second ever term.

With new Councillors onboard we saw the year end on a high, with fresh perspectives and new ideas. The new Council hit the ground running and has quickly settled in as a united team.

I would like to express my gratitude to the people of the TSIRC jurisdiction that I feel, being able to hold the position as the Mayor of our region.

Being unopposed at the last election has given me motivation to push even harder this term to represent your voices and make them heard.

I'd like to acknowledge God for the many blessings that he has bestowed upon us.

I also want to acknowledge traditional owners, elders and youth of the Torres Strait because without you, our function as a local government organisation would be insignificant.

This year marked the 20<sup>th</sup> Anniversary of the Torres Strait flag and Mabo Day. In honour of both, due to their cultural relevance and importance to our organisations' core values of empowerment, respect and cultural diversity, we initiated the TSIRC Mabo Day Awards in representation of the significance Mabo Day has on our culture, history and people.

In recognition of the Torres Strait Flag, the TSIRC hosted a ceremony in honour of the flag's designer, the late Mr Bernard Namok where his family received a framed flag and inscription to show the TSIRC's gratitude of the flag and how it has helped shape us as a nation of people in the years since its inception.

This year we have faced considerable challenges while achieving and working towards great results for our region.



Council's strategic direction is aligned with the needs and desires of residents outlined in our Corporate Plan. We focus on service delivery that addresses a wide range of issues such as environmental protection, culture and arts, public health and economic development.

Our resource allocation is based on the items within our Corporate Plan to ensure that the services we provide are those that the community requires.

The plan addresses a range of issues including Economic Development, Environmental Health and the area of Housing which pinpoints the need to find a solution to over-crowding. I am happy to have seen the *Cabinet Budget Review Committee* provide \$13 million for the construction of homes and the Commonwealth has also provided capital for major upgrades on existing homes.

*TSIRC has also seen developments with the National Housing Partnership agreement taking place as negotiations continue to take place with communities and Prescribed Body Corporates.*

Our request for autonomy is also on-going. We have engaged with the State and Federal Governments who have both shown support in our endeavor to become our own Territory. Since

these discussions, the government in power has changed and we are now in the process of holding new negotiations and discussions with the new parties and their leaders to seek backing.

This year TSIRC was allocated funds towards sea walls in order to help address our region's climate change and tidal inundation issues. Council is currently working with its design consultants to prepare drawings and specifications for this project. When these plans are finalised, construction will begin in prioritised communities.

Considerable funding announcements made throughout the year include that which was received from The Natural Disaster Relief and Recovery Arrangements (NDRRA), development for short term solid waste mitigation and the completion of the Poruma Sewerage Scheme.

The Torres Strait Regional Authority committed \$500,000 to the issue of sand buildup around Ugar Island which has prevented barge access and regular freight and essential deliveries. At present, Council is investigating options other than dredging to alleviate the issue.

Although not all projects were allocated the full funds requested for, and required to enable optimum completion, the TSIRC used the funds that were given wisely, to ensure short term solutions or partial completion.

Last year the TSIRC's Community Police Service was granted funds for 12 months with no determined future. This year, after working closely with the Government and QPS to establish an appropriate model of long-term policing for our communities, we have been allocated funds to continue the service which has provided a sense of security for our people and also the employment of our Community Police Officers.

Council is committed to its staff and capacity building is something we endeavour to achieve in order to strengthen the skills competencies and abilities of employees and communities. This year we have held a number of workshops and

training such as solid waste and water training, Divisional Engineering Officer training and taking on board a number of apprenticeships. Council aim to train its staff and give them the competencies and education needed to service communities without external assistance.

It is only with the support and assistance from the constituents and staff of our 15 communities that the work completed on-ground has been possible. I would like to thank all involved in our region for each and every hand of help which has assisted us in moving forward.

I look forward to the challenging future foreseen ahead. Budget cuts are evident throughout the term ahead. But I can promise you that Council will do its best in these tough times to pull through for its people.

*"I look forward to the challenging future foreseen ahead."*

"The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands in times of challenge and controversy," Martin Luther King, Jr.

Mayor Fred Gela



## CEO REPORT

This year, more so than ever, the Torres Strait Island Regional Council (TSIRC) battled through some very rough times.

With dramatic funding cuts in the both the State and Federal governments, it is with regret that I say things are likely to get worse before they get better.

*"I stand by the belief that through a strong team, thorough planning and transparent procedures, a solid foundation is being built for the organisation."*

I am pleased to be a part of an organisation that in such difficult times stays positive, determined and united to achieve the best results possible with the insufficient resources available.

This year the Local Government elections took place ending the first term of the TSIRC. Some Councillors were re-elected and a majority were replaced with newly elected local members, resulting in a

new group of faces joining the establishment to commence the second ever term of the TSIRC.

A deep tropical low during monsoonal season caused approximately eight million dollars worth of damage this year though Council anticipate funding to repair the damage after submitting a claim to the National Disaster Recovery and Relief Arrangements.

Among the hardship of funding cuts, Council still has much to be thankful for.

Council was successful with a grant for 5 million dollars to commence a seawall project this year and a further 16 million dollars was awarded to us for desalination plant upgrades which will supply communities with fresh water year round.

Engineering Services completed water upgrades on Davan, Ugar, Hammond, Mabuiag and Saibai, while also constructing a new control building at the Saibai sewerage treatment plant.

At the 2012 Queensland Water regional conference in May, Sabai was awarded 'best tasting tap water' in Far North Queensland which is a testament to the commitment of our staff and their pursuit of excellence.

Feasibility into waste management was completed this year and work has commenced to dispose of solid waste within communities such as old car bodies and heavy equipment. This will not only ensure communities are aesthetically pleasing, but will minimise potential risk of harm.

Local Laws came into play last year and have been further developed and promoted this year with documents readily available for the public via Council's website for those who wish to seek permission or apply for permits in various areas and categories of Council and our communities. Compliance has been cooperative and positive.

A new structure for the building team has been implemented this year and while still in development stages, it will greatly improve the efficiency of housing maintenance, the construction of new housing and will also employ more local people on-ground.

I stand by the belief that through a strong team, thorough planning and transparent procedures, a solid foundation is being built for the organisation. I look forward to the new term and the new year ahead.

John Scarce



# IMPLEMENTING PLANS TO BENEFIT OUR REGION:

Council's service delivery objectives align with the aspirations of constituents obtained via community consultation and incorporated into Council's Community Plan 2009- 2029 Corporate Plan 2009 – 2014 and its operational plans and budgets.

Plan Objectives	Outcomes
<b>The Development of Art &amp; Culture</b>	<ul style="list-style-type: none"> <li>➤ Sponsorship of sport and dance group tours</li> <li>➤ Sponsorship of Music reproduction</li> <li>➤ Indigenous Knowledge Centre support and collaboration</li> <li>➤ Organisation and fund contribution to significant Community celebrations</li> <li>➤ Community awards and recognition</li> </ul>
<b>Disaster Management</b>	<ul style="list-style-type: none"> <li>➤ Disaster Management Plan</li> <li>➤ Greater community awareness of tidal inundation concerns in our communities</li> </ul>
<b>Economic Development</b>	<ul style="list-style-type: none"> <li>➤ Council Business Enterprises Divested;</li> <li>➤ 10 Year Financial Plan</li> <li>➤ Asset Management Plans</li> <li>➤ Risk Management Plan</li> <li>➤ Balanced Budget 2011/12</li> <li>➤ Public benefit assessment of the building function</li> <li>➤ Cashless Council</li> <li>➤ Badu DOGIT transfer near complete</li> <li>➤ Mer Reserve transfer near complete</li> </ul>
<b>Environmental Management</b>	<ul style="list-style-type: none"> <li>➤ Waste Plan</li> <li>➤ Removal of Asbestos</li> <li>➤ Environmental Health Annual Work Plan</li> </ul>
<b>Provision, maintenance, restoration or replacement of</b>	<ul style="list-style-type: none"> <li>➤ Poruma Island Council Office;</li> <li>➤ Masig Island Community Hall;</li> <li>➤ Mabuiag Island Airport Waiting Rooms;</li> </ul>

