



**BURDEKIN SHIRE COUNCIL**



# **AGENDA**

  

## **ORDINARY COUNCIL MEETING**

**HELD AT COUNCIL ADMINISTRATION BUILDING,  
145 YOUNG STREET, AYR**

**on 13 May 2014**

**COMMENCING AT 9:00AM**

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**TUESDAY 13 MAY 2014**

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## **1 PRAYER**

## **2 DECLARATIONS OF INTEREST**

## **3 MINUTES AND BUSINESS ARISING**

### **3.1 Ordinary Council Meeting Minutes - 22 April 2014**

#### **Recommendation**

That the minutes of the Ordinary Council Meeting held on 22 April 2014 be received as a true and correct record.



**BURDEKIN SHIRE COUNCIL**



# **MINUTES**

## **ORDINARY COUNCIL MEETING**

**HELD AT COUNCIL ADMINISTRATION BUILDING,  
145 YOUNG STREET, AYR**

**on 22 April 2014**

**COMMENCING AT 9:00AM**



**TUESDAY 22 APRIL 2014**

### **ORDER OF BUSINESS:**

<b>ITEM</b>	<b>PRECIS</b>	<b>PAGE</b>
<b>1</b>	<b>PRAYER</b>	<b>1</b>
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<b>5.1</b>	<b>Create a New Planning Scheme in Accordance with the Requirements of the Sustainable Planning Act 2009</b>	<b>3</b>
<b>5.2</b>	<b>Environmental Levy Application - Lower Burdekin Landcare Association - Field Guide: Wetland Plants of the Burdekin Region - Motion to Lay on the Table</b>	<b>4</b>
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Ordinary Council Meeting 22 April 2014



## **BURDEKIN SHIRE COUNCIL**



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<b>10.3</b>	<b>List of Project Estimates Adopted - Multi Purpose Exhibition Hall and Cyclone Shelter Facility</b>	<b>6</b>
<b>10.4</b>	<b>Naming of Un-named Road as Plozza Road</b>	<b>6</b>
<b>10.5</b>	<b>Application for Detached Bottle Shop - Queen Street, Ayr</b>	<b>6</b>
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<b>12</b>	<b>DELEGATIONS</b>	<b>7</b>



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## **ATTENDANCE**

Councillors W.C. Lewis (Mayor), R.H. Lewis (Deputy Mayor), L.D. McCathie, L. Loizou, U.E. Liessmann, P.M. Dalle Cort and E.J. Bawden

Mr. M. Magin - Chief Executive Officer  
Mr. D.P. Mulcahy - Director Corporate and Community Services  
Mr. T.G. Williams - Director Environment and Operations  
Mr. S. Great - Manager Planning and Development  
Mrs. B. Whitworth - Manager Environment and Health  
Mr. W. Saldumbide - Manager Operations  
Mr. K. Byers - Manager Technical Services

Minutes Clerk - Miss S. Cronin

### **1 PRAYER**

### **2 DECLARATIONS OF INTEREST**

The Mayor called for declarations of interest.

No declarations of interest were identified.

### **3 MINUTES AND BUSINESS ARISING**

#### **3.1 Ordinary Council Meeting Minutes - 8 April 2014**

##### **Recommendation**

That the minutes of the Ordinary Council Meeting held on 8 April 2014 be received as a true and correct record.

##### **Resolution**

Moved Councillor McCathie, seconded Councillor Loizou that the recommendation be adopted.

CARRIED

#### **3.2 Burdekin Building Safer Communities Action Team Meeting - 12 March 2014**

##### **Recommendation**

That the minutes of the Building Safer Communities Action Team Meeting held on 12 March 2014 be received and adopted.

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## **Resolution**

Moved Councillor McCathie, seconded Councillor Liessmann that the recommendation be adopted.

CARRIED

### **3.3 Burdekin Shire Council Local Disaster Management Group Meeting - 21 March 2014**

## **Recommendation**

That the minutes of the Burdekin Shire Council Local Disaster Management Group Meeting held on 21 March 2014 be received and adopted.

## **Resolution**

Moved Councillor Loizou, seconded Councillor Bawden that the recommendation be adopted.

CARRIED

### **3.4 Burdekin Shire Youth Council Meeting Minutes - 24 March 2014**

## **Recommendation**

That the minutes of the Burdekin Shire Youth Council Meeting held on 24 March 2014 be received and adopted.

## **Resolution**

Moved Councillor Liessmann, seconded Councillor Dalle Cort that the recommendation be adopted.

CARRIED

### **3.5 Burdekin Building Safer Communities Action Team Meeting Minutes - 9 April 2014**

## **Recommendation**

That the minutes of the Burdekin Building Safer Communities Action Team Meeting held on 9 April, 2014 be received and adopted.

## **Resolution**

Moved Councillor Loizou, seconded Councillor Lewis that the recommendation be adopted noting that Councillor McCathie was an apology.



