



# Burdekin Shire Council

## AGENDA

### ORDINARY COUNCIL MEETING

HELD AT COUNCIL ADMINISTRATION BUILDING,  
145 YOUNG STREET, AYR

**on 28 September 2021**

**COMMENCING AT 9:00 AM**

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## **ORDER OF BUSINESS:**

### **ATTENDANCE**

- 2. PRAYER**
- 3. DECLARATIONS OF INTEREST**
- 4. MINUTES AND BUSINESS ARISING**
  - 4.1. Ordinary Council Meeting Minutes - 14 September 2021**
  - 4.2. Audit Committee Meeting Minutes - 8 September 2021**
- 5. EXECUTIVE**
  - 5.1. CEO**
    - 5.1.1. Proposed Changes to Council Meeting Dates**
  - 5.2. ECONOMIC DEVELOPMENT**
- 6. CORPORATE AND COMMUNITY SERVICES**
  - 6.1. CLIENT SERVICES**
  - 6.2. COMMUNITY DEVELOPMENT**
  - 6.3. FINANCIAL AND ADMINISTRATIVE SERVICES**
    - 6.3.1. Consideration for Annual Valuation – 2022 Revaluation Program**
    - 6.3.2. Monthly Financial Report for Period Ending 31 August 2021**
  - 6.4. GOVERNANCE**
    - 6.4.1. 2022 Audit Committee Charter**
    - 6.4.2. Annual Report 2020/21**
- 7. INFRASTRUCTURE, PLANNING AND ENVIRONMENTAL SERVICES**
  - 7.1. ENVIRONMENTAL AND HEALTH SERVICES**
  - 7.2. OPERATIONS**
    - 7.2.1. Tender Submissions Received for ACL/20/001 Pre-Qualified Suppliers for Hire of Wet and Dry Plant and Equipment – Refresh One and ACL/20/002 Traffic Control Providers – Refresh One**
  - 7.3. PLANNING AND DEVELOPMENT**
    - 7.3.1. Request for Quotation - Replace Burdekin Memorial Hall Chiller Unit, Storage Tank, Pump and Controls.**
  - 7.4. TECHNICAL SERVICES**
- 8. NOTICE OF MOTION**
- 9. RECEIPT OF PETITIONS**
- 10. CORRESPONDENCE FOR INFORMATION**
- 11. GENERAL BUSINESS**
- 12. CLOSED BUSINESS ITEMS**
- 13. DELEGATION**



#### **4.1. MINUTES AND BUSINESS ARISING**

##### **Ordinary Council Meeting Minutes - 14 September 2021**

##### **Recommendation**

That the minutes of the Ordinary Council Meeting held on 14 September 2021 be received as a true and correct record.

##### **Attachments**

1. Minutes - Ordinary Council Meeting - 14 September 2021



# Burdekin Shire Council

## **MINUTES**

### **ORDINARY COUNCIL MEETING**

HELD AT COUNCIL ADMINISTRATION BUILDING,  
145 YOUNG STREET, AYR

**on 14 September 2021**

**COMMENCING AT 9:00 AM**

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## **ORDER OF BUSINESS:**

### **1. ATTENDANCE**

Councillor Lyn McLaughlin, Councillor Sue Perry, Councillor Kaylee Boccalatte, Councillor John Bonanno, Councillor Michael Detenon, Councillor John Furnell, Councillor Max Musumeci

Mr. T. Brennan - Chief Executive Officer  
Mr. N. O'Connor – Director Corporate and Community Services  
Mr. N. Wellwood – Director of Infrastructure, Planning and Environmental Services  
Mr. D. Cornwell - Manager Community Services (Part)  
Mr. D. Mulcahy - Manager Environmental and Health Services (Part)  
Mrs. K. Olsen - Manager Financial and Administrative Services (Part)  
Mr. W. Saldumbide - Manager Operations (Part)  
Mrs. A. Dale - Administration and Records Coordinator (Part)  
Ms. T. Bateman - Governance and Property Officer (Part)  
Ms. H. Johnstone - Financial Accountant (Part)  
Ms. T. Heuir - Graduate Technical Officer (Part)

Minutes Clerk - Ms. G. Biffanti

### **2. PRAYER**

The meeting prayer was delivered by Pastor Peter Holmes of the Australian Christian Churches.

*9.14am - Mr. Cornwell entered the meeting.*

*9.15am - Ms. Heuir entered the meeting.*

### **3. DECLARATIONS OF INTEREST**

The Mayor called for declarations of interest.

*Councillor Boccalatte advised she had a Declarable Conflict of Interest in relation to Item 6.4.1 Invitation to Tender - Leasing of Reserve Land on Rita Island as her family's property borders on the Reserve Land - Lot 141 on Crown Plan GS808420 which is part of land included in the tenders to lease. Councillor Boccalatte advised of her intention to leave the meeting during this discussion.*

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## **4. MINUTES AND BUSINESS ARISING**

### **4.1. Ordinary Council Meeting Minutes - 24 August 2021**

#### **Recommendation**

That the minutes of the Ordinary Council Meeting held on 24 August 20021 be received as a true and correct record.

#### **Resolution**

Moved Councillor Musumeci, seconded Councillor Furnell that the recommendation be adopted.

CARRIED

### **4.2. Economic Development Advisory Group Meeting Minutes - 5 August 2021**

#### **Recommendation**

No recommendations to report.

That:

1.the minutes of the Economic Development Advisory Group Meeting held on 5 August 2021 be noted and adopted.

#### **Resolution**

Moved Councillor Detenon, seconded Councillor Musumeci that the recommendation be adopted.

CARRIED

### **4.3. Audit Committee Meeting Minutes - 12 August 2021**

#### **Recommendation**

##### 4.1 – Draft Financial Statements

That the Committee note the draft 2020-21 Financial Statements.

##### 4.2 – Review Management Assurance and Compliance Representations

That the Committee note the management assurance and compliance representations.

##### 5.2 – Result of Audit and Follow-up with Management

That the Committee note the areas of audit focus and key audit milestones.

##### 6.1 – BDO Proposed Methodology for 3-year Internal Audit Contract

That the Committee note the BDO Internal Audit Planning Approach.

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#### 6.2 – Internal Audit Activity Report

That the Committee note the Internal Audit Activity Report and endorse the proposed revised due dates.

#### 7.1 – Risk Management Update

That the Committee note the RelianSys Risk Management Software Implementation Plan.

#### 7.2 – Follow-up on Audit Issues

That the Committee note the update and completion of the QAO Waste Levy Best Practice Recommendation.

#### 7.3 – Management Response to QAO Local Government 2020 - Report 17: 2020-21

That the Committee note the Management Response to the QAO Local Government 2020 Report 17: 2020-21 and endorse the report be presented to Council.

That:

1. the minutes of the Audit Committee Meeting held on 12 August 2021 be noted, and;
2. the recommendations as detailed in the minutes and summarised in Item 4.1 to 7.3 above be adopted.

#### **Resolution**

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

CARRIED

### **4.4. Burdekin Shire Youth Council Meeting Minutes - 16 August 2021**

#### **Recommendation**

##### Item 5 - First Aid Training – September 2021 School Holidays

That Council notes the calling of expressions of interest for community members to take part in a youth focused First Aid Training & CPR Course during the first week of the September 2021 school holidays.

##### Item 6 – Public Speaking Workshop – September 2021 School Holidays

That Council notes the facilitation of a Public Speaking Workshop to be held in the second week of the September 2021 School Holidays at a cost of \$10 per person.

##### Item 7 – R U OK? Day Involvement

That Council notes the Burdekin Shire Youth Council's proposal to film an awareness video as part of R U OK? Day 2021.

##### Item 8 – Mental Health Week Involvement

That Council notes the proposed participation of the Youth Council Members at Council's Health & Wellbeing Expo to be held on Saturday 9 October, 2021.

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Item 9 – NQ Fast Track Talent Showcase 2022

That Council notes the proposed date for NQ Fast Track Talent Showcase in 2022, being Saturday 2 April, 2022.

Item 10 – Involvement in Seniors Month – October 2021

That Council notes the proposed involvement of the Burdekin Shire Youth Council Members in Seniors Month activities in October 2021.

That:

1. the minutes of the Burdekin Shire Youth Council Meeting held on 16 August be noted, and;
2. the recommendations as detailed in the minutes and summarised above be adopted.

**Resolution**

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

CARRIED

**4.5. Burdekin Shire Road Safety Advisory Committee Meeting Minutes - 18 August 2021**

**Recommendation**

6.4 – Review Signage

That Council review speed signage adjacent to the intersection of Parker and Airdmillan Roads, Ayr.

6.5.4 – Giveway Sign – Intersection Sixth Street and Fifth Avenue, Home Hill. (12 May 2021)

That Council reinvestigate whether a giveway sign is warranted on the Southern side of Fifth Avenue at the intersection of Sixth Street, Home Hill as per request from Sergeant Steve Wilson – Officer in Charge Home Hill.

That:

1. the minutes of the Burdekin Shire Road Safety Advisory Committee Meeting held on Wednesday, 18 August 2021 be noted, and;
2. the recommendations as detailed in the minutes and summarised in 6.4 and 6.5.4 (12 May 2021 Meeting) above be adopted.

**Resolution**

Moved Councillor Musumeci, seconded Councillor Boccalatte that the recommendation be adopted.

CARRIED

*9.27am - Mr. Saldumbide entered the meeting.*

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## **5. EXECUTIVE**

### **5.1. CEO**

#### **5.1.1. Council Workshops - August 2021**

##### **Executive Summary**

The Council conducted two workshops during the past month on 3 and 17 August 2021, with a range of policy and operational issues discussed by councillors and staff.

A brief summary of the items discussed at the workshops is outlined in the report.

##### **Recommendation**

That the report on the Council workshops held on 3 and 17 August 2021 be received and noted.

##### **Resolution**

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

CARRIED

### **5.2. ECONOMIC DEVELOPMENT**

## **6. CORPORATE AND COMMUNITY SERVICES**

### **6.1. CLIENT SERVICES**

#### **6.1.1. Annual Staff Christmas Closedown Dates 2021**

##### **Executive Summary**

Council approval is sought for the end of year close down period. It is traditional for Council to close during the festive period. This closure ensures all staff access leave over the holiday period. During this period there will be a roster of skeleton staff, including on call staff, available to respond to any issues that requires immediate attention.

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## **Recommendation**

It is recommended that Council approves the following 2021 Christmas close period as follows:

### Outdoor Staff:

- Closedown from Friday 17 December 2021 up to and including Friday 7 January 2022.
- Return to work on Monday 10 January 2022.

### Indoor Staff:

- Finish at 1pm on Thursday 24 December 2021.
- Closedown from Friday 25 December 2021 up to and including Monday 3 January 2022.
- Return to work on Tuesday 4 January 2022.

## **Resolution**

Moved Councillor Detenon, seconded Councillor Musumeci that the recommendation be adopted noting the following amendment:

### Indoor Staff:

- Finish at 1pm on Thursday 23 December 2021.
- Closedown from Friday 24 December 2021 up to and including Monday 3 January 2022.
- Return to work on Tuesday 4 January 2022.

CARRIED

## **6.2. COMMUNITY DEVELOPMENT**

### **6.2.1. Burdekin Shire Council Arts and Cultural Strategy 2021-2030**

#### **Executive Summary**

Council at its meeting of 27 October 2020 appointed 'aha! good thinking' to develop an Arts and Cultural Strategy for the Shire. A 10 year strategy has been developed which will provide a roadmap from the current Arts and Cultural state to a desired vision of enhanced practice and Arts and Cultural capability for the Shire.

#### **Recommendation**

That Council adopts the attached Burdekin Shire Council Arts and Cultural Strategy 2021–2030.

#### **Resolution**

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

CARRIED

*9.35am - Ms. Bateman entered the meeting.*



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## **6.2.2. Burdekin Water Park Procurement Process - Phase One**

### **Executive Summary**

Building a Water Park in the Burdekin has been on the public agenda for some time. In 2019, following a period of community consultation, Council included a Water Park concept in the footprint of the Ayr Swimming Pool Complex as part of the ANZAC Park Precinct Master Plan.

Council has earmarked \$2.5M in its 2020/21 Capital Budget for the Design and Construction of the Burdekin Water Park. Following adoption of the 2020/21 Budget Councillors and staff have been undertaking preliminary planning for the project.

At its meeting of 31 August 2021, Council formally approved a two-step procurement process for the Design and Construction of the Burdekin Water Park.

Expressions of Interest - Phase One of the procurement process have been called from suitably qualified firms to outline their experience in designing and constructing water parks.

An assessment panel has undertaken a review of the Expressions of Interest.

The purpose of this report is to seek Council's approval of the three recommended firms to proceed to the second phase of the procurement process in which the companies would be invited to submit preliminary designs and costing for the Burdekin Water Park through a competitive tender process.

### **Recommendation**

That Council:

1. endorses the recommendations of the assessment panel to shortlist the following firms to proceed to the formal tender phase of the procurement process for the Burdekin Water Park Project:
  - a. Playscape Creations
  - b. Beau Corp Aquatics and Constructions
  - c. Taylor Builders Pty LTD; and
2. acknowledges that as part of the formal tender process the three firms mentioned in (1) above, will be invited to participate in a 'Water Park Design Competition' whereby each firm will be offered \$10,000 payment to provide a preliminary design and costing for the project, and as a result of the payment to each firm, Council will own the design concepts; and
3. notes the indicative project delivery timeframes as outlined in the body of this report.

### **Resolution**

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

CARRIED

*9.45am - Mrs. Dale entered the meeting.*

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9.49am - Mr. Cornwell and Ms. Heuir left the meeting.

### **6.3. FINANCIAL AND ADMINISTRATIVE SERVICES**

#### **6.3.1. TBSC/21/013 - Cleaning Services for Jones Street Depot**

##### **Executive Summary**

The *Local Government Regulation Queensland 2012* requires Council to invite written tenders for large-sized contractual arrangements for goods and services purchased from a supplier that is expected to exceed \$200,000.00 excluding GST per financial year. As Council retendered for the Jones Street Depot Cleaning Contract, there was potential that the purchase of Cleaning Services as a combined contract for Council Chambers, Jones Street Depot and Burdekin Libraries – Ayr and Home Hill fell within this category.

Tenders were called for TBSC/21/013 - Cleaning Services for Jones Street Depot on Friday, 13 August, 2021. Following assessment of the evaluation criteria – price, proven performance, resources and local content of the five tenders received, the recommendation is outlined below.

##### **Recommendation**

That Council awards Contract TBSC/21/013 - Cleaning Services for Jones Street Depot to Command51 Pty Ltd for a contract price of \$57,217.44 (including GST) commencing on 1 October 2021 in accordance with the conditions outlined in the Procurement Process, Contract, Scope and Specifications and Tender Response.

##### **Resolution**

Moved Councillor Boccalatte, seconded Councillor Musumeci that the recommendation be adopted noting the following amendment:

That Council awards Contract TBSC/21/013 - Cleaning Services for Jones Street Depot to Command51 Pty Ltd for a contract price of \$57,217.44 (including GST) commencing on 1 October 2021 for a two (2) year period, in accordance with the conditions outlined in the Procurement Process, Contract, Scope and Specifications and Tender Response.

CARRIED

9.51am - Mrs. Dale left the meeting.

### **6.4. GOVERNANCE**

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#### **6.4.1. Invitation to Tender – Leasing of Reserve Land on Rita Island**

*9.52am - Councillor Boccalatte left the meeting at the commencement of this discussion as she had a Declarable Conflict of Interest in relation to Item 6.4.1 Invitation to Tender - Leasing of Reserve Land on Rita Island as her family's property borders on the Reserve Land, Lot 141 on Crown Plan GS808420 which is part of land included in the tenders for lease.*

#### **Executive Summary**

Council approval is requested to inviting written tenders to lease part or all of the following parcels of reserve land:

Trustee: Burdekin Shire Council  
Land Description: Lot 141 on Crown Plan GS808420  
Area: 658.00 hectares (about)  
Purpose: Local Government Sub-Purpose: Flood Erosion Control

Trustee: Burdekin Shire Council  
Land Description: Lot 122 on Crown Plan GS405  
Area: 20.246 hectares (about)  
Purpose: Local Government Sub-Purpose: Flood Erosion Control

Trustee: Burdekin Shire Council  
Land Description: Lot 121 on Survey Plan 205555  
Area: 3.996 hectares (about)  
Purpose: Local Government Sub-Purpose: Flood Erosion Control

#### **Recommendation**

That Council agree to inviting written tenders to lease part of Lot 141 on Crown Plan GS808420, part or all of Lot 122 on Crown Plan GS405 and part or all of Lot 121 on Survey Plan 205555 for grazing only.

#### **Resolution**

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

CARRIED

*9.55am - Ms. Bateman left the meeting.*

*9.56am - Councillor Boccalatte returned to the meeting.*

### **7. INFRASTRUCTURE, PLANNING AND ENVIRONMENTAL SERVICES**

#### **7.1. ENVIRONMENTAL AND HEALTH SERVICES**

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## **7.2. OPERATIONS**

### **7.2.1. Tenders Received for the Tender TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir and Related Infrastructure**

#### **Executive Summary**

Council has developed a multi staged strategic infrastructure solution to accommodate the loss of water supply production bores in the Nelson's Lagoon borefield following the detection of PFAS in concentrations above the Australian Drinking Water Guideline (ADWG) health threshold. The solution has been peer reviewed and approved by the Queensland State Government.

Council has received a \$10,000,000 Special Purpose Grant from the Department of Local Government, Racing and Multicultural Affairs under the Local Government Grants and Subsidies Program (LGSSP) to undertake the design and construction of the Ayr Water Supply Infrastructure (Stage 2) Upgrade Program.

TBSC/21/012 for the Fabrication and Erection of Ayr 10ML Reservoir and Related Infrastructure closed at 12.00pm on Tuesday 17 August 2021.

At the time of closing tenders were received from 12 suppliers through VendorPanel and assessed by Burdekin Shire Councils Project Management Team. These included a number of separable and non-separable bids for the project which were then assessed based on value for money, local content, methodology, experience and demonstrated understanding of the project. Four of the tenders received were considered non-conforming and were not considered further.

The tender included the supply, delivery and commissioning of the following packages:

- Principal Contractor
- Package 1 - Earthworks
- Package 2 – Supply and Construction of Reservoir
- Package 3 – Protective Coating for the Reservoir
- Package 4 - Pipework and Pits
- Package 5 – Buildings
- Package 7 – Chlorine Dosing Systems
- Package 8 – Electrical Components
- Package 9 – Fence

#### **Recommendation**

1. that Council appoints TEi Services Pty Ltd to the Principal Contractor role, overseeing the onsite WHS for the fee of \$81,600.00 excl. GST as proposed.

2. that Council accepts the fixed price quotation of \$82,545.00 excl. GST from TEi Services Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 1 – Earthworks.

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3. that Council accepts the fixed price quotation of \$2,626,264.29 excl. GST from TEi Services Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 2 – Supply and Construction of Reservoir.
  4. that Council accepts the fixed price quotation of \$408,306.77 excl. GST from QPAMS Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 3 – Reservoir Protective Coating.
  5. that Council accepts the fixed price quotation of \$1,947,397.95 excl. GST from Roebuck Civil Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 4 – Pipework and Pits.
  6. that Council accepts the fixed price quotation of \$376,988.25 excl. GST from Roebuck Civil Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 5 – Buildings.
  7. that Council accepts the fixed price quotation of \$605,991.50 excl. GST from Roebuck Civil Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 5 – Pumps.
  8. that Council accepts the fixed price quotation of \$150,427.00 excl. GST from Trility as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 7 – Chlorine Dosing Systems
  9. that Council accepts the fixed price quotation of \$192,615.00 excl. GST from Burdekin Air Conditioning and Electrical Pty Ltd as the most advantageous quotation received for TBSC/21/012 Fabrication and Erection of Ayr 10ML Reservoir – Package 8 – Electrical Components
  10. that Council accept the decision of the Project Management Team to not award the component Package 9 – Fence. This component may be completed at the completion of the entire project.

## **Resolution**

Moved Councillor Detenon, seconded Councillor Furnell that the recommendation be adopted noting the following amendment:

Item 10. that Council endorse the decision of the Project Management Team to not award the component Package 9 – Fence as this component may be completed at the completion of the entire project.

CARRIED

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## **7.3. PLANNING AND DEVELOPMENT**

### **7.3.1. Tenders Received for TBSC/21/009 - Burdekin Memorial Hall - Front Entrance Upgrade and New Access Ramp**

#### **Executive Summary**

The proposed Burdekin Memorial Hall – Front Entrance Upgrade and New Access Ramp has been identified as a major Capital Works Project to be carried out during the 2021/2022 financial year. The works are to be funded through the Phase Two of the Federal Government's Local Roads and Community Infrastructure Program (LRCIP), with a total of \$263,000 of LRCIP funds earmarked for the entrance works and a further \$160,000 LRCIP funds earmarked for associated civil works in Ninth Avenue, Home Hill.

Section 226 of the *Local Government Regulation 2012* requires Council to invite written tenders for large-sized contractual arrangements that is expected to be worth, exclusive of GST, \$200,000 or more in a financial year.

The Burdekin Memorial Hall – Front Entrance Upgrade and New Accessible Ramp works were expected to fall within this category. Tenders have been called and at the closing date for tenders on Monday 16 August 2021, three tenders were received via VendorPanel which have been assessed by staff.

All LRCIP Phase Two Funded Projects must be completed by 30 December 2021. Given that 'time is of the essence' to complete the works by the 30 December 2021 deadline, after discussion with Councillors, the Chief Executive Officer awarded the contract to the tender panel's preferred tenderer RJG Builders Pty Ltd.

The purpose of this report is for Council to formally endorse the actions of the Chief Executive Officer.

#### **Recommendation**

That Council:

1. endorse the action taken by the Chief Executive Officer in accepting the tender submitted by RJG Builders being \$334,066.87 (ex. GST) which includes identified savings of \$80,015.64 from the original tender for Burdekin Memorial Hall – Front Entrance Upgrade and New Accessible Ramp works in accordance with their original submission received and subsequent variation; and
2. notes that additional funds to complete the project will be sourced from savings on the civil works in Ninth Avenue, Home Hill and the notional budget of \$136,612 allocated from the Federal Government's LRCIP Phase Two for Improvements to Watson's Green.

#### **Resolution**

Moved Councillor Detenon, seconded Councillor Musumeci that the recommendation be adopted.

CARRIED

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*10.17am - Mr. Mulcahy entered the meeting.*

*10.21am Mr. Saldumbide left the meeting.*

#### **7.4. TECHNICAL SERVICES**

#### **8. NOTICE OF MOTION**

#### **9. RECEIPT OF PETITIONS**

#### **10. CORRESPONDENCE FOR INFORMATION**

##### **10.1. Request for Council Support - Attendance of Mayor McLaughlin – Institute of Public Works Engineering Australasia (IPWEA) Annual Conference – 12 to 14 October 2021**

##### **Resolution**

Moved Councillor Perry, seconded Councillor Bonanno that Council endorse Mayor McLaughlin to attend the IPWEA Annual Conference in Cairns on 12 to 14 October 2021 with all expenses of attendance to be met by Council.