<b>infrastructure</b>	<ul style="list-style-type: none"> <li>➤ Badu Island Sewerage extensions;</li> <li>➤ Lagoon covers at Mabuiag Island, Warraber Island, Poruma Island;</li> <li>➤ 4 new portable desalination plants;</li> <li>➤ Resealing of Council's airports;</li> <li>➤ Roadworks at Darnley Island, St Pauls Community, Mabuiag Island, Kubin Community, Saibai Island, Boigu Island;</li> <li>➤ New water facilities for Hammond Island, Mabuiag Island, Saibai Island, Mer Island Ugar Island, Masig Island, Warraber Island, Iama Island, Poruma Island;</li> <li>➤ Davan Island water main replacement;</li> <li>➤ New airport fencing at all communities</li> <li>➤ New Helipad at Poruma Island;</li> <li>➤ Regular Road Maintenance;</li> <li>➤ Water and Sewerage system operation;</li> <li>➤ Establishment of an operating "plant pool"</li> </ul>
<b>Public Health</b>	<ul style="list-style-type: none"> <li>➤ Established Torres Strait Round table</li> <li>➤ Funding committed for Asbestos and Fire Safety on all islands;</li> <li>➤ Environment and Health Annual Work Plan</li> <li>➤ Health Lifestyle Officer program</li> </ul>
<b>Community Development</b>	<ul style="list-style-type: none"> <li>➤ 20 Year Community Plan (2009 – 2029)</li> <li>➤ 5 Year Corporate Plan (2009 – 2014)</li> <li>➤ Established Torres Strait Round table</li> <li>➤ Remote Indigenous Radio Operators/programs</li> </ul>
<b>Human Services</b>	<ul style="list-style-type: none"> <li>➤ Home based care through Home and Community Care program</li> <li>➤ Child care services delivered at Badu Island, Kubin Community</li> <li>➤ After school and vacation care program delivered at Hammond</li> </ul>
<b>Housing for people living in its area</b>	<ul style="list-style-type: none"> <li>➤ National Partnership on Remote Indigenous Housing - \$300M over 10 years for new and upgrade of social housing;</li> <li>➤ Social Housing Indigenous Land Use Agreements progressed by Prescribed Body Corporates, Torres Strait Regional Authority and Council;</li> <li>➤ Petitioning Department of Environment Resource Management to assess pending Katter Leases</li> </ul>

	<ul style="list-style-type: none"> <li>➤ Home Ownership Team introduced 2011;</li> <li>➤ Formal recognition of Native Title by Council in its tenure policies</li> </ul>
<b>Population Change</b>	<ul style="list-style-type: none"> <li>➤ Sustainable Land Use Management Plans for all communities;</li> <li>➤ Planning Scheme development commenced;</li> <li>➤ Regional Indigenous Land Use Agreements progressed by Prescribed Body Corporates, Torres Strait Regional Authority and Council</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>➤ Complex amalgamation transition;</li> <li>➤ Local Laws adopted;</li> <li>➤ Appointment and training of Authorised Persons;</li> <li>➤ New Policing model</li> <li>➤ Progress the desire to Territory Government</li> <li>➤ Influenced the development of the new LG Act 2009</li> <li>➤ Memorandum Of Agreement with Torres Strait Regional Authority;</li> <li>➤ Realignment of employment structure across organisation;</li> <li>➤ Implementation of SAFEPLAN;</li> <li>➤ Implementation of administrative policies;</li> <li>➤ Implementation of Complaints Management and Handling procedures</li> <li>➤ Continue to work on alternative transport feasibility</li> <li>➤ Lobbied for schedules and subsidised flights</li> <li>➤ Deliver evidence to Parliamentary committees to influence reforms</li> </ul>

# TSIRC COUNCILLORS

JULY 2011- APRIL 2012 (PRE ELECTION)



Mayor Fred  
Gela



Deputy Mayor  
Kenny Bedford  
Erub



Cr Willie Lui  
Warraber



Cr Toshie Kris  
St Pauls



Cr Walter  
Mackie  
lama



Cr Ron Day  
Mer



Cr Ron Enosa  
Saibai



Cr Keith Fell  
Mabuia



Cr Nancy  
Pearson  
Hammond



Cr Phillemon  
Mosby  
Poruma



Cr Torenzo  
Elisala  
Dauan



Cr David Bosun  
Kubin



Cr Wayne  
Guivarra  
Badu



Cr Donald Banu  
Boigu



Cr Florianna  
Bero  
Ugar





Cr John Mosby  
(until Aug 2011)

Masig



Cr Ted Nai (from  
Oct 2011)

Masig

# TSIRC COUNCILLORS

MAY 2011- JULY 2012 (POST ELECTION)



Mayor – Fred Gela



Cr Keith Fell – Mabuiag (Deputy)



Cr David Bosun – Kubin



Cr Getano Lui (Jnr) - Iama



Cr Aven Noah – Mer



Cr Horace Baira – Badu



Cr Dimas Toby – Boigu



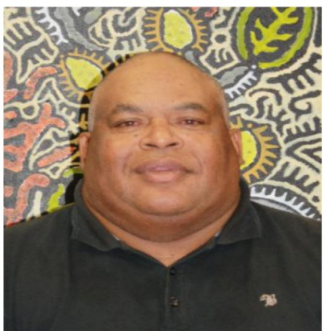
Cr Jimmy Gela – Erub



Cr Pillemon Mosby – Poruma



Cr Mario Sabatino – Hammond



Cr John Toshie Kris – St Pauls



Cr Joel Gaidan - Dauan



Cr Ron Enosa – Saibai



Cr Ted Billy - Warraber



Cr Jerry Stephen – Ugar



Cr Ted Fraser Nai – Masig

# COUNCILLORS MEETING ATTENDANCE

**JULY 2011 - APRIL 2012 (PRE ELECTION)**

Local Government Meetings (Extraordinary/Budget/Ordinary/Statutory) July 1, 2011 – April 28, 2012 (pre-election)							
_ = apology sent for unavailability      1 = attended							
Councillor Name	July 2011 Extra-Ordinary	July 2011 Budget	Oct 2011 Ordinary	Dec 2012 Ordinary	Jan 2012 Ordinary	March 2012 Ordinary	Total Meetings Attended
Mayor Fred Gela	1	1	1	1	1	1	6
Deputy Mayor Kenny Bedford	1	1	-	1	1	1	5
Cr Donald Banu	1	1	1	1	1	1	6
Cr. Torenzo Elisala	1	1	1	1	1	1	6
Cr Ron Enosa	1	1	1	-	-	-	3
Cr Keith Fell	1	1	1	1	1	1	6
Cr Wayne Guivarra	1	1	1	1	1	1	6
Cr David Bosun	1	1	1	1	1	-	5
Cr Toshie Kris	1	1	1	1	1	-	5
Cr Nancy Pearson	1	1	1	1	1	1	6
Cr Walter Mackie	1	1	-	1	1	-	4
Cr Willie Lui	1	1	-	1	1	-	4

Cr Philemon Mosby	1	1	-	1	1	-	4
Cr John Mosby (until Aug 2011)	1	1	-	-	-	-	2
Cr. Ted Nai (from Oct 2011)	-	-	1	1	1	1	4
Cr Florianna Bero	1	1	1	1	1	1	6
Cr Ron Day	1	1	1	1	1	1	6

### Corporate & Finance Standing Committee Meetings

July 1, 2011 – April 28, 2012 (pre-election)

*\_ = apology sent for unavailability    1 = attended    n/a = Not a member of the committee at the time*

Councillor Members	September 2011	November 2011	February 2012	Total meetings attended
Cr Fred Gela	1	-	1	2
Cr Toshie Kris	1	1	1	3
Cr Ted Nai (joined Council in Oct)	n/a	1	1	2
Cr David Bosun	-	-	-	0
Cr Florianna Bero	1	1	1	3
Cr Donald Banu	1	-	-	1

**\*Corporate and Finance - areas of responsibility include:**

- Finance, Local Laws, DOGIT, Native Title, Insurance, Human Resources, Customer Service, Assets & Risk, Staff Housing, Procurement & Plant operations, Contract Management, Mechanical Workshops, Legal, Records, Information technology, Communications, Natural Disaster, SES, BRACS, Marketing, Payroll