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CARRIED

## **4 REPORTS**

### **4.1 Capital Projects Monthly Report for Period Ending 31 March 2014**

#### **Recommendation**

That the Capital Projects Monthly Report for the Period Ending 31 March 2014 be received.

#### **Resolution**

Moved Councillor Liessmann, seconded Councillor Lewis that the recommendation be adopted.

CARRIED

### **4.2 Operating Statement for Period Ending 31 March 2014**

#### **Recommendation**

That the Operating Statement for the Period Ending 31 March 2014 be received.

#### **Resolution**

Moved Councillor Loizou, seconded Councillor Lewis that the recommendation be adopted.

CARRIED

## **5 ENVIRONMENT & OPERATIONS**

### **5.1 Create a New Planning Scheme in Accordance with the Requirements of the Sustainable Planning Act 2009**

#### **Executive Summary**

The *Sustainable Planning Act 2009 (SPA)* requires that local governments review their planning scheme every 10 years to ensure that they respond to changes at a local, regional and state level. Planning schemes must be updated to reflect the Queensland Planning Provision (QPP).

The QPP is a state planning instrument under SPA that provides a consistent form for the preparation of planning schemes across Queensland through a standardised structure and format. The QPP makes provision for local governments to incorporate local content to reflect particular issues within each individual local government area.

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## Recommendation

That Council resolve to:

1. commence preparation of a new Planning Scheme in accordance with the requirements of the Sustainable Planning Act 2009; and
2. adopt the proposed Project Management Plan dated 11 April, 2014.

## Resolution

Moved Councillor Lewis, seconded Councillor Dalle Cort that the recommendation be adopted.

CARRIED

## 5.2 Environmental Levy Application - Lower Burdekin Landcare Association - Field Guide: Wetland Plants of the Burdekin Region - Motion to Lay on the Table

### Executive Summary

Lower Burdekin Landcare Association (LBLCA) has applied for \$20,000 from the Environmental Levy fund to produce a book entitled *Field Guide – Wetland Plants of the Burdekin Region*. This book will provide details of the wetland plants that can be found in wetlands in the Burdekin region, particularly those species with importance to conservation, wetland management and/or wetland conservation.

## Recommendation

That Council approves the allocation of \$20,000 (plus GST) from the Environmental Levy fund to Lower Burdekin Landcare Association to produce the book entitled *Field Guide – Wetland Plants of the Burdekin Region*.

That the applicants be advised that:

- (a) the funding is supplied on the basis that it is only used for the purpose intended;
- (b) a report on the outcomes of the project be submitted to Council on completion; and
- (c) Burdekin Shire Council must be acknowledged in any promotion or publication associated with the project.

## Resolution

Moved Councillor Dalle Cort, seconded Councillor Liessmann that the recommendation be adopted.

Moved Councillor McCathie, seconded Councillor Loizou that the motion lay on the table pending further information being provided to Council on the status of the Environmental Levy.

CARRIED



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### **5.3 Drainage Maintenance - 11 Fourteenth Street, Home Hill - P Quagliata**

#### **Executive Summary**

Mr Paul Quagliata has requested council improve drainage in the area of Fourteenth Street and Third Avenue by constructing a roadside drain along Third Avenue, Home Hill.

#### **Recommendation**

Council resolves to conduct drainage maintenance works in the area, by constructing an open drain from the existing kerb and channel on Third Avenue, along the western side of Third Avenue to the intersection with Twelfth Street.

#### **Resolution**

Moved Councillor Liessmann, seconded Councillor Bawden that the recommendation be adopted.

LOST

## **6 CORPORATE & COMMUNITY SERVICES**

## **7 CORRESPONDENCE FOR INFORMATION**

## **8 NOTICES OF MOTION**

## **9 URGENT BUSINESS**

## **10 GENERAL BUSINESS**

### **10.1 Australian Local Government Women's Association Conference - 23-25 July 2014**

#### **Resolution**

Moved Councillor Dalle Cort, seconded Councillor McCathie that Council approves the attendance of Councillor Dalle Cort at the Australian Local Government Women's Association Conference hosted by Southern Downs Regional Council in Warwick from 23-25 July 2014.

CARRIED

Noting that Councillor Liessmann voted against the motion.

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## **10.2 Council to Liaise with Lower Burdekin Water Boards Regarding Drainage**

### **Resolution**

Moved Councillor Liessmann, seconded Councillor Bawden that Council liaise with the Lower Burdekin Water Boards in relation to a number of drainage issues in Ayr and Home Hill following Tropical Cyclone Ita.

CARRIED

## **10.3 List of Project Estimates Adopted - Multi Purpose Exhibition Hall and Cyclone Shelter Facility**

### **Resolution**

Moved Councillor Lewis, seconded Councillor Dalle Cort that Council adopt the list of project estimates (as tabled) for the Multi Purpose Exhibition Hall and Cyclone Shelter Facility as a guide to future expenditure.

