



BURDEKIN SHIRE COUNCIL



AGENDA

ORDINARY COUNCIL MEETING

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

on 07 June 2016

COMMENCING AT 9:00AM

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TUESDAY 7 JUNE 2016

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1 PRAYER

2 DECLARATIONS OF INTEREST

3 MINUTES AND BUSINESS ARISING

3.1 Ordinary Council Meeting Minutes - 24 May 2016

Recommendation

That the minutes of the Ordinary Council Meeting held on 24 May 2016 be received as a true and correct record.



MINUTES

ORDINARY COUNCIL MEETING

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

on 24 May 2016

COMMENCING AT 9:00AM



TUESDAY 24 MAY 2016

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Ordinary Council Meeting 24 May 2016



BURDEKIN SHIRE COUNCIL



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ATTENDANCE

Councillors L.A. McLaughlin (Mayor), J.F. Woods (Deputy Mayor), E.J. Bawden, J.T. Bonanno, A.J. Goddard, U.E. Liessmann and S.P. Perry.

Mr. M. Magin - Chief Executive Officer
Mr. D. Mulcahy – Manager Governance and Local Laws
Mr. S. Great - Manager Planning and Development
Mr. A. Scott – Manager Economic Development
Mrs. K. Olsen - Manager Financial and Administrative Services
Mr. W. Saldumbide - Manager Operations
Mr. K. Byers - Manager Technical Services
Mrs. E. Robinson – Manager Client Services

Minutes Clerk – Miss S. Cronin

1 PRAYER

The meeting prayer was delivered by Reverend Dway Goon Chew of the Anglican Church.

2 DECLARATIONS OF INTEREST

The Mayor called for declarations of interest.

Councillor Perry declared a perceived conflict of interest in respect of item 10.1 due to the applicant being a good friend and has decided to leave the meeting as her presence in the meeting may lead to some community members to believe she is unable to act in the public interest due to her relationship with the applicant.

Councillor Woods declared a perceived conflict of interest in respect of item 10.1 as he was previously employed by the applicant as a sub-contractor and has decided to leave the meeting during this item.

3 MINUTES AND BUSINESS ARISING

3.1 Ordinary Council Meeting Minutes - 17 May 2016

Recommendation

That the minutes of the Ordinary Council Meeting held on Tuesday, 17 May 2016 be received as a true and correct record.

Resolution

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

CARRIED

4 REPORTS

5 GOVERNANCE & LOCAL LAWS

5.1 2016/2017 Fees and Charges - Ayr Showgrounds, Burdekin Memorial Hall and Burdekin Theatre

Executive Summary

This report outlines proposed 2016/2017 fees and charges for adoption by Council in respect of the following Council venues:

1. The Ayr Showgrounds
2. The Burdekin Memorial Hall (Commercial and Community Rates)
3. The Burdekin Theatre (Commercial and Community Rates)

2015/2016 fees and charges are listed for comparison purposes.

Generally fees have been increased by 2%. Comments are provided on new fees and those fees not increased by 2% where applicable.

Fees and charges are required to be set by resolution of Council. They can be altered at any time.

Recommendation

That the Council adopts the 2016/2017 fees and charges as tabled in respect of the Ayr Showgrounds, the Burdekin Memorial Hall and the Burdekin Theatre.

Attachments

Listings of Fees and Charges for:

1. Ayr Showgrounds
2. Burdekin Memorial Hall (Commercial Rates)
3. Burdekin Memorial Hall (Community Rates)
4. Burdekin Theatre (Commercial Rates)
5. Burdekin Theatre (Community Rates)

Resolution

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

Moved Councillor Woods, seconded Councillor Goddard that the report lay on the table for further discussions to be held with the Burdekin Cultural Advisory Committee.

CARRIED

5.2 2016/2017 Fees and Charges

Executive Summary

This report outlines proposed 2016/2017 fees and charges for adoption by Council. 2015/2016 fees and charges are listed for comparison purposes.

Generally fees have been increased by 2%. Comments are provided on new fees and those fees not increased by 2% where applicable.

Fees and Charges are required to be set by resolution of Council. They can be altered at any time.

Recommendation

That the Council adopts the 2016/17 Fees and Charges as tabled noting that the fees be amended to the rounded dollar and fifty cents to make calculations easier and save time.

Attachments

1. 2016/2017 Fees and Charges (Refer Separate attachment to Agenda).

Resolution

Moved Councillor Woods, seconded Councillor Perry that the recommendation be adopted.

CARRIED

6 CLIENT SERVICES

7 FINANCIAL & ADMINISTRATIVE SERVICES

8 OPERATIONS

8.1 Centre Parking Tree Planting Layout Reinstated

Mr. Wayne Saldumbide presented a tree planting layout in respect of centre of road tree node spacing's which was previously used as a guide when upgrading centre parking facilities.

Resolution

Moved Councillor Liessmann, seconded Councillor Perry that Council reinstates the tree planting layout as tabled by Mr. Saldumbide.

CARRIED

8.2 Report to Council on Annual Tenders for Supply and Delivery of Stone Products and Supply and Delivery of Sodium Hypochlorite - Period 1 July 2016 to 30 June 2017

Executive Summary

Under the requirements of the Local Government Act Queensland 2009, Council is required to invite written tenders for large-sized contractual arrangements for goods and services purchased from a supplier that is expected to exceed \$200,000 ex GST per financial year.

Recommendation

It is recommended that Council accept tenders as follows:

(1) TBSC/16/002 – Supply and Delivery of Stone Products – 2016/2017

It is recommended that Council accept tenders from BQC Quarries and North Queensland Natural Resource Holdings Pty Ltd as cost savings to Council can be realised depending on cost delivered to job site. Authorised Requisitioning Officers are to choose the most advantageous supplier to Council based on cost delivered to job site.

(2) TBSC/16/004 – Supply and Delivery of Bulk Sodium Hypochlorite – 2016/2017

It is recommended that Council accept the tender from Elite Chemicals based on price and previous supply history.

Resolution

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

CARRIED

9 TECHNICAL SERVICES

10 PLANNING & DEVELOPMENT

10.1 Ayr Boring Company - Material Change of Use for General Industry at 11 Giddy Road, McDesme (Lot 59 on SP236393, Parish of Jarvisfield, County of Gladstone)

Councillor Perry declared a perceived conflict of interest in respect of this item and left the meeting.