## Engineering & Housing Standing Committee Meetings

July 1, 2011 – April 28, 2012 (pre-election)

*\_ = apology sent for unavailability    1 = attended    n/a = Not a member of the committee at the time*  
*# = no meeting held due to no quorum after rescheduling twice*

<b>Councillor Members</b>	<b>September 2011</b>	<b>November 2011</b>	<b>February 2012</b>	<b>Total meetings attended</b>
Cr Fred Gela	#	-	1	1
Cr Torenzo Elisala	#	1	1	2
Cr Keith Fell	#	1	1	2
Cr Wayne Guivarra	#	1	1	2
Cr Nancy Pearson	#	1	-	1
Cr Ron Day	#	1	-	1

**\*Engineering and Housing - areas of responsibility include:**

- Community Housing, Airports, Sea Ports, Water, Sewerage, Roads, Storm Water, Parks & Gardens, Cemeteries, Seawalls, Nurseries, Town Planning

## Community & Economic Development Standing Committee Meetings

July 1, 2011 – April 28, 2012 (pre-election)

– = apology sent for unavailability    1 = attended

# = no meeting held due to no quorum after rescheduling twice

Councillor Members	September 2011	November 2011	February 2012	Total meetings attended
Cr Fred Gela	#	1	1	2
Cr Walter Mackie	#	1	-	1
Cr Kenny Bedford	#	1	1	2
Cr Phillemon Mosby	#	1	1	2
Cr Willie Lui	#	1	-	1
Cr Ron Enosa	#	-	1	1
Cr Keith Fell (Not a member but requested to join the Feb 2012 meeting)			1	1

**\*Community & Economic Development - areas of responsibility:**

- CDEP, Libraries, Environment & Health, Landfills, EPA, Garbage Collection, Childcare, Sports & Recreation, After School and Vacation care, HACC, Disability Services, Community Police, Economic Development, Community Development, Enterprises, Cultural, Ceremonies & Celebrations, Arts, Tourism, Public Transport

# COUNCILLOR'S MEETING ATTENDANCE

APRIL 28 2011- JUNE 30 2012 (POST ELECTION)

## Local Government Meetings (Extraordinary/Budget/Ordinary/Statutory) April 28, 2012 – June 30, 2012 (post-election)

- = Apology sent for unavailability      1 = attended

Councillor Name	May 2012 Statutory	May 2012 Ordinary	Total Meetings attended
Mayor Fred Gela	1	1	2
Deputy Mayor Cr. Keith Fell	1	1	2
Cr Dimas Toby	1	1	2
Cr Joel Gaiden	1	1	2
Cr Ron Enosa	1	1	2
Cr Horace Baira	1	1	2
Cr David Bosun	1	1	2
Cr Toshie Kris	1	1	2
Cr Mario Sabatino	1	1	2
Cr Getano Lui Jnr	1	1	2
Cr Ted Billy	1	1	2
Cr Philemon Mosby	1	1	2
Cr Ted Nai	1	1	2

Cr Jerry Stephen	1	1	2
Cr Jimmy Gela	-	1	1
Cr Aven Noah	1	1	2

## Standing Committee Meetings

April 28, 2012 – June 30, 2012 (post-election)

- = Apology sent for unavailability      1 = attended

Councillor Members	June 2012 Administrative & Regulatory	June 2012 Infrastructure & Planning	Total meetings attended
Cr Fred Gela	1	1	2
Cr Keith Fell	1	1	2
Cr Dimas Toby	1	1	2
Cr Joel Gaiden	1	1	2
Cr Ron Enosa	-	-	0
Cr Horace Baira	1	1	2
Cr David Bosun	1	1	2
Cr Toshie Kris	-	-	0
Cr Mario Sabatino	1	1	2
Cr Getano Lui Jnr	1	1	2
Cr Ted Billy	1	1	2
Cr Phillemon Mosby	1	1	2
Cr Ted Nai	1	1	2
Cr Jerry Stephen	1	1	2
Cr Jimmy Gela	1	1	2
Cr Aven Noah	1	1	2



**\*Administrative & Regulatory - areas of responsibility:**

- *Audit, Finance, Local Laws, DOGIT, Native Title, Insurance, Human Resources, Legal Records, Communications, Marketing, Risk & Natural Disaster, SES, Community Housing, Economic Development, Community Development, Cultural, Ceremonies, Celebrations, Arts, Information Technology, Tourism, Community Police, Customer Service*

**\*Infrastructure & Planning - areas of responsibility:**

- *Assets, Procurement & Plant, BRACS, Libraries Environment & Health, Landfills, Seawalls, EPA, Garbage Collection, Childcare, Sports & Recreation, After School and Vacation care, HACCC, Disability Services, Water, Sewerage, Roads, Storm Water, Parks & Gardens, Nurseries, Airports, Sea Ports, Enterprises, Town Planning*

*\*Note: Different Councillors were in their positions for different periods of time.*

*\*Note: Standing Committee's were re-structured post-election from three to two committees: Administration and Regulatory, and Infrastructure and Planning. All councillors are members of both committees.*

# COUNCILLOR REMUNERATION:

## SUPERANNUATION:

- NIL – *As per Councillors request.*

## ANNUAL RATES:

Annual Rates	Mayor	Deputy Mayor	Councillors
	\$ 116,412.77	\$ 56,558.32	\$ 47,482.98

## Councillor Remuneration & Expenses 2011-12:

Title	Community	Gross \$	Tax \$	Other expenses \$	Net \$
<b>Cr Fred Gela</b>	Mayor	112707.92	-31258.00	8877.85	90327.77
<b>Cr Kenny Bedford</b>	Deputy Mayor Erub	49241.00	-9533.40	5516.60	45224.20
<b>Cr Jimmy Joe Gela</b>	Erub	6108.15	-862.00	2422.85	7669.00
<b>Cr Wayne Guivarra</b>	Badu	41071.25	-6726.80	2986.85	34671.30
<b>Cr Horace Baira</b>	Badu	6108.15	-862.00	2032.90	6399.05
<b>Cr Donald Banu</b>	Boigu	41077.50	-6734.80	2514.60	36857.30
<b>Cr Dimas Toby</b>	Boigu	6108.15	-862.00	3599.40	8845.55
<b>Cr Torenzo Elisala</b>	Davan	41071.25	-6726.80	634.50	34978.95
<b>Cr Joel Gaiden</b>	Davan	6108.15	-862.00	1594.70	6840.85
<b>Cr Nancy Pearson</b>	Hammond	41071.25	-6726.80	85.30	34429.75
<b>Cr Mario Sabitano</b>	Hammond	6108.15	-862.00	1255.45	6501.60
<b>Cr Walter Mackie</b>	Iama	41071.25	-6726.80	1674.50	36018.95
<b>Cr Getano Lui (Jnr)</b>	Iama	6108.15	-862.00	2460.30	7706.45
<b>Cr David Bosun</b>	Kubin	47179.40	-7588.80	3145.70	42736.30
<b>Cr Keith Fell</b>	Deputy Mayor Mabuiag	48119.20	-7846.80	7345.70	47618.10

## Councillor Remuneration & Expenses 2010-11:

<b>Title</b>	<b>Community</b>	<b>Gross \$</b>	<b>Tax \$</b>	<b>Other expenses \$</b>	<b>Net \$</b>
<b>Cr Ron Day</b>	Mer	41071.25	-6726.80	792.80	31677.25
<b>Cr Aven Noah</b>	Mer	6108.15	-862.00	1920.30	7166.45
<b>Cr Phillemon Mosby</b>	Poruma	47183.00	-7596.80	4867.35	42473.55
<b>Cr Ron Enosa</b>	Saibai	47179.40	-7588.80	2974.95	42175.55
<b>Cr John T Kris</b>	St Pauls	47179.40	-21987.00	610.80	25003.20
<b>Cr Florianna Bero</b>	Ugar	41071.25	-6726.80	1434.60	35779.05
<b>Cr Jerry Stephen</b>	Ugar	6108.15	-862.00	3599.40	8845.55
<b>Cr Willie Lui</b>	Warraber	39348.05	-6726.80	2081.70	36424.95
<b>Cr Ted Billy</b>	Warraber	6108.15	-862.00	1492.90	5939.05
<b>Cr Fraser Nai</b>	Masig	31399.47	-4945.20	5763.50	32217.77
<b>Cr John Mosby</b>	Masig	14343.68	-2400.00		11943.68

# TSIRC EXPENSE REIMBURSEMENT POLICY:

## Commencement

The Torres Strait Island Regional Council expenses reimbursement policy will repeal any previous policy on this issue, effective 15<sup>th</sup> May 2012.