*10.23am - Mrs. Olsen and Ms. Johnstone entered the meeting.*

#### **11. GENERAL BUSINESS**

*10.34am - Mrs. Olsen and Ms. Johnstone left the meeting.*

#### **12. CLOSED BUSINESS ITEMS**

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## **12.1. Confidential Report - Burdekin Shire Council - Certified Agreement 2021**

### **Council Meeting closed to Public under Section 254J of Local Government Regulation 2012**

#### **Resolution**

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

254J (b) industrial matters affecting employees;

For the purpose of discussing:

1. Enterprise Bargaining Certified Agreement 2021

CARRIED

*10.47am - Meeting adjourned for Morning Tea.*

*11.15am - Meeting recommenced.*

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

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

CARRIED

#### **Executive Summary**

The Council commenced negotiations for a new Enterprise Bargaining Certified Agreement in February 2021, with the start of negotiations delayed by Covid restrictions. The negotiations with the Unions and employee representatives have progressed on a constructive basis and Council has been regularly updated on the progress of negotiations.

A draft Certified Agreement has been prepared and distributed to employees following agreement from the Unions for this to occur. A workforce vote will be conducted on the draft agreement after a 14 day review period has occurred, as required by the Industrial Relations Legislation.

#### **Recommendation**

That Council receive the report from the Chief Executive Officer on the status of Enterprise Bargaining negotiations and endorse the proposed *Burdekin Shire Council Certified Agreement 2021*.



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**Resolution**

Moved Councillor Furnell, seconded Councillor Boccalatte that the recommendation be adopted.

CARRIED

**13. DELEGATION**

There being no further business the meeting closed at 11.18am.

**These minutes were confirmed by Council at the Ordinary Council Meeting held on 28 September 2021.**

**MAYOR**

## 4.2. MINUTES AND BUSINESS ARISING

### Audit Committee Meeting Minutes - 8 September 2021

**File Reference:** 388  
**Report Author:** Stevie Moffat, Governance Support Officer  
**Authoriser:** Rebecca Stockdale, Senior Governance Officer  
**Meeting Date:** 28 September 2021

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#### Purpose

This report provides the Minutes of the Audit Committee Meeting held on 8 September 2021.

#### Summary of recommendations and actions for consideration and adoption:

##### 3 – Minutes of the Audit Committee Meeting held on 14 August 2021

That the minutes from the previous meeting be formally adopted by the Committee.

##### 4.1 – Final 2020-21 Financial Statements

That the Committee commend the Final 2020-2021 Financial Statements to the Mayor and CEO to be signed.

##### 5.1 – Draft Annual Report

That the Committee note the Draft Annual Report.

##### 6.1 – QAO 2021 Closing Report

That the Committee note the QAO 2021 Closing Report.

##### 6.1.1 – Management Response to Employee Overtime Identified in Closing Report

That the Committee note the management action taken to date in addressing the overtime of employees and revisit the issue in the 2022 external audit plan.

##### 7.2 – Review/Confirm Audit Committee Charter

That the Committee commend the 2022 Audit Committee Charter to Council for adoption.

#### Recommendation

That:

1. the minutes of the Audit Committee Meeting held on 8 September 2021 be noted, and;
2. the recommendations as detailed in the minutes and summarised in Item Numbers 3 to 7.2 above be adopted.

#### Attachments

1. Minutes - Audit Committee Meeting - 8 September 2021

# Meeting Minutes

<b>Meeting</b>	Audit Committee Meeting		
<b>Date</b>	Wednesday, 8 September 2021	<b>Time</b>	9:00 am
<b>Attendees</b>	Mr. Ian Jessup – Independent Chairperson Mr. Jim Fahey – Independent Professional Member Cr. Michael Detenon – Councillor Cr. Sue Perry – Councillor Mr. Mitchell Witt – Internal Auditor and Senior Manager (Risk Advisory) - BDO (via telephone) Ms. Ashita Lal – Audit Manager - Queensland Audit Office (via telephone) Ms. Donna Sinanian – External Auditor and Partner - Crowe Horwath (via telephone) Ms. Tracey Mayhew – External Auditor and Senior Manager (Audit & Assurance) - Crowe Horwath (via telephone) Mr. Nick O'Connor – Director Corporate and Community Services Mrs. Kim Olsen – Manager Financial and Administrative Services Mr. Joe Galea – Manager Water and Waste Water (Part) Mrs. Rebecca Stockdale – Senior Governance Officer Ms. Hope Johnstone – Financial Accountant		
<b>Apologies</b>	Mr. Jim Nuttall – Independent Community Member Cr. Lyn McLaughlin – Mayor Mr. Terry Brennan – Chief Executive Officer Mr. Nick Wellwood – Director Infrastructure Planning and Environmental Services Mrs. Kathy Cortabitarte – Financial Accountant Systems Ms. Margaret Dewhurst – Internal Auditor and Partner (Audit & Assurance) - BDO		
<b>Chairperson</b>	Mr. Ian Jessup – Independent Chairperson		
<b>Minutes Clerk</b>	Ms. Stevie Moffat – Governance Support Officer		
<b>Location</b>	John Drysdale Chambers		

## Minutes

### 1. Welcome

Mr. Jessup welcomed all attendees.

### 2. Apologies

Mr. Jessup acknowledged the apologies that were received for the meeting.

### 3. Minutes of the Audit Committee Meeting held on 14 August 2021

Minutes of the previous Audit Committee Meeting held on 14 August 2021 were circulated to Committee Members prior to the meeting.

Moved Cr. Detenon, seconded Mr. Fahey that the minutes from the previous meeting be formally adopted by the Committee. Carried.

## 4. Financial Reporting

### 4.1 Final 2020-21 Financial Statements

Ms. Johnstone provided an overview of the Final 2020-21 Financial Statements. Since the draft financial statements were noted by the Committee at the previous meeting on 14 August 2021, a few minor changes have been identified in the final statements and discussed with the auditors. The two minor changes include amendments to the following:

- Note 14 – Property, plant and equipment (e) movements

	Draft	Final
Additions of renewal assets	14,329,331	13,092,992
Additions of other assts	5,221,809	6,458,148
	19,551,140	19,551,140

This was due to there being a late change to the renewal and other split of the Work In Progress balance and the totals weren't updated. Although the individual asset classes were correct, the totals didn't add across and were therefore incorrect.

- Sustainability Statements

	Draft	Final
2020/2021 Asset Sustainability Ratio	107.18%	107.54%

This increase was not due to the error in Note 14. Note 14 is the start of the workpaper for the ratio calculation, however the ratio calculation excludes the land and improvements, and plant and equipment asset classes, therefore the above error did not impact on the ratio. There was a large plant and equipment project in WIP at end of financial year, therefore this was adjusted out of the balance. When doing this, the intangibles renewal Work In Progress balance was also adjusted out. This was not necessary as the intangible assets and Work In Progress do not form part of Note 14.

Ms. Johnstone also advised that the QAO suggested considering quantifying the movements in Note 1(g) relating to COVID-19. It was decided against doing so as the team did not feel they could comfortably and accurately quantify the movements as this could be quite subjective.

Ms. Sinanian advised that the QAO is satisfied with the Final 2020-21 Financial Statements, including the amendments to Note 14 and Sustainability Statements, and decision not to quantify the movements in Note 1(g).

Ms. Olsen also commended the finance team and expressed her gratitude for the effort put into completing the financial statements.

Moved Mr. Jessup, seconded Cr. Detenon that the Committee commend the Final 2020-2021 Financial Statements to the Mayor and CEO to be signed. Carried.

## 5. Annual Report

### 5.1 Draft Annual Report

A copy of the draft Annual Report was presented to the Committee by Ms. Stockdale and Mr. O'Connor. The preliminary draft of the Annual Report was prepared with consideration of Council's adopted

Corporate Plan 2017-2022 and disclosure requirements under the *Local Government Act 2009* and *Local Government Regulation 2012*.

Cr. Perry and Cr. Detenon suggested changes to the table outlining the costs of expenses incurred by Councillors on page 22 of the Annual Report, relating to section 186 of the Regulation. There was concern that the conference expenses incurred did not provide a fair and accurate representation of Councillor attendance at conferences. This is due to some Councillors attending the same conferences as other Councillors as a Council delegate (i.e. included in Council's subscription), whilst other Councillors attended as a paid attendee. It was suggested by Cr. Perry and Cr. Detenon that further wording be included below the table clarifying Councillor attendance at conferences and the expenses incurred to Council.

The Draft Annual Report will be distributed to the Senior Leadership Group and Executive Leadership Team for final feedback, and may be subject to minor changes, and amendment of the error on page 22.

Moved Mr. Fahey, seconded Cr. Detenon that the Committee note the Draft Annual Report. Carried.

## **6. External Audit**

### **6.1 QAO 2021 Closing Report**

Ms. Sinanian provided an overview of the 2021 Closing Report completed in respect of the audit of the 2020/2021 financial statements. The QAO expects to issue an unmodified opinion on the financial statements and no issues were identified as part of the internal control environments. There was a slight increase of \$83,000 to planning materiality and final fees are expected to remain as expected. Included in the Closing Report were observations and analysis made by external audit regarding ordinary time and overtime comparisons across departments. The analysis included the top 20 employee overtime and ordinary time figures and is intended to assist management with overtime management, managing employee wellness and scheduling and resourcing decisions.

The financial sustainability report indicated Council is performing very well in terms of target and segment average, with no concerns identified as part of this modelling and ratio analysis. The key areas of audit focus that are considered to be at greatest risk of material error include valuation for infrastructure assets, financial sustainability and provision for tip restoration and were assessed with no issues identified as a result of audit testing. No further audit issues were identified nor were any carried forward as unresolved.

The Committee noted the QAO 2021 Closing Report.

#### **6.1.1 Management Response to Employee Overtime Identified in Closing Report**

Mr. Galea provided a brief of the management action taken to date regarding the overtime of employees identified as part of the QAO 2021 Closing Report. Management are aware of the overtime issues and a Training Needs Analysis will be completed to identify any skill gaps across the departments. The intention was to restructure responsibilities and cross-skill within the identified departments for personal development, growth and wellbeing, and fatigue management. Mr. Galea identified some of the challenges involved in this process, however the risks have been mitigated through appropriate planning and processes.

Further action taken to date also includes the implementation and investment by Council in SCADA and remote infrastructure management technology. The ability to remotely manage infrastructure means decreased staff overtime, greater project management, planning, mobility and safety of staff during disaster events.

Cr. Detenon suggested that the external audit revisit this topic in 2022 to reflect on the investment in SCADA technology and revisit the ordinary and overtime of employees.

Moved Mr. Jessup, seconded Cr. Detenon that the Committee note the management action taken to date in addressing the overtime of employees and revisit the issue in the 2022 external audit plan. Carried.

## **6.2 Consider need for closed session briefing with Crowe Horwath/QAO**

The Committee considered the need for a closed session briefing with Crowe Horwath and QAO.

The Committee agreed that a closed session briefing is not required.

## **7. Effectiveness of Audit Committee**

### **7.1 Review Committee and Member Performance**

Mrs. Stockdale will circulate a member survey via Survey Monkey to all members and management for completion. The results of the survey will be collated and presented to the Committee in February 2022 for review.

### **7.2 Review/Confirm Audit Committee Charter**

Mrs. Stockdale presented the revised 2022 Audit Committee Charter. The revised Charter includes the following amendments:

- Bi-annual review of the Charter document;
- Change to the appointed Internal Audit Contractor – BDO;
- Additional Non-Voting attendees; and
- Change of tenure to allow current serving Independent Members to be awarded another position as a new tenure.

Moved Cr. Perry, seconded Mr. Fahey that the Committee commend the 2022 Audit Committee Charter to Council for adoption. Carried.

## **8. Other Business**

### **8.1 Cr. Sue Perry – Councillor**

Cr. Perry commended Council Officers for their efforts in completing the financial statements and the success of the 2021 audit report.

Cr. Perry also raised the issue of community perception of Burdekin Shire Council rate levels. Cr. Perry requested that Council consider conveying some information to the community to provide accurate comparison data.

Mrs. Olsen acknowledged that community perception can be an issue, however there are many variables when rates are calculated. Mrs. Olsen advised that Council plan to engage a consultant to review our current rating practices. This will include a review and analysis of Councils rating category structure. Part of the consideration will be making comparisons to similar sized Councils and Councils with similar demographics. This review is expected to occur in October-November 2021 with the intention this information informs the 2022 budget process commencing in February 2022.

**8.2 Mr. Nick O'Connor – Director Corporate and Community Services**

Mr. O'Connor advised that planning has commenced for the 3-year internal audit plan. Site visits are planned for 23-24 September 2021 to meet with Managers and the Executive team to prepare an internal audit plan.

There being no further business, the meeting closed at 9:40am

**The next meeting will be held on Wednesday, 9 February 2022.**

Mr. Ian Jessup

Chairman

## Agreed Recommendations to Council

Minute Item	Recommendation
3	That the minutes from the previous meeting be formally adopted by the Committee.
4.1	That the Committee commend the Final 2020-2021 Financial Statements to the Mayor and CEO to be signed.
5.1	That the Committee note the Draft Annual Report.
6.1	That the Committee note the QAO 2021 Closing Report.
6.1.1	That the Committee note the management action taken to date in addressing the overtime of employees and revisit the issue in the 2022 external audit plan.
7.2	That the Committee commend the 2022 Audit Committee Charter to Council for adoption.



### 5.1.1. CEO

#### Proposed Changes to Council Meeting Dates

**File Reference:** 394  
**Report Author:** Terry Brennan, Chief Executive Officer  
**Authoriser:** Terry Brennan, Chief Executive Officer  
**Meeting Date:** 28 September 2021

#### Link to Corporate/Operational Plan:

Burdekin Shire Council Corporate Plan 2017-2022

5.3.1. Demonstrate open and transparent leadership

5.3.3. Adhere to the governance framework and public reporting systems

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### Executive Summary

The Council is scheduled to have an Ordinary Council meeting on Tuesday, 26 October 2021. The Mayor and two (2) Councillors will be absent for this meeting as they will be attending the Local Government Association of Queensland (LGAQ) Annual Conference in Mackay at this time. It is proposed to have the Ordinary Council meeting on an alternate day to accommodate their absence.

It is also normal practice to only hold one Ordinary Council meeting in December and in January each year and dates also need to be set for these meetings.

### Recommendation

The Ordinary meeting of Council scheduled to be held on Tuesday, 26 October 2021 be rescheduled to Thursday, 21 October 2021 commencing at 9.00am due to Council representatives attending the LGAQ annual conference from 25 to 27 October 2021.

Further, the dates of the Ordinary Council meetings in December 2021 and January 2022 be set as follows:

- Tuesday, 14 December 2021
- Tuesday, 18 January 2022

### Background

The advertised Ordinary Council meeting for Tuesday, 26 October 2021 will clash with the timing of the LGAQ Annual Conference in Mackay, which is being held from 25 to 27 October 2021. The Council will be represented at the annual conference by the Mayor and two (2) Councillors and it is therefore considered appropriate to consider changing the date of the Ordinary Council meeting to accommodate their absence on the normal meeting date. The most suitable date would appear to be Thursday, 21 October 2021 given we currently have a heavy workshop schedule on the alternate Tuesdays to council meetings.

The timing of the December 2021 and January 2022 Ordinary Council meetings should also be set at this time. It is normal practice to only hold one Ordinary Council meeting in each of these months due to the absence of a number of people on annual leave over this period.

It is proposed to hold these meetings on the following dates:

- Tuesday, 14 December 2021
- Tuesday, 18 January 2021

**Consultation**

Consultation has been undertaken to determine the most suitable dates for the meetings.

**Budget & Resource Implications**

Not Applicable.

**Legal Authority & Implications**

Section 257 of the *Local Government Regulation 2012* (LGR) sets out the requirements in relation to the frequency of Council meetings. Section 254B of the LGR sets out the requirements in relation to providing public notice of ordinary meetings of Council.

**Policy Implications**

Not Applicable.

**Risk Implications (Strategic, Operational, Project Risks)**

Operational Risk due to possible inability to hold Council meetings if a quorum is not present.

**Attachments**

None

### 6.3.1. FINANCIAL AND ADMINISTRATIVE SERVICES

#### Consideration for Annual Valuation – 2022 Revaluation Program

**File Reference:** 678  
**Report Author:** Jacqui Thomasson, Revenue Coordinator  
**Authoriser:** Nick O'Connor, Director Corporate and Community Services  
**Meeting Date:** 28 September 2021

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

Burdekin Shire Council Corporate Plan 2017-2022

5.3.2. Ensure Council's financial position is effectively managed

5.3.4. Undertake regulatory responsibilities in accordance with legislative obligations

Burdekin Shire Council Operational Plan 2020-2022

R1 Maintain the property and rating database to ensure a high level of accuracy

R2 Issue timely and accurate rates and charges notices

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### **Executive Summary**

Council has received correspondence from the State Valuation Service – Land Division, seeking Council's view in relation to the revaluation of its local government area as part of the 30 June 2022 Revaluation Program.

### **Recommendation**

That Council responds to the State Valuation Service requesting that the department include the Burdekin Shire in the 2022 Annual Revaluation Program.

### **Background**

The *Land Valuation Act 2010* requires that the Valuer-General undertake an annual valuation, however the Valuer-General may decide not to make an annual valuation of land in a local government area after considering:

- A market survey report for the local government area which reviews sales of land and the probable impact of the sales on the value of land since the last annual valuation, and
- The results of consultation with the local government for the area and appropriate local and industry groups.

The State Valuation Service is seeking Council's view in regard to the inclusion of the Burdekin Shire in the 2022 Annual Revaluation Program.

Included with the correspondence received this year was a preliminary assessment of property markets and the available sales evidence since Council's last revaluation. The analysis shows no effect on current valuations.

Historically, Council has responded to the State Valuation Service requesting that an annual valuation be undertaken with the view that even minor fluctuations in valuations can have an impact on Council's ratepayers.

It is Council's aim to minimise the impact on ratepayers and avoid possible large adjustments to valuation relativities which may occur when the annual valuation process is not undertaken for a number of years.

As a result, it is recommended that Council respond to the State Valuation Service requesting that an annual revaluation be conducted in the 2022 financial year.

**Consultation**

Not Applicable.

**Budget & Resource Implications**

Not Applicable.

**Legal Authority & Implications**

Not Applicable.

**Policy Implications**

Not Applicable.

**Risk Implications (Strategic, Operational, Project Risks)**

A potential risk is present in regard to fluctuations in valuations effecting both ratepayers and Council.

**Attachments**

None

**6.3.2. FINANCIAL AND ADMINISTRATIVE SERVICES**  
**Monthly Financial Report for Period Ending 31 August 2021**

**Recommendation**

That the Monthly Financial Report for Period Ending 31 August 2021 be received.

**Attachments**

1. Financial Report - August 2021

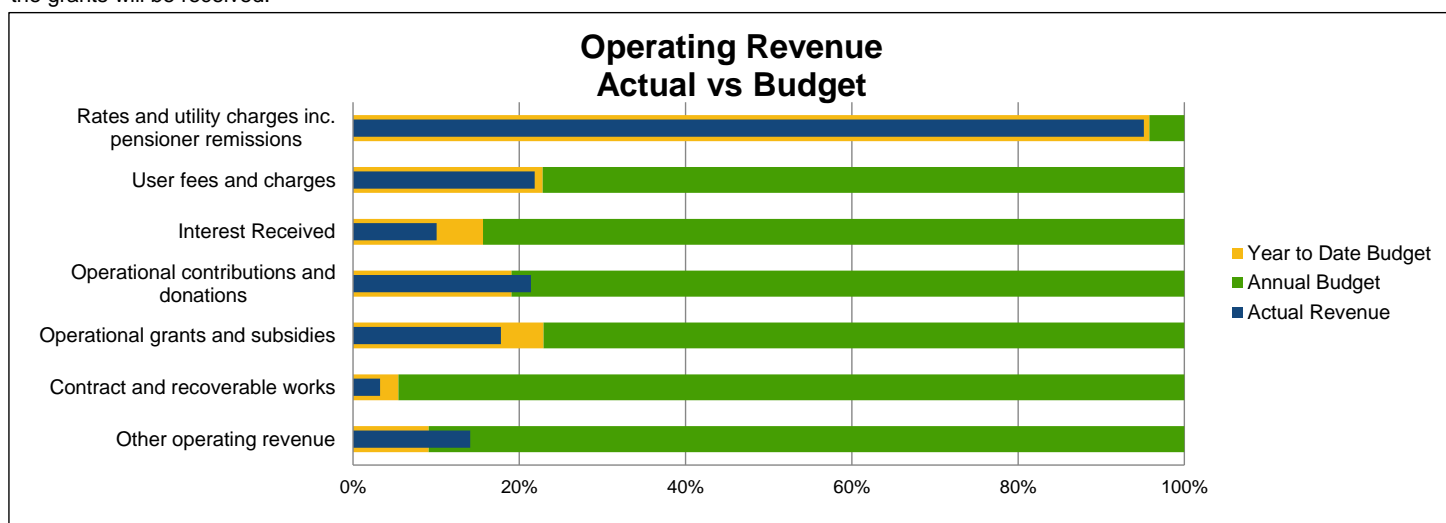
The following report provides a summary of Council's financial performance to 31 August 2021.

## FINANCIAL STATEMENTS AT A GLANCE

As at 31 August 2021	Actual \$	Annual Budget \$	YTD Original Budget \$	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
Total Operating Revenue	40,548,052	50,472,372	41,099,235	-551,183	-1%
Total Operating Expenses	8,540,541	50,800,209	9,273,838	-733,297	-8%
<b>Operating Position</b>	<b>32,007,511</b>	<b>-327,837</b>	<b>31,825,397</b>	<b>182,114</b>	<b>1%</b>
Capital Revenue	1,819,943	14,577,859	14,577,859	-12,757,916	-88%
<b>Net Result</b>	<b>33,827,454</b>	<b>14,250,022</b>	<b>46,403,256</b>	<b>-12,575,802</b>	<b>-27%</b>

This report contains financial information for the period ending 31 August 2021. Council's operating position at month end is a \$32M surplus.

Capital Revenue includes capital grants which are budgeted to be received in July. The nature of capital grants means that it is often unknown when the grants will be received.