CARRIED

## **10.4 Naming of Un-named Road as Plozza Road**

### **Resolution**

Moved Councillor McCathie, seconded Councillor Dalle Cort that Council approves the naming of the un-named road off the Bruce Highway approximately 350 metres to the west of the Jerona Road intersection (opposite McLain Road) as Plozza Road.

CARRIED

## **10.5 Application for Detached Bottle Shop - Queen Street, Ayr**

### **Resolution**

Moved Councillor Lewis, seconded Councillor Loizou that the Office of Liquor and Gaming Regulation be advised that in respect to the application by the Brandon Tavern for a detached bottle shop at 203-207 Queen Street, Ayr, Council neither supports or objects to the application at this stage noting that a Development Approval under Council's Town Planning Scheme is required to conduct the proposed activity and Council will consider the application on its merits at that time.

CARRIED

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## **10.6 Approval of Memorial Plaque in Airdmillan School Grounds**

### **Resolution**

Moved Councillor Loizou, seconded Councillor Bawden that the request from Mr LJ Fabrellas for Council to name the old Airdmillan School grounds Harry Cook Airdmillan Memorial Park not be approved and Mr Fabrellas be advised that Council offers no objection to him placing a plaque on the rock in the grounds in memory of Mr Cook subject to the wording on the plaque being approved by Council.

CARRIED

## **11 CLOSED MEETING ITEMS**

### **Council Meeting closed to Public under Section 275 of Local Government Regulation 2012**

#### **Resolution**

Moved Councillor Lewis, seconded Councillor McCathie that the Council meeting be closed to the public under the following sections of the Local Government Regulation 2012:

- 275 (1) (c) the local government's budget; and
- 275 (1) (h) other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

for the purpose of discussing budget related matters associated with the Burdekin Theatre.

CARRIED

### **Council Meeting opened to Public**

#### **Resolution**

Moved Councillor Loizou, seconded Councillor Liessmann that the Council meeting be opened to the public.

CARRIED

## **12 DELEGATIONS**



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There being no further business the meeting closed at 12.40pm.

**These minutes were confirmed by Council at the Ordinary Council Meeting held on 13 May 2014.**

**MAYOR**

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## 4 REPORTS

### 4.1 Second Amended Budget for 2013/14

#### Document Information

**Referring Letter No:** N/A

**File No:** 1033

**Name of Applicant:** N/A

**Location:** N/A

**Author and Title:** Kim Olsen, Manager Financial Services

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#### Executive Summary

In accordance with the Local Government Act 2009 and the Local Government Regulation 2012, Council may, by resolution, amend the budget for a financial year at any time before the end of the financial year.

Management have completed a review of the 2013/14 Budget based on results to the end of March and estimated transactions for the remainder of the financial year.

A second amended budget for the 2013/14 financial year is submitted for adoption.

#### Recommendation

That the amended budget and report for the period ending 30<sup>th</sup> June, 2014 as tabled be adopted.

#### Background Information

The amended budget is based on best estimates of expenditure and income as provided by the relevant Directors and Managers.

#### Financial Analysis

The major change in the amended budget is a \$976,249 reduction in the Operating Result.

A net reduction of \$968,563 of Operating Grants is the major factor in this change. This occurred due to a \$1,481,092 cash advance of half of the 2013/14 FAGS grant being received late in 2012/13 and an estimated increase of \$420,656 in NDRRA grant funding for work finalised in 2012/13.

There was a minor increase in the retained surplus to \$33,382 compared to the original budget retained surplus of \$2,392.

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## Major Variances

The major variances in the amended budget are:

### Revenue

- \$147,000 increase in rates and charges results from an estimated increase in Water Consumption
- \$71,035 increase in fees and charges based on current trends, mainly an increase at Kirknie Landfill
- \$109,900 reduction in interest received due to lower than expected interest charged on outstanding rates
- \$968,563 reduction in operating grants, subsidies and contributions results from a cash advance of half the 2013/14 FAGS grant being received in 2012/13 reducing the grant to be received this financial year and additional grants for NDRRA disaster recover operating works for work finalised in 2012/13
- \$230,000 reduction in sales of contract and recoverable works – offset by reduction in expenses
- \$88,667 increase in other income results from increased workers compensation reimbursement, Long Service Leave transfer from another Council, increased fire levy collection fees with the introduction of the Class E Levy in the rural areas and monies received for waste disposal

### Expenses

- \$356,196 increase in employee benefits results from finalisation of resignations
- \$612,495 reduction in materials and services resulting from reductions in budgets for consultants, telecommunications, development and tourism, street lighting, waste and recoverable works
- \$277,002 increase in depreciation and amortisation for buildings, plant and sewerage

## **Link to Corporate/Operational Plan**

Strategy 1.7 – Ensure effective corporate governance through compliance with legislation and adoption of risk management strategies.

## **Consultation**

The amended budget has been collated and presented by the Finance Department from estimates provided by Directors and Managers.