## Background

In developing an expense reimbursement policy the Council must comply with section 102 of the Local Government Act 2009 and Regulations 45 – 47 of the Local Government (Operation) Regulation 2010.

## Purpose

The purpose of the policy is to ensure that councillors (including the mayor) can receive reimbursement of reasonable expenses and be provided with necessary facilities in performance of their role.

## Statement of Principles

The policy Statement of Principles are:

- Reasonable expenses reimbursement to councillors
- Public accountability and transparency
- Public perceptions and community expectations
- No private benefit to be derived
- Equity and participation

Derived from:

The *local government principles* being—

- (a) transparent and effective processes, and decision-making in the public interest; and
- (b) sustainable development and management of assets and infrastructure, and delivery of effective services; and
- (c) democratic representation, social inclusion and meaningful community engagement; and
- (d) good governance of, and by, local government; and
- (e) ethical and legal behaviour of councillors and local government employees.

## Payment of Expenses

Expenses will be paid to a councillor through administrative processes approved by a council's Chief Executive Officer subject to:

- The limits outlined in this policy and/or
- Council endorsement by resolution.

## Expense Categories

### Representing Council

Where Council resolves or the Mayor & CEO consider relevant that Councillors are required to attend study tours, conferences or workshops to either deliver a paper, to receive knowledge or as a delegate

of Council; Council will reimburse expenses, associated with attending the event since participation is part of the business of Council.

Each Councillor who attends an event on behalf of Council must provide a verbal and written report to the whole Council at the second ordinary meeting after the event.

A local government will reimburse expenses incurred for:

- Mandatory professional development

Where Council resolves or the Mayor and CEO consider that all Councillors are to attend training courses or workshops for skills development related to a Councillors role, the Council will reimburse expenses, that being the total cost of the course plus associated expenses

- Discretionary professional development

Where a Councillor identifies a need to attend a conference, workshop or training to improve skills, other than Mandatory training, Council will reimburse expenses to a maximum of \$5,000 for the current term of their office.

### **Travel as required to represent council**

A local government may pay for or reimburse local, interstate and overseas travel expenses (e.g. flights, car, accommodation, meals and associated registration fees) deemed necessary to achieve the business of council where:

- A councillor is an official representative of council and
- The activity/event and travel have been endorsed by resolution of council or
- The Mayor & CEO consider necessary to incur the travel on behalf of council

Council will pay for reasonable expenses incurred for overnight accommodation or apply the Australian Taxation Office guidelines for travel expenses. All travel expenses will be paid in advance of travel with exception reporting completed and any unused allowance recovered from future claims.

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

If a Councillor travels using their private vehicle, a log is to be kept of the mileage travelled and the reimbursement will be in accordance with the Australian Taxation Office rulings for the engine capacity of the vehicle used.

### **Travel bookings**

All councillor travel approved will be booked and paid for by Council.

For the purpose of travelling for Council (Not as a result of a third party request and payment) Economy class is to be used, however for journeys of two (2) hours or more Business Class is to be used where available. For third party requests for travel, Councillors will travel the class of travel the third party is prepared to offer.



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

### **Travel transfer costs**

Any travel transfer expenses associated with councillors travelling for council approved business will be reimbursed.

Example: Trains, taxis, buses and ferry fares

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

On the mainland only for Councillors who chose to be accommodated by Council and for travel periods of longer than three days, the Councillor has an option of obtaining a hire car (Standard size or smaller), this will be arranged by Council, all fuel costs associated with the hire car will be borne by the Councillor.

### **Private vehicle usage**

Councillor's private vehicle usage may be reimbursed by council if the:

- Travel has been endorsed by council resolution or
- The Mayor & CEO consider it appropriate
- Claim for mileage is substantiated with log book details and
- Total travel claim does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers.

Reimbursement will be in accordance with the Australian Taxation Office rulings for the engine capacity of the vehicle used.

### **Accommodation**

At Councillor Request accommodation for Council business can be booked and paid for by Council or the Australian Taxation Office ruling (TD 2007/21 or later) for travel allowance will be paid to Councillors. Council will pay for the most economical deal available. Where possible, the minimum standards for councillors' accommodation will be four (4) star rating.

Where particular accommodation is recommended by conference organisers, council will take advantage of the package deal that is the most economical and convenient to the event.

### **Meals**

A local government will reimburse costs of meals in accordance with the Australian Taxation Office ruling on travel expenses (TD 2007/21 or later) for a councillor when:

- The meal was not provided:
  - Within the registration costs of the approved activity/event
  - During an approved flight
  - Any time Councillor is on Council Business

No alcohol will be paid for by council.

If the Councillor is away from home or commences their travel before 8 am or concludes after 9 am a breakfast entitlement is provided. If the Councillor is away from home or commences travel before 12 noon or concludes after 1 pm a lunch entitlement is provided. If the Councillor is away from home or commences travel before 6 pm or concludes after 7 pm a dinner entitlement is provided.

- Incidental allowance

- \$25

Payment will be made for any overnight travel only; the calculation is to pay on the first day of travel, on the last day of travel and for any day in between. In effect the minimum payment will be two days entitlement

### **Hospitality**

Council provides a \$750 per annum Hospitality Expenditure for all Councillors.

Council provides a \$2,500 per annum Hospitality Expenditure for the Mayor.

The Mayor and the Councillors will provide evidence of the expenditure to the CEO or at an ordinary meeting. The Council or the CEO will deem the appropriateness of the expenditure, that being for the purpose of providing hospitality to a third party, not related to the Mayor or Councillor.

Hospitality is the provision of food, drinks or entertainment; fundamentally the event must be directly related to Council activities.

### **Provision of Facilities**

Certain equipment separately identified in this policy is provided to the Councillor once; this equipment will remain the property of the Councillor upon the completion of the entire term of Council. All other equipment and facilities not separately identified remain the property of council and must be returned to council when a councillor's term expires.

### **Private use of Council owned facilities**

Based on the principle that no private benefit is to be gained the facilities provided to Councillors by Local Governments are to be used only for Council business unless prior approval has been granted by resolution of Council and are in accordance with the charges for private use as set out in this policy.

### **Facilities Categories**

#### **Administrative tools**

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

Administrative tools include:

- Office space and meeting rooms

- Computers
- Stationery
- Access to photocopiers
- Printers
- Facsimile machines
- Publications
- Use of council landline telephones and internet access in council offices.

Secretarial support may also be provided for Mayors and Councillors under a directive given by the Chief Executive Officer to staff concerned.

### **Name Badge and uniform**

The Council will provide Councillors with a name badge

The Council will provide a uniform of the Council.

### **Motor vehicles**

On the choice of the Mayor or Councillor:

Council will provide a 2wd dual cab utility on a full private use basis, that being any member of the Councillors family eligible to drive can access this vehicle. In return the Councillor will pay \$25 a week as hire, provide for all fuel, and pay for the insurance excess if any damage occurs to the vehicle. If damage is as a result of an illegal act the Councillor will be responsible for the full cost of any repairs or replacement of the vehicle. The Council will be responsible for the routine maintenance and insurance of the vehicle and all fair wear and tear repairs.

At the end of the term the motor vehicle remains the property of the Council.

A Councillor will not be entitled to access any other vehicle, for Council business or private.

### **Computers and Telecommunication**

Councillors can elect one of the following:

A/ mobile phone, IPAD and office computer (thin client).

B/ mobile phone, lap top computer and docking station configuration at the office.

A 5 GB data plan per month will be paid for by Council, any excessive use will be at cost to the Councillor. A voice plan will be paid for by Council with Council paying for all business use, any personal calls must be reimbursed to Council, a copy of the phone bill will be provided to the Councillor for identification of personal calls, and payment is to be made immediately.