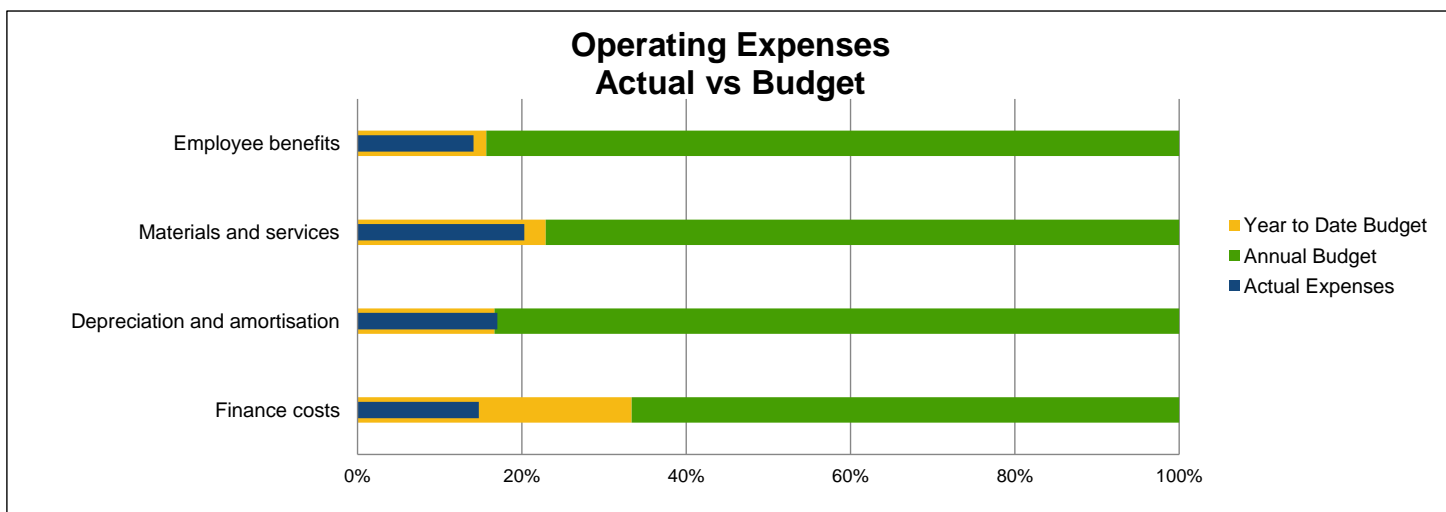


#### Under Budget:

- Interest received: Payments received from the annual rates levy will increase the capacity to generate interest in coming months.
- Operational grants and subsidies: prepayment received in 2020/21 for the 2021/22 Financial Assistance Grant, therefore lower quarterly payments to be received this financial year.
- Contract and recoverable works: timing of work for the Road Maintenance Performance Contract.

#### Over Budget:

- Other operating revenue: increased ticket sales for theatre shows and unbudgeted long service leave contribution received from another Council for current employee.



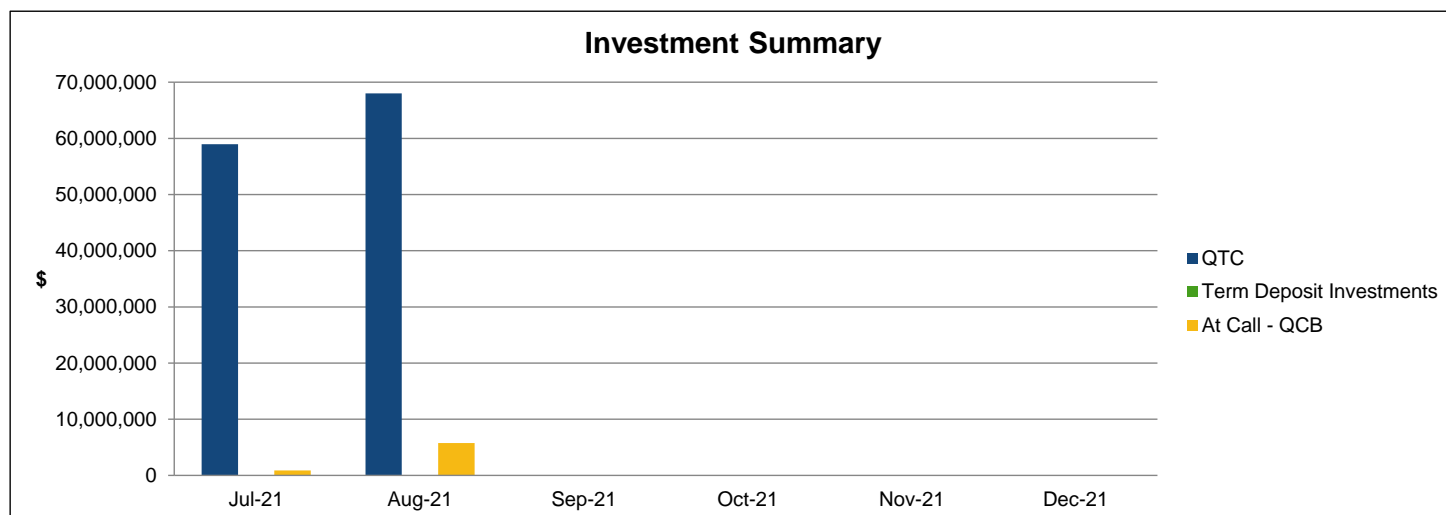
#### Under Budget:

- Employee benefits: timing of payroll transactions for the period ending 7 September and vacant positions.
- Materials and services: waste collection contract one month in arrears, waste levy one month in arrears and annual software payments not yet made.
- Finance costs: timing of bank fees for transactions during the annual rates levy.

## INVESTMENT PORTFOLIO

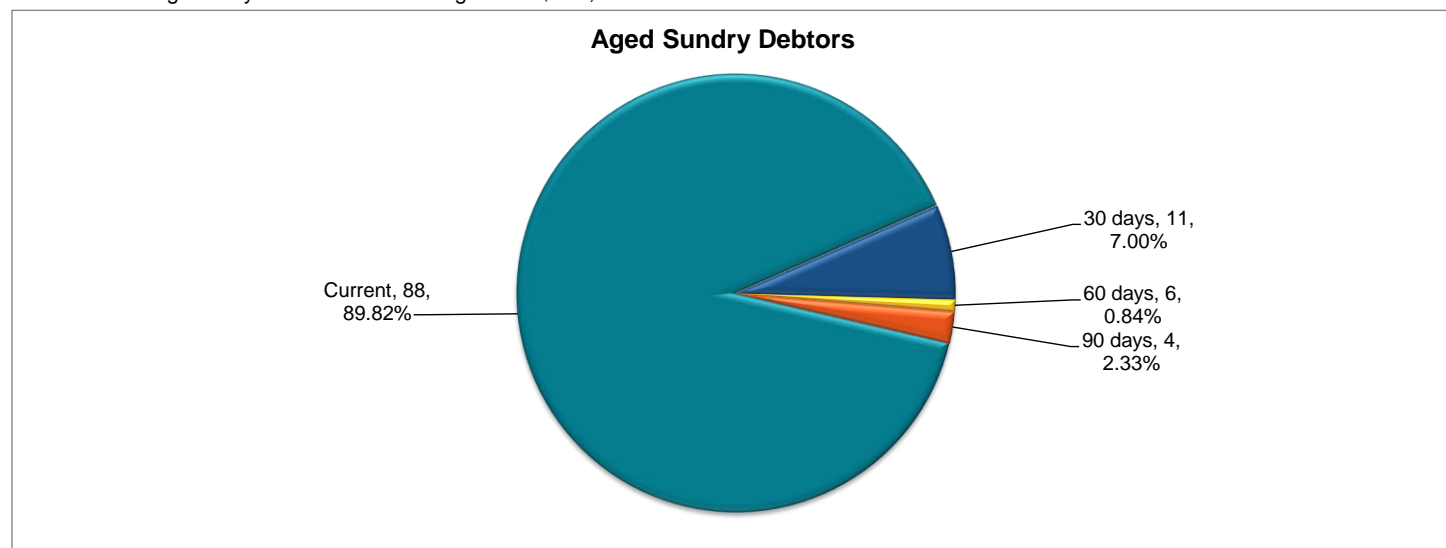
### Investment Report as at 31 Aug 2021 (including at call cash)

	Total Invested	Average Current Rate Weighted	% Invested
QTC	67,996,589	0.49%	92.21%
QCB General	5,740,585	1.05%	7.79%
<b>Total Funds</b>	<b>\$73,737,174</b>		



## SUNDRY DEBTORS

Total outstanding Sundry Debtors as at 31 August are \$249,501



## RATES

Arrears as at 1 July 2021		\$849,193
Levy and fees raised *	\$42,417,505	
Interest charged *	\$3,478	
Less Pensioner subsidy and rebate	<u>\$654,128</u>	\$41,766,855
Payments received		<u>\$18,068,598</u>
Arrears as at 31 August 2021		<u><u>\$24,547,450</u></u>

Pre-payments as at 31 August 2021	\$320,557
Pre-payments as at 31 August 2020	\$249,013

\* includes State Govt Emergency Management Levy

Annual Rate Levies were issued on 6 August 2021, with a due date of 6 September 2021.

## Rates Debt Recovery

### Collection House - Debt Referral

Council currently has 97 legal files active with Collection House with an outstanding balance of \$315,405.05.

### Council Periodic Payment Plans

Council has 123 formalised periodic payment plans currently in place. These will continue to be monitored by Rates Staff to ensure conformance.



## OVERVIEW OF COUNCIL'S CAPITAL PROJECTS

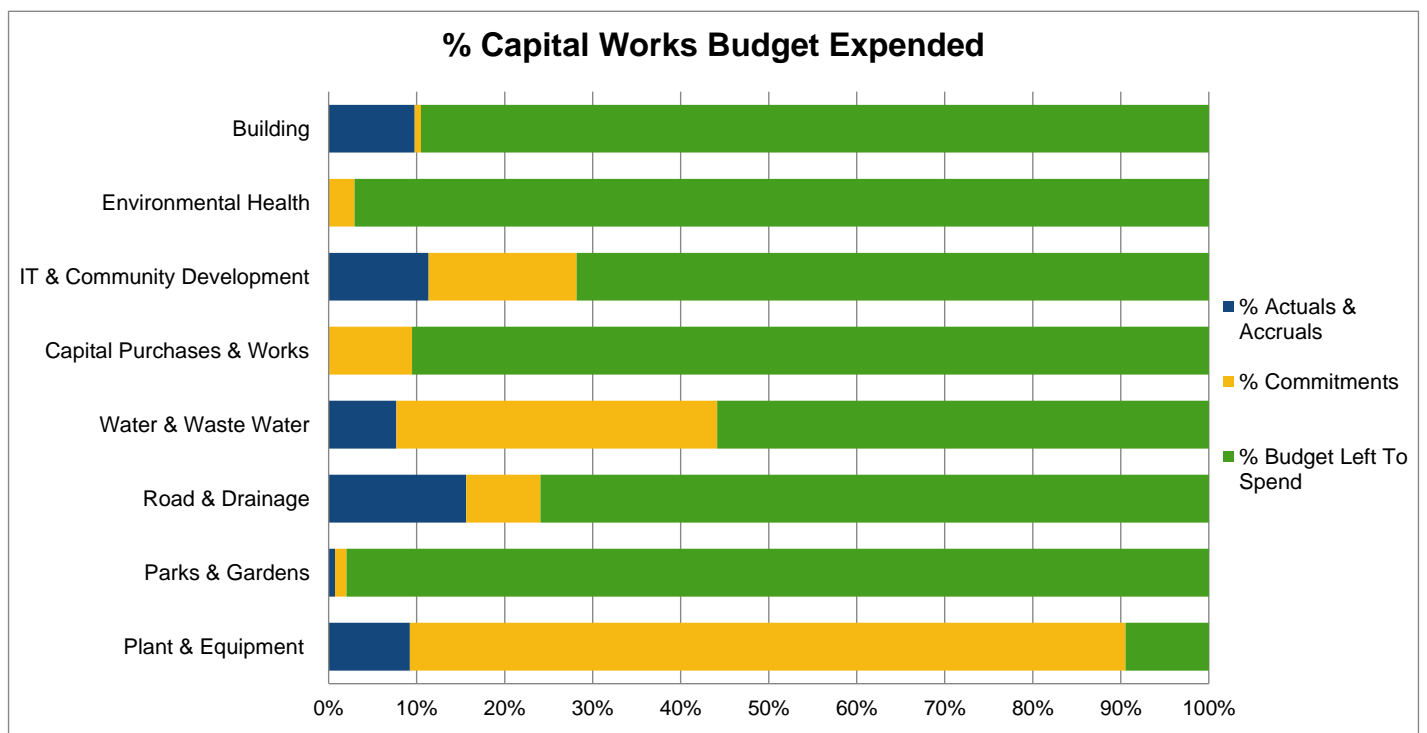
Capital expenditure incurred for the year to 31 August, is shown by asset category in the table below.

Capital project expenditure to 31 August is \$2,570,766. In addition to this, there is \$7,562,660 of commitments. Therefore totalling \$10,133,426.

### Financial Overview by Asset Category

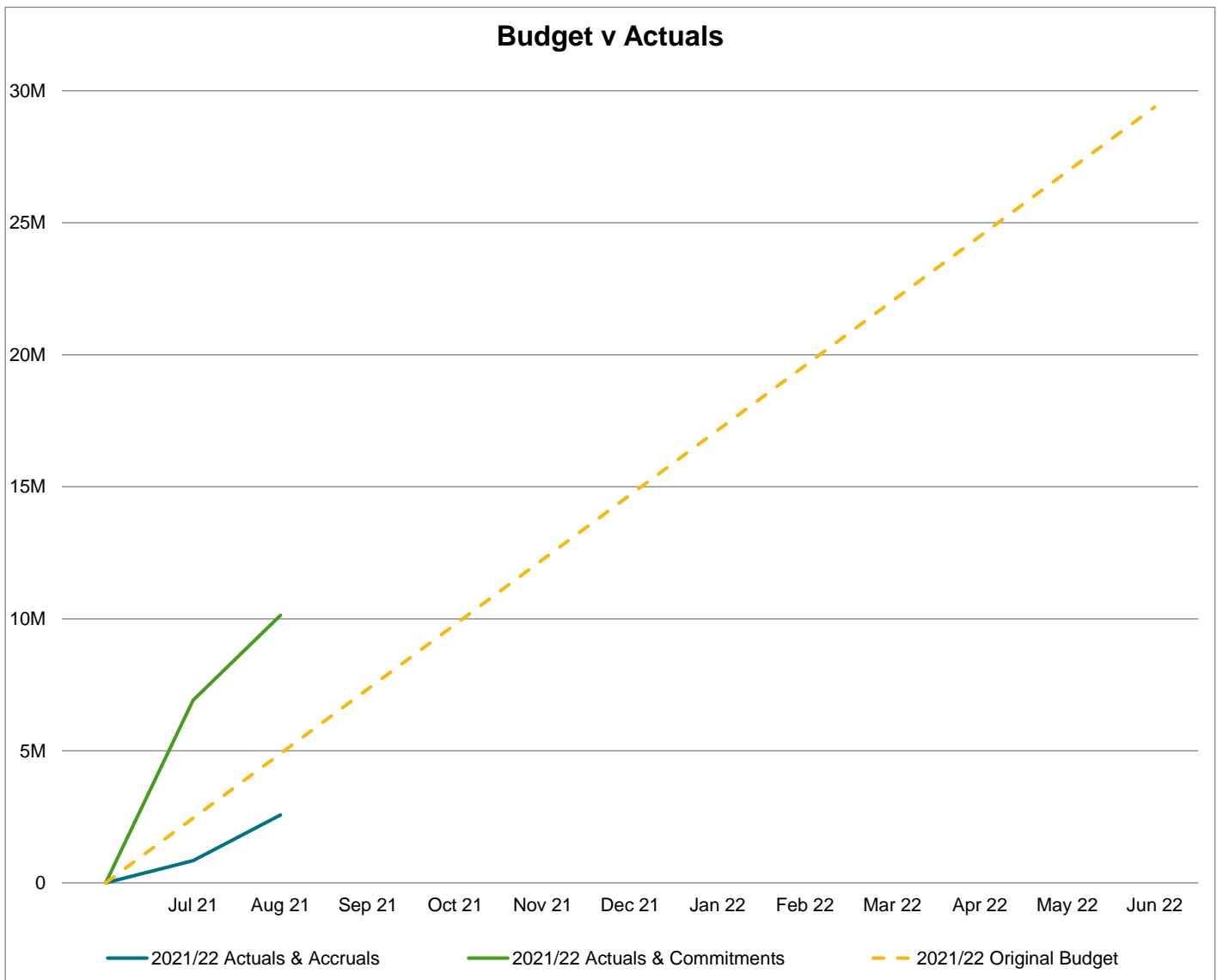
Asset Category	Original Budget	Revised Budget	Actuals & Accruals	Commitments	Total
<b>Building</b>	\$ 672,500	\$ -	\$ 65,648	\$ 4,963	\$ 70,611
<b>Environmental Health</b>	\$ 615,000	\$ -	\$ -	\$ 18,123	\$ 18,123
<b>IT &amp; Community Development</b>	\$ 410,200	\$ -	\$ 46,554	\$ 69,010	\$ 115,564
<b>Capital Purchases &amp; Works</b>	\$ 768,000	\$ -	\$ 320	\$ 72,502	\$ 72,822
<b>Water &amp; Waste Water</b>	\$ 14,507,556	\$ -	\$ 1,117,503	\$ 5,287,262	\$ 6,404,765
<b>Road &amp; Drainage</b>	\$ 7,375,000	\$ -	\$ 1,153,633	\$ 621,727	\$ 1,775,360
<b>Parks &amp; Gardens</b>	\$ 3,256,621	\$ -	\$ 23,218	\$ 42,968	\$ 66,186
<b>Plant &amp; Equipment</b>	\$ 1,778,000	\$ -	\$ 163,890	\$ 1,446,105	\$ 1,609,995
<b>TOTAL</b>	<b>\$ 29,382,877</b>	<b>\$ -</b>	<b>\$ 2,570,766</b>	<b>\$ 7,562,660</b>	<b>\$ 10,133,426</b>

The below graph shows, by Asset Category, how much Council has spent (including accruals) on Capital Projects, compared to each budget.



Extended information on individual projects has been provided to Council in a separate dashboard report.

## OVERVIEW OF COUNCIL'S CAPITAL PROJECTS



Actuals and Accruals include payments made and materials/services received but not yet invoiced.

Actuals and Commitments include payments made, accrual transactions and purchase orders raised for materials/services not yet provided/supplied.

### APPENDIX 1 - OPERATING STATEMENT BY MANAGER

Attached are the Operating Statement Reports by Manager - please refer to these report for individual comments.

### APPENDIX 2 - TOTAL COUNCIL OPERATING STATEMENT

Attached is the Total Council Operating Statement for your information.

### APPENDIX 3 - STATEMENT OF FINANCIAL POSITION

Attached is the Statement of Financial Position as at 31 August 2021.

### APPENDIX 4 - STATEMENT OF CASH FLOWS

Attached is the Statement of Cash Flows for the period ending 31 August 2021.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Chief Executive Officer**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Operational contributions and donations	0	0	167	-167	-100%
Other operating revenue	1,550	2,036	908	1,128	124%
<b>Total operating revenue</b>	<b>1,550</b>	<b>2,036</b>	<b>1,075</b>	<b>961</b>	<b>89%</b>
<b>Operating Expenses</b>					
Employee benefits	110,163	202,602	222,283	-19,682	-9%
Materials and services	17,669	58,980	72,300	-13,320	-18%
<b>Total operating costs</b>	<b>127,832</b>	<b>261,582</b>	<b>294,583</b>	<b>-33,002</b>	<b>-11%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-126,282</b>	<b>-259,545</b>	<b>-293,508</b>	<b>33,963</b>	<b>-12%</b>
<b>Net result for period</b>	<b>-126,282</b>	<b>-259,545</b>	<b>-293,508</b>	<b>33,963</b>	<b>-12%</b>

**Comments**

**Other operating revenue**

Unbudgeted income received for VIC membership fees from Tourism Operators during August.

**Employee benefits**

Under year to date budget due to leave taken and the timing of payroll transactions for the pay period ending 7 September.

**Materials and services**

Under year to date budget for advertising expenses due to timing issues, particularly for tourism advertising.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Director of Corporate & Community Services**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
User fees and charges	23,728	27,681	24,033	3,647	15%
Operational grants and subsidies	99,360	99,360	0	99,360	-
Other operating revenue	116	116	416	-300	-72%
<b>Total operating revenue</b>	<b>123,204</b>	<b>127,156</b>	<b>24,449</b>	<b>102,707</b>	<b>420%</b>
<b>Operating Expenses</b>					
Employee benefits	56,145	101,430	106,054	-4,624	-4%
Materials and services	241,648	196,755	163,961	32,795	20%
Depreciation and amortisation	106,877	214,140	213,667	474	0%
<b>Total operating costs</b>	<b>404,670</b>	<b>512,326</b>	<b>483,681</b>	<b>28,645</b>	<b>6%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-281,466</b>	<b>-385,169</b>	<b>-459,232</b>	<b>74,063</b>	<b>-16%</b>
Capital grants and subsidies	0	0	329,000	-329,000	-100%
Other capital income (expense)	-98,074	-98,074	0	-98,074	-
<b>Net result for period</b>	<b>-379,540</b>	<b>-483,244</b>	<b>-130,232</b>	<b>-353,012</b>	<b>271%</b>

**Comments**

**User fees and charges**

Over budget for aerodrome rental income. This will be amended in the revised budget.

**Operational grants and subsidies**

Annual RADF and PCYC funding received in August. Variance to budget due to these being budgeted to be received in September.

**Materials and services**

Variance due to the budget for demolition of CWA Hall being split evenly over 12 months, however this occurred in August. This will be amended in the revised budget.

**Capital grants and subsidies**

Awaiting outcome of Building Better Regions Fund grant application for Industrial Estate expansion earthworks.

**Other capital income (expense)**

Partial disposal of assets at the Theatre and Ayr Showgrounds while capitalising work completed at these venues.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Client Services**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Operational grants and subsidies	11,358	11,358	2,103	9,255	440%
Other operating revenue	12,980	12,980	5,500	7,480	136%
<b>Total operating revenue</b>	<b>24,338</b>	<b>24,338</b>	<b>7,603</b>	<b>16,734</b>	<b>220%</b>
<b>Operating Expenses</b>					
Employee benefits	-3,195	107,451	221,172	-113,721	-51%
Materials and services	136,095	822,459	951,575	-129,116	-14%
<b>Total operating costs</b>	<b>132,901</b>	<b>929,910</b>	<b>1,172,747</b>	<b>-242,837</b>	<b>-21%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-108,563</b>	<b>-905,572</b>	<b>-1,165,144</b>	<b>259,572</b>	<b>-22%</b>
Capital grants and subsidies	0	0	60,000	-60,000	-100%
<b>Net result for period</b>	<b>-108,563</b>	<b>-905,572</b>	<b>-1,105,144</b>	<b>199,572</b>	<b>-18%</b>

**Comments**
**Operational grants and subsidies**

90% of Get Ready grant has been received. Final 10% of grant to be received upon completion of the program. Over year to date budget due the budget for this grant being split evenly over 12 months.

**Other operating revenue**

Unbudgeted long service leave contribution received from another council for a current council employee.

**Employee benefits**

Over budget for long service leave and sick leave for the whole of council, with this being partially offset by annual leave being under budget. Oncost recoveries are over year to date budget due to the timing of payroll transactions. Employee benefits are also under budget due to a vacant position in Human Resources.

**Materials and services**

Under budget for annual software payments. The majority of annual payments occurred in July, however further payments are expected to occur throughout the financial year. Budget has been spread over 12 months.