## **Legal Authority or Implications**

Local Government Act 2009  
Chapter 4 Finances and accountability

Local Government Regulation 2012  
Section 170 Adoption and amendment of the budget

Interpretation guidance on this legislation is provided from the Department of Local Government.

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## **Policy Implications**

N/A

## **Financial and Resource Implications**

Refer to content of report.

### **Report prepared by:**

*Kim Olsen, Manager Financial Services*

### **Report authorised by:**

*Dan Mulcahy, Director Corporate and Community Services*

## **Attachments**

1. Budget Statements for adoption RBUD2 – 13-14

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**BURDEKIN SHIRE COUNCIL****Budgeted Statement of Comprehensive Income**

For the periods ending 30 June

	2013/14 Original Budget \$	2013/14 Revised Budget \$
<b>Revenue</b>		
Rates and utility charges	33,635,868	33,775,968
Less Discounts	(287,000)	(280,100)
Net rates and utility charges	33,348,868	33,495,868
Other fees and charges	2,245,300	2,316,335
Operating grants, subsidies and contributions	4,346,970	3,424,619
Interest revenue	1,816,000	1,706,100
Sales of contract and recoverable works	1,640,000	1,410,000
Other Income	135,050	223,717
<b>TOTAL OPERATING REVENUES</b>	<b>43,532,188</b>	<b>42,576,639</b>
<b>Expenses</b>		
Employee benefits	(17,461,894)	(17,818,087)
Materials and services	(15,428,121)	(14,815,626)
Depreciation and Amortisation	(9,220,118)	(9,497,120)
Finance Costs	(463,840)	(463,840)
<b>TOTAL OPERATING EXPENSES</b>	<b>(42,573,973)</b>	<b>(42,594,673)</b>
<b>Operating surplus (deficit)</b>	<b>958,215</b>	<b>(18,034)</b>
Capital income and expenditure:		
Cash capital grants, subsidies and contributions	22,264,579	25,244,846
<b>Net result for the period</b>	<b>23,222,794</b>	<b>25,226,812</b>

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**BURDEKIN SHIRE COUNCIL****Budgeted Statement of Financial Position**

As at the periods ending 30 June

	2013/14 Original Budget \$	2013/14 Revised Budget \$
<b>Current Assets</b>		
Cash and deposits	25,827,891	21,629,545
Receivables	3,329,156	4,814,922
Inventories	967,587	1,078,025
	<u>30,124,634</u>	<u>27,522,492</u>
Non-current Assets classified as held for sale		264,250
	<u>30,124,634</u>	<u>27,786,742</u>
<b>Non-Current Assets</b>		
Receivables	326,137	261,602
Property, plant and equipment	453,993,442	469,929,133
Intangible assets	1,018,727	923,977
Capital Work in Progress	3,459,424	4,690,504
	<u>458,797,730</u>	<u>475,805,216</u>
<b>TOTAL ASSETS</b>	<u>488,922,364</u>	<u>503,591,958</u>
<b>Current Liabilities</b>		
Trade and other payables	3,463,309	3,156,910
Interest bearing liabilities	1,742,462	1,728,392
Provisions	185,252	215,387
Other	52,922	25
	<u>5,443,945</u>	<u>5,100,714</u>
<b>Non-Current Liabilities</b>		
Trade and other payables	736,974	714,077
Interest bearing liabilities	5,838,007	5,851,643
Provisions	16,963,280	15,845,416
	<u>23,538,261</u>	<u>22,411,136</u>
<b>TOTAL LIABILITIES</b>	<u>28,982,206</u>	<u>27,511,850</u>
<b>NET COMMUNITY ASSETS</b>	<u>459,940,158</u>	<u>476,080,108</u>
<b>Community Equity</b>		
Capital account	205,967,729	210,142,056
Asset revaluation reserve	230,894,581	245,294,169
Restricted capital reserves	10,601,626	12,180,820
Other capital reserves	7,346,247	5,326,041
Recurrent reserves	5,127,583	3,103,640
Accumulated surplus/(deficiency)	2,392	33,382
<b>TOTAL COMMUNITY EQUITY</b>	<u>459,940,158</u>	<u>476,080,108</u>

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**BURDEKIN SHIRE COUNCIL****Budgeted Statement of Cash Flows**