Council will only provide one mobile phone hand set, laptop computer or IPAD (depending on Councillor Choice) to a Councillor during the term of office, at the conclusion of the term these items will become the property of the Councillor. Any lost, damaged or stolen items will be the responsibility of the Councillor to replace. Council will continue to provide SIM cards and support to technical equipment.

### **Insurance cover**

Council will indemnify or insure Councillors in the event of injury sustained while discharging their civic duties.

Council will pay the excess for injury claims made by a Councillor resulting from conducting official Council business.

**Certification**

This and the preceding six (6) pages bearing my initials has been adopted by Council at it meeting held on the 27 January 2012

John Scarce

CHIEF EXECUTIVE OFFICER

Legislative Requirements	Completed
The total number of orders and recommendations made under section 180(2) or (4) of the Act <b>[Regional Conduct Review Panel]</b>	Nil
The total number of orders made under section 181 of the Act <b>[Orders relating to Inappropriate Conduct]</b>	Nil
The name of each councillor in relation for whom an order or recommendation was made under section 180 of the Act or an order was made under 181 of the Act <b>[Inappropriate Conduct - referral to the Mayor]</b>	Nil
A description of the misconduct or inappropriate conduct engaged in by each of the councillors	N/A
A summary of the order or recommendation made for each councillor	Nil
The number of each of complaints about the conduct or performance of councillors assessed as frivolous or vexatious under section 177(4) of the Act <b>[Complaints received which were assessed as frivolous or vexatious]</b>	Nil
The number of complaints referred to the department's Chief Executive under section 177(5)(a) of the Act <b>[Inappropriate conduct - referral to Mayor or Department]</b>	Nil
The number of complaints referred to the Mayor under section 177(5)(b) of the Act <b>[Inappropriate conduct - referral to Department]</b>	Nil
The number of complaints referred to the Department's Chief Executive under section 177(6) of the <b>[Misconduct - referral to Department]</b>	Nil
The number of complaints assessed by the Chief Executive Officer as being about official misconduct <b>[Official misconduct - referral to Department]</b>	Nil
The number of complaints heard by a conduct review panel	Nil
The number of complaints heard by the tribunal	Nil
The number of complaints dealt with by the chief executive officer under section 177(8) of the Act.	Nil
The number of administrative action complaints made to the local government	Nil
The number of administrative action complaints resolved by the local government under the complaints management process	Nil
The number of administrative action complaints not resolved by the local government under the complaints management process	Nil



The number of administrative action complaints under paragraph (a)(iii) that were made in a previous financial year	Nil
The names of the local government's shareholder delegates for its corporate entities	Nil
A summary of investigation notices given in the year under section 137 of the Business Activities Regulation for competitive neutrality complaints	Nil
The local government's decisions in the year on the referee's recommendations on any complaints under section 145(3) of the Business Activities Regulation; and (ii) the Queensland Competition Authority's recommendations under section 158(5) of the Business Activities Regulation.	Nil

## ORDERS, RECOMMENDATIONS & COMPLAINTS:

### COUNCIL'S COMPLAINTS MANAGEMENT POLICY PROCESS INCORPORATES THE FOLLOWING STEPS:

- Notification of complaint to Council
- Threshold assessment by Council
- Confirmation of receipt of complaint to complainant
- Investigation of complaint
- Reporting to Complaint Officer(s)
- Reporting of outcome to complainant
- Appeal phase
- Complaints received are noted on a database which tracks through the various procedural steps to achieve a timely response to the complainant.

## REGISTERS:

- Register of Councillors
- Delegations Register
- Complaints Database
- Debt Recovery
- Land Record
- Local Laws Register
- Lost and Stolen Property
- Cat and Dog Register
- Cost-recovery Fees Register
- Register of Electoral Gifts
- Register of Gifts
- Road Map and Register - *Patrick*
- Right to Information Database
- Beneficial Enterprises
- Interests
- Assets Register

### **Legal Services Operational Registers are as follows:**

- Leases Register
- Licences Register
- Authorised Persons Register
- Enforcement Database
- Complaints Database

## EXPENDITURE ON GRANTS TO COMMUNITY ORGANISATIONS:

TSIRC COMMUNITY ACTIVITIES FUNDING		
DIVISION	TOTAL FUNDING	DESCRIPTION
Badu	\$40,732	Community grant funding for community members activities including funding funerals.
Dauan	\$1,016	Community grant funding for sport team clothing
Erub	\$3,592	Community grant funding for football team "Saamkarem Beizam", TSI dance teams and Coming of the Light celebrations.
Hammond	\$7,500	Community grant funding to conduct an Arts Workshop for the community
Iama	\$494	Community grant funding for food for community celebrations
Kubin	\$10,000	Community grant funding for Non-profit community groups (Kubin Church and 'Wug Danailag Incorporated')
Mabuiag	\$2,000	Community grant funding for TSI Dance Group - "Balasa Ya Kwasa"
Mer	\$3,533	Community grant funding for TSI Dance Group - "Maiso Dance Troup"
Poruma	28,321	No funding provided for Community Activities
Saibai	\$6,827	Community grant funding for clothing and flights for sports teams and food for community celebrations
St Pauls	\$20,036	Community grant funding for "Deddeyal Gammaz" sports team jerseys and others
Ugar	\$10,738	Community grant funding for "Purple Spider Dance Team" and food and freight for community celebrations
Yorke	\$5,551	Community grant funding for food and freight for community celebrations

## HUMAN RESOURCES:

Council is committed to providing a safe and healthy working environment for all employees. Council practices Equal Employment Opportunity (EEO) through the EEO Policy and actively promotes this notion through our recruitment and selection process. All recruitment is conducted in transparent manner. The process involves the provision of detailed position descriptions, internal and external advertising, short listing by the vacancy manager, panel interviews and reports. To ensure the transparency of this process the interview panel must contain the vacancy manager or delegate, a member of the Human Resources team and an independent officer.

Council also supports internal development of employees and the employment of Torres Strait Islanders to positions where appropriate and offers a range of cadet, apprentice and trainee positions to assist young or unskilled people to get into the workforce. The Torres Strait Island Regional Council is now one of the largest employers of Torres Strait Islanders in the region.

During this financial year an Enterprise Bargaining Agreement (EBA) with employees was lodged for registration in the Queensland Industrial Relations Commission.

This process involved extensive consultation with stakeholders, including trade unions. The EBA will contain flexibility provisions for training and development leave and the recognition of leave for cultural activities and caring for families.

## WORKFORCE PLAN 2011-2012:

To assist in identifying where the Torres Strait Island Regional Council (TSIRC) workforce will be in the future a workforce plan is required. A gap analysis was conducted by the Executive Managers of TSIRC in December 2011 and a workforce action plan created.

This Workforce plan is about predicting future labour market needs. It requires an understanding of the make-up of the current workforce, an investigation into future service needs and an analysis of the type and size of workforce required to meet them.

By identifying workforce capabilities on hand now, considering what will be needed in the future and planning systematically, managers can limit the risks associated with unanticipated events. In particular, workforce planning will help to:

- identify potential problems, manage risk and minimise crisis management cycles
- contain human resources costs, including the cost of turnover, absenteeism, structural changes and staff movements
- develop workforce skills that take time to grow
- optimise the use of human, financial and other resources
- integrate human resource management issues into business planning.

John Scarce

CHIEF EXECUTIVE OFFICER

## RESERVES & ROADS:

### RESERVE LAND CONTROLLED BY COUNCIL:

Council does not control any reserve land

### LENGTH OF ROADS CONTROLLED BY COUNCIL:

Community	Total Road Length in Metres
Badu Island	50532.18655
Boigu Island	5180.320925
Dauan Island	3686.129599
Erub Island	16248.53499
Iama Island	8100.836079
Keriri Island	19219.73521
Mabuiag Island	13258.28452
Masig Island	11991.1096
Mer Island	13794.62637
Moa Island	75072.41948
Poruma Island	5936.669277
Saibai Island	7704.845561
Ugar Island	4494.111029
Warraber Island	11812.75813
<b>Total</b>	<b>247032.5673</b>

## OTHER:

### OVERSEAS TRAVEL:

Nil travel for Councillors or employees overseas

### INTERNAL AUDIT REPORT:

While Council maintains its strategic and operational focus on governance, risk management and controls, delivery of internal audit services have been limited in this financial year by available resources. The restructure of the Audit Committee in the latter part of the financial year to include independent audit



professionals has further enhanced Council's governance focus and driven a key priority of regular internal audit service delivery.