**Capital grants and subsidies**

North Queensland Recovery and Resilience grant not yet received for upgrade and refurbishment of the Ayr SES Headquarters.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Community Services**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
User fees and charges	13,128	26,569	42,718	-16,149	-38%
Operational grants and subsidies	2,000	2,000	1,833	167	9%
Other operating revenue	13,845	16,420	8,346	8,074	97%
<b>Total operating revenue</b>	<b>28,973</b>	<b>44,989</b>	<b>52,897</b>	<b>-7,909</b>	<b>-15%</b>
<b>Operating Expenses</b>					
Employee benefits	138,901	270,427	286,613	-16,185	-6%
Materials and services	189,454	223,639	289,284	-65,645	-23%
Depreciation and amortisation	8,171	16,273	14,417	1,856	13%
<b>Total operating costs</b>	<b>336,526</b>	<b>510,339</b>	<b>590,313</b>	<b>-79,974</b>	<b>-14%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-307,553</b>	<b>-465,350</b>	<b>-537,416</b>	<b>72,066</b>	<b>-13%</b>
Capital grants and subsidies	0	0	323,000	-323,000	-100%
<b>Net result for period</b>	<b>-307,553</b>	<b>-465,350</b>	<b>-214,416</b>	<b>-250,934</b>	<b>117%</b>

**Comments**

**User fees and charges**

Under year to date budget for hire fees for the Burdekin Memorial Hall. The budget for this area has been split equally over 12 months. Income is variable depending on hires and only a small number of hires year to date

**Other operating revenue**

Over year to date budget due to increased ticket sales for an event in early 2022.

**Employee benefits**

Under budget due to staff on extended leave.

**Materials and services**

Under budget across cultural facilities due to reduced venue activity associated with refurbishment works. Also under budget due to annual donation not yet paid. This donation was budgeted to occur in August however will be paid in conjunction with the organisation's annual general meeting which is planned for the end of September.

**Capital grants and subsidies**

Budgeted Quarterly State Library grant and Local Roads and Community Infrastructure Project grant for Burdekin Memorial Hall not yet received.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Environmental & Health Services excluding Waste Program**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Rates and Utility Charges	87,271	87,270	87,350	-80	0%
User fees and charges	83,373	214,211	177,857	36,354	20%
Operational contributions and donations	13,592	32,826	37,734	-4,908	-13%
Operational grants and subsidies	0	0	1,000	-1,000	-100%
Other operating revenue	1,060	2,116	1,550	566	37%
<b>Total operating revenue</b>	<b>185,296</b>	<b>336,423</b>	<b>305,491</b>	<b>30,932</b>	<b>10%</b>
<b>Operating Expenses</b>					
Employee benefits	123,084	235,539	266,775	-31,236	-12%
Materials and services	226,978	308,944	246,138	62,806	26%
Depreciation and amortisation	26,143	52,286	51,700	586	1%
<b>Total operating costs</b>	<b>376,205</b>	<b>596,769</b>	<b>564,613</b>	<b>32,156</b>	<b>6%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-190,909</b>	<b>-260,346</b>	<b>-259,122</b>	<b>-1,224</b>	<b>0%</b>
 Capital grants and subsidies	 1,240,000	 1,240,000	 2,480,000	 -1,240,000	 -50%
<b>Net result for period</b>	<b>1,049,091</b>	<b>979,654</b>	<b>2,220,878</b>	<b>-1,241,224</b>	<b>-56%</b>

**Comments**

**User fees and charges**

Over budget due to increased caravan park income and unbudgeted health licence fees.

**Operational contributions and donations**

Illegal Dumping Partnership Program funding not yet received. Offset by above budget contributions received for Herbicide Subsidy.

**Operational grants and subsidies**

The budgeted NQ Dry Tropics Feral Pig Control grant funding was received in 2020/21. This will be amended in the revised budget.

**Employee benefits**

Under budget due to leave taken by staff, reduced hours at the Clare and Millaroo Pools and the timing of payroll transactions for the period ending 7 September.

**Materials and services**

Over budget due to Siam Weed emergent expenditure for helicopter sprays and surveys. This is to be funded from Enviro Levy and will be included in the first revised budget. Also over budget due to annual insurance premium paid in August.

**Capital grants and subsidies**

First payment received for Works for Queensland 2021-2024 funding. Further grant funding will be received as work progresses.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Environmental & Health Services - Waste Program**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Rates and Utility Charges	4,144,472	4,144,472	4,144,570	-98	0%
User fees and charges	54,929	68,913	95,667	-26,753	-28%
Interest Received	2,275	5,193	9,200	-4,007	-44%
Operational grants and subsidies	52,284	52,284	0	52,284	-
Other operating revenue	3,136	6,023	11,025	-5,002	-45%
<b>Total operating revenue</b>	<b>4,257,096</b>	<b>4,276,885</b>	<b>4,260,462</b>	<b>16,423</b>	<b>0%</b>
<b>Operating Expenses</b>					
Employee benefits	54,448	114,844	142,775	-27,931	-20%
Materials and services	200,764	139,604	357,483	-217,879	-61%
Depreciation and amortisation	33,684	67,369	70,600	-3,231	-5%
<b>Total operating costs</b>	<b>288,896</b>	<b>321,817</b>	<b>570,858</b>	<b>-249,042</b>	<b>-44%</b>
<b>Surplus (deficit) from operating activities</b>	<b>3,968,200</b>	<b>3,955,068</b>	<b>3,689,603</b>	<b>265,465</b>	<b>7%</b>
<b>Net result for period</b>	<b>3,968,200</b>	<b>3,955,068</b>	<b>3,689,603</b>	<b>265,465</b>	<b>7%</b>

**Comments**

**User fees and charges**

Waste Disposal Invoices for August to be raised in September.

**Interest Received**

Under budget for interest due to annual rates not yet due. Payments received from the annual rates levy will increase the capacity to generate interest.

**Operational grants and subsidies**

Unbudgeted Regional Recycling Transport Assistance Package Grant received.

**Other operating revenue**

Under budget due to no scrap steel income received to date.

**Employee benefits**

Under budget due to reduced casual staff engaged, leave taken by staff and the timing of payroll transactions for the period ending 7 September.

**Materials and services**

Under budget due to contract payment to Cleanaway one month in arrears; State waste levy payment one month in arrears; external plant hire for Kirknie not yet processed and no processing/mulching undertaken.



**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Financial and Administrative Services**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Rates and Utility Charges	28,208,523	28,208,523	28,215,244	-6,721	0%
Pensioner remissions	-610,576	-610,576	-345,000	-265,576	77%
User fees and charges	26,204	33,332	24,150	9,182	38%
Interest Received	11,725	26,651	37,667	-11,016	-29%
Operational grants and subsidies	406,738	406,738	655,446	-248,708	-38%
<b>Total operating revenue</b>	<b>28,042,614</b>	<b>28,064,668</b>	<b>28,587,507</b>	<b>-522,839</b>	<b>-2%</b>
<b>Operating Expenses</b>					
Employee benefits	148,037	303,220	303,917	-696	0%
Materials and services	85,784	366,458	402,153	-35,695	-9%
Depreciation and amortisation	39,631	77,988	78,233	-245	0%
Finance Costs	6,189	10,824	24,490	-13,666	-56%
<b>Total operating costs</b>	<b>279,641</b>	<b>758,490</b>	<b>808,793</b>	<b>-50,303</b>	<b>-6%</b>
<b>Surplus (deficit) from operating activities</b>	<b>27,762,973</b>	<b>27,306,178</b>	<b>27,778,713</b>	<b>-472,536</b>	<b>-2%</b>
<b>Net result for period</b>	<b>27,762,973</b>	<b>27,306,178</b>	<b>27,778,713</b>	<b>-472,536</b>	<b>-2%</b>

**Comments**

**Pensioner remissions**

State Government Subsidy Reimbursement Invoice to be raised in September, this will offset the state pensioner remissions recognised in August and bring this amount in line with budget.

**User fees and charges**

Over year to date budget due to increased number of property searches.

**Interest Received**

Under budget for interest due to annual rates not yet due. Payments received from the annual rates levy will increase the capacity to generate interest.

**Operational grants and subsidies**

First quarter of 2021/22 Financial Assistance Grant received in August. Council received a prepayment of the 2021/22 Financial Assistance Grant in June 2021, therefore resulting in lower quarterly payments throughout the 2022 financial year. This budget will be amended in the first revision.

**Materials and services**

Under budget due to the timing of annual payments for insurance premiums and subscriptions. Further annual payments are to be made in September and October.

**Finance Costs**

Under year to date budget for bank charges due to the timing of bank fees relating to payments from the annual rates levy.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Operations - General Fund**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
User fees and charges	11,978	18,125	30,317	-12,191	-40%
Operational contributions and donations	14,465	15,917	5,527	10,390	188%
Operational grants and subsidies	122,920	122,920	222,280	-99,360	-45%
Contract and recoverable works	184	184	0	184	-
Other operating revenue	5,990	5,990	1,000	4,990	499%
<b>Total operating revenue</b>	<b>155,537</b>	<b>163,136</b>	<b>259,124</b>	<b>-95,988</b>	<b>-37%</b>
<b>Operating Expenses</b>					
Employee benefits	378,037	709,690	810,490	-100,800	-12%
Materials and services	437,908	742,894	726,245	16,649	2%
Depreciation and amortisation	71,624	143,286	143,867	-581	0%
<b>Total operating costs</b>	<b>887,569</b>	<b>1,595,870</b>	<b>1,680,602</b>	<b>-84,731</b>	<b>-5%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-732,033</b>	<b>-1,432,734</b>	<b>-1,421,478</b>	<b>-11,257</b>	<b>1%</b>
Capital grants and subsidies	0	0	416,621	-416,621	-100%
<b>Net result for period</b>	<b>-732,033</b>	<b>-1,432,734</b>	<b>-1,004,857</b>	<b>-427,878</b>	<b>43%</b>

**Comments**

**User fees and charges**

Invoices for cemetery fees raised in July relating to June 2021 have been accrued to 2020/21 as part of the end of financial year process. The budget for cemetery fees has been split evenly over 12 months, therefore currently under year to date budget.

**Operational contributions and donations**

Revenue received in the period from contribution to septic pump outs and camping donations at Funny Dunny Park. Currently over budget for septic pump out contributions. Budget estimates are based on historical annual averages.

**Operational grants and subsidies**

First quarter of 2021/22 Financial Assistance Grant received in August. Council received a prepayment of the 2021/22 Financial Assistance Grant in June 2021, therefore resulting in lower quarterly payments throughout the 2022 financial year. This budget will be amended in the first revision.

**Other operating revenue**

Unbudgeted insurance recovery received.

**Employee benefits**

Under year to date budget in Parks Operations and Cemeteries. Variation is due to employee leave and unfilled vacancies, but mainly attributable to emphasis on Capital Works program delivery.

**Capital grants and subsidies**

Budgeted grant funds for the Local Roads and Community Infrastructure Program not yet received.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Operations - Sewerage**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Rates and Utility Charges	4,091,700	4,091,700	4,092,590	-890	0%
User fees and charges	0	450	0	450	-
Interest Received	5,677	12,950	21,933	-8,984	-41%
<b>Total operating revenue</b>	<b>4,097,377</b>	<b>4,105,100</b>	<b>4,114,523</b>	<b>-9,423</b>	<b>0%</b>
<b>Operating Expenses</b>					
Employee benefits	109,664	220,428	216,433	3,994	2%
Materials and services	171,601	232,645	248,242	-15,596	-6%
Depreciation and amortisation	119,074	238,147	233,833	4,314	2%
<b>Total operating costs</b>	<b>400,339</b>	<b>691,220</b>	<b>698,508</b>	<b>-7,288</b>	<b>-1%</b>
<b>Surplus (deficit) from operating activities</b>	<b>3,697,039</b>	<b>3,413,880</b>	<b>3,416,015</b>	<b>-2,135</b>	<b>0%</b>
<b>Net result for period</b>	<b>3,697,039</b>	<b>3,413,880</b>	<b>3,416,015</b>	<b>-2,135</b>	<b>0%</b>

**Comments**

**Interest Received**

Under budget for interest due to annual rates not yet levied. Payments received from the annual rates levy will increase the capacity to generate interest.

**Materials and services**

Under budget in chemical procurement for sewerage treatment. Materials and services expenses in sewerage operations are subject to seasonal influences and are much higher proportionally in the wetter months as a result of increased inflows.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Operations - Water**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
Rates and Utility Charges	4,067,545	3,167,408	3,170,520	-3,112	0%
User fees and charges	2,220	5,610	5,667	-57	-1%
Interest Received	4,230	9,621	15,800	-6,179	-39%
Operational contributions and donations	0	0	0	0	-
Other operating revenue	85	85	200	-115	-58%
<b>Total operating revenue</b>	<b>4,074,080</b>	<b>3,182,724</b>	<b>3,192,187</b>	<b>-9,463</b>	<b>0%</b>
<b>Operating Expenses</b>					
Employee benefits	112,739	202,675	205,567	-2,892	-1%
Materials and services	175,923	246,601	310,087	-63,485	-20%
Depreciation and amortisation	59,510	119,021	120,417	-1,396	-1%
<b>Total operating costs</b>	<b>348,173</b>	<b>568,297</b>	<b>636,070</b>	<b>-67,773</b>	<b>-11%</b>
<b>Surplus (deficit) from operating activities</b>	<b>3,725,908</b>	<b>2,614,427</b>	<b>2,556,117</b>	<b>58,310</b>	<b>2%</b>
Capital grants and subsidies	0	0	9,817,080	-9,817,080	-100%
<b>Net result for period</b>	<b>3,725,908</b>	<b>2,614,427</b>	<b>12,373,197</b>	<b>-9,758,770</b>	<b>-79%</b>

**Comments**

**Interest Received**

Under budget for interest due to annual rates not yet levied. Payments received from the annual rates levy will increase the capacity to generate interest.

**Materials and services**

Under budget due to lower than budgeted electricity charges as a result of rain across the district in the period.

**Capital grants and subsidies**

Budget includes grant funds for the Ayr and Home Hill Water Supply projects and the Queensland Recovery Authority's Recovery and Resilience Fund. No grant funds have been received to date.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Planning and Development**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
User fees and charges	37,881	68,752	67,500	1,252	2%
Other operating revenue	0	42	0	42	-
<b>Total operating revenue</b>	<b>37,881</b>	<b>68,794</b>	<b>67,500</b>	<b>1,294</b>	<b>2%</b>
<b>Operating Expenses</b>					
Employee benefits	97,562	183,915	193,454	-9,539	-5%
Materials and services	8,022	30,479	25,400	5,079	20%
<b>Total operating costs</b>	<b>105,584</b>	<b>214,394</b>	<b>218,854</b>	<b>-4,460</b>	<b>-2%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-67,703</b>	<b>-145,600</b>	<b>-151,354</b>	<b>5,754</b>	<b>-4%</b>
<b>Net result for period</b>	<b>-67,703</b>	<b>-145,600</b>	<b>-151,354</b>	<b>5,754</b>	<b>-4%</b>

**Comments**

**Employee benefits**

Under budget due to unplanned leave taken.

**Materials and services**

Over budget due to delay in finalisation of Planning Scheme consultancy from 2020/21. This will be included in first budget revision.

**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

**Manager Technical Services**

	Month of August Actual	Year to Date Actual	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>					
User fees and charges	14,792	82,638	101,750	-19,112	-19%
Operational grants and subsidies	9,779	9,779	24,000	-14,221	-59%
Contract and recoverable works	59,385	59,385	100,000	-40,615	-41%
Other operating revenue	0	0	667	-667	-100%
<b>Total operating revenue</b>	<b>83,956</b>	<b>151,803</b>	<b>226,417</b>	<b>-74,614</b>	<b>-33%</b>
<b>Operating Expenses</b>					
Employee benefits	215,149	410,555	427,083	-16,529	-4%
Materials and services	-6,099	-86,190	-85,603	-587	1%
Depreciation and amortisation	630,568	1,255,163	1,212,733	42,430	3%
<b>Total operating costs</b>	<b>839,619</b>	<b>1,579,527</b>	<b>1,554,213</b>	<b>25,314</b>	<b>2%</b>
<b>Surplus (deficit) from operating activities</b>	<b>-755,663</b>	<b>-1,427,725</b>	<b>-1,327,797</b>	<b>-99,928</b>	<b>8%</b>
Capital contributions	2,142	2,142	0	2,142	-
Capital grants and subsidies	798,335	936,881	1,152,158	-215,277	-19%
Other capital income (expense)	-261,006	-261,006	0	-261,006	-
<b>Net result for period</b>	<b>-216,192</b>	<b>-749,707</b>	<b>-175,639</b>	<b>-574,069</b>	<b>327%</b>

**Comments****User fees and charges**

Under budget for annual trade waste permit fees.

**Operational grants and subsidies**

August fuel tax credit to be received in September.

**Contract and recoverable works**

Under budget due to the timing of Road Maintenance Performance Contract works. This is offset by low expenses year to date.

**Capital contributions**

Unbudgeted contribution received for driveway at Ninth Avenue, Home Hill.

**Capital grants and subsidies**

Budget includes grants for Transport Infrastructure Development Scheme, Roads to Recovery and Queensland Reconstruction Authority's Resilience and Risk Reduction funding. First payment of Resilience and Risk Reduction Funding was received in July, this includes funding for a project that was not expected to be received until 2022/23. Grant funding received to date for Roads to Recovery and Transport Infrastructure Development Scheme.

**Other capital income (expense)**

Disposal of transport and drainage assets.

**BURDEKIN SHIRE COUNCIL**  
**OPERATING STATEMENT**  
**Period Ending 31 August 2021**

Appendix 2

	Month of August Actual	Year to Date Actual	Original Budget	Year to Date Original Budget	\$ Variance YTD Actual to YTD Original Budget	% Variance YTD Actual to YTD Original Budget
<b>Operating Revenue</b>						
Rates and Utility Charges	40,599,511	39,699,373	41,435,274	39,710,274	-10,901	0%
Pensioner remissions	-610,576	-610,576	-345,000	-345,000	-265,576	77%
User fees and charges	268,234	546,282	2,498,690	569,659	-23,377	-4%
Interest Received	23,907	54,414	540,600	84,600	-30,186	-36%
Operational contributions and donations	28,057	48,743	227,831	43,428	5,315	12%
Operational grants and subsidies	704,438	704,438	3,957,802	906,663	-202,224	-22%
Contract and recoverable works	59,570	59,570	1,832,000	100,000	-40,430	-40%
Other operating revenue	38,761	45,807	325,175	29,612	16,195	55%
<b>Total operating revenue</b>	<b>41,111,902</b>	<b>40,548,052</b>	<b>50,472,372</b>	<b>41,099,235</b>	<b>-551,183</b>	<b>-1%</b>
<b>Operating Expenses</b>						
Employee benefits	1,540,733	3,062,775	21,710,772	3,402,616	-339,841	-10%
Materials and services	1,885,749	3,283,270	16,179,237	3,707,265	-423,995	-11%
Depreciation and amortisation	1,095,282	2,183,672	12,836,800	2,139,467	44,205	2%
Finance Costs	6,189	10,824	73,400	24,490	-13,666	-56%
<b>Total operating costs</b>	<b>4,527,953</b>	<b>8,540,541</b>	<b>50,800,209</b>	<b>9,273,838</b>	<b>-733,297</b>	<b>-8%</b>
<b>Surplus (deficit) from operating activities</b>	<b>36,583,949</b>	<b>32,007,511</b>	<b>-327,837</b>	<b>31,825,398</b>	<b>182,113</b>	<b>1%</b>
Capital contributions	2,142	2,142	0	0	2,142	-
Capital grants and subsidies	2,038,335	2,176,881	14,577,859	14,577,859	-12,400,978	-85%
Other capital income (expense)	-359,080	-359,080	0	0	-359,080	-
<b>Net result for period</b>	<b>38,265,345</b>	<b>33,827,454</b>	<b>14,250,022</b>	<b>46,403,257</b>	<b>-12,575,803</b>	<b>-27%</b>

**BURDEKIN SHIRE COUNCIL**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 31 August 2021**

Appendix 3

	Year to Date Actual \$	Annual Budget \$
<b>Current Assets</b>		
Cash and Cash Equivalents	73,889,694	56,532,362
Receivables	23,275,985	1,955,570
Inventories	585,451	524,225
Contract Assets	806,793	0
Other Assets	203,087	1,683,350
<b>Total Current Assets</b>	<b>98,761,010</b>	<b>60,695,507</b>
<b>Non-Current Assets</b>		
Receivables	351,183	381,253
Property, Plant and Equipment	545,637,914	557,100,629
Intangibles Assets	483,803	366,293
Other Assets	43,533	0
<b>Total Non-Current Assets</b>	<b>546,516,434</b>	<b>557,848,175</b>
<b>TOTAL ASSETS</b>	<b>645,277,443</b>	<b>618,543,682</b>
<b>Current Liabilities</b>		
Payables	1,625,258	5,654,325
Provisions	5,798,704	5,861,180
Contract Liabilities	2,384,317	158,190
Other Liabilities	100,503	2,714
<b>Total Current Liabilities</b>	<b>9,908,782</b>	<b>11,676,409</b>
<b>Non-Current Liabilities</b>		
Provisions	18,591,574	20,408,510
<b>Total Non-Current Liabilities</b>	<b>18,591,574</b>	<b>20,408,510</b>
<b>TOTAL LIABILITIES</b>	<b>28,500,356</b>	<b>32,084,919</b>
<b>NET COMMUNITY ASSETS</b>	<b>616,777,088</b>	<b>586,458,763</b>
<b>Community Equity</b>		
Asset Revaluation Surplus	322,683,343	315,584,389
Retained Surplus (deficiency)	294,093,745	270,874,374
<b>TOTAL COMMUNITY EQUITY</b>	<b>616,777,088</b>	<b>586,458,763</b>

Annual Rate Levies were issued on 6 August 2021, with a due date of 6 September 2021, therefore the receivables balance at 31 August 2021 is larger than other months.



**BURDEKIN SHIRE COUNCIL**  
**STATEMENT OF CASH FLOWS**  
For Period Ending 31 August 2021

Appendix 4

	Year to Date Actual \$	Annual Cashflow Budget \$
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Receipts from Customers	16,463,063	45,746,139
Operating Grants, Subsidies and Contributions	785,690	4,332,344
Interest Received	72,316	540,600
<b>Payments</b>		
Payments to Suppliers and Employees	-8,353,048	-37,754,405
<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<u>8,968,021</u>	<u>12,864,678</u>
<b>Cash Flows from Investing Activities</b>		
State Government Subsidies and Grants	2,176,881	14,577,859
State Government Subsidies and Grants arising from Contract Assets and Liabilities	312,510	-120,053
Capital Contributions	2,142	0
Payments for Property, Plant and Equipment	-2,509,933	-29,382,877
Payments for rehabilitation work	0	-55,000
Proceeds from Sale of Property, Plant and Equipment	0	245,000
Net Movement in Loans to Community Organisations	22,577	-38,470
<b>Net Cash Inflows (Outflow) from Investing activities</b>	<u>4,178</u>	<u>-14,773,541</u>
<b>Cash Flows from Financing Activities</b>		
<b>Net Increase (Decrease) in Cash and Cash Equivalents Held</b>	<u>8,972,199</u>	<u>-1,908,863</u>
Cash and Cash Equivalents at Beginning of the Financial Year	64,917,495	58,441,225
<b>Cash and Cash Equivalents at end of the Period</b>	<u><u>73,889,694</u></u>	<u><u>56,532,362</u></u>

#### **6.4.1. GOVERNANCE**

##### **2022 Audit Committee Charter**

**File Reference:** 388  
**Report Author:** Stevie Moffat, Governance Support Officer  
**Authoriser:** Nick O'Connor, Director Corporate and Community Services  
**Meeting Date:** 28 September 2021

**Link to Corporate/Operational Plan:**  
Burdekin Shire Council Corporate Plan 2017-2022

5.3.3. Adhere to the governance framework and public reporting systems

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#### **Executive Summary**

The *Local Government Act 2009* requires Council to establish an Audit Committee. The Audit Committee serves in an advisory capacity to provide independent assurance regarding the integrity of Council's financial documents, the internal audit function and risk management framework.