Councillor Woods declared a perceived conflict of interest in respect of this item and left the meeting.

Executive Summary

An application has been received from Ayr Boring Company, seeking approval for a Material Change of Use for General Industry at 11 Giddy Road, McDesme (Lot 59 on SP236393, Parish of Jarvisfield, County of Gladstone). A Development Application (Impact Assessable) has been triggered in accordance with the Burdekin Shire Council's IPA Planning Scheme. *(the scheme)*

Recommendation

That Council approves the Development Application for a Material Change of Use for General Industry at 11 Giddy Road, McDesme (Lot 59 on SP236393, Parish of Jarvisfield, County of Gladstone) subject to the following conditions:

GENERAL

- 1.1 The conditions of the development permit must be effected prior to the commencement of the use, except where specified otherwise in these conditions of approval.
- 1.2 The development and conduct of the approved use of the premises must be strictly in accordance with the supporting documents and site layout plan submitted with the application except where modified by the conditions of this Development Permit and any approval issued there under.

BUILDING WORK

2. A development permit for all assessable building works is to be obtained before any building works are carried out on the premise.

NOTICE OF INTENTION TO COMMENCE THE USE

3. Prior to the commencement of the use on the site, written notice must be given to Council that the use (development and/or works) fully complies with the decision notice issued in respect of the use.

EXTERNAL WORKS

4. The developer must at its own cost undertake all necessary alterations to public utility mains and services as are rendered necessary by the carrying out of any required external works or other works associated with the approved development.

DRAINAGE

- 5.1 The approved development and use(s) must not interfere with the natural flow of stormwater in the locality in such a manner as to cause ponding or concentration of stormwater on adjoining land or roads.
- 5.2 Any existing external catchments discharging to the premises must be accepted and accommodated within the development's stormwater drainage system.

ACCESS & PARKING

- 6.1 Construct a minimum 6m wide industrial crossover (150mm thick, 32MPa, F72 mesh) from a one (1) metre offset from the edge of the bitumen road to the boundary, and re-profile the footpath each side of the proposed driveway to comply with AS1428 - Design for access and mobility. The crossover is to allow for the passage of water across and along the footpath to the satisfaction of the Chief Executive Officer.
- 6.2 Provide to Council prior to the commencement of works a cross-section 1:50 scale from the centre of Giddy Road to the property boundary showing existing and design levels for the crossover in condition 7.1.
- 6.3 The construction of any additional crossovers to give access to the land is to be the owner's responsibility and to the satisfaction of the Chief Executive Officer.

ENVIRONMENT AND HEALTH

- 7.1 No release of contaminants, including, but not limited to dust, fumes, odour or aerosols or emission of noise is to cause or be likely to cause an environmental nuisance beyond the boundaries of the premises to which this development permit relates.
- 7.2 Upon receipt of a complaint regarding the emission of dust, odour or other air or noise emission, the operator must within a reasonable period of time:
 1. take any actions necessary to resolve the complaint, and
 2. implement abatement measures to minimise the emissions from the site.
- 7.3 All spillage of waste, oils, chemicals or similar materials shall be cleaned up as soon as practical. Such spillage shall not be cleaned up by hosing, sweeping or otherwise releasing such wastes or contaminants to the land, stormwater or any roadside gutter.
- 7.4 A spill kit must be maintained on site for use on spillages of any materials stored on site and be readily accessible at all times.
- 7.5 Oils, fuels, other liquids must be stored in a bunded area undercover or other location whereby any spillage will not discharge to the ground or any area subject to stormwater

or stormwater runoff. Any bunding provided shall be constructed and sized in accordance with AS 1940- The storage and handling of flammable and combustible liquids.

- 7.6 Fuel loading must only be conducted on a dedicated fuel loading area that is graded and drained to a collection sump suitable for the collection of fuel spillage.
- 7.7 All solid wastes or other materials likely to produce contaminants shall be stored in bins with lids in place to prevent the ingress of stormwater.
- 7.8 Waste and recycling services must be provided in accordance with Council's Waste Management Policy.
- 7.9 All washdown waters from the washing of vehicles, trailers, plant or equipment must be contained and collected and disposed of to an approved facility or discharged to sewer in accordance with Council's Trade Waste Policy. Washdown waters must not be discharged to stormwater or on land subject to stormwater runoff.

LANDSCAPING AND SCREENING

8. A landscaping plan shall be submitted and approved by the Chief Executive Officer. This plan must be prepared by a landscape architect or other suitably qualified and experienced person detailing the following;
- the location of existing and proposed plantings;
 - landscaping of the designated areas generally in accordance with the approved plans;
 - proposed/existing fencing and screens,

HOURS OF OPERATION

8. The use may operate only between the hours of 7.00a.m. to 5.00p.m. Monday to Friday and 8.00a.m. to 2.00p.m. Saturday. There must be no operation on Sundays or public holidays.

ADVICE (Note: These are not conditions)

- *The workshop must comply with Work Health and Safety Regulation 2011.*
- *Waste and recycling services must comply with Council's Waste Management Policy.*
- *Any increase in scale or intensity to existing operations will require the need for a new Development Application to be Lodged.*

Resolution

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

CARRIED

Councillors Perry and Woods returned to the meeting.

11 COMMUNITY DEVELOPMENT

12 ECONOMIC DEVELOPMENT

12.1 Ayr Aerodrome Master Plan

Executive Summary

Burdekin Shire Council (BSC) commissioned Project Delivery Managers (PDM) to develop an Ayr Aerodrome Master Plan. The purpose of the consultancy was to provide the Burdekin Shire Council and key stakeholders and prospective investors with a clear understanding of the long term plan for the Ayr Aerodrome from 2015 to 2035. The Master Plan is not designed to produce a detailed business case for development of the aerodrome.

This draft plan has been released for public consultation. There was one criticism of charges and fees but no material suggestions recommending alternatives to the recommendations in the draft report.