## **COUNCILS BORROWING POLICY:**

The following principles are accepted financial management principles associated with non-current liability management.

Borrowings will not be utilised to fund re-current operations;

Borrowings will be "matched" with the profile of the asset;

Borrowings for new assets should be linked with income producing assets that create wealth;

Before Borrowings are undertaken a risk evaluation on the asset or works is required to be undertaken to enable Council make a fully informed decision;

The ratio of Interest and Redemption to Grant Income should remain less than ten (10) percent;

Borrowings will only be for assets identified in Council planning including Strategic Plans, Management Plans, Five and Ten Year Capital Works Plans or other documentation of a Strategic Nature e.g. State / Federal Government Planning; and

Where transactions are considered "off-balance sheet" a full financial analysis including a risk assessment is undertaken in accordance with State Government Guidelines to ensure the Council is receiving "value for money".

## **RATES, REBATES & CONCESSIONS:**

The Council did not levy general rates – therefore, no rebates or concessions were applied.

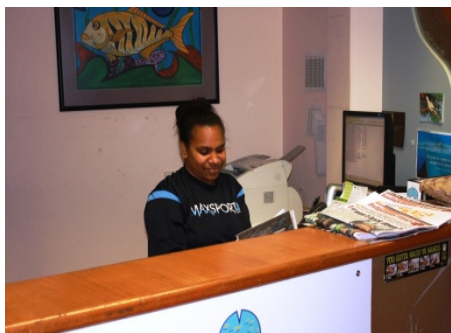
## **INVITATION TO CHANGE TENDERS:**

NIL

## IMAGES:







# COMMUNITY FINANCIAL REPORT

For the period 1 July 2011 to 30 June 2012

This community financial report shows a summary of the financials statements with the aim of providing easily understood information to the members of our community. Through the use of graphs it also assists readers to evaluate Council's financial performance and financial position. There are four financial statements which provide different information. These are:

## **The Income Statement**

This statement shows the income (or revenue) and the operational expenditure for the year. This then creates a profit (where income exceeds expenses) or loss (where expenses exceed income) for Council. This profit or loss is known as the net result attributable to Council.

## **The Balance Sheet**

This statement shows all of the assets (what is owned and owing to Council) and liabilities (what Council owes). This statement also shows the total community equity, being total assets minus total liabilities. Total community equity can help to show how healthy the position of Council is at a given point in time. The more that assets are greater than liabilities, the better the position of Council.

## **The Statement of Changes in Equity**

This statement shows the movements between elements of Community Equity shown in the Balance Sheet.

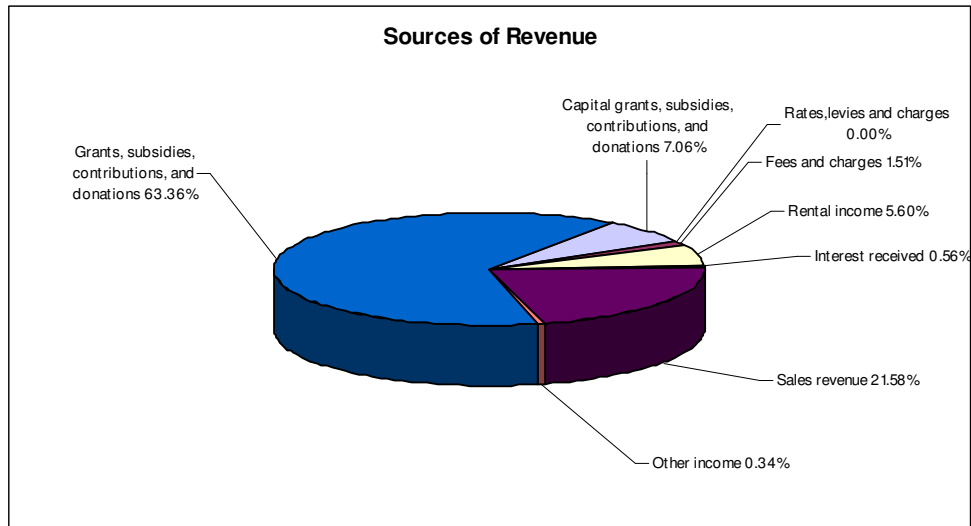
## **The Statement of Cash flows**

This statement shows the nature and amount of cash inflows/outflows of council activities.



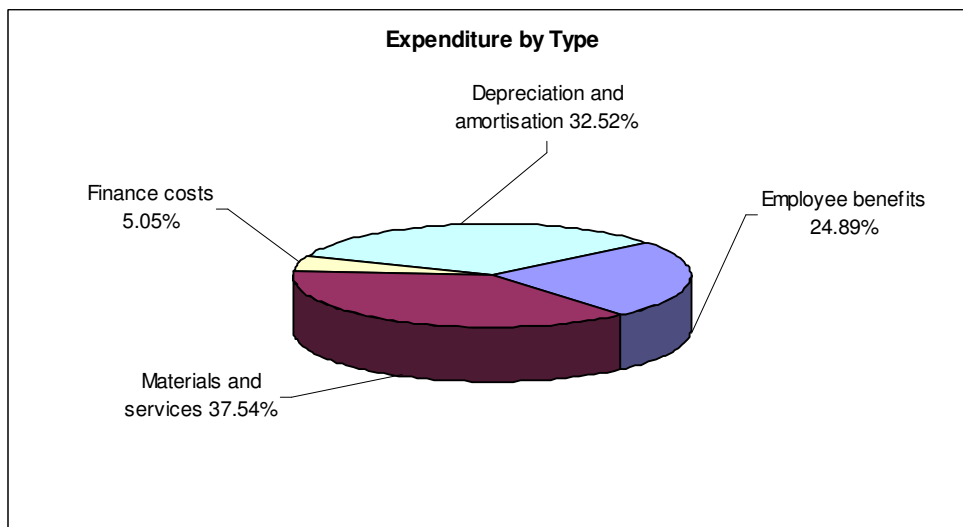
## THE INCOME STATEMENT

Revenue – where did the dollars come from?



Council received \$63 million in revenue during 2011/2012. This was primarily from Grants, Subsidies, Contributions and Donations of \$40 million which accounted for 63% of total revenue. Capital grants made up 7% of revenue. The remaining revenue is sourced from interest revenue, rental income, fees and sales revenue.

Expenses – where the dollars were spent?

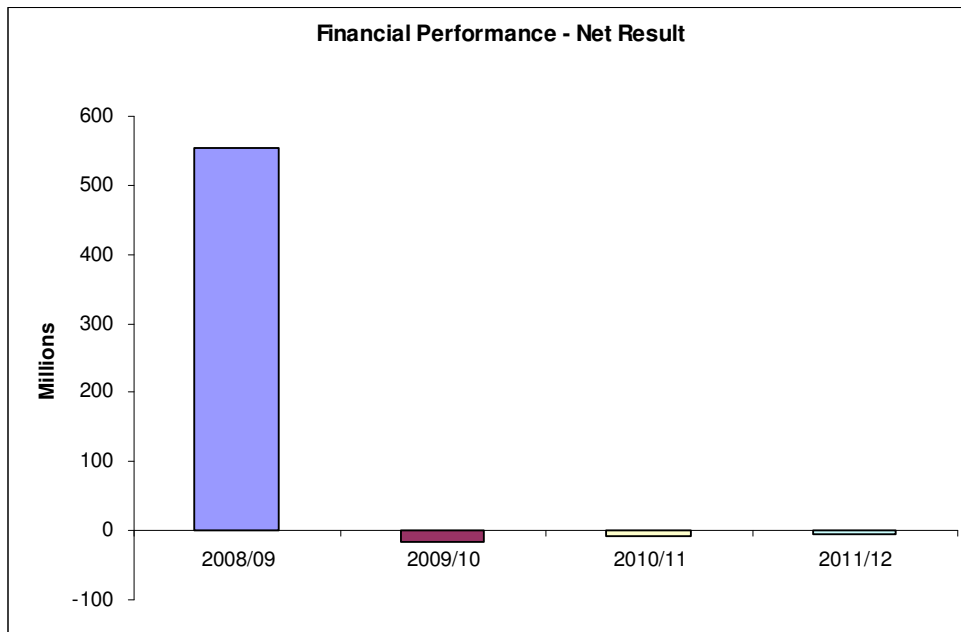


Total expenses of \$80 million were incurred during July 2011 and June 2012, which were primarily for employee costs of \$20 million and materials and services of \$30 million which together made up 62% of