The Audit Committee has recently conducted a review of their Charter, in line with the annual review period in the current 2021 Audit Committee Charter.

The revised 2022 Audit Committee Charter is now presented to Council for formal adoption.

#### **Recommendation**

That Council adopts the 2022 Audit Committee Charter, as attached to this report.

#### **Background**

The current 2021 Audit Committee Charter is reviewed annually by the Audit Committee, in consultation with management. Minor amendments to the Charter have been proposed, including changing the review of the Charter to bi-annual, update of the appointed Internal Audit Contractor to BDO, addition of non-voting attendees, and change of tenure to allow current serving Independent Members to be awarded another position as a new tenure.

#### **Consultation**

Council's Audit Committee discussed and endorsed the proposed amendments to the 2022 Audit Committee Charter at the Audit Committee meeting held on Wednesday, 8 September 2021.

#### **Budget & Resource Implications**

The Independent Members of the Audit Committee are remunerated as outlined in the Charter. This amount is included in the current budget.

#### **Legal Authority & Implications**

*Local Government Act 2009* (Qld) s 105.

#### **Policy Implications**

Not Applicable.

### **Risk Implications (Strategic, Operational, Project Risks)**

There are no additional risk implications associated with the adoption of the Audit Committee Charter. The Charter helps to address particular operational risks of the Audit Committee by settling clear expectations related to conflicts of interest, appropriateness of discussion topics, the roles and responsibilities of members and timeliness of preparation of agenda and minutes.

The Audit Committee is also regularly briefed on Council's Enterprise Risk Management Framework and Risk Management Activities and initiatives both at Strategic, Operational and Project level.

### **Attachments**

1. 2022 Audit Committee Charter

# Audit Committee Charter

2022

## Purpose

The purpose of this charter is to outline the authority, composition, membership procedures, operational guidelines and responsibilities of the Audit Committee (the Committee).

## Authority

The Committee has no executive powers, unless delegated to it by the Council through resolution.

The Committee is directly responsible and accountable to Council for the exercise of its duties and responsibilities. In carrying out its duties and responsibilities, the Committee must at all times recognise that primary responsibility for management of Council rests with the Chief Executive Officer.

The Audit Committee is a committee of the Burdekin Shire Council and is directly responsible to the Council. In performing its responsibilities, the Committee has the authority to:

- Undertake its responsibilities in accordance with applicable Local Government Acts and Regulations.
- Conduct or authorise investigations into matters within its scope of responsibility.
- Request the attendance of any employee at Committee meetings.
- Conduct meetings with Council's internal and external auditors, if necessary.
- Request information on any controlled entity.
- Perform other functions as directed by the Council.
- Access information, records and personnel of Council to achieve the above purpose.

## Role

The role of the Committee is to provide independent assurance and assistance to the Council on:

- The risk, control and compliance frameworks.
- The Council's external accountability responsibilities as prescribed in the Local Government Act and its Regulations.

The Committee will provide prompt and constructive reports on its findings directly to the Council, particularly when issues are identified that could present a material risk or threat to the Council.

## Relationship with CEO and Council

The Audit Committee will endeavour to have an open, transparent and accountable relationship with the Chief Executive Officer and Council. Recommendations and findings of the Audit Committee shall be forwarded to the Chief Executive Officer and Council in a timely manner and the Audit Committee act as an independent source of counsel to the Chief Executive Officer and Council.

It is recognised by the Audit Committee that the Chief Executive Officer has a key role in supporting the effectiveness of the Audit Committee through the provision of information, enabling the availability of key personnel, and the effecting and execution of decisions made by Council following recommendations from the Audit Committee.

## Internal Audit

The Committee will act as a forum for internal audit and oversee its planning, monitoring and reporting processes. This process will form part of the governance processes that ensure that Burdekin Shire Council internal audit function operates effectively, efficiently and economically.

Council has appointed a contract auditor, BDO NTH QLD, to perform the functions of internal audit. A representative from BDO will have a standing invitation to attend audit committee meetings.

## External Audit

The Committee has no power of direction over external audit or the manner in which the external audit is planned or undertaken but will act as a forum for the consideration of external audit findings and will ensure that they are balanced with the view of management. The external auditor will have a standing invitation to attend committee meetings.

## Membership

The members of the Committee, taken collectively, will have a broad range of skills and experience relevant to the operations of the Council.

At least one member of the Committee shall have accounting or related financial management experience, with understanding of accounting and auditing standards in a public sector environment.

Independent External Membership of the Committee is by virtue of the appointed position; no delegates of any of the independent external members are permitted.

Council has resolved to establish an Audit Committee comprising of the following members to be appointed by Council:

- a) Two councillors; and
- b) Up to three external independent persons with significant experience and skills as outlined below.

The three external members shall be selected as follows:

### Independent Community Member

This member must be independent of Council and have not been an employee or elected member of Burdekin Shire Council within the past eight years. They must be generally of good character and free of any criminal convictions. They must reside in the Burdekin Shire Local Government Area. They need not hold any particular professional qualifications but should be sufficiently experienced in business or organisational management so as to be able to participate fully in the business and functions of the Committee. They must be able and willing to subscribe to Burdekin Shire Council's Code of Conduct.

### Independent Professional Member

This member must be independent of Council and have not been an employee or elected member of Burdekin Shire Council within the past eight years. They must be generally of good character and free of any criminal convictions. They need not reside in the Burdekin Shire Local Government Area. They must hold duly recognised professional qualifications in Accounting, Law, Finance, Business or Risk Management and should be sufficiently experienced in business or organisational management so as to

be able to participate fully in the business and functions of the Committee. They must be able and willing to subscribe to Burdekin Shire Council's Code of Conduct.

### Independent Chairperson

This member must be independent of Council and must not have been an employee or elected member of Burdekin Shire Council within the past eight years. They must be generally of good character and free of any criminal convictions. They need not reside in the Burdekin Shire Local Government Area. They must hold duly recognised professional qualifications in Accounting, Finance, Business or Risk Management and should be sufficiently experienced in business or organisational management so as to be able to lead the business and functions of the Committee. The Chair shall also promote effective communications between the Audit Committee and Council, Chief Executive Officer, other senior management and the external auditors. The Chair shall ensure the Audit Committee meetings are run smoothly and that the views of all members are heard, and that the agenda and meeting papers properly reflect proceedings. They must be able and willing to subscribe Burdekin Shire Council's Code of Conduct.

### Attendees (non-voting)

Any current Councillor of Burdekin Shire Council (including the Mayor), who is not an Audit Committee Member, may attend Audit Committee Meetings as a non-voting observer.

It is noted that the Chief Executive Officer cannot be a member of the Audit Committee but can attend meetings of the Committee as an advisor and conduit between the Committee and Council officers.

Other non-voting attendees will be:

- Director Corporate and Community Services;
- Director Infrastructure Planning and Environmental Services;
- Manager Financial and Administrative Services;
- Manager Technical Services;
- Manager Client Services;
- Safety and Productivity Coordinator;
- Senior Governance Officer
- Representative of the External Auditor (QAO) and, if a contractor is appointed by the QAO, a representative of that contractor; and/or
- Invitees (non-voting) for specific Agenda Items (as requested by the Committee).

### Proxy

A Councillor nominated by Council to attend in the absence of a Councillor member.

### Mayor ex officio

The Mayor is an ex officio member of all Council Advisory Committees including the Audit Committee.

## Recruitment and Selection of Members

The selection criteria and process for the appointment of the independent external members shall ordinarily be as follows:

1. The Council shall, through advertising, seek nominations from persons interested in being appointed to the available position. All nominees who satisfy the conditions of this charter shall be eligible for appointment.
2. The eligible persons will be interviewed by a Panel comprising the Mayor, Deputy Mayor and the Council's Chief Executive Officer who shall make recommendations to the Council.
3. Successful applicants will be required to undergo a police check.
4. Following receipt of recommendations from the Panel, the Council may appoint the independent external member by resolution.

## Tenure

To allow for knowledge continuity the independent external members will be appointed for a term of four years, after which they will be eligible for extension or re-appointment for a further four years at the discretion of Council, following a review of their performance.

The position of Independent Community Member will become vacant in November of the year of a local government election.

The position of Independent Professional Member will become vacant in March of the year following a local government election.

The position of Independent Chairperson will become vacant in April two years after a local government election.

The maximum number of consecutive terms an independent external member can be a member of the Committee without the need for calling for further nominations is two terms. The only exception being if an independent external member is appointed to a different position (as a vacancy arises) on the Committee, their tenure will begin again. Council shall retain complete discretion in relation to offering a second term and shall take into consideration the performance of the independent member.

## Vacancy

In the case of resignation from the Committee by an independent external member, the Council is to appoint another independent external member as soon as is possible in accordance with the process set out above. This member's term will be served in accordance with the above term of office provisions regardless of when the appointment takes place.

## Meetings and Attendance

The Committee will meet at least four times each financial year and will adopt a meeting schedule each calendar year.

The Committee has the authority to convene additional meetings as circumstances require.

Attendance at each meeting shall be in person, unless prior approval has been granted by the Audit Committee Chairperson to attend via teleconference.

Representatives from the external auditor (QAO, or their contracted auditor) are permitted to attend each meeting either in person or via teleconference.



Meeting agendas will be prepared and provided in advance to members. The Committee should determine its own agenda, with input from officers, ensuring appropriate consultation to include emerging issues and emphasis on the most significant risks and threats.

As soon as practicable after the meeting, a written report about the matters reviewed at the meeting and the Committee's recommendations will be provided to the Council for consideration and adoption.

At a meeting of the Audit Committee—

- (a) a quorum is at least three members of the Committee; and
- (b) either—
  - (i) the Chairperson presides; or
  - (ii) if the Chairperson is absent, the member chosen by the members present as Chairperson for the meeting presides.

## Making of Recommendations

The Committee is expected to discuss agenda items and come to a consensus about the recommendations it makes to Council. Recommendations are to be recorded in the minutes and will be submitted to Council via a meeting report, with a copy of the minutes of the meeting, immediately following email acceptance of the minutes by all members. Should the Committee not be able to reach consensus on a recommendation in relation to an agenda item, each member of the Committee shall be entitled to one vote only. In the case of an equality of votes on any issue, the Chairperson shall have the casting vote.

## Conflicts of Interest and Ethical Practices

Members are required to declare any interests that could constitute a real, potential or perceived conflict of interest with respect to participation on the Committee. The declaration must be made on appointment to the Committee and in relation to specific agenda items at the outset of each Committee meeting, and be updated as necessary. Members of the Audit Committee must conduct themselves in a way which is considered appropriate and promotes a culture of ethical behaviour.

## Confidentiality

All information acquired during a member's term of office on the Audit Committee is confidential to Burdekin Shire Council and should not be disclosed either during the membership or after termination (by whatever means) to third parties except as permitted by law and with prior clearance from the Chairperson of the Committee.

## Minutes

- Secretariat support for the Audit Committee meetings will be the responsibility of the Chief Executive Officer.
- The secretariat, in consultation with the Chairperson, will prepare and send notices of meetings and agendas and accurately transcribe all decisions of the Committee.
- The secretariat will disseminate all correspondence, reports, briefing papers and other information relevant to the Committee's activities and operations.
- Completed minutes shall be forwarded by the secretariat to the Chairperson within three working days of the Audit Committee Meeting for approval.

- The Chairperson is to respond to the secretariat with approval or alterations within two working days.
- Minutes with any amendments from the Chairperson are then to be forwarded to all Committee members via email.
- Committee members are to indicate their agreement that the minutes are correct via a response email. Where no response has been provided, it will be taken that the member agrees with the minutes as they stand.
- Approved minutes are to be circulated to all Committee members and attendees as well as being presented to Council to be received and adopted at the earliest possible ordinary Council meeting.

## Undertakings

The Committee will undertake the following:-

- (a) monitor and review—
  - (i) the integrity of financial documents; and
  - (ii) the internal audit function; and
  - (iii) the effectiveness and objectivity of the local government's internal auditors;
- (b) make recommendations to the Council about any matters that the Audit Committee considers need action or improvement;
- (c) review each of the following matters—
  - (i) the internal audit plan for the internal audit for the current financial year;
  - (ii) the internal audit progress report for the internal audit for the preceding financial year including the recommendations in the report and the actions to which the recommendations relate;
  - (iii) a draft of the local government's financial statements for the preceding financial year before the statements are certified and given to the auditor-general under section 212 of the *Local Government Regulation 2012*;
  - (iv) the auditor-general's audit report and auditor-general's observation report about the local government's financial statements for the preceding financial year.

In undertaking the above responsibilities, the Committee may carry out the following:

### Financial Statements

- Review the appropriateness of accounting policies adopted by the Council and ensure the accounting policies adopted are relevant to the Council and its specific circumstances.
- Review the appropriateness of significant assumptions and critical judgements made by management, particularly around estimations which impact on reported amounts of assets, liabilities, income and expenses in the financial statements.
- Review the financial statements for compliance with prescribed accounting and other requirements.
- Review, with management and external auditors, the results of the external audit and any significant issues identified.
- Exercise caution by questioning and seeking full and adequate explanations for any unusual transactions and their presentation in the financial statements.

- Ensure that assurance with respect to the accuracy and completeness of the financial statements is given by management.

### Internal Control

- Understand the scope of internal and external auditors' review of internal control and obtain reports on significant findings and recommendations, together with management's responses.

### Internal Audit

- Have final authority to review and approve the annual internal audit plan and all major changes to the plan.
- Monitor the effectiveness of the internal audit function on an ongoing basis.
- Receive and review internal audit reports.
- Review the findings and recommendations of internal audit and the response to them by management.
- Review the implementation of internal audit recommendations accepted by management.

### External Audit

- Review the findings and recommendations of external audit (including from performance audits) and the response to them by management.
- Review the implementation of external audit recommendations accepted by management and where issues remain unresolved ensure that satisfactory progress is being made to mitigate the risk associated with audit's findings.
- The appointment of the external auditor is controlled by the Auditor General and not by Council. The Committee therefore has limited opportunity to influence the scope of work of the auditor.
- Review the external auditors' proposed audit scope and approach.
- Monitor the progress of actions proposed in relation to significant findings and recommendations made by the external auditors.
- The Audit Committee will act as a forum for the consideration of external audit findings and will ensure that they are balanced with the views of management.

### Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies and any auditor observations.

### Risk Management

- Review Council's framework for managing and monitoring enterprise wide risk and evaluate whether management have addressed, considered and managed risks throughout the organisation.
- Gain an understanding of the current areas of greatest financial and operational risk and how management is managing these effectively.
- Regularly review the Council's Risk Register to identify areas of significant risk and determine if appropriate controls or treatments are being applied to eliminate or mitigate those risks.
- Identify areas of risk not adequately addressed or not identified in current action plans and recommend investigation into those areas for Risk Assessment purposes.

## Reporting

The Audit Committee Chairperson will prepare an annual report to the Council summarising the performance and achievements for the previous year.

## Remuneration

The Independent Members of the Committee will be entitled to fees for preparation and attendance at the meetings of \$781.06 (excluding GST) per meeting. This will cover all preparation time and meeting attendance as well as expenses for travel and reasonable out of pocket disbursements. The Independent Chairperson will be entitled to fees for preparation and attendance at meetings of \$1,562.15 (excluding GST) per meeting. Meeting fees shall be indexed annually from 1 July and will be consistent with any percentage increase decided by the Local Government Remuneration Commission. Council reserves the right to review the Audit Committee members' remuneration rates from time to time to determine alignment with industry norms.

## Evaluation of Committee Activities

The Committee will undertake a self-assessment of its performance for the previous twelve months in February each year.

## Review of Charter

The charter will be reviewed bi-annually by the Committee to ensure it remains consistent with the Committee's authority, objectives and responsibilities.

Once reviewed by the Audit Committee, the Charter is to be presented to Council for adoption.

## **6.4.2. GOVERNANCE**

### **Annual Report 2020/21**

**File Reference:** 439  
**Report Author:** Rebecca Stockdale, Senior Governance Officer  
**Authoriser:** Nick O'Connor, Director Corporate and Community Services  
**Meeting Date:** 28 September 2021

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

Burdekin Shire Council Corporate Plan 2017-2022

### **5.3.1. Demonstrate open and transparent leadership**

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#### **Executive Summary**

Under the *Local Government Regulation 2012* Council is required to prepare an Annual Report for each financial year. The Annual Report 2020/21 has been compiled to fairly represent Council's achievements throughout the financial year that contribute to meeting the strategic intents outlined in the adopted Corporate Plan 2017-2022.

The report also displays all statutory information in a logical, sequential manner making this information easier to locate in the final report. The Annual Report also includes the General Purpose Financial Statements, the Current Year Financial Sustainability Statement and the Long-Term Financial Sustainability Statement as well as a Community Financial Report which all demonstrate Council's stable financial position.

#### **Recommendation**

That Council adopts the Annual Report 2020/21 as tabled.

#### **Background**

Each financial year, in accordance with legislative requirements, Council must prepare and adopt an Annual Report. The report should provide a fair representation of the performance of the Local Government authority throughout the financial year. The prepared Annual Report as tabled provides a broad range of information on the services provided, activities completed and the financial performance of Council during the past financial year.

#### **Consultation**

Council's Executive Leadership Team and Senior Leadership Group were involved in providing information for the Annual Report. Other relevant Council Officers were required to gather and provide necessary content according to statutory reporting requirements. A copy of the draft Annual Report (Microsoft Word format only) was provided to Council's Audit Committee for review and consideration at their meeting on 8 September 2021. Council's financial statements were also endorsed by the Audit Committee at this meeting.

#### **Budget & Resource Implications**

There are no budget or resource implications associated with the adoption of the Annual Report. In previous years, Council arranged for printed copies of the report to be produced and mailed to Government departments and other stakeholder groups. As the report can be accessed easily in digital format, limited hard copies will be produced in-house with no additional expense to Council.

## **Legal Authority & Implications**

The Department of State Development, Infrastructure, Local Government and Planning, have published an Annual Report Compliance Checklist. With the adoption of the Annual Report at this meeting and the subsequent publication to Council's website, all necessary compliance measures have been met.

### *Local Government Regulation 2012*

#### **182 Preparation of annual report**

(1) A local government must prepare an annual report for each financial year.

(2) The local government must adopt its annual report within 1 month after the day the auditor-general gives the auditor-general's audit report about the local government's financial statements for the financial year to the local government.

(3) However, the Minister may, by notice to the local government, extend the time by which the annual report must be adopted.

(4) The local government must publish its annual report on its website within 2 weeks of adopting the annual report.

## **Policy Implications**

Not Applicable.

## **Risk Implications (Strategic, Operational, Project Risks)**

A project plan was developed and endorsed for the development of the Annual Report. The project plan outlined the risks of timeliness, accuracy and compliance with legislation. The development and execution of the project plan has ensured the identified risks were effectively managed.

## **Attachments**

1. 2020-21 Annual Report





# Annual Report 2020/21

Burdekin Shire Council







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**ABOUT THE SHIRE**



# SHIRE PROFILE

**Welcome to the Burdekin, where unspoilt natural beauty meets a thriving rural community on the doorstep of the Great Barrier Reef.**

Sitting on the delta of the Burdekin River, from which the Shire derives its name, the Burdekin covers an area of 5,053 square kilometres.

Its central business district is 80km South of the Townsville city centre, 100km North of Bowen and 120km South East of Charters Towers.

Resting on a large underground aquifer in the centre of the Dry Tropics, the Burdekin boasts an average of 300 days of sunshine per annum, rich fertile soils, abundant water supplies and pristine coastlines.

In 2020 the Australian Bureau of Statistics estimated the Burdekin population to be 16,953.

The Shire is home to 15 junior and four senior schools, four public swimming pools, nine major parks and nine boat ramps.

The Burdekin Shire's 2020 Gross Regional Product was estimated at \$1.23 billion, with 2,131 local businesses employing 8,583 people. Agriculture, Forestry and Fishing is the largest industry by both employment and wealth, generating \$322 million in 2019/20.

Situated on the North Queensland coast, the Burdekin can experience unpredictable weather during its annual wet season (November - April).

Abundant water and dry conditions requires the burning of sugar cane prior to harvesting due to cane in the region producing a significant amount of trash.

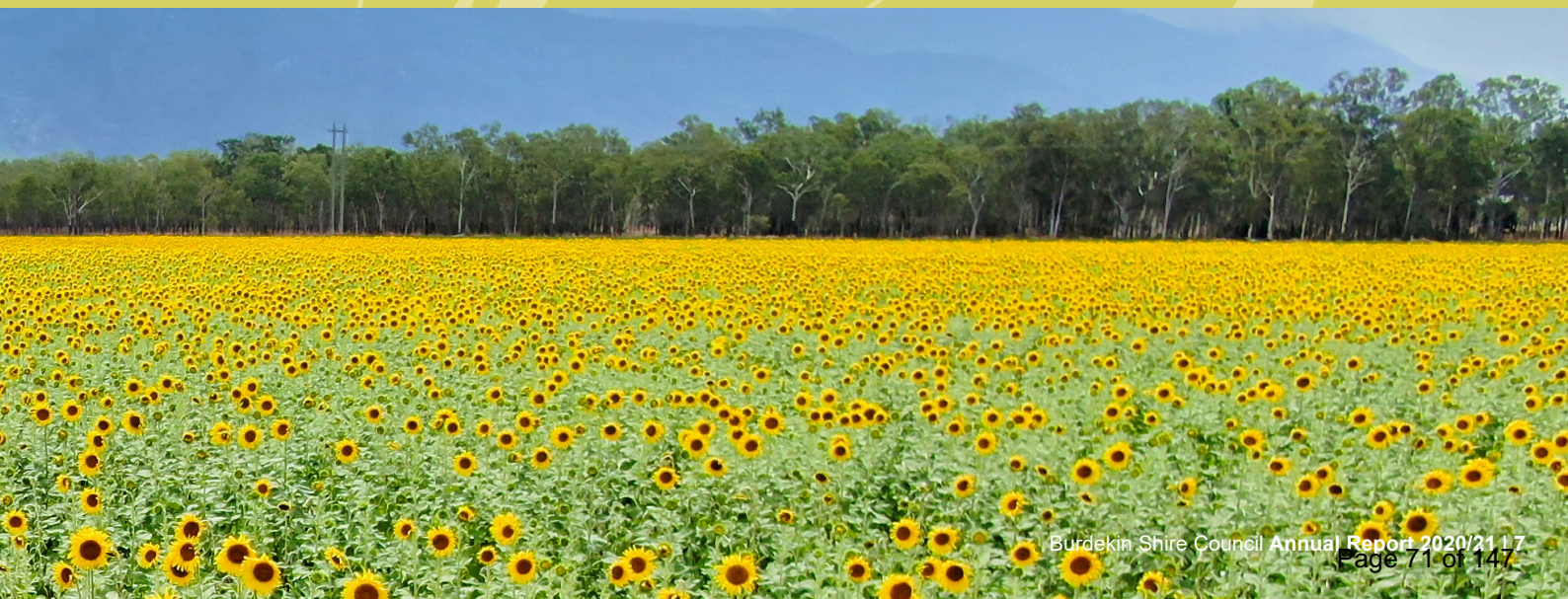
Sugar cane crushing occurs from June to November annually, during which time cane fires can be seen dotting the horizon at both dawn and dusk.