Recommendation

1. Council adopt the Ayr Aerodrome Master Plan from the following recommendations outlined in the Ayr Aerodrome Master Plan;
 - 1.1 Facilitate attraction of light industries.
 - 1.2 Engage with Townsville Airport General Aviation maintenance facilities
 - 1.3 Conduct full survey of the land
 - 1.4 Runway to be inspected by geotechnical engineers to determine runway strength
 - 1.5 Separate airside and landside by providing a short security fence and gate airside of the facilities building.
 - 1.6 Relocate fuel filling away from aircraft.
 - 1.7 Remove crops that are too close to the runway airspace
 - 1.8 Check flood levels for leased hangars.
 - 1.9 Ensure current insurance policies cover established hangars.

- 1.10 Back fill of land around terminal/ hangar area before future hangars are built.
- 1.11 Contact Environmental Protection Authority to ensure no wetland issues.
- 1.12 Implement Commercial Management. Ensure tariffs and lease agreements are commercially viable.
- 1.13 Separate helicopters and fixed wing operations.

2. Council adopt the Ayr Aerodrome Master Plan with amendments to the following recommendations outlined in the plan, based on considerations made by Manager of Economic Development

Recommendation from Plan	Amendment to recommendation
Burdekin Shire Council to consider the construction of hangars	Recommendation not supported. Each individual client will want their own unique design based on industry or aircraft
Create a project team	Recommendation not supported. Current management tasks are well defined
Commit funds to undertake Master Plan recommendations	Recommendation not supported. Any proposed expenditure can be included in capital or operating budgets
Plan for future rotary wing operations to be in Area D (ref. pg 58)	Recommendation not supported. Request has been made for use of Area C (ref. pg 58) for rotary wing maintenance, scenic flight and training facility

Resolution

Moved Councillor Woods, seconded Councillor Bonanno that Council receives the Ayr Aerodrome Master Plan for further consideration.

CARRIED

12.2 Aerodrome Advisory Committee

Resolution

Moved Councillor Goddard, seconded Councillor Bawden that Council forms an Aerodrome Advisory Committee consisting of two Councillors, appropriate Council Officers and community members.

CARRIED

13 NOTICES OF MOTION

14 CORRESPONDENCE FOR INFORMATION

14.1 Mobile Phone Black Spot Support

Resolution

Moved Councillor Perry, seconded Councillor Woods that Council acknowledges there are still several mobile blackspots in the Burdekin Shire and agrees to place petitions for improved funding for mobile phone black spots at the Burdekin Shire Chambers and Burdekin Libraries to be later presented to the Federal Government.

CARRIED

14.2 Australian Local Government Women's Association Finance Workshop - 10 June 2016 - Brisbane

Resolution

Moved Councillor Woods, seconded Councillor Bawden that Council supports Councillor Perry's attendance at the Australian Local Government Women's Association Finance Workshop to be held in Brisbane on Friday 10 June 2016.

CARRIED

14.3 Family and Child Connect

Resolution

Moved Councillor Woods, seconded Councillor Perry that Council convenes a meeting with Family and Child Connect inviting Burdekin Schools, Chaplaincy, PCYC, Burdekin Community Association, Burdekin Neighbourhood Centre and Police to discuss the services provided by their organisation.

CARRIED

15 GENERAL BUSINESS

15.1 No Objection to Detached Bottleshop - 193-195 Queen Street, Ayr

Resolution

Moved Councillor Bawden, seconded Councillor Woods that Council offers no objection to the application by the Brandon Tavern for a detached bottleshop at 193-195 Queen Street, Ayr.

CARRIED

15.2 Support for Hand Cane Cutting Championships

Resolution

Moved Councillor Liessmann, seconded Councillor Goddard that Council provides in kind support for the cane cutter statues located at the Home Hill Showgrounds by installing cement edging and crusher dust infill.

CARRIED

15.3 Councillor Goddard Appointed to Local Authority Waste Management Advisory Committee

Resolution

Moved Councillor Perry, seconded Councillor Liessmann that Council appoints Councillor Goddard as representative to the Local Authority Waste Management Advisory Committee replacing Councillor Liessmann.

CARRIED

15.4 Councillor Liessmann Appointed to Community Grants Panel

Resolution

Moved Councillor Woods, seconded Councillor Goddard that Council appoints Councillor Liessmann as representative to the Community Grants Panel.

CARRIED

15.5 Councillors Perry and Woods Appointed to Burdekin Cultural Advisory Committee

Resolution

Moved Councillor Liessmann, seconded Councillor Goddard that Council appoints Councillors Perry and Woods as representatives to the Burdekin Cultural Advisory Committee.

CARRIED

15.6 Councillor McLaughlin Appointed to Burdekin Bowen Local Marine Advisory Committee

Resolution

Moved Councillor Woods, seconded Councillor Bawden that Council appoints Councillor McLaughlin as representative to the Burdekin Bowen Local Marine Advisory Committee.

CARRIED

15.7 Councillors Appointed as School Representatives

Resolution

Moved Councillor Bonanno, seconded Councillor Perry that Council approves Burdekin Shire Schools Councillor representatives as follows:

Airville State School	Cr Perry
Ayr State High School	Cr Goddard
Ayr State School	Cr Goddard
Brandon State School	Cr Bawden
Burdekin Catholic High School	Cr Bonanno
Burdekin Christian School	Cr Woods
Clare State School	Cr Woods
East Ayr State School	Cr Bonanno
Giru State School	Cr Liessmann
Home Hill High School	Cr Woods
Home Hill State School	Cr Goddard
Jarvisfield State School	Cr Bawden
Kalamia State School	Cr Perry
Maidavale State School	Cr Bawden
Millaroo State School	Cr Bonanno
Osborne State School	Cr Liessmann

St Colman's School	Cr Liessmann
St Francis School	Cr Perry

CARRIED

15.8 Councillors McLaughlin and Goddard Appointed to Aerodrome Advisory Committee

Resolution

Moved Councillor Woods, seconded Councillor Bawden that Council appoints Councillors McLaughlin and Goddard to the Aerodrome Advisory Committee.