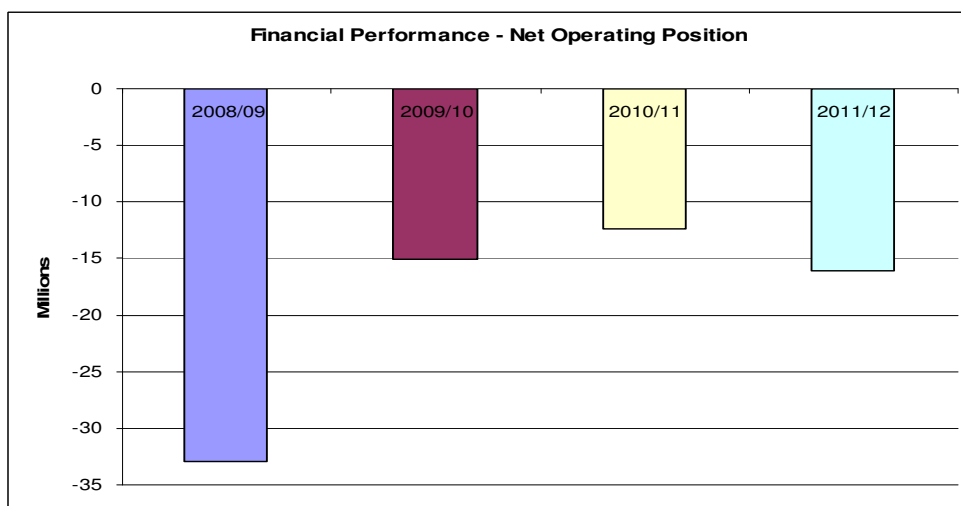
total expenditure. The remaining expenditure is made up of depreciation and amortisation and finance costs.

#### Net Result attributable to Council



The net result is the difference between revenue received and the operating expenses incurred by Council throughout the year on an accrual basis. The 2011/2012 net result is \$-6.4 million which indicates that revenue is \$6.4 million less than expenses. It should be noted that Council is carry depreciation expense in this figure to the tune of \$26M.

#### Operating Position



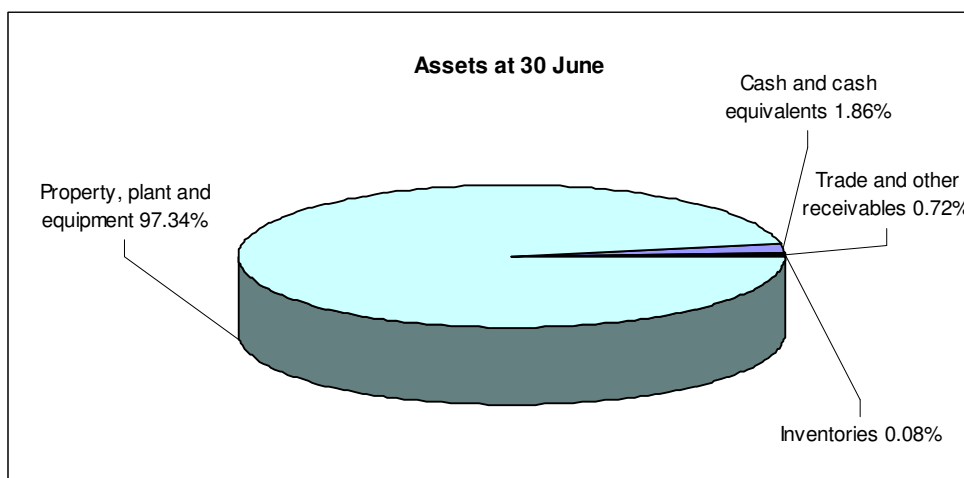
The operating position is calculated by taking total operating expenditure from the total operating revenue. Operating revenue in this calculation does not include any revenue for capital projects.

In many ways the operating position is the best measure of Council's financial performance in a given year. The operating position gives an indication of Council's ability to continue operating at sustainable levels, as well as Council's ability to fund the future acquisition and replacement of assets.

The Council is showing a loss level in terms of operating position, principally due to recognition of depreciation (or consumption of assets) (26M).

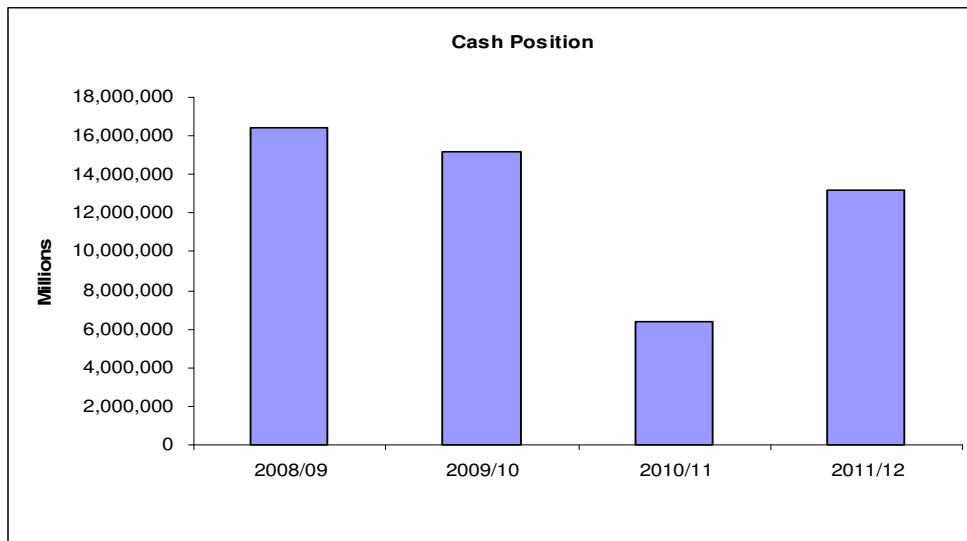
## THE BALANCE SHEET

Assets – what we own and what is owing to us



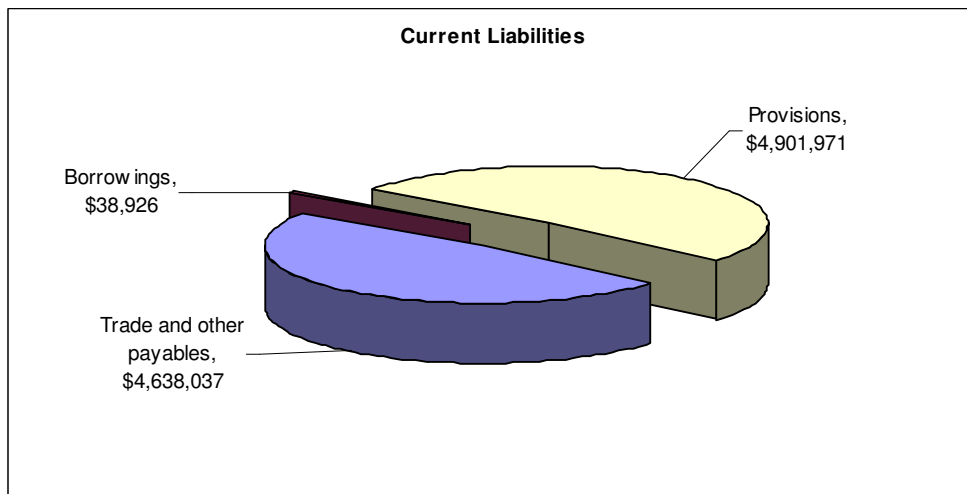
The major components of assets include property, plant and equipment, land, roads, water and sewerage, housing and cash assets. These assets represent 99% of all assets.

## Cash



The cash position at 30 June 2011 was \$13 million.