**Burdekin Shire Council respectfully acknowledge the Bindal and Juru people of the Birri Gubba Nation as the traditional custodians of the land on which we live and work.**





# MAYOR'S REPORT

**Welcome to the 2020/21 Burdekin Shire Council Annual Report - a chance to reflect on and celebrate Council's activities from the previous financial year.**

While the Burdekin community - along with the rest of the world - adapted to a new way of life as a result of the ongoing response to COVID-19, we have seen our Shire prosper in many areas.

To begin, I would like to recognise and acknowledge the many hard-working Council Officers who have gone above and beyond in the 2020/21 financial year to continue to deliver not only our Shire's essential services and infrastructure, but additional activities which have ensured the Burdekin remains an enviable place to live, play, work, visit and invest.

I would also like to commend and thank my fellow Councillors, many of whom completed their first full year as an elected member in 2020/21. Their passion and dedication to securing the best outcomes for each and every ratepayer has shone through, and I look forward to continuing to work together to deliver for our residents.

Council staff have excelled across the board over the past 12 months, continuing to prove that Burdekin Shire Council leads neighbouring Local Governments in many areas. Achievements include:

- Plantation Park Nature Play was shortlisted for a Parks and Leisure Australia 2020 Award;
- State-of-the-art new drainage was successfully trialled in Queen Street;
- Council received a Local Government Managers Australia Award of Excellence for hosting the virtual *Sweet Days, Hot Nights Festival*, Queensland's first virtual festival;
- Council's Media and Communications Officer was recognised as the Best Communications/Digital Professional by the Local Government Association of Queensland out of media staff at all 77 Local Governments in Queensland.



Council's response to COVID-19 continued to play a part in decision making, with a range of essential services adapted to suit the current climate. The Burdekin Library's *Click, Call & Collect* service ensured residents could continue to borrow resources throughout the worst of the pandemic, while First 5 Forever Storytimes continued to be held virtually.

A number of exciting State Government Works for Queensland projects were completed in the 2020/21 financial year including:

- New gateway and town entry signage;
- Upgrades to the Kennedy Street, Ayr dog off-leash area;
- Design and construction of the Home Hill Park Warrior Course at Watson's Green, a regional attraction featuring nine obstacles of varying difficulties;
- Expansion of the Burdekin public Wi-Fi network
- Refurbishment of Burdekin Theatre external walls, roof and both foyer bathrooms.

Several projects were also completed under the Federal Government's Local Roads and Community Infrastructure Program, with upgrades to both Rita Island and Norham Roads. I want to thank both State and Federal Governments for their continued commitment to delivering key projects in the Burdekin.





Despite COVID-19 limiting certain gatherings and requiring others to have detailed COVID Safe Plans, Council delivered a number of community events across the Shire in 2020/21, including:

- *Live at the Grounds*, a drive-in concert;
- Burdekin Industry Breakfasts;
- *Pick the Burdekin* workshops;
- *Our Town Our Future* pilot program launched;
- One of North Queensland's only in-person Community Christmas Carols;
- A number of clean ups at Lynch's Beach, Alva in collaboration with Tangaroa Blue and NQ Dry Tropics;
- Relaunch of the Burdekin Library's *Ready Set Go* Early Childhood Expo in collaboration with the Burdekin Early Childhood Network, and;
- The 2021 *Sweet Days, Hot Nights Festival*.

All events over the past 12 months have been incredibly well attended and I want to thank all residents and visitors for continuing to support the many events and businesses impacted by COVID-19.

In the 2020/21 financial year, Council also consolidated existing committees and developed the Economic Development and Community and Cultural Development Advisory Groups to advise on future strategies and policies.

In 2020/21, construction commenced on both the \$10 million Ayr/Brandon water supply upgrade funded by a State Government Special Purpose Grant and the five megalitre Home Hill Water Reservoir, jointly funded by Council and the Queensland Department of State



Development, Infrastructure, Local Government and Planning. Both projects are progressing well and will ensure further water resilience for the Burdekin into the future.

Innovation has played a key role in the local, national and global response to COVID-19. Burdekin Shire Council has innovated in all areas - not just in adapting as a result of the pandemic, but to ensure all projects lead in their respective areas. A new patented drainage design was successfully trialled between Railway and MacKenzie Streets on Queen Street, Ayr. The Burdekin Library also emphasised that it is for so much more than books: community consultation was held in late 2020 regarding the use of *Ideas@108*, the Library's hub of STEAM (science, technology, engineering, the arts and maths).

Last year, 'unprecedented' was a word used excessively. Often, it was in a negative light to describe increasing case numbers or lockdown measures; however I want to now take the opportunity to commend not only Councillors, our CEO, Executive Leadership Team and Council Officers, but everyone in the Burdekin community for the unprecedented support we have shown for each other in the continued response to COVID-19 and a return to - somewhat - normal.

*Cr Lyn McLaughlin*  
Mayor





# OUR COUNCILLORS



## **Cr Lyn McLaughlin** **Mayor**

Cr McLaughlin is Council's representative on:

Aerodrome Advisory Committee (dissolved 16 September 2020) - Chair  
Burdekin Community Advisory Network (Townsville Hospital and Health Service)  
Burdekin Local Disaster Management Group (LDMG) - Chair  
Burdekin Shire Rivers Improvement Trust (BSRIT) - Deputy Chair  
Burdekin Water Futures - Chair  
North Queensland Regional Organisation of Councils (NQROC) - Chair  
North Queensland Regional Roads and Transport Group (NQRRTG)  
Reef Guardian Councils  
Townsville District Disaster Management Group (DDMG)



## **Cr Sue Perry** **Deputy Mayor**

Cr Perry is Council's representative on:

Audit Committee  
Burdekin Local Disaster Management Group (LDMG) - Deputy Chair  
Community and Cultural Development Advisory Group  
Community Grants Panel  
Regional Arts Development Fund (RADF) Committee - Chair



## **Cr Kaylee Boccalatte** **Councillor**

Cr Boccalatte is Council's representative on:

Aerodrome Advisory Committee (dissolved 16 September 2020)  
Burdekin Economic Development Advisory Group - Alternate  
Burdekin Shire Rivers Improvement Trust (BSRIT)  
Lower Burdekin Water Board  
Finance and Audit Committee (Subcommittee)  
Communication Focus Group (Subcommittee)





## **Cr John Bonanno Councillor**

Cr Bonanno is Council's representative on:

Biosecurity Plan Working Group  
Community and Cultural Development Advisory Group - Alternate  
Home Hill Chamber of Commerce  
North Queensland Sports Foundation  
Regional Arts Development Fund (RADF) Committee



## **Cr Michael Detenon Councillor**

Cr Detenon is Council's representative on:

Audit Committee  
Ayr Chamber of Commerce  
Bowen-Burdekin Local Marine Advisory Committee  
Burdekin Economic Development Advisory Group  
Reef Guardian Councils



## **Cr John Furnell Councillor**

Cr Furnell is Council's representative on:

Burdekin Community Association  
Burdekin Local Disaster Management Group (LDMG)  
Burdekin Neighbourhood Centre Association  
Community and Cultural Development Advisory Group  
Local Authority Waste Management Advisory Committee  
Townsville Area Palliative Care Plan 2020-24 Working Group



## **Cr Max Musumeci Councillor**

Cr Musumeci is Council's representative on:

Burdekin Bowen Integrated Floodplain Management Advisory Committee (BBIFMAC)  
Burdekin Economic Development Advisory Group  
Burdekin Landcare Group  
Burdekin Shire Road Safety Advisory Committee - Chair  
Community Grants Panel



# CHIEF EXECUTIVE OFFICER'S REPORT

The 2020/21 financial year commenced with the cloud of COVID-19 still hanging over us resulting in restrictions and lockdowns in various parts of Australia. Whilst the situation did improve as the year progressed, the later part of the year has seen the return of tough restrictions and lockdowns in various states and territories to try to limit the spread of the virus.

We have been fortunate in the Burdekin to have escaped the direct impact of these later lockdowns, but there has been flow on impacts in terms of reduced visitation to our region. Significant disruptions have also occurred to supply chains, resulting in delays in the supply of materials and large price increases for some products.

Despite these challenges, the Council has had a successful year with significant progress made in the delivery of the Capital Works Program and Council services returning to normal settings, including our libraries and cultural facilities. Community events were also able to be staged with COVID Safe Plans and large numbers turned out to the Community Christmas Carols at Home Hill and the Sweet Days Hot Nights Festival in May.

The percentage of expenditure on capital projects exceeded 90% of the revised budget for the first time in many years, which is an excellent result given the challenges presented by COVID-19. The earlier completion of planning and design works, smart procurement of materials in advance of project commencement and strong project management through the Project Control Group has all contributed to this result.

Council was fortunate to receive significant funding from the State Government through the Works for Queensland program to undertake a range of projects. Key projects completed included the refurbishment of the exterior of the Burdekin Theatre and the male and female toilets in the building, significant renewal works at the Ayr Showgrounds, footpath renewal works and the construction of new footpaths in Home Hill as part of the Burdekin Be Active Trail, construction of a new link walking trail at Mount Inkerman, construction of the Watson's Green Park Warrior course at Home Hill, upgrading of gateway and town entrance signage in the Shire and various other smaller projects.

The Commonwealth Government also provided additional funding support to Councils through the Local Roads and Community Infrastructure Program. The Council completed road renewal projects on sections of Norham Road and Rita Island Road under the first phase of this program and has further projects planned from phase two funding.

Essential infrastructure projects to secure water resiliency in both Home Hill and Ayr were well advanced at the end of the financial year. A new five megalitre reservoir is under construction at Home Hill and a new duplicate pipeline from the South Ayr Water Treatment Plant to a major trunk main in Wickham Street, Ayr is being laid.

During the year the Council embarked on a new form of community engagement with the pilot *Our Town, Our Future* program. Giru was the first community to trial this program and the results have been pleasing with a number of priorities identified for future planning and delivery as funding opportunities arise.







In the planning and environment space, Council has made substantial progress on the review of the Shire Planning Scheme, with outstanding matters arising from the State Interest Review and public consultation phases currently being progressed. During the year, Council adopted a Coastal Hazard Adaptation Strategy (CHAS) with significant funding from the State Government, and completed a Dune Management Strategy for sensitive locations identified at Alva and Wunjunga as a result of the CHAS process.

Key projects that we continue to advocate for funding include the infrastructure costs for development of new lots at the Ayr Industrial Estate and construction of an algal bioremediation facility at the Ayr/Brandon Wastewater Treatment Plant, as a demonstration project for this innovative solution to the remediation of wastewater.

The Council's financial position continues to be well managed, with the financial statements indicating a small operating surplus, a great result given the financial impacts of COVID-19 on the Council and community, particularly in light of a zero per cent rate increase for the financial year.

I would like to express my thanks to the Mayor, Cr Lyn McLaughlin, the Councillors and our dedicated staff for their hard work and support over the past year.

There have been many obstacles to overcome but we have successfully navigated a pathway to continue delivering high quality infrastructure and services to the community.

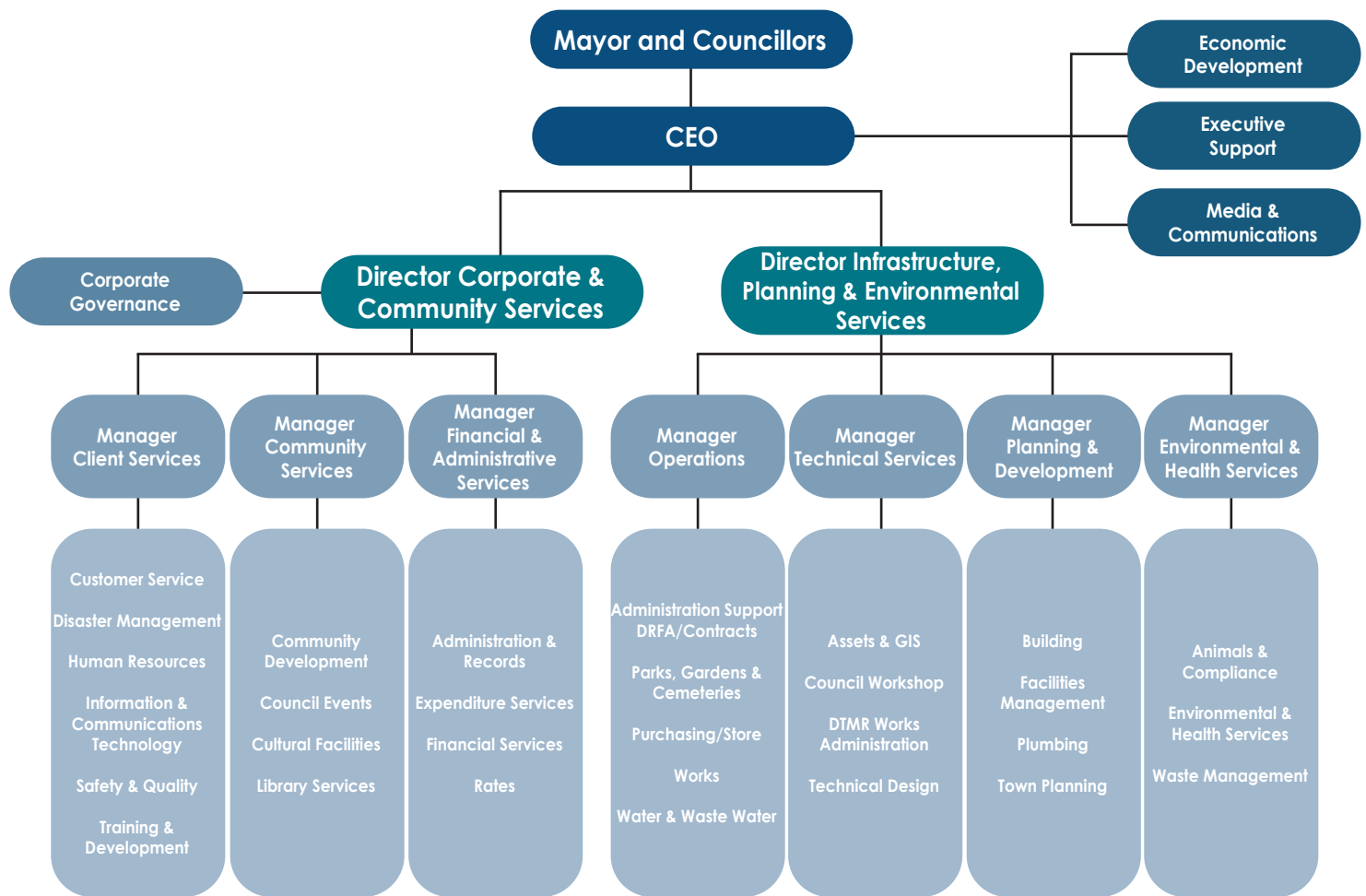
*Terry Brennan*

Chief Executive Officer





# ORGANISATIONAL STRUCTURE



## STAFF VALUES

To achieve our mission, Council staff embody the following values:

- Honesty;
- Teamwork;
- Respected;
- Community focussed;
- Motivated, and;
- Supported.

## OUR VISION

Through committed leadership Burdekin Shire Council will work with the community to create an inclusive, welcoming and healthy environment that offers a high quality of liveability for residents that is underpinned by a productive and diverse economy.

## OUR MISSION

To achieve our vision through leadership, facilitation, innovation and outstanding service.





# COMMUNITY FINANCIAL REPORT

The Community Financial Report is prepared to provide a simplified version of Council's financial statements for the year ended 30 June 2021. This report provides the community the opportunity to have a greater understanding of Council's financial performance and position.

The Community Financial Report is prepared in accordance with section 179 of the *Local Government Regulation 2012* (Qld).

The report provides a summary of Council's:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Measures of Financial Sustainability

## COVID-19 IMPACTS

The COVID-19 pandemic has continued to impact Council's operations. Council's recurrent revenue decreased due to low interest rates available for investments and the closure of Council venues. The reduced venue revenue is partially offset by reduced venue expenditure. Both the State and Commonwealth Governments have provided additional grant funding to Council which has enabled Council to undertake community infrastructure projects to stimulate the local economy. Council will continue to monitor the impacts of the pandemic on its financial position and reflect any changes in future reporting periods.

## STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income summarises Council's revenue and expenditure during the financial year. Splitting the statement into recurrent and capital enables the user to differentiate between the revenue and expenses associated with the day to day operations of Council and the revenue and expenses incurred in relation to Council renewing, upgrading and building new community assets.

The difference between the total revenue and expenditure is Council's net result. The net result this year is \$7,604,213.

## COUNCIL'S RESULT AT A GLANCE 2020/21

Recurrent (operating) income	\$50,707,657
Recurrent (operating) expenditure	\$50,578,258
Operating position	\$129,399
Capital income	\$8,987,181
Capital expenses	\$1,512,367
Net result	\$7,604,213





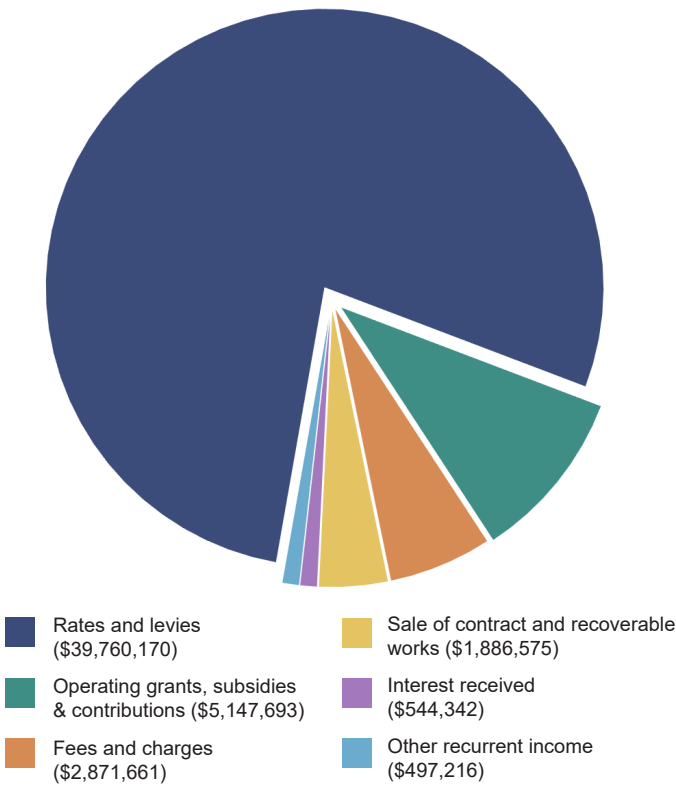
RECURRENT INCOME

Where did the money come from?

Council’s recurrent revenue is from various sources including rates and levies, grants and subsidies, fees and charges, sale of contract and recoverable works and other recurrent income.

Own source revenue continues to be the main revenue of Council. This year 84.07% of recurrent revenue was generated from rates and levies and fees and charges. The continued support of grant funding provided to Council from the State and Federal Governments reduces the financial burden on ratepayers.

The following chart shows the different sources of recurrent income:

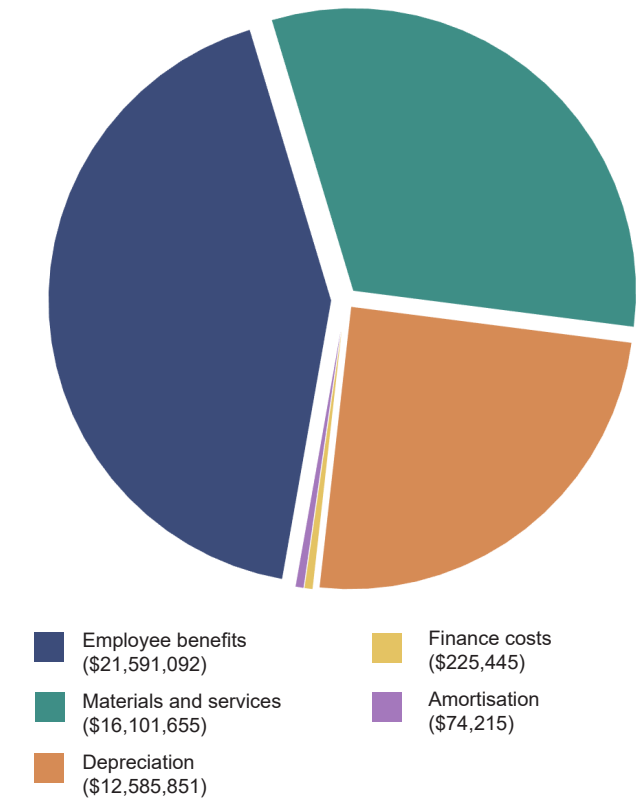


RECURRENT EXPENSES

Where was the money spent?

Council’s recurrent expenses include employee benefits, materials and services, depreciation, amortisation and finance costs. Incurring these expenses is a result of Council’s day to day operations which includes administering corporate functions, providing services, operating community facilities and maintaining community assets. Council reports on these expenses each month to ensure compliance with policies and adopted budget.

The depreciation expense reflects the reduction in the value of property, plant and equipment during an asset’s useful life. Council officers review assets annually taking into account the value, condition and remaining useful life. This ensures the depreciation expense is reflective of asset utilisation.



## STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position measures what Council owns (Assets) and what Council owes (Liabilities) at the end of the financial year. The difference between these two amounts is the net community wealth (Equity) of Council. Unlike the Statement of Comprehensive Income, this statement is at a point in time, rather than a summary of the financial year.

Council's assets and liabilities are separated into current and non-current. Council's current assets are assets that are expected to be converted to cash within 12 months, whereas non-current assets are expected to be held long term. Current liabilities are payable within 12 months. Non-current liabilities are expected to be paid beyond 12 months.