CARRIED

16 CLOSED MEETING ITEMS

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

Resolution

Moved Councillor Bawden, seconded Councillor Bonanno 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:

1. Ayr Pool and ANZAC Park concepts;
2. Boat ramp bins; and
3. Budget matters.

CARRIED

Council Meeting opened to Public

Resolution

Moved Councillor Woods, seconded Councillor Perry that the Council meeting be opened to the public.

CARRIED

16.1 Boat Ramp Bin Trial - Plantation Creek

Resolution

Moved Councillor Bawden, seconded Councillor Goddard that Council agrees to trial the placement of a 3 cubic metre waste bin at Plantation Creek Boat Ramp over the Burdekin Show long weekend from Thursday 30 June 2016 to Monday 4 July 2016 to gauge public reaction and use of the facility; and that publicity be given to the trial.

CARRIED

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

Resolution

Moved Councillor Bonanno, seconded Councillor Liessmann 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

For the purpose of discussing:

1. Budget discussions;

CARRIED

Council Meeting opened to Public

Resolution

Moved Councillor Bawden, seconded Councillor Bonanno that the Council meeting be opened to the public.

CARRIED

17 DELEGATIONS

17.1 Townsville Enterprise Limited

11.00am Townsville Enterprise Limited – Presentation by Chief Executive Officer, Ms. Patricia O'Callaghan.

17.2 NBN Presentation

3.00pm NBN – Presentation by Senior Community Affairs Manager, Mr. Ryan Williams.

There being no further business the meeting closed at 5.30pm.

These minutes were confirmed by Council at the Ordinary Council Meeting held on Tuesday 7 June 2016.

MAYOR

3.2 Burdekin Shire Council Audit Committee Meeting Minutes - 18 May 2016

Recommendation

That the minutes of the Burdekin Shire Council Audit committee Meeting held on 18 May 2016 be received as a true and correct record.

Burdekin Shire Council Audit Committee Meeting

Meeting	Burdekin Shire Council Audit Committee Meeting		
Date	Wednesday, 18 May 2016	Time	2pm-4pm
Attendees	Cr. John Woods, Cr. Sue Perry		
Via Telephone	Mr. John Zabala (independent chair), Mr Dale Hassell (QAO)		
Officers	Matthew Magin, Kim Olsen, Kathy Cortabitarte, Kevin Byers, Brad Hutchinson, Eileen Robinson		
Apologies	Nil		
Minutes Clerk	Rebecca Woods		

Agenda Items

- 1. Confirmation of Minutes from Previous Meeting**
- 2. Declarations of Interest**
- 3. Financial Reporting**
 - 3.1. Position Papers
 - 3.2. Shell Financial Statements
 - 3.3. Investment Policy
- 4. Financial Assets**
 - 4.1. Proposed annual infrastructure valuation methodology report
- 5. External Audit**
 - 5.1. Consider briefing from QAO on emerging issues, results of audit and follow-up with management
 - 5.2. Consider QAO audit reports for the Council
 - 5.3. Review QAO external audit plan including audit timetable, staffing and audit fee
 - 5.4. Consider need for a closed session briefing with QAO
- 6. Internal Audit**
 - 6.1. Review and endorse proposed Internal Audit Strategic Plan and annual audit plan: ensure no material overlap between internal and external audit functions
 - 6.2. Review performance and resourcing of Internal Audit
 - 6.3. Report on annual audit plan, including resourcing and budget
- 7. Management Update**
 - 7.1. HR Strategy
 - 7.2. Risk Management Framework
 - 7.3. Review Fraud and Corruption Control Prevention Plan
 - 7.4. Follow up on Audit Issues

Minutes

8. General Business

Minutes

1. Confirmation of Minutes from Previous Meeting

- 1.1. As the audit committee has changed following the recent local government election, the two councillors on the new committee were not present at the last audit committee meeting and therefore are not able to confirm the minutes as being accurate. The Independent Chairperson, John Zabala moved that the minutes from the previous meeting were true and correct.

Action Item: Rebecca to forward a copy of the minutes from the previous meeting to John Zabala to be signed.

2. Declarations of Interest

- 2.1. No declarations of interest were made at this time.

3. Financial Reporting

- 3.1 Position Papers- No position papers were presented at this meeting. Kathy did explain that a position paper was being prepared regarding the upcoming introduction of new accounting standard requirements in relation to related parties disclosures. She highlighted the key points to be discussed in the position paper. Key points include:

- Why disclosures are required
- How we will implement
- What we will do- prepare a policy, how we will identify related parties, how we will collect information, how will be identify key family members and the entities they are involved with, systems to record the related parties and the related parties relationships, identifying ordinary citizen transactions, establishing systems for the transactions- financial and non-financial transactions, assessing materiality, identifying persons responsible for managing the implementation, training, privacy.
- The position paper will be presented to the SLG next week and then be made available to Chantel at QAO.

- 3.2 Shell Financial Statements- QAO will review the shell financial statements during the interim visit and have a two week turn around to provide feedback.

Points of note- see attached

Email forwarded to members, prepared by finance, to explain materiality

It was agreed that a statement be included in note one to make reference to what was previously known as "reserves" has been reclassified as retained income but will continue to be recognised in the management reports.

- 3.3 Investment Policy- Kim explained that a new draft investment policy has been developed but has been put on hold until discussions can be held with key stakeholders (Bendigo Bank). The new policy will be aimed at providing clearer guidance and protections for the officers making investments. Item held over to the next meeting.

At this point in the meeting- Cr Woods declared an interest in South Burdekin Financial Services who are the owners of the Home Hill Branch of the Bendigo Bank and are in the process of purchasing the Ayr branch.

4. Financial Assets

- 4.1. Proposed annual infrastructure valuation methodology report
Kevin Byers provided an update. All internally valued assets are currently undergoing a desktop review. Some drainage, sewerage and transport assets will be inspected as part of this review. Council is continuing a 20% per year of these particular assets and we are up to

Minutes

80% in most of these. Unit rate review has been held up pending some final data from roads alliance. The expectation for unit rates is that there will be some slight increases and some slight decreases. It was suggested that it be documented the reasoning behind selecting certain assets for inspection- random? Spread across types of asset/road?