For the periods ending 30 June

	2013/14 Original Budget \$	2013/14 Revised Budget \$
<b>Cash Flows from Operating Activities</b>		
Receipts		
Net rates and utility charges	33,348,868	33,495,868
Total fees and charges	2,245,300	2,316,335
Sales of contract and recoverable works	1,640,000	1,410,000
Interest revenue	1,816,000	1,706,100
Contributions and donations	140,330	186,542
Government subsidies and grants	4,206,640	3,238,077
Other Income	135,050	223,717
	<b>43,532,188</b>	<b>42,576,639</b>
Payments		
Employee benefits	(17,362,197)	(17,584,087)
Materials and services	(15,428,121)	(14,815,626)
Finance costs	(463,840)	(463,840)
	<b>(33,254,158)</b>	<b>(32,863,553)</b>
<b>Cash provided by / (used in) operational activities</b>	<b>10,278,030</b>	<b>9,713,086</b>
<b>Cash Flow from Investing Activities :</b>		
Proceeds from sale of capital assets	480,000	402,000
Contributions		14,376
Government grants and subsidies	22,264,579	25,230,470
Payments for property, plant and equipment	(39,171,678)	(49,435,416)
Payments for intangibles	(117,360)	(222,538)
Net proceeds (cost) from advances and cash investments		7,000,000
Net cash provided by investing activities	<b>(16,544,459)</b>	<b>(17,011,108)</b>
<b>Cash Flow from Financing Activities :</b>		
Proceeds from borrowings	1,920,000	1,920,000
Repayment of borrowings	(1,593,260)	(1,593,260)
Net cash provided by financing activities	<b>326,740</b>	<b>326,740</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>(5,939,689)</b>	<b>(6,971,282)</b>
Cash at beginning of reporting period	31,767,580	28,600,827
<b>Cash at end of Reporting Period</b>	<b>25,827,891</b>	<b>21,629,545</b>

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**BURDEKIN SHIRE COUNCIL****Budgeted Statement of Changes in Equity**

For the periods ending 30 June

	Total		Retained Surplus/Deficit		Capital	
	2013/14 Original Budget \$	2013/14 Revised Budget \$	2013/14 Original Budget \$	2013/14 Revised Budget \$	2013/14 Original Budget \$	2013/14 Revised Budget \$
Balance at the beginning of period	436,717,364	450,853,296	-1,635	14,051	176,348,041	170,352,452
Increase (decrease) in net result	23,222,794	25,226,812	23,222,794	25,226,812		
Other transfers to Capital and reserves			(23,781,100)	(34,491,543)	613,875	5,961,279
Transfers from capital and reserves			562,333	9,284,062		
Transfers between capital and reserves					29,005,813	33,828,325
Balance at the end of period	459,940,158	476,080,108	2,392	33,382	205,967,729	210,142,056

	Asset Revaluation Surplus		Reserves	
	2013/14 Original Budget \$	2013/14 Revised Budget \$	2013/14 Original Budget \$	2013/14 Revised Budget \$
Balance at the beginning of period	230,894,581	245,294,169	29,476,377	35,192,624
Increase (decrease) in net result				
Other transfers to Capital and reserves			23,167,225	28,530,264
Transfers from capital and reserves			(562,333)	(9,284,062)
Transfers between capital and reserves			(29,005,813)	(33,828,325)
Balance at the end of period	230,894,581	245,294,169	23,075,456	20,610,501

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**BURDEKIN SHIRE COUNCIL****Financial Ratios of the Budget**

For the year ended 30 June

	2013/14 OBUD %	2013/14 RBUD %
<b>Asset sustainability ratio</b>		
<u>Expenditure on Replacement Assets</u>		
Depreciation expense	303.0%	323.1%
The extent to which current year replacements are funded from current year depreciation		
<b>Interest coverage ratio</b>		
<u>Net interest expense</u>		
Operating Revenue	-3.2%	-3.0%
Indicates the extent to which Council's operating revenues are committed to net interest expense		
<b>Working Capital Ratio</b>		
<u>Unrestricted current assets</u>		
Current liabilities	5.5 : 1	5.2:1
Measures the extent to which Council has liquid assets available to meet short term financial obligations		
<b>Operating Surplus Ratio</b>		
<u>Net operating surplus</u>		
Total operating revenue	2.2%	0.0%
Extent to which operating revenue covers operational expenses. Target range 0 per cent to 10 per cent.		
A ratio >0% indicates an operating surplus, these funds are available to maintain or increase council's capital value		
A ratio <0% indicates an operating loss, results in opening capital value declining which has future sustainability issues.		
<b>Net Financial Liabilities Ratio</b>		
<u>Total Liabilities-Current Assets</u>		
Operating revenue	-2.6%	-0.6%
Measures the extent to which the net financial liabilities of Council can be serviced by operating revenues		
Net rates & utility charges original budget prior year	31,938,015	31,938,015
Net rates & utility charges budgeted for current year	<u>33,348,868</u>	<u>33,495,868</u>
Change rates and utility chages net of discounts	<u>1,410,853</u>	<u>1,557,853</u>
Percentage change	4.4%	4.9%

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# **BURDEKIN SHIRE COUNCIL**