Council's Financial Position at 30 June 2021 was:

**WHAT WE OWN: \$616,328,956**

(Current assets: \$69,840,192 +

Non-current assets: \$546,488,764)

**LESS**

**WHAT WE OWE: \$33,379,208**

(Current liabilities: \$14,787,634 +

Non-current liabilities: \$18,591,574)

**TOTAL COMMUNITY EQUITY**  
**\$582,949,748**

## ASSETS

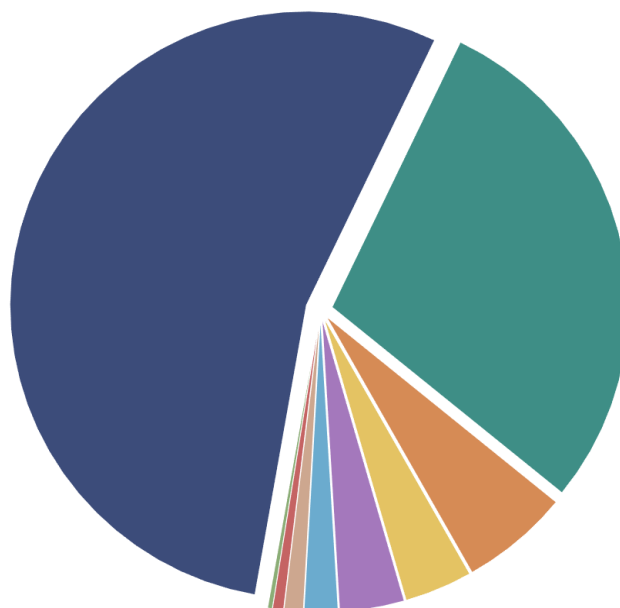
### What do we own?

Council's assets consist of cash and cash equivalents, receivables, inventories, contract assets, other assets, property, plant and equipment and intangible assets. At 30 June 2021, Council's assets totalled \$616,328,956.

Council's most significant asset class is property, plant and equipment, which equates to 88.53% of Council's total assets.

In 2020/21, Council spent \$19,551,140 to renew, upgrade and build new community assets.

### CAPITAL EXPENDITURE BY ASSET CLASS



Works in progress (\$10,646,976)	Water (\$360,944)
Transport (roads and bridges) (\$5,633,237)	Buildings (\$203,596)
Plant and equipment (\$1,163,801)	Drainage (\$116,226)
Sewerage (\$726,881)	Land and improvements (\$9,458)
Other assets (\$690,021)	

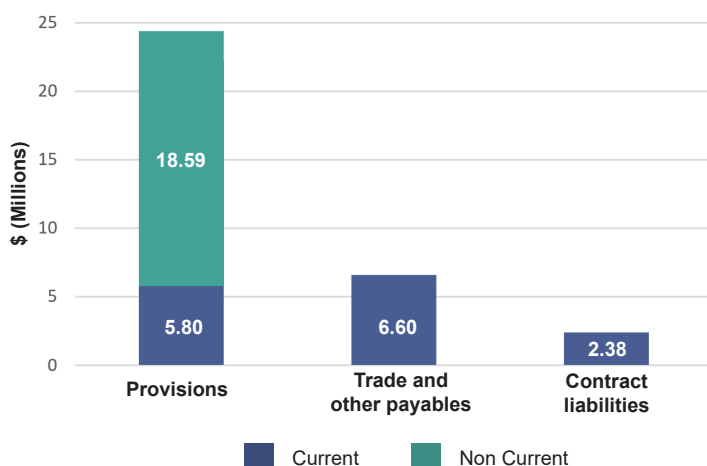


## LIABILITIES

### What do we owe?

Council's liabilities include borrowings, amounts owed to suppliers, provisions for future rehabilitation costs of landfill sites, amounts owed to employees both now and in the future and revenue received in advance.

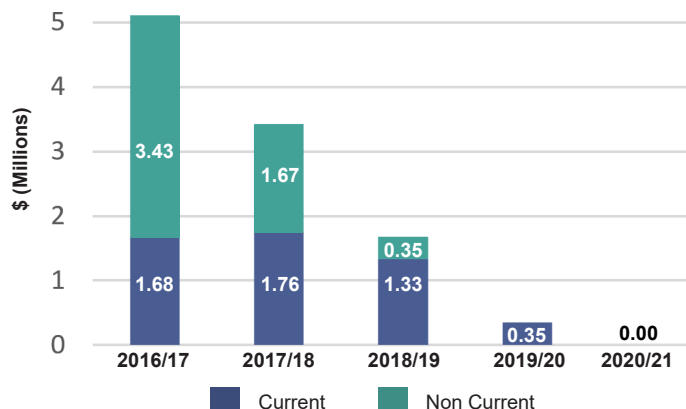
Council's liabilities decreased to \$33,379,208 in 2020/21. This was mainly due to changes in estimates for the future rehabilitation costs of landfill sites.



### LOAN DEBT

In accordance with the *Local Government Regulation 2012* (Qld), Council adopts an annual Debt Policy to ensure sound management of Council's existing and future debt.

Council is mindful of the additional cost incurred by the community when assets are acquired through borrowings due to the additional costs for providing capital infrastructure. The benefit of using borrowed funds is that it enables the cost of longer life assets to be spread across the generations receiving the benefits of the assets.



There were no new loan borrowings in the 2020/21 year. In 2020/21 Council made a principal repayment of \$346,051 and an interest payment of \$4,402. These payments were made on 15 September 2020 and were the final payments for Council's loan.

### STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity measures the change in Council's net worth over the financial year. This statement summarises the movements in the asset revaluation surplus and retained surplus. The retained surplus increased to \$260,266,286 at 30 June 2021. The asset revaluation surplus increased to \$322,683,462 as a result of an increase on revaluation of council's assets of \$7,099,073.

### STATEMENT OF CASH FLOWS

The Statement of Cash Flows shows how Council has spent and received cash through the year. This statement differs to the other financial statements as it excludes non-cash items such as depreciation and amortisation. The cash transactions are categorised into being from operating, investing or financing activities. In 2020/21 Council's cash increased by \$1,552,501. Some of Council's cash is subject to external restrictions therefore limiting discretionary or future use.



## FINANCIAL SUSTAINABILITY MEASURES

Financial sustainability is achieved through Council's ability to maintain infrastructure and remain financially viable over the long term. The three levels of financial sustainability outlined in section 169(5) of *Local Government Regulation 2012* (Qld) are: Operating Surplus Ratio; Asset Sustainability Ratio; and Net Financial Liabilities Ratio. The ratios help to demonstrate the relationship between key numbers in Council's financial statements. There are target ranges set by the Department of State Development, Infrastructure, Local Government and Planning to be considered as planning tools to assess Council's current sustainability strategy over the long term and are not necessarily intended to be met each financial year.

### OPERATING SURPLUS RATIO

*This ratio is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.*

TARGET	2021	2020	COMMENTS
Between 0% and 10%	0.26%	4.52%	Council is within the target range for this ratio. This demonstrates that Council has been able to use operational revenue to fund operational expenditure. This means Council will be able to fund future capital expenditure while maintaining the service levels expected by ratepayers.

### ASSET SUSTAINABILITY RATIO

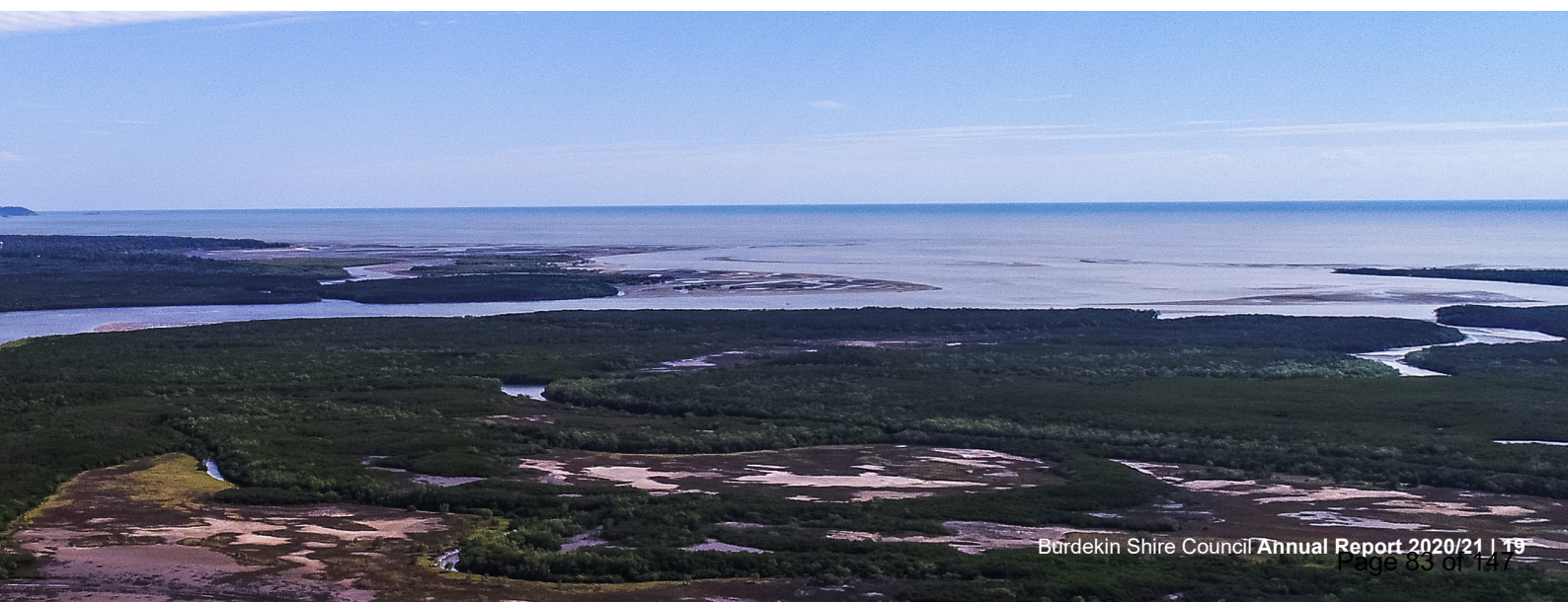
*This ratio is an approximation of the extent to which the infrastructure assets (long life assets, e.g. water, sewerage, roads, etc.) managed by Council are being replaced as they reach the end of their useful lives.*

TARGET	2021	2020	COMMENTS
Greater than 90%	107.54%	92.36%	Council exceeded the target for this ratio. Council's calculation for this ratio does not include the Plant and Equipment and Land and Improvements asset classes. Council's ability to continue to meet this target has been assisted by the successful receipt of grant funding.

### NET FINANCIAL LIABILITIES RATIO

*This ratio is an indicator of the extent to which the net financial liabilities of Council can be serviced by its operating revenues.*

TARGET	2021	2020	COMMENTS
Not greater than 60%	-71.90%	-61.00%	Council has met the requirements for this ratio. Council's current assets exceed total liabilities and therefore there is the capacity to borrow funds if required for future capital projects.











# OUR ACHIEVEMENTS



# OUR PERFORMANCE

Council's Operational Plan 2020/21 detailed the key activities undertaken by Council to progress towards achieving the strategic objectives detailed in the adopted *Burdekin Shire Council Corporate Plan 2017-2022*.

Council's activities within the 2020/21 financial year fall into five key strategic areas with highlights outlined below. A more detailed performance assessment is provided in the following sections of this report.

## INFRASTRUCTURE

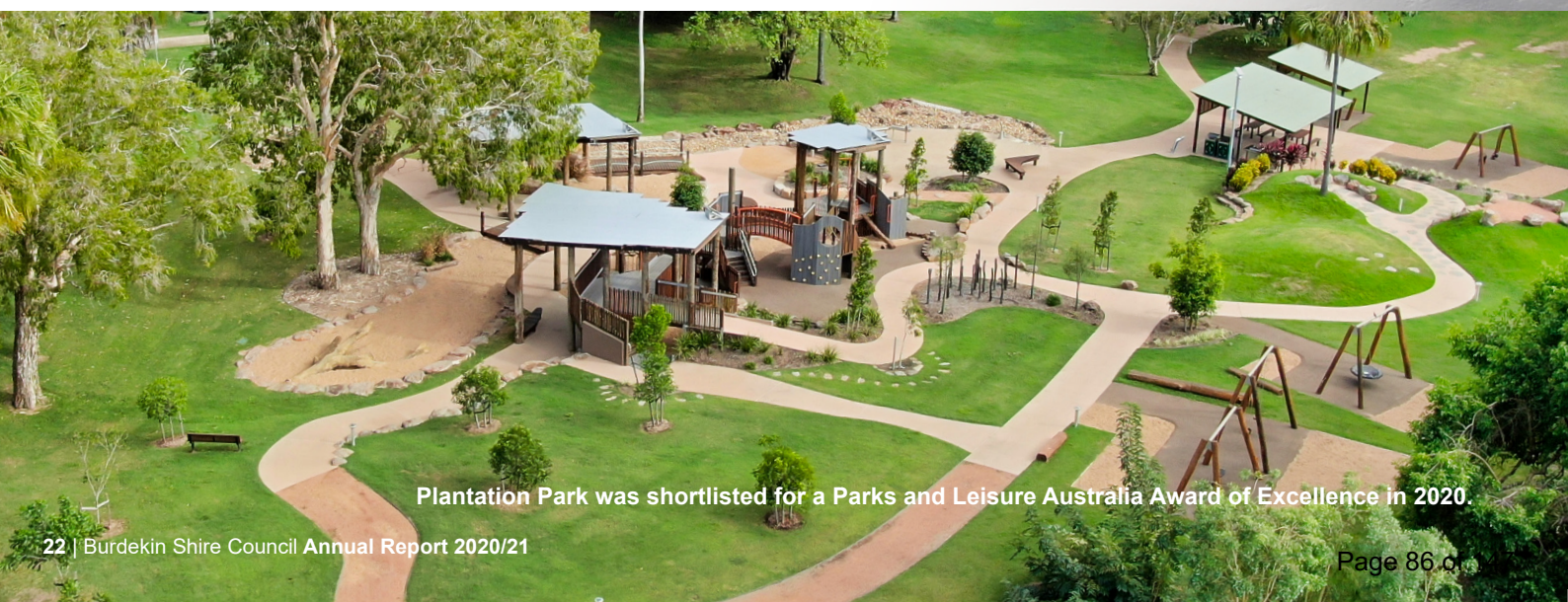
- Upgrade of Parker Street drainage, kerb and channel;
- Upgrade of drainage on sections of Queen Street using new patented design;
- Construction of the Macmillan and Parker Street roundabout;
- Completed community consultation for Burdekin Water Park options as part of the ANZAC Park Precinct Master Plan;
- Upgrade of Burdekin Theatre (internal courtyard deck and foyer bathrooms);
- Upgrade of Hurricane Cliff flood monitoring telemetry repeater;
- Commenced construction of Home Hill Water Reservoir;
- Introduction of Water Security and Resilience Framework;
- Introduction of Sewerage Resilience Framework.

## ECONOMIC DEVELOPMENT

- Establishment of Burdekin Economic Development Advisory Group;
- Facilitation of Burdekin Industry Breakfasts;
- Development and promotion of Burdekin Rewards Loyalty Card and Gift Card programs in collaboration with the Ayr and Home Hill Chambers of Commerce;
- Design and distribution of Burdekin Produce Calendar;
- Design and distribution of Burdekin Fishing Guide;
- Coordination of the 2020 Visit Burdekin photo competition;
- Continued investment in the Burdekin Visitor Information Centres.

## SOCIAL WELLBEING

- Coordination of the *Sweet Days Hot Nights Festival*;
- Staging of *Live at the Grounds* drive-in concert;
- Establishment of Community and Cultural Development Advisory Group;
- Implementation of *Our Town Our Future* – pilot project held in Giru;
- Extension and maintenance of Mount Inkerman Nature Trail;
- Adoption of Library Strategic Plan 2020-25;
- Construction of Park Warrior course at Watson's Green, Home Hill;
- Expansion of camera surveillance network to improve public safety;
- Expansion of public Wi-Fi network.



Plantation Park was shortlisted for a Parks and Leisure Australia Award of Excellence in 2020.



## ENVIRONMENT

- Commencement of *Water Warriors* program;
- Appointment of an Illegal Dumping Officer;
- Installation of CCTV in illegal dumping locations;
- Eradication of more than 15 tonnes of weed and silt from Red Lilly Lagoon;
- Continued dispersal of flying foxes from Home Hill parklands;
- Adoption of Flying Fox Management Policy;
- Adoption of Mosquito Management Plan 2020-2025;
- Adoption of Burdekin Shire Biosecurity Plan 2020-2025;
- Adoption of Reef Guardian Council Action Plan 2020-2024.

## ORGANISATIONAL SUSTAINABILITY

- Introduction of a new Customer Service Charter;
- Development of new staff values;
- Coordination of Organisational Culture Survey;
- Establishment of Staff Wellbeing Committee;
- Training delivered to all supervisors;
- Launch of procurement pathways project, improving Council's purchasing procedures;
- Support of Safe Work Month through anti-bullying, discrimination and harassment training;
- Implementation of professional Performance Development Program.

## AWARDS AND ACHIEVEMENTS

- Parks and Leisure Australia 2020 Award of Excellence - Plantation Park Nature Play, Shortlisted;
- Australia Day Awards 2021 Community Event of the Year - *Sweet Days Hot Nights Festival*, Achievement Award;
- Local Government Managers Australia Queensland Award of Excellence, Doing More With Less - *Sweet Days Hot Nights Festival*, Winner;
- Queensland's first virtual festival: *Sweet Days Hot Nights Festival*;
- Queensland's first drive-in concert: *Live at the Grounds*.





# INFRASTRUCTURE

## INFRASTRUCTURE FOR FUTURE NEEDS

Major drainage duplication works were undertaken this year in Parker and Queen Streets, Ayr to improve flood mitigation measures within the town centre of Ayr.

Work commenced on a \$10 million water supply upgrade for Ayr, Brandon and Alva funded by a State Government Special Purpose Grant. The first stage of the works included construction of a 500mm duplicate trunk main from the South Ayr Water Treatment Plant.

A flood reporting repeater site at Hurricane Cliff received significant renewal and upgrade works to ensure that flood reporting data is able to be transmitted effectively. The renewal included the construction of a new helipad to allow for helicopter landing in times of emergency, refurbishment of the existing repeater tower, and installation of a weather station and solar camera to effectively monitor the site.

A state-of-the-art patented drainage design was installed on Queen Street between Railway and MacKenzie Streets, Ayr. The *FRCPA VSlimDrain* system is designed to effectively drain water from areas with low or no grades by using a grill running the length of the gutter carrying water directly into underground stormwater drains.



Crs Perry and Detenon unveiling the *VSlimDrain* system.



The Burdekin Theatre's new internal courtyard deck.

## MANAGEMENT AND MAINTENANCE OF COMMUNITY ASSETS

The Burdekin Theatre underwent upgrades this year funded by the Queensland Government's Works for Queensland program. Works included refurbishment of patron bathrooms in the foyer, installation of decking in the courtyard area, a partial re-roof, wall re-cladding and painting of the building.

A number of maintenance projects were completed this year at the Kirknie Landfill site and the Home Hill Transfer Station including the completion of a turn around and entry at Kirknie Landfill along with the purchase of landfill lids and fences to reduce litter blowing away from the site. Security fences were installed at the Home Hill Transfer Station to improve security and prevent unauthorised access.

Council's sewerage network underwent both relining work and switchboard replacements to improve parts of the ageing infrastructure. Council also replaced a number of existing road drainage assets as part of the 2020/21 culvert replacement program including culverts at Colevale, Jack, Wunjunga and Corica Roads.







Cr McLaughlin and Federal Member George Christensen at Norham Road during reconstruction

## SAFE AND EFFECTIVE TRANSPORT NETWORKS

The Fiveways intersection at Kelly, Kidd and Ivory Roads, Brandon was enhanced through the design and construction of a new roundabout, including streetlights and signage, jointly funded by Council and the Queensland Government through the Transport Infrastructure Development Scheme.

In conjunction with drainage upgrades carried out in the same location, a new roundabout was installed at the intersection of Parker and Macmillan Streets, Ayr. The roundabout will improve traffic flow and safety of this busy intersection.

Council supported both Queensland and National Road Safety Weeks, promoting awareness campaigns utilising traditional and social media as well as colouring the Ayr Water Fountain yellow to raise awareness.

## SECURING AND MANAGING WATER RESOURCES

In September 2020 Council launched its *Water Warriors* program, an initiative aimed at recruiting ambassadors who followed water wise tips to save water and money. Council also continued to roll out the installation of smart water meters, making meter reading faster, more accurate and efficient.

Council began construction of a new five megalitre water reservoir in Home Hill, jointly funded by the Department of State Development, Infrastructure, Local Government and Planning and Council. The

reservoir will provide a significant increase to the Home Hill water supply and is expected to be completed in the 2021/22 financial year.

In accordance with its commitment to providing access to affordable, safe, and reliable water services, Council has worked throughout the year to implement the newly adopted Water and Wastewater Customer Service Standards. These Customer Service Standards establish the level of service to be provided by Council in delivering water services to the Burdekin community, including establishing new connections, billing for water consumption, maintaining water service infrastructure and responding to customer complaints.

## EFFECTIVELY EMPLOY TECHNOLOGY

Council's camera surveillance network was expanded to include additional locations for public safety including sections of Queen Street, Ayr and the Burdekin Memorial Hall/Home Hill Branch Library. The Home Hill Comfort Stop camera network was also connected to the central recording system. In addition, the central recording system has been replaced with a system that provides much better search functionality, improved expandability, support for different camera makes and models and the ability for the Queensland Police Service to view live footage and to save relevant footage from approved cameras.

Council's ICT section worked with several sections of Council to install or upgrade business systems. The business systems included the ArcGIS mapping system, the waste management system, the water meter reading system and the Burdekin Theatre ticketing system.

New waste management software was deployed at all waste facilities to improve Council's ability to capture and report on relevant data for State Government Waste Levy purposes. The new software will provide Council with a more reliable and sustainable software system into the future.



Councillors at the site of the new Home Hill Reservoir during construction.



# ECONOMIC DEVELOPMENT

## EMPOWER THE COMMUNITY

Despite its title of the sugar cane capital of Australia, the Burdekin Shire is embracing innovative ideas, crops and products in its endeavours to grow the local economy. Council is also expanding its support and focus on developing tourism opportunities to attract extra visitor stays, increase visitor expenditure and leverage off the drive market. Council sees the visitor economy as a key driver for job creation as part of the economic diversification of the Shire. To further develop the Shire and take advantage of the emerging economic opportunities, Council is committed to exploring new directions for the Shire's future and has been working to help build a thriving economy for the region. Early in the 2020/21 financial year, Council established a new Economic Development Advisory Group to facilitate the exchange of ideas, suggestions and information and build partnerships that contribute to delivering positive economic outcomes for the Shire.



Crs Perry and Musumeci with Chair of the Economic Development Advisory Group, Mr Jim Fahey

Council empowered the community online by hosting a Visit Burdekin photo competition encouraging both locals and visitors to share their favourite images and videos from across the Shire using the hashtag #visitburdekin. Not only did the initiative allow the public to be involved in promotion of the region, but its promotion expanded the Burdekin's social media reach through an online campaign which showcased not only the competition but a collection of the best images submitted.

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## ENCOURAGE INNOVATION

Innovation has been included as one of the three key themes in Council's newly adopted *Outlook 2025: Burdekin Economic Development Strategy 2020-25*. 'A Smart and Innovative Agricultural District' is the first theme of the strategy and is aimed at delivering sustained economic growth and development by promoting the Burdekin's continued diversification into high value, knowledge intensive, export oriented agricultural processes, products, and services.

Council's Economic Development Officers continued to encourage use of local products and developed both a Burdekin Produce Calendar and Burdekin Fishing Guide to showcase local produce to restaurants, cafes and visitors and encourage further tourism opportunities in the Shire.