5. External Audit

- 5.1. Consider briefing from QAO on emerging issues, results of audit and follow-up with management
- 5.2. Consider QAO audit reports for the Council
- 5.3. Review QAO external audit plan including audit timetable, staffing and audit fee
- 5.4. Consider need for a closed session briefing with QAO

Dale Hassell provided an update from QAO- Comments on the External Audit Plan for Burdekin Shire Council and attached briefing notes. (See attached)

- Areas of Audit significance
 - Property, Plant and Equipment valuation
 - Expenditure/Accounts Payable
 - Landfill Provisions
 - Financial sustainability reporting
- Fees- a reduction in fees is forecast
- Timeline for audit plan- key dates- ensure asset valuation data is ready by 19 September
- Materiality levels- QAO have set the materiality level as 1%
- Matters previously reported by QAO- will be followed up on any outstanding items during the interim visit.
- Performance Audit Update- 5 councils were selected for a more detailed review. Councils were selected one from each category- excluding indigenous councils. Report to be tabled to parliament in August 2016.
- Recent Bulletins:
 - Related Party Disclosures in council's general purpose financial statements
 - Tropical for 2015-2016
 - Increase in value of a penalty unit
- John Zabala will forward invitation for QAO briefing for Audit Committee Chairs to be held on 1 June 2016. Rebecca will forward this email on to the other audit committee members.

Kathy Cortabitarte and Kevin Byers left the meeting at this stage. Before they left, Matthew Magin and Cr. John Woods both acknowledged the work and commitment of staff in preparing the shell financials and expressed their thanks for the hard work of all staff involved.

6. Internal Audit

- 6.1. Review and endorse proposed Internal Audit Strategic Plan and annual audit plan: ensure no material overlap between internal and external audit functions
- 6.2. Review performance and resourcing of Internal Audit
- 6.3. Report on annual audit plan, including resourcing and budget

Bradley Hutchinson- Safety and Quality Coordinator – see attached briefing paper.

- No changes to the internal audit function and no changes to the staffing and resourcing.
- Audit Schedule for 15/16- 2 completed, one audit has been rescheduled, 2 yet to be completed
- Audit summaries have been included in the briefing notes.
- No observed overlaps with QAO audit and internal audit plan.

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Minutes

7. Management Update

7.1. HR Strategy

Eileen Robinson- Client Services Manager

A consultant has been engaged to survey all employees on employee satisfaction. The information obtained through these surveys will be used to build a "People Strategy"

Key areas of survey:

- Support and development
- Customer service
- Employee satisfaction
- Service levels across council
- What can we do better and improve on

Council will receive a report from the consultant which will include details from the survey as well as a benchmarking report against other councils. There has been a strong response to the survey with a high response rate.

Council plans to focus on the top 5 and the bottom 5 key areas of performance and these will influence the areas in the people strategy.

7.2. Risk Management Framework

Eileen Robinson- Risk Management Framework

Council engaged the services of Q Solutions to help develop a new organisational risk register. The new risk register combines the previous "Corporate" and "Operational" risk registers and has also more comprehensively documented risks across the organisation. The new risk register will be adopted shortly by the Senior Leadership Group.

QSolutions are now working on a Business Continuity Plan.

Dale Hassell highlighted that Risk Management will be an area of interest for the upcoming audit.

Action Item: Eileen to compile a list of "high risk rated" items and forward to Audit Committee.

7.3. Review Fraud and Corruption Control Prevention Plan

Rebecca provided a brief update on implementation of the adopted Fraud and Corruption Control Plan. Supervisors Training has been rolled for personnel in supervisory roles. This training will be ongoing over 15 months and has already introduced the topics of Code of Conduct, Public Interests Disclosures and Fraud and Corruption control amongst other topics. A plan is being developed for the roll out of organisational-wide fraud and corruption control training and PID training continues to be delivered. A Take 5 has been developed to inform all staff of the requirements to report on losses of Council assets.

Dale Hassell drew further attention to the QAO self-assessment tool for fraud and corruption.

7.4. Follow up on Audit Issues

Outstanding audit issues will be addressed during the interim audit visit. Kim advised that these issues have been followed up with management over the past few months.

8. General Business

8.1. Cr. John Woods raised an item- Composition of Audit Committee

- Council at a recent council meeting resolved to review the composition of the audit committee and seek expressions of interest.

Minutes

- Cr. Woods asked what John Zabala's position was in regard to continuing his services to the audit committee. John Zabala expressed that he is happy to continue on as the independent chair, if the committee are happy to have him.
- Council has resolved to increase the number of independent members to three.
- It was proposed that a draft charter be developed to include descriptions of the three independent members. It was proposed that Matthew, together with Rebecca and Kim get together to draft a new charter and that this be distributed to the committee members for review prior to the next meeting. The committee agreed to this proposal.

Action Item: Matthew Magin, Kim Olsen and Rebecca Woods to prepare a draft Audit Committee Charter to be circulated to members prior to the next meeting.

Meeting closed at 1:45pm

Next meeting: Monday 20 June 9am- 11:00am

Minutes

Action List

Agenda Reference	Action Item	Person Responsible	Due Date	Action Register Reference
1.1	Action Item: Rebecca to forward a copy of the minutes from the previous meeting to John Zabala to be signed.	RW	20/05/2016	
7.2	Action Item: Eileen to compile a list of "high risk rated" items and forward to Audit Committee.	ER	31/05/2016	
8.1	Action Item: Matthew Magin, Kim Olsen and Rebecca Woods to prepare a draft Audit Committee Charter to be circulated to members prior to the next meeting.	MM,KO,RW	31/05/2016	

4 REPORTS

4.1 Capital Projects Monthly Report for Period Ending 30 April 2016

Recommendation

That the Capital Projects monthly report for Period Ending 30 April 2016 be received.