## **Statement of Original Budget by Program**

For the periods ending 30 June

Functions :	Corporate Council result		General		Waste		Sewerage		Water	
	2013/14 OBUD \$	2013/14 RBUD \$	2013/14 OBUD \$	2013/14 RBUD \$	2013/14 OBUD \$	2013/14 RBUD \$	2013/14 OBUD \$	2013/14 RBUD \$	2013/14 OBUD \$	2013/14 RBUD \$
<b>Operating Revenue</b>										
Rates and utility charges	33,635,868	33,775,968	23,560,268	23,560,468	3,440,900	3,440,900	3,443,100	3,474,100	3,191,600	3,300,500
Less Discounts	(287,000)	(280,100)	(287,000)	(280,100)						
Total fees and charges	2,245,300	2,316,335	1,814,750	1,790,535	233,250	313,500	98,300	115,000	99,000	97,300
Interest revenue	1,816,000	1,706,100	840,400	761,400	108,700	94,800	470,600	461,200	396,300	388,700
Internal interest received										29,197
Contributions and donations	140,330	186,542	110,330	156,542			15,000	15,000	15,000	15,000
Government grants and subsidies	4,206,640	3,238,077	4,206,640	3,238,077						
Sales of contract and recoverable works	1,640,000	1,410,000	1,640,000	1,410,000						
Other operating revenue	135,050	223,717	112,050	151,077	20,500	38,500	2,500	1,200		32,940
Internal service provider revenue			1,440,000	1,440,000						
Internal revenue subsidies			(130,000)	(130,000)	130,000	130,000				
<b>Total Operating Revenue</b>	<b>43,532,188</b>	<b>42,576,639</b>	<b>33,307,438</b>	<b>32,097,999</b>	<b>3,933,350</b>	<b>4,017,700</b>	<b>4,029,500</b>	<b>4,066,500</b>	<b>3,701,900</b>	<b>3,863,637</b>
<b>Operating Expenses</b>										
Employee benefits	17,461,894	17,818,087	15,242,194	15,592,637	185,600	203,100	1,120,750	1,074,000	913,350	948,350
Goods and services	15,428,121	14,815,626	10,020,416	9,623,026	2,764,205	2,540,000	972,450	1,020,700	1,671,050	1,631,900
Internal service provider payments					221,000	221,000	596,000	596,000	623,000	623,000
External finance expense	463,840	463,840	439,895	439,895	23,945	23,945				
Internal interest expense				29,197						
Depreciation	9,220,118	9,497,120	6,999,810	7,207,010	446,208	450,110	1,244,600	1,310,500	529,500	529,500
<b>Total Operating Costs</b>	<b>42,573,973</b>	<b>42,594,673</b>	<b>32,702,315</b>	<b>32,891,765</b>	<b>3,640,958</b>	<b>3,438,155</b>	<b>3,933,800</b>	<b>4,001,200</b>	<b>3,736,900</b>	<b>3,732,750</b>
<b>Surplus / (deficit) from operations</b>	<b>958,215</b>	<b>(18,034)</b>	<b>605,123</b>	<b>(793,766)</b>	<b>292,392</b>	<b>579,545</b>	<b>95,700</b>	<b>65,300</b>	<b>(35,000)</b>	<b>130,887</b>
Capital contributions and donations		14,376		14,376						
Government capital grants and subsidies	22,264,579	25,230,470	22,264,579	24,905,470						325,000
Gain from capital items										
<b>Net Result</b>	<b>23,222,794</b>	<b>25,226,812</b>	<b>22,869,702</b>	<b>24,126,080</b>	<b>292,392</b>	<b>579,545</b>	<b>95,700</b>	<b>65,300</b>	<b>(35,000)</b>	<b>455,887</b>
<b>Appropriations</b>										
Retained surplus (deficit) from prior years	(1,635)	14,051	(1,635)	14,051						
<b>Net Result</b>	<b>23,222,794</b>	<b>25,226,812</b>	<b>22,869,702</b>	<b>24,126,080</b>	<b>292,392</b>	<b>579,545</b>	<b>95,700</b>	<b>65,300</b>	<b>(35,000)</b>	<b>455,887</b>
Other transfers from (to) capital account										
Funds (utilities for) created from - capital funding	(613,875)	(5,961,279)	(200,000)	(3,079,835)	(413,875)	(411,470)				(2,469,974)
Transfers (to) reserves	(23,167,225)	(28,530,264)	(22,727,708)	(27,394,887)		(284,570)	(241,476)	(211,076)	(198,041)	(659,731)
Transfers from reserves	562,333	9,284,062	465,850	6,808,285	61,483				35,000	2,475,777
Interfunction transfers			(403,817)	(440,312)	60,000	96,495	145,776	145,776	198,041	198,041
<b>Retained surplus (deficit) at period end</b>	<b>2,392</b>	<b>33,382</b>	<b>2,392</b>	<b>33,382</b>						
<b>Capital Funding Sources</b>										
Disposal proceeds of non current assets	480,000	402,000	480,000	402,000						
Capital sustainability reserve	8,782,860	10,821,597	7,294,160	8,833,153	88,700	92,600	750,000	1,013,160	650,000	882,684
Govt capital grants and subsidies expended	28,735,563	30,127,353	28,735,563	29,802,353						325,000
Developer Contributions expended		54,499		54,499						
Funds expended from reserves	350,000	1,095,244		77,919			50,000	117,325	300,000	900,000
Movement in inter-function capital loans				2,469,974						(2,469,974)
Loans for capital projects expended	1,920,000	2,789,242	1,920,000	2,789,242						
Funds from general revenue required	613,875	5,961,279	200,000	3,079,835	413,875	411,470				2,469,974
<b>Total capital funding sources utilised</b>	<b>40,882,298</b>	<b>51,251,214</b>	<b>38,629,723</b>	<b>47,508,975</b>	<b>502,575</b>	<b>504,070</b>	<b>800,000</b>	<b>1,130,485</b>	<b>950,000</b>	<b>2,107,684</b>
<b>Capital Funding Applications</b>										
Land & Improvements	80,000	107,000		27,000	80,000	80,000				
Buildings	207,500	2,107,455	207,500	2,107,455						
Plant and Equipment	1,980,220	2,527,338	1,980,220	2,527,338						
Transport	33,923,958	35,164,452	33,923,958	35,164,452						
Water	950,000	2,107,684							950,000	2,107,684
Sewerage	800,000	1,130,485					800,000	1,130,485		
Drainage	1,000,000	5,993,552	1,000,000	5,993,552						
Other Assets	230,000	297,450	110,000	175,955	120,000	121,495				
Intangible assets	117,360	222,538	117,360	222,538						
<b>Total non current asset expenditure</b>	<b>39,289,038</b>	<b>49,657,954</b>	<b>37,339,038</b>	<b>46,218,290</b>	<b>200,000</b>	<b>201,495</b>	<b>800,000</b>	<b>1,130,485</b>	<b>950,000</b>	<b>2,107,684</b>
Principal loan repayments	1,593,260	1,593,260	1,290,685	1,290,685	302,575	302,575				
<b>Total capital funding applications</b>	<b>40,882,298</b>	<b>51,251,214</b>	<b>38,629,723</b>	<b>47,508,975</b>	<b>502,575</b>	<b>504,070</b>	<b>800,000</b>	<b>1,130,485</b>	<b>950,000</b>	<b>2,107,684</b>
Future Capital Sustainability Reserve	10,383,326	10,856,846	5,751	429,373			6,864,522	6,908,005	3,513,053	3,519,468
Funds held in council capital reserves	7,564,547	6,577,312	458,889	1,497,546			3,171,527	3,480,551	3,934,131	1,599,215
Funds held in recurrent reserves	5,127,583	3,103,640	4,746,389	2,057,383	381,194	1,046,257				
Unspent loans fund reserve		72,703		72,703						
Revenue received in advance	52,922	25	52,922	25						
Retained surplus (deficit)	2,392	33,382	2,392	33,382						
Cash Backing of rehabilitation provisions	746,639	746,640			746,639	746,640				
Working capital cash	1,950,482	238,997	1,950,482	238,997						
<b>Total cash held at end of year</b>	<b>25,827,891</b>	<b>21,629,545</b>	<b>7,216,825</b>	<b>4,329,409</b>	<b>1,127,833</b>	<b>1,792,897</b>	<b>10,036,049</b>	<b>10,388,556</b>	<b>7,447,184</b>	<b>5,118,683</b>