## Liabilities – what we owe



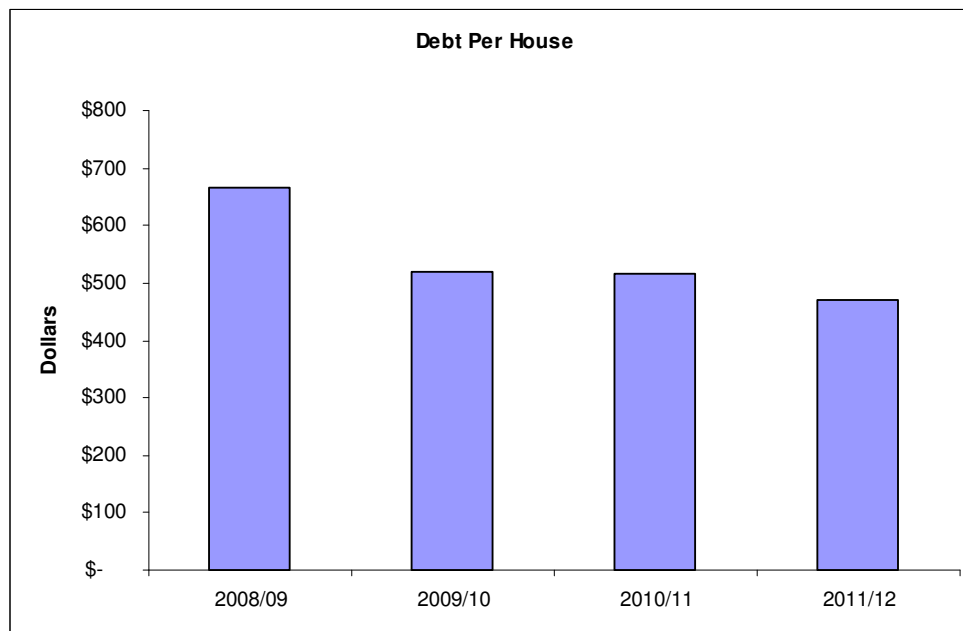
Council's liabilities include loans, amounts owing to suppliers, and amounts owing to employees for leave entitlements. Total liabilities at 30 June 2011 were \$9.7 million.

## QUEENSLAND TREASURY DEBT

Council's current borrowing policy requires:

- No use of long term debt to finance operating activities or recurrent expenditure;
- Priority will be given in any borrowing program to income producing assets;

These borrowings are repaid on a monthly basis in accordance with the terms and conditions set by the Queensland Treasury Corporation. The repayment terms are reviewed on a regular basis in order to ensure that the expected loan term aligns with market movements.



The debt per community house is \$470 at 30 June 2012.

## CONCLUSION

At 30 June 2012, Torres Strait Island Regional Council recorded a substantial operating deficit. This deficit was principally driven by the recognition of depreciation in the accounts. At present, the revenue streams of Council are not adequate to cover the operational costs (including depreciation) of Council.

## FINANCIAL MANAGEMENT SUSTAINABILITY

The Queensland Department of Infrastructure and Planning has published a Financial Management (Sustainability) Guideline. The Department has defined sustainability in the Queensland Local Government sector as:

*A local council is sustainable if its infrastructure capital and financial capital is able to be maintained over the long term.*

The Department has published a number of Financial Ratios as measures of sustainability.

Financial ratios provide a useful snapshot of Council's status. These ratios are calculated by dividing a dollar amount of one item reported in the financials statements by the dollar amount of another. The result is a relationship between two related items that is easy to interpret and is also useful in comparing Torres Strait Island Regional Council to other Councils.

### Sustainability Indicators

Ratio	Calculation	Information	Target	Actual
Working Capital Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	This is an indicator of the management of working capital. Measures the extent to which a council has liquid assets available to meet short term financial obligations.	Greater than 1:1	1.97
Operating Surplus Ratio	$\frac{\text{Net Operating Surplus}}{\text{Total Operating Revenue}}$	This is an indicator of the extent to which revenues raised covers operational expenses or are available for capital funding.	Between 0% and 15%	-35%
Net Financial Liabilities Ratio	$\frac{\text{Total Liabilities - Current Assets}}{\text{Total Operating Revenue}}$	This is an indicator of the extent to which the net financial liabilities of council can be serviced by its operating revenues.	Not Greater than 60%	-9%
Interest Coverage Ratio	$\frac{\text{Net Interest Expense on Debt}}{\text{Total Operating Revenue}}$	This ratio indicates the extent to which council's operating revenues are committed to interest expense.	Between 0% and 10%	0.12%

Sustainability Indicators				
Ratio	Calculation	Information	Target	Actual
Asset Sustainability Ratio	$\frac{\text{Capital Expenditure on Replacement Assets}}{\text{Depreciation Expense}}$	This is an approximation of the extent to which the infrastructure assets are being replaced as they reach the end of their useful lives.	Greater than 90%	21%
Asset Renewal Funding Ratio	$\frac{\text{Net Present Value of Planned Capital Expenditure on Renewals over 10 years}}{\text{Net Present Value of Required Capital Expenditure on Renewals}}$	This represents the extent to which the required capital expenditures on renewals have been incorporated into the 10 Year Financial Model of Council.	Greater than 90%	Due to Grant Funding uncertainty it is not possible to calculate this indicator.



## Relevant Measures of Financial Sustainability

	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-16	30-Jun-17	30-Jun-18	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23
Working Capital Ratio	1.31	1.97	1:3.5828	1:3.8681	1:3.8528	1:3.8337	1:3.8104	1:3.7829	1:3.7509	1:3.7141	1:3.6725	1:3.6258	1:3.5741
Operating Surplus Ratio	-34%	-35%	-37%	-35%	-33%	-31%	-29%	-27%	-26%	-24%	-23%	-22%	-20%
Net Financial Liabilities Ratio	-2%	-9%	-24%	-24%	-23%	-23%	-22%	-21%	-21%	-20%	-20%	-19%	-18%
Interest Coverage Ratio	0.16%	0.12%	-0.33%	-0.76%	-0.94%	-0.92%	-0.90%	-0.88%	-0.85%	-0.83%	-0.81%	-0.78%	-0.76%
Asset Sustainability Ratio	26.49%	21%	9.10%	9.60%	10.21%	10.96%	11.75%	12.61%	13.53%	14.51%	15.57%	16.70%	17.91%

Listed above are the relevant measures of financial sustainability for the Council for the current year and future ten (10) years.

This Community Financial Report and Financial Sustainability Indicator Report has been compiled in accordance with:

Local Government (Finance Plans and Reporting) Regulation 2010 s103;

### 103 Preparation of community financial report

- (1) A local government must prepare a community financial report for each financial year.
- (2) The community financial report for a financial year must—
  - (a) contain a summary and an analysis of the local government's financial performance and position for the financial year; and
  - (b) be consistent with the general purpose financial statement for the financial year; &
  - (c) include the relevant measures of financial sustainability for the financial year; &
  - (d) be in a form that can be easily understood by the community.

### **Financial Management Strategy**

Council has undertaken a number of long term financial planning initiatives since the time of amalgamation. These have included:

- Development of a Long Term Financial Model;
- Divestment of non-core Local Government Services to the Community;
- Implementation of a rigorous Debt Management Policy;
- Identification and valuation of all Council above and below ground assets;
- Development of Asset Management Plans for all asset classes;
- Implementation of a cash-free local office; and generally
- Maintenance of services at pre-amalgamation levels.

The Council has made further long term financial management decisions. The Long Term Financial Plan and subsequent strategy for the Council is to:

1. Maintain Council's revenue neutral budget position;
2. Implement an investment management strategy;
3. Concentrate further on own source revenue initiatives including strengthening the Debt Recovery process;
4. Bring the budget to a balanced position with regard to service delivery on the ground;
5. Deliver on Asset Management Plan strategies and goals where funding allows the Council to do so; and
6. Continue to lobby Federal and State Governments to free up funds for further asset management plan initiatives.

The relevant measures of financial sustainability identified above have been calculated in accordance with Councils long term financial management plan.

# **TORRES STRAIT ISLAND REGIONAL COUNCIL FINANCIAL STATEMENTS**