**BURDEKIN SHIRE COUNCIL
MONTHLY REPORT - CAPITAL PROJECTS**

Period Ending 30 April 2016

<u>Income Actual to</u>			<u>Description</u>	<u>Revised Budget</u>	<u>Expenditure</u>		<u>Variance</u>	<u>Comments</u>
<u>Revised Budget</u>	<u>Period End</u>	<u>Variance</u>			<u>Actual to Period</u>	<u>End</u>		
MCD - Manager Community Development								
(462,957.00)	(12,957.00)	-97%	21140 - Burd Multi-Tenant Building Capital	462,957.00	453,384.67	-2%	Project completed. Final grant income to be received in May.	
-	-	-	24101 - Burdekin Library Building Capital	29,000.00	26,263.46	-9%	Budget for loft air conditioner replacement. Current aircon system failed in December. Replacement aircon's completed in March.	
-	(4,843.20)	-	24102 - Burdekin Library Other Assets Capital	-	12,108.00	-	Installation of shade sale at Library. 40% funded by local government grant received (\$4,843).	
(80,000.00)	(67,558.50)	-16%	24103 - Burdekin Library Office Equip Capital	95,500.00	49,901.64	-48%	Library book budget ongoing purchases.	
-	-	-	24140 - Burdekin Memorial Hall Building Capital	40,000.00	19,981.73	-50%	Budget for floor sanding and varnishing and dressing room renovations. Dressing room renovations completed in February. Investigations revealed that floor sanding and varnishing not required in 2015/16. Floor Burnisher to be purchased to increase life span of flooring.	
(542,957.00)	(85,358.70)		Total	627,457.00	561,539.50			
MCS - Manager Client Services								
-	-	-	11501 - IT Hardware Purchases	124,339.00	110,395.80	-11%	\$66,704 budget upgrade servers to replace existing virtual servers - Servers have been delivered (actual cost \$66,704) - Project to install new servers will be completed by 30th June 2016. \$39,436 budget Radiolink for WWW and other external sites is completed and working well (actual cost \$35,492). \$10,000 budget to replace wireless LAN - project not going ahead but kept in budget for expansion of public Wi-Fi network for Community Hub if required. \$8,199 budget A3 scanner for Administration installed at a final cost of \$8,199.	
-	-	-	11503 - IT Software Purchases	169,218.00	80,012.69	-53%	\$7,370 budget 4 x Vmware licenses - actual cost \$7,370. \$12,840 budget Administration scanning software, installed - actual cost \$12,840. \$17,008 budget Archive Manager Module Tech One licence has been purchased, waiting on Tech One for implementation. \$52,000 Asset Management Software - \$53,689 expenses for Asset Management Tech One, \$80,000 Intra Maps - project commenced, order placed for licence, annual support and onsite implementation. (Journals to be processed in May -\$4,908).	
-	-		Total	293,557.00	190,408.49			
MGLL - Manager Governance and Local Laws								
-	-	-	13101 - Council Chambers Building Capital	26,800.00	26,781.82	0%	Completed. Partial re-roof of Council Chambers.	
-	-	-	14002 - Land Capital	-	24,027.56	-	Part of Roadworks component of Industrial Estate Project. Budgeted at PR 51101 - project deferred to 2016/17.	
-	-	-	21120 - Aerodrome Residence	35,500.00	26,855.46	-24%	Budget \$7,500 re-roof and \$28,000 refurbishment of Aerodrome caretaker residence. Works completed except for bathroom refurbishment - to be completed by end June 2016.	
-	-	-	21122 - Aerodrome Runways & Other Assets Capital	225,000.00	-	-100%	Budget \$225,000 for Stage 1 Electrical Upgrade at Ayr Aerodrome. Project plan to be developed in new year following finalisation and adoption of Aerodrome Master Plan.	
(87,600.00)	(23,890.91)	-73%	22130 - Burdekin Multi-Purpose Building Capital	219,000.00	-	-100%	Advice of successful grant of \$87,600. \$23,891 received to date. Updated quotes to be finalised in May. Engineer required before project commencement - quotations close early May.	
-	-	-	46401 - Waste Disposal Other Assets Capital	-	81,052.84	-	Part of Kirknie Landfill Cell Liner works. Budgeted at PR 46460.	
-	-	-	46460 - Kirknie Landfill Cell Liner Capital	2,264,000.00	2,319,335.06	2%	Carry over from 2014-15 \$2,102,555 plus variations. Includes PR 46401. Contractor on site in May to complete leachate pond lining - project on track to be completed by 30 June.	



BURDEKIN SHIRE COUNCIL **MONTHLY REPORT - CAPITAL PROJECTS**

Period Ending 30 April 2016

<u>Income Actual to</u>			<u>Description</u>	<u>Expenditure Actual to Period</u>			<u>Comments</u>
<u>Revised Budget</u>	<u>Period End</u>	<u>Variance</u>		<u>Revised Budget</u>	<u>End</u>	<u>Variance</u>	
-	-	-	47101 - Caravan Parks Buildings Capital	230,000.00	9,616.21	-96%	Budget \$135,000 refurbish cabins. Builder engaged to do work. Budget \$10,000 re-roof ablution block - works completed (Actual - \$9,616). Ayr new cabins carry over budget \$210,000 - to be deferred. Home Hill upgrade amenities carry over budget \$85,000 - quote obtained for alternative option. Council decision 10 May 2016 to proceed with new facility.
-	-	-	47102 - Caravan Parks Other Assets Capital	33,000.00	32,591.36	-1%	Completed. Upgrade of powerheads.
(2,050,000.00)	-	-100%	47501 - Swimming Pool Buildings Capital	2,162,275.00	35,745.68	-98%	Ayr Pool Design Budget \$112,275 - Agreed to revised scope of works in December 2015. To be further considered by Council. Ayr Pool Refurbishment carry over Budget \$2,000,000. Millaroo Pool Refurbishment carry over Budget \$50,000 - alternative options to be estimated. Actual expenses for Ayr Pool Design.
(2,137,600.00)	(23,890.91)		Total	5,195,575.00	2,556,005.99		