Council implemented a number of initiatives aimed at encouraging further innovation in the community. During the year, Council worked with the Queensland Department of Agriculture and Fisheries to run a series of capacity building exercises to upskill Burdekin farmers and address any existing knowledge gaps regarding alternative crops. Officers also produced and publicised a 'Pick the Burdekin' campaign for traditional and social media, encouraging workers, including backpackers, to travel to and work in the Burdekin picking and packing seasonal crops.





Council also supported the Ayr and Home Hill Chambers of Commerce with two significant initiatives. The first involved a series of small business workshops focusing on online marketing to reinvigorate the business community. The second was the development and promotion of the Burdekin Rewards Loyalty Card program. The program encourages spending locally and saw significant support from Burdekin residents and visitors alike in its first 12 months.

## STRENGTHEN NETWORKS

Strong industry networks can provide a source of new ideas and perspectives, a platform for exchanging information about challenges and lessons learned, or a forum to build upon common goals and collaborate for shared success. Council hosted a series of Burdekin Industry Breakfasts which created a space for professionals to come together and share ideas and build relationships.

## ENCOURAGE RE-INVESTMENT AND ATTRACT NEW INVESTMENT TO THE BURDEKIN

Another theme included in the new Economic Development Strategy adopted by Council is 'A Location of Choice for Business Investment, Learning and Living.' This theme is reflected in the activities conducted by Economic Development Officers throughout 2020/21 including hosting the Regional Development Agriculture Meeting and hosting the Trade and Investment Queensland, North Queensland Migration Agents Roadshow.

In addition to these activities, Council hosted a Regional Development Agricultural Meeting in the Burdekin which included a tour of the Shire to highlight Council's priority projects.

Officers also began production of a new professional investment video for the region, expected to be launched early in the next financial year.

## PLAN AND COORDINATE OUR COMMUNITIES

Burdekin Shire Council is responsible for preparing a local planning instrument that helps to guide the growth and development of the Local Government area; the *Integrated Planning Act 1997* (Qld) Planning Scheme. Council has worked on developing a new Planning Scheme that will be the framework for managing development in the planning scheme area over the next 25 years. The draft Burdekin Shire Planning Scheme was placed on public notification and is expected to be adopted by Council during the 2021/22 financial year.

Expansion of the Ayr Industrial Estate is another major project that Council continues to advocate for. This project will provide much needed industrial land for the region, with the expansion anticipated to provide opportunities for new business services, expand existing businesses and broaden employment opportunities within the local economy. Throughout the year staff undertook extensive project planning and sought funding for the project. Council's Economic Development section worked closely with a consultant on the development of a marketing strategy for the Industrial Estate expansion, with further progress to be made in the next financial year.



The Burdekin Singers' production of *Mary Poppins*, a successful recipient of Regional Arts Development Fund monies.



# SOCIAL WELLBEING

## SAFE, HEALTHY, INCLUSIVE AND SOCIALLY ENGAGED COMMUNITIES

The Mount Inkerman Nature Trail was extended this year with the construction of a linking track from Mount Inkerman Road to the existing trail funded by the Queensland Government's Works for Queensland program. Existing sections of the trail were also restored following weather damage, funded by the Queensland Reconstruction Authority's Disaster Recovery Funding. The track is a favoured recreational and fitness attraction for locals and visitors alike.

Licensing and inspections of food and accommodation premises are one way Council continues to ensure the health and safety of the community. This year, 100 per cent of the premises requiring a food licence were inspected to ensure conformity with the *Food Act 2006* (Qld) and Food Safety Standards. All premises requiring a Local Law Rental Accommodation or Caravan Park approval were also inspected at least once in the year to ensure conformance with the relevant local laws. Council provided additional support as part of its COVID-19 response with a total of 219 inspections and one workshop held to assist local businesses in complying with the Chief Health Officer's directions.

Council continued its animal control regulatory service responding to 687 requests during the year. Requests included dog attacks, dangerous dogs, straying animals and barking complaints. Council trialled out of hours patrols to provide better service in this area.

The Burdekin hosted Queensland's first drive-in concert in September 2020. *Live at the Grounds* featured three of Australia's best tribute bands who performed to a sell-out crowd of people in their cars or in marked COVID Safe 'bubbles' at the Ayr Showgrounds.

## STRONG COMMUNITY ORGANISATIONS

The Community Grants Program continued in the 2020/21 financial year to provide support to community and sporting groups. Throughout the financial year support was provided to a range of community organisations including the Lower Burdekin Ski Club and the Home Hill Harvest Festival. Council has also provided assistance in the form of donations to the Burdekin Community Association and Burdekin Neighbourhood Association which both provide a wide range of essential services to the community.

## CREATING PLACES OF COMMUNITY IDENTITY

The *Sweet Days Hot Nights Festival* hosted a physical three-day event in 2021 following its 2020 virtual festival. The 2021 event attracted a record number of attendees across its three events and included a live demonstration by chainsaw artist Matty G, who is creating a hand cane cutter monument set to be installed in Home Hill in the 2021/22 financial year.

Following the 2021 event, Council was recognised in the Local Government Managers Australia (Queensland) Awards for Excellence, with the 2020 virtual festival winning the 'Doing More With Less' category. Council's Media and Communications Officer was also recognised as the Best Communications/ Digital Professional by the Local Government Association of Queensland for his work on the virtual festival along with the delivery of other key strategies in 2020.

The Burdekin Art Trail was expanded this year with the addition of a number of colourful murals in Groper Creek, Giru, Brandon, Home Hill and Ayr. The Art Trail provides a unique collection of murals, sculptures and art installations which depict the stories of the Burdekin's culture and heritage.

The importance of regional Local Governments in creating unique community identities was emphasised



The 2021 First Fire, part of the *Sweet Days, Hot Nights Festival*.



by His Excellency, the Honourable Paul de Jersey AC, Governor of Queensland, during a tour of the Burdekin in March 2021. The tour included meeting Councillors and Council Officers before a book reading with students at St Francis Catholic School, a formal reception with community representatives at the Burdekin Theatre, and a special First 5 Forever Storytime where his Excellency read *Gavel Finds His Place* with local families at Plantation Park Nature Play.

## PROVISION OF PUBLIC SPACE

Visitors to the Ayr branch of the Burdekin Library will now be able to enjoy additional outdoor space following refurbishment of its front lawn area. The space acts as an extension to the Library's internal space and was utilised earlier in 2021 for the return of *Ready Set Go*, the Early Childhood Expo. The garden enhancement also offers the perfect location to host Messy Play, Sensory Play and outdoor First 5 Forever Storytime sessions.

Council's public Wi-Fi network has been expanded to include additional public areas in Ayr and Home Hill including ANZAC Park, Plantation Park, Watson's Green, the Home Hill Comfort Stop and sections of Queen Street.

Local dog owners and travellers stopping in Plantation Park with dogs can now utilise the upgraded off-leash dog park on Kennedy Street which offers a fenced area with agility equipment, shade, and seating. These upgrades were funded through the Queensland Government's Works for Queensland program.

New signage was installed at the Cromarty, Morris's, Plantation and Wallace's boat ramps to identify camping and trailer parking areas and improve the community use of these areas.

## BUILD A ROBUST AND RESILIENT COMMUNITY

In October 2020, Council promoted Get Ready Queensland Week and urged locals to consider their what-if plans through social and traditional media channels. The North Queensland Regional Organisation of Councils produced a combined television and radio campaign fully funded by Get Ready Queensland demonstrating that some disasters are not limited to any one single Local Government Area and that it was important to support each other in disaster preparedness.

In April 2021, Council endorsed the Burdekin and Haughton Flood Resilience Strategy, an initiative of the Queensland Reconstruction Authority that will build resilience in the Burdekin community. The strategy, developed in recognition of the serious impacts of repeated and severe flooding events in the Burdekin and Haughton River catchments, has taken a community-led approach following consultation with eight North Queensland Councils, working towards a shared vision of flood resilience. The strategy identifies elements of resilience and highlights opportunities to improve the ability of communities to mitigate against, and recover from, monsoonal weather events common to the North Queensland region. Council also installed new storm tide and tsunami signage at all boat ramps and camping grounds to promote awareness of these risks to recreational fishermen and waterway users.

Australia's State Emergency Service (SES) volunteers play an important role in supporting the Burdekin community through all kinds of weather events. Council's ongoing support for the local SES group helps to ensure their work can continue throughout the year. SES open days were held in Ayr, Home Hill, Giru, Clare and Rita Island in the hope of raising awareness and potentially attracting additional volunteers.



His Excellency, the Honourable Paul de Jersey AC, Governor of Queensland.



# ENVIRONMENT

## BALANCING THE NEEDS OF THE COMMUNITY AND THE ENVIRONMENT

Mosquito management, especially during the typical mosquito breeding season, continues to be an important focus for Council's pest management officers. In September 2020, Council adopted a new five-year Mosquito Management Plan aimed at identifying key breeding sites and implementing mosquito management techniques to reduce the impact of mosquitos.

In December 2020, Council adopted its Dune Management Strategy to protect sand dunes at Alva and Wunjunga. The aim of the strategy is to ensure the Burdekin coastline is more resilient to coastal processes, to be sustainable into the future and provide benefits to multiple stakeholders. Community consultation, initially delayed due to COVID-19 restrictions, was undertaken in September 2020 providing valuable feedback for the strategy. Work has commenced on key actions from the strategy with seed collection and propagation by Lower Burdekin Landcare and NQ Dry Tropics.

Flying fox dispersal activities were undertaken by Council in Home Hill parklands involving the firing of starter pistols at times when the nocturnal mammals would normally begin roosting. This method of dispersal is recommended to safely deter the nomadic flying foxes from roosting in trees in and around public parklands.

To address and reduce illegal dumping in the Shire, Council obtained funding from the State Government to install signage and cameras at a number of hotspot areas and employed a part-time officer to undertake investigations.

## A SUSTAINABLE ENVIRONMENT

Aquatic weed control continued to be undertaken under the Riparian Management Agreements between Council and landowners in 11 waterways in conjunction with other stakeholders such as NQ Dry Tropics and the Lower Burdekin Water Board. Early in 2021, Council's pest management officers cleared more than 15 tonnes of weed and silt from Red Lilly Lagoon to reduce aquatic weeds in the waterways of the local catchment. The process involved uprooting weed mats from the lagoon floor, excavating weeds from the lagoon, and spraying the area to prevent weeds from regrowing. The environmentally friendly weed spray will limit future regrowth of the weed.

Council conducted several animal control activities resulting in 1,022 feral pigs shot during two aerial exercises in the Shire and 27 landowners participating in the wild dog baiting program.

Council continued to advocate for funding for a full-scale Macro-Algal Bioremediation Facility at the Ayr/Brandon Wastewater Treatment Plant, with the small-scale trial together with Pacific Bio and James Cook University producing positive outcomes. If constructed, the full-scale facility would significantly reduce the amount of harmful nutrients reaching the Great Barrier Reef, and could be replicated at similar facilities across Australia and the world.



Councillors and staff at the Macro-Algal Bioremediation small-scale trial.



# ORGANISATIONAL SUSTAINABILITY

## STRONG ENGAGEMENT WITH THE COMMUNITY

Council trialled a new consultative process, *Our Town, Our Future*, in October 2020. The project is a community-led, Council facilitated process aimed at engaging with different communities to explore activities and initiatives to help build wellbeing, with the pilot project held in the Burdekin township of Giru. The project is expected to be replicated in other Burdekin townships over coming years and will be used to engage the community and identify opportunities to improve liveability.

Council published 164 media releases and 516 unique social media news items to ensure the community was kept up to date throughout the year. Targeted consultation activities included seeking community feedback for the design and construction of the Burdekin Water Park, the Home Hill Watson's Green and Memorial Park Master Plan and proposed changes to a number of local laws. Council's Advisory Groups also provided an opportunity to engage with the community across a range of topics and issues in a meaningful way, with the formation of an Economic Development and Community and Cultural Development Advisory Groups.

## AN ORGANISATIONAL CULTURE THAT EMBRACES OUR VALUES

In line with Council's ongoing commitment to providing a safe, inclusive, and productive work environment, a staff culture survey was conducted in 2020. The survey was aimed at gauging the perceptions of employees on how the organisation as a whole was performing against the recently adopted staff values. The anonymous survey was completed by 214 staff members which provided a reliable basis to assess feedback. Feedback formed the basis of an action

plan, the first action of which was the establishment of a Wellbeing Committee. The committee includes representatives from across the organisation working to identify opportunities to improve employee wellbeing.

## CONTINUOUS IMPROVEMENT, CUSTOMER SERVICE AND ACCOUNTABILITY

Council's workforce strives to deliver excellence in service and is committed to continuous improvement. A Performance Development Program was implemented for the Executive Leadership Team, Senior Leadership Group and Senior Supervisors Group to ensure accountability and build Council's workforce capability. The program focuses on setting annual performance goals and identifying professional development opportunities that support employees to build strong working relationships and deliver on operational objectives.

## CREATE A WORKPLACE REGARDED AS AN 'EMPLOYER OF CHOICE'

In October 2020, all employees of Council were provided with bullying and harassment awareness training and Council adopted a revised Bullying, Anti-Discrimination and Sexual Harassment Policy in February 2021.

Operational standards adopted this year contributing to a positive workplace culture and a safe and healthy work environment include the Recognition of Service Operational Standard, Employee Reward and Recognition Operational Standard, Reclassification Operational Standard, Domestic and Family Violence Operational Standard and Discipline Operational Standard.



The *Our Town, Our Future* pilot program held at Giru in October 2020.









# REPORTING



# CORPORATE GOVERNANCE

## COMPLAINTS MANAGEMENT

Council has an established system for identifying and managing administrative action complaints. Council acknowledges members of the public have a right to make a complaint if they are not satisfied with the actions taken or decisions made by Council. Council has adopted an early resolution approach and wherever possible, matters are resolved before an administrative action complaint is lodged. Council's Complaints Management Policy provides guidance for a clear and transparent process for managing complaints and is supported by the Administrative Action Complaints Management Procedure and a Guideline for Managing Unreasonable Complainant Customer Conduct. This framework provides a system to ensure complaints are handled equitably and fairly whilst ensuring the prudent management of staff resources and prioritising the health and safety of employees.

## ASSESSMENT OF PERFORMANCE IN RESOLVING COMPLAINTS

The accompanying table outlines the number of complaints received and resolved within the 2020/21 financial year. Council's Governance Unit and Executive Leadership Team have maintained oversight of the complaints management process throughout the year. All administrative action complaints are recorded in the Customer Request Management (CRM) system which allows for a transparent and consistent workflow to be applied to record actions taken in relation to each complaint matter. While many complaints can be resolved to the satisfaction of the complainant, Council routinely advises customers of their right to internal review should they not be satisfied with the outcome of their complaint matter. Council also encourages customers to contact the Office of the Queensland Ombudsman if they are still unsatisfied with the outcome of the internal review process.

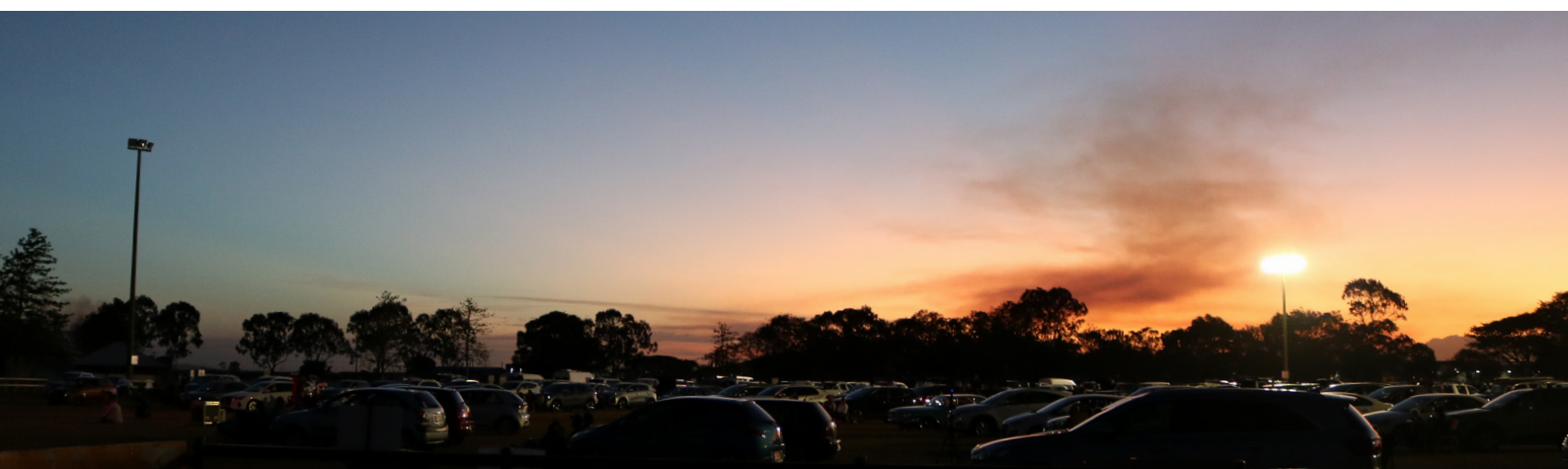
Administrative action complaints received 1 July 2020 – 30 June 2021	12
Administrative action complaints resolved 1 July 2020 – 30 June 2021	11
Administrative action complaints from previous financial years resolved in 2020/21	0

## RISK MANAGEMENT

Effective risk management is integral to an organisation realising its objectives. Council's commitment to identifying, assessing, rating, and treating risk is evidenced through the implementation of the adopted Enterprise Risk Management Framework throughout the organisation. Risk registers are maintained for all identified operational and strategic risks and a review of the risks, their ratings and the identified controls is conducted annually. Council's Risk Management Committee meets monthly to review new and emerging risk areas and support the Executive Leadership Team to maintain a risk management focus.

## RIGHT TO INFORMATION AND PRIVACY

Council is committed to maintaining a culture that respects each individual's right to privacy. Council's Privacy Policy outlines this commitment and aims to ensure that information is collected, maintained, and stored in compliance with regulatory requirements. During this financial year Council has processed all applications received under the *Right to Information Act 2009* (Qld) within the required timeframes. Council has adopted a 'push model' which takes a proactive approach to the routine release of information. One of the ways that Council achieves this is via publication of information to our public website. Council's Publication Scheme details what information is available freely.



The sun sets over *Live at the Grounds*, Queensland's first drive-in concert which was held in the Burdekin.



## AUDIT COMMITTEE

The Audit Committee operates under a Charter approved by Council. Under the Charter, the role of the committee is to 'provide independent assurance and assistance to Council on the risk, control, and compliance frameworks and Council's external accountability responsibilities as prescribed in the *Local Government Act* and its Regulations.'

The Audit Committee convened on five occasions throughout the financial year and addressed issues including: review of, and recommendation to Council of, the draft Financial Statements for the year ended 30 June 2020; oversight of the finalisation of the External Audit of the 2020 Financial Statements, including discussions with the relevant officers of the Queensland Audit Office and its Contractors; follow up on issues raised by the Queensland Audit Office in the 2020 financial audit; review of draft Annual Report for the year ended 30 June 2020; oversight of the Internal Audit Function, conducted under contract by an auditing firm specialising in such matters; consideration of the plan for Internal Audit Activities going forward; consideration of Council's Long Term Financial Forecast; consideration of Council's Investment Policy; consideration of the Risk Management Framework; consideration of Disaster Recovery and Business Continuity Issues; consideration of COVID-19 and its effect on Council activities; consideration of the Fraud and Corruption Control Plan; review of the Charter under which the committee operates; oversight of the preparation for the External Audit of the 2021 Financial Statements, including discussions with the relevant officers of the Queensland Audit Office and the auditing firm contracted to QAO; and Consideration of issues relating to the valuation of Council owned infrastructure and other assets.

## INTERNAL AUDIT

Council's internal audit function is an essential component required for maintaining a culture of accountability and transparency. The internal audit function assists Council to achieve its objectives by applying a systematic and disciplined approach to analyse, evaluate, and improve the effectiveness of Council's risk management, control, and governance processes. This year was the final year of the three-year internal audit plan developed and delivered by independent contractor O'Connor Marsden and Associates (OCM).

Three internal audits were carried out during the 2020/21 financial year:

- Fraud and Corruption Control Planning;
- Rates and Charges Revenue Processes; and
- Business Continuity & Disaster Recovery.

Reports outlining the findings, implications and recommended management action items relating to each internal audit were presented to management and the Audit Committee throughout the year.

## PUBLIC INTEREST DISCLOSURES

A public interest disclosure is a disclosure about alleged wrongdoing in the public sector that serves the public interest. The *Public Interest Disclosure Act 2010* (Qld) clearly details Council's responsibilities to effectively identify and deal with matters that may meet the definition of a Public Interest Disclosure (PID). Council's PID Program operates in conjunction with the Complaints Management System and Fraud and Corruption Control Plan and is overseen by the Governance Unit.



A number of new murals were commissioned by artist John Bradshaw funded by Works for Queensland.



# STATUTORY INFORMATION

This section of the report contains information prescribed by the *Public Sector Ethics Act 1994* (Qld), *Local Government Act 2009* (Qld) and *Local Government Regulation 2012* (Qld) for 2020/21.

## PUBLIC SECTOR ETHICS ACT 1994

Section 23 of the *Public Sector Ethics Act 1994* (Qld) (PSEA) requires each Annual Report to include an Implementation Statement giving details of the actions taken during the reporting period to comply with sections 15, 21 and 22 of the PSEA. Implementation Statement for the 2020/21 reporting period is as follows:

### Preparation of Codes of Conduct (s15)

The Burdekin Shire Council Code of Conduct for Workers was approved by the Chief Executive Officer on 12 April 2019 following a comprehensive review and update process. The Code can be accessed by all workers via Council's intranet site and Record Management System.

### Education and training (s21)

Compulsory Code of Conduct training was provided to all new employees during the financial year. Existing employees were required to complete in-house online refresher training during this financial year.

### Procedures and practices (s22)

Council's administrative procedures and management practices have proper regard for the principles and values contained within the *Public Sector Ethics Act 1994* (Qld) and the Code of Conduct for Workers has been modelled from the principles.

## LOCAL GOVERNMENT ACT 2009

### Beneficial enterprises (s41)

Council did not conduct any beneficial enterprises within the 2020/21 financial year.

### Significant business activities (s45)

(a) During the 2020/21 financial year, Council operated the following business activities:

- Waste collection
- Water
- Sewerage

(b) None of the above activities satisfied the statutory threshold for classification as a significant business activity.

(c) The competitive neutrality principle was not applied as Council does not have any significant business activities.

(d) Council did not commence any new business activities within this period i.e., all the listed business activities were also conducted in the preceding financial year.

### Remuneration paid to senior management employees (s201)

(1) (a) The value of remuneration packages of senior management employees was: \$775,880

(b) The number of senior management employees who are being paid each band of remuneration:

Pay band	Number of senior management employees within band
\$150,001 - \$250,000	2
\$250,001 - \$350,000	1

(c) Burdekin Shire Council has not resolved to allow Councillors to appoint Councillor advisors.



Veteran cutter Olivio Pozzebon watches