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## 5 ENVIRONMENT & OPERATIONS

### 5.1 Annual Tenders for Period 1 July 2014 to 30 June 2015

#### Document Information

**Referring Letter No:** N/A

**File No:** 628, 632, 1132

**Name of Applicant:** N/A

**Location:** N/A

**Author and Title:** Alan Drew, Purchasing/Stores Officer

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#### Executive Summary

Annual Tenders as listed below were called in the Ayr Advocate and Townsville Bulletin on Friday 21 and Saturday 22 March, 2014 respectively.

#### Recommendation

That Council accepts tenders as follows:

(1) TBSC/14/003 – Supply & Delivery of Bitumen, Bitumen Emulsion, Premix & Asphalt Products – 2014/2015

It is recommended that Council accept the tenders from Fulton Hogan Industries Pty Ltd, Rock n Road Bitumen Pty Ltd and Boral Resources Qld Pty Ltd due to variation of prices and product as well as availability of supplier when required by council. Authorised Requisitioning Officers are to choose the most advantageous supplier at time of ordering.

(2) TBSC/14/004 – Supply & Delivery of Stone Products – 2014/2015

It is recommended that Council accept tenders from both BQC Quarries and Gromac Quarries as there could be a cost saving to council depending on delivery locations. Authorised Requisitioning Officers are to choose the most advantageous supplier at time of ordering.

(3) TBSC/14/005 – Supply & Delivery of Bulk Fuels – 2014/2015

It is recommended that Council accept tenders from both Puma Energy and Malpass Enterprises based on availability and the price most advantageous to Council.