MOPS - Manager Operations

(130,230.00)	(130,230.00)	0%	43302 - Parks Other Assets - Capital	217,000.00	43,968.31	-80%	Actual expenses are for upgrade/replace playground equipment Courts Park, Ayr - Budget \$77,000 Actual \$43,968. Income of \$12,000 received from Guilmarin Group for open space and park contribution for 16 lots Lando Street Ayr. Juru Walk and Plantation Park - Budget \$140,000. Income of \$118,230 received from Queensland Govt. Skilling Queenslanders for
-	-	-	44102 - Cemetery Other Assets Capital	48,079.00	31,781.03	-34%	Expenditure is for completion of Ayr Columbarium - Budget \$10,079 and payment for HH Cemetery Shelter. Balance is for Home Hill Cemetery Columbarium cover and concrete surrounds. Erection of shelter completed - final payment to builder outstanding
-	-	-	45101 - Public Conveniences Buildings - Capital	112,000.00	36,077.00	-68%	Relocate/Replace Septic Retrieval Tanks at Groper Creek to Reserve Land - Budget \$75,000 - currently investigating advanced treatment options. Refurbishment Public Toilets Lion Park, Home Hill - Project completed - Budget \$37,000. Actual \$36,077.
(232,595.00)	(243,731.89)	5%	57251 - Roads Capital - NDRRA Jan 13	99,535.00	62,745.72	-37%	Betterment works Phillips Camp and Rifle Range Road completed after June 30 2015 to be funded by Council. Income received are final payments from Queensland Reconstruction Authority. Expenditure reduced in April after journals to transfer expenditure to transfer stations.
(190,083.00)	(207,900.75)	9%	57252 - Roads Capital - NDRRA Apr 14	1,034,199.00	1,016,269.63	-2%	Expenses are for works completed at Pelican, Upper Haughton, Keith Venables, George Bundy, Allen, Toll and Brown Roads. Final progress claim to be submitted in July. Small project at Klondyke Road will complete the 2014 NDRRA event. Expenditure reduced in April after journals to recognise Council's contribution towards works.
-	-	-	58101 - Depot Buildings Capital	220,473.00	118,529.22	-46%	Jones Street Depot Amenities/Training Room Development - Project well advanced.
-	-	-	58102 - Depot Other Capital	50,000.00	-	-100%	Advice from Building Services that the project not required to meet fire safety compliance at Jones Street Depot training and amenities room. Installation of additional fire hydrants in Jones Street will meet guidelines.
-	-	-	61110 - Sewerage Reticulation Capital	1,331,810.00	310,254.10	-77%	Sewer reline contract Ayr, Brandon and Home Hill - Budget \$1,181,810. Sewerage replacement/refurbishment of assets - Budget \$150,000. Sewer reline contract - works completed. Waiting on defect rectification for finalisation of contract and further payment of progress claims.
-	-	-	62120 - Pump Stations Capital	490,000.00	151,930.49	-69%	WWW Switchboard replacement program - budget \$400,000 - Quotations accepted for fabrication and installation of four new switchboards. Design duplicate Rising Main No. 1 SPS Ayr - Tech Services - Budget \$90,000. Expenses are for replacement Pumps at SPS's and switchboard designs.
-	-	-	63140 - Sewerage Treatment Capital	200,000.00	12,820.47	-94%	Ayr WWTP Primary Clarifier Bridge - Budget \$200,000. Expenses for recirculation pump at Home Hill Wastewater treatment plant budgeted at PR 61110 and progress payment for clarifier bridge design plans.



**BURDEKIN SHIRE COUNCIL
MONTHLY REPORT - CAPITAL PROJECTS**

Period Ending 30 April 2016

<u>Income Actual to</u>			<u>Description</u>	<u>Expenditure Actual to Period</u>			<u>Comments</u>
<u>Revised Budget</u>	<u>Period End</u>	<u>Variance</u>		<u>Revised Budget</u>	<u>End</u>	<u>Variance</u>	
-	(1,232.00)	-	71001 - Water Production Capital	959,447.00	92,869.52	-90%	Budget is for HH Water Tower Aerators - Specifications and tender documentation being prepared to go to market - \$750,000 + Water supply replacement/refurbishment of assets - Budget \$150,000 + Replace Break Tank Mt Kelly - Budget \$59,447. Expenses are for Break Tank Mt Kelly, Flowmeter Nelsons Lagoon. Income is refund received from QLeave for finalisation of Conlan Street Water Supply project expensed in last financial year. (To be journalled to operational).
(68,910.00)	(68,910.00)	0%	72120 - Water Treatment Capital	172,275.00	24,303.84	-86%	Budget is for VSD pumps South Ayr WTP and Ayr Water Tower - Income is from successful funding application LG Infrastructure Grants and Subsidies program. Expenses are for consultant engaged for variable speed drive project and valves etc. for Burke Street scour injection point.
-	-	-	73140 - Water Reticulation Capital	-	110,496.55	-	Actual expenses are for Main Extension - Kilrie Road and for replacement liner - Mt Kelly Reservoir. Budgeted at PR 71001.
(621,818.00)	(652,004.64)		Total	4,934,818.00	2,012,045.88		

MTS - Manager Technical Services

-	-	-	11512 - Technical Services Office Equip Capital	10,500.00	-	-100%	Robotic total station ordered - delivery in May.
(1,748,468.00)	(914,961.64)	-48%	51101 - Roadworks Capital	5,459,158.00	2,541,764.67	-53%	Currently under budget due to prioritisation of NDRRA, drainage projects and cell liner.
-	-	-	51130 - Reseals - Capital	900,000.00	499,642.82	-44%	Works to be completed in May and June.
(462,636.00)	(838,130.29)	81%	51620 - Drainage - Capital	1,292,620.00	1,169,712.03	-10%	One project to be completed
-	-	-	53102 - Boat Ramp & Pontoon Other Assets Capital	-	712.80	-	Solar lights at Cromarty boat ramp. Lights still to be installed. Project to be capitalised by 30 June 2016.
(100,000.00)	(162,760.43)	63%	55150 - Light Vehicles - Fleet Capital	344,000.00	409,496.68	-25%	No further purchases planned.
(150,000.00)	(72,986.38)	-51%	55151 - Trucks - Fleet Capital	1,025,000.00	396,716.25	-61%	Five trucks ordered - Value \$654,293. Expected delivery before 30 June 2016.
(120,000.00)	(18,000.00)	-85%	55152 - Machines - Fleet Capital	420,000.00	-	-100%	Tenders for grader currently being reviewed. Expected delivery before 30 June 2016.
(10,000.00)	(11,190.92)	12%	55153 - Plant & Equipment - Fleet Capital	310,000.00	101,520.00	-67%	Two dog trailers ordered- Value \$112,500. Expected delivery before 30 June 2016. Expenditure to date for Sewerjett trailer and zero turn mowers. Remaining purchases to be reassessed.
(2,591,104.00)	(2,018,029.66)		Total	9,961,278.00	5,119,565.25		

(5,893,479.00)	(2,779,283.91)		TOTAL CAPITAL PROJECTS	21,012,685.00	10,439,565.11		
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4.2 Operating Statement for Period Ending 30 April 2016

Recommendation

That the Operating Statement for the Period Ending 30 April 2016 be received.



**BURDEKIN SHIRE COUNCIL
OPERATING STATEMENT
Period Ending 30 April 2016**

	Note	Actual YTD	YTD Revised Budget	\$ Variance Actual to Revised	% Variance Actual to Revised
Operating Revenue					
Rates and Utility Charges	1	35,657,522.12	37,066,516	-1,408,994	-4%
Pensioner remissions		-289,568.33	-282,000	-7,568	3%
User fees and charges	2	1,896,096.38	1,574,392	321,705	20%
Interest Received		1,327,356.33	1,380,833	-53,477	-4%
Operational contributions and donations	3	221,445.40	216,650	4,795	2%
Operational grants and subsidies	4	3,330,901.56	3,173,201	157,701	5%
Contract and recoverable works		1,297,630.11	1,304,167	-6,537	-1%
Other operating revenue	5	179,223.80	340,862	-161,638	-47%
Total operating revenue		43,620,607.37	44,774,620.17	-1,154,013	-3%
Operating Expenses					
Employee benefits	6	14,408,270.95	15,133,072	-724,801	-5%
Materials and services	7	10,519,523.32	12,682,456	-2,162,933	-17%
Depreciation and amortisation		8,566,703.69	8,601,500	-34,796	0%
Finance Costs		313,757.24	300,923	12,834	4%
Other expenses		7,780.49	0	7,780	-
Total operating costs		33,816,035.69	36,717,950.75	-2,901,915	-8%
Surplus (deficit) from operating activities		9,804,571.68	8,056,669	1,747,902	22%
Capital contributions	8	70,062.91	57,010	13,053	23%
Capital grants and subsidies	9	2,448,771.68	4,537,556	-2,088,784	-46%
Other capital income (expense)	10	-28,226.37	0	-28,226	-
Net result for period		12,295,179.90	12,651,235	-356,055	-3%

as at 24/05/2016 11:07 PM

**BURDEKIN SHIRE COUNCIL
OPERATING STATEMENT
NOTES FOR VARIANCES TO BUDGET
Period Ending 30 April 2016**

Note

1 Rates and Utility Charges

Rates are on target - the negative variance will be negated by six monthly water consumption charges (meter readings commenced on 5 May), and recognition of rates in advance of approximately \$880,000 at the end of the financial year.

2 User Fees & Charges

Income received mainly from Animals, Building Inspections, Trade Waste and Cultural Facilities. Majority of income for animals and trade waste has been received for the year. Other income is variable by month.

3 Operational Contributions and Donations

Developer headworks charges have been received for Lando Street subdivision, and infrastructure charges received for new shopping centre in Home Hill. Income also received from Home Hill Boat Club as contribution towards septic pumpouts at Groper Creek, and landowner contributions under herbicide subsidy scheme. Also includes donations received from Funny Dunny Park and Home Hill Comfort Stop.

4 Operational Grants and Subsidies

Received half of annual Financial Assistance Grants (FAGS) funding as a prepayment along with the first three quarterly instalments of the remaining funding. Annual PCYC grant received in full. Funding received for First Start Program, Queensland Apprentice pledge and First Five Forever (Library) funding.

5 Other Operating Revenue

The income appears to be under budget however the actual income for Theatre and Burdekin Memorial Hall Hire fees is showing in User Fees and Charges. Income received includes the annual Fire Levy collection fee, metal recycling sales, surcharge income and income received for cutting and baling of a Council drainage paddock

6 Employee Benefits

Employee Benefits under budget due to vacant positions not immediately filled. Staff utilisation of leave entitlements varies over the year.

7 Materials and Services

Materials and services are under budget due mainly due to Road maintenance, fleet maintenance and timing of waste contract payments (paid in arrears). Projects yet to be paid for include relocation of ICT server at Depot and local elections.

8 Capital Contributions

Open space and park contribution received for 16 lots at Lando Street subdivision, behind Coutts Park. Contribution also received for asphalt driveway, replacement of drainage pipes (Woolworths carpark) and contributions from Wilmar for asphalt of Pelican Road and Allen Road. PCYC contribution received for construction of ramp, fencing and gate at rear of PCYC extension.

9 Capital Grants and subsidies

Under budget due to timing of claims for NDRRA and Spiller Street drainage projects and Roads to Recovery. Final claim received for Home Hill Drainage. Final claim has been submitted for the Burdekin Multi-Tenant Centre (PCYC) extension. Swimming pools - no funding applications made as preliminary designs yet to be approved by Council. Grants not yet received - Burdekin Multi-Purpose Building.

10 Other Capital Income

Loss on sale of vehicles after capitalisation on disposal.

5 GOVERNANCE & LOCAL LAWS

6 CLIENT SERVICES

6.1 Presentation - New Council Website Design

Presentation on the New Council Website Design. Presented by Mr. John Clarke, ICT Web Services Co-Ordinator and Mrs. Louise Grasso, Customer Service Officer / Information Management Project Officer.

7 FINANCIAL & ADMINISTRATIVE SERVICES

8 OPERATIONS

9 TECHNICAL SERVICES

10 PLANNING & DEVELOPMENT

11 COMMUNITY DEVELOPMENT

12 ECONOMIC DEVELOPMENT

13 NOTICES OF MOTION

14 CORRESPONDENCE FOR INFORMATION

Tabled Separately

15 GENERAL BUSINESS

16 CLOSED MEETING ITEMS

1. Discussion on dog declaration processes and associated matters
2. Update on Millaroo Pool Refurbishment Capital Project
3. Discussion with Joel Harris, Resource Innovations regarding future delivery of waste collection services from 1 July 2017
4. Debt recovery for overdue rates and charges
5. Budget discussions

17 DELEGATIONS