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## Background Information

(1) TBSC/14/003 – Supply & Delivery of Bitumen, Bitumen Emulsion, Premix & Asphalt Products – 2014/2015

Three (3) submissions were received. Prices will vary with the rise and fall of bitumen prices. All three suppliers were selected based on price and previous supply history.

(2) TBSC/14/004 – Supply & Delivery of Stone Products – 2014/2015

Two (2) submissions were received. One submission (BQC) states prices will alter if significant changes (>10%) occur to royalties, fuel, precoating and cement pricing.

(3) TBSC/14/005 – Supply & Delivery of Bulk Fuels – 2014/2015

Four (4) submissions were received. Prices will vary with the rise and fall of global oil prices.

## Link to Corporate/Operational Plan

N/A

## Consultation

Environment and Operations & Corporate and Community Services

## Legal Authority or Implications

N/A

## Policy Implications

N/A

## Financial and Resource Implications

A comparison against the previous tender period was conducted on the more frequently used products as follows:

(1) TBSC/14/003 – Supply & Delivery of Bitumen, Bitumen Emulsion, Premix & Asphalt Products – 2014/2015

No amendments were received from Fulton Hogan and Boral Resources. Two (2) amendments were received from Rock n Road Bitumen throughout the previous twelve month tender period.

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**Fulton Hogan:** A comparison against the previous tender pricing was conducted on the most frequently used products and the results showed an average decrease in price of approximately 2.37%.

**Boral Resources:** A comparison against the previous tender pricing was conducted on the most frequently used products and the results showed an average increase in price of approximately 3.82%.

**Rock n Road:** A comparison against the previous tender pricing was conducted on the most frequently used products and the results showed an average decrease in price of approximately 1.67%.

(2) TBSC/14/004 – Supply & Delivery of Stone Products – 2014/2015

No amendments from either supplier were received throughout the previous twelve month tender period.

**BQC Quarries:** A comparison against the previous tender pricing was conducted on the most frequently used products and the results showed an average increase in price of approximately 2.62% based on product bin prices. A comparison on cartage rates was also conducted with the pricing remaining the same as the previous tender period.

**Gromac Quarries:** A comparison against the previous tender pricing was conducted on the most frequently used products and the results showed an average increase in price of approximately 3.97% based on product bin prices.

(3) TBSC/14/005 – Supply & Delivery of Bulk Fuels – 2014/2015

No amendments were received, although prices fluctuated in line with global oil prices throughout the previous tender period.

**Malpass Enterprises:** A comparison against the previous tender pricing was conducted and the results showed an average increase in price of approximately 2.44%.

**Report prepared by:**

Alan Drew, Purchasing/Stores Officer

**Report authorised by:**

Kim Olsen, Manager Financial Services

**Attachments**

N/A

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## 5.2 Rescission of policies [RB023] and [RB025]

### Document Information

**Referring Letter No:** N/A

**File No:** N/A

**Name of Applicant:** N/A

**Location:** N/A

**Author and Title:** Rebecca Woods- Executive Officer

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### Executive Summary

Council adopted a new Tree Policy on 26 March 2014. Council has two other documents listed in our policy register which have now become obsolete due to the adoption of the new Tree Policy. The “Guideline for planting of trees on rural road reserves” [RB023] and the “Landscaping standards for new roundabouts” [RB025] are now no longer needed. Neither of these documents meets our current policy standards. Any relevant operational information contained within the old policies will be transferred into procedure documents for operational use.

### Recommendation

That Council rescinds policies [RB023] Guideline for planting of trees on rural road reserves and [RB025] Landscaping standards for new roundabouts

### Background Information

Council adopted a new Tree Policy in March 2014. The new policy provides Council with a comprehensive framework for managing trees on Council owned and controlled land. The Guidelines for planting trees on rural road reserves was first adopted in 2002 and the Standard for Landscaping for new Roundabouts was first adopted in 2003. Neither policy has been reviewed or updated since first adopted.

### Link to Corporate/Operational Plan

N/A

### Consultation

N/A

### Legal Authority or Implications

N/A

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## **Policy Implications**

The existing policies [RB023] and [RB025] will be rescinded and removed from Council's policy register.

## **Financial and Resource Implications**

N/A

### **Report prepared by:**

Rebecca Woods

### **Report authorised by:**

Matthew Magin

## **Attachments**

1. N/A



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## **6 CORPORATE & COMMUNITY SERVICES**

## **7 CORRESPONDENCE FOR INFORMATION**

Tabled Separately

## **8 NOTICES OF MOTION**

## **9 URGENT BUSINESS**

## **10 GENERAL BUSINESS**

## **11 CLOSED MEETING ITEMS**

9:00am Briefing by Moya Steele from MacDonnells Law on a current legal matter.

## **12 DELEGATIONS**

12:00 noon Representatives from Tropical Energy Solutions to address Council on findings from the Energy Audit carried out on Council buildings – Mr. Frank Dallmeyer and Mr. Mark Lewis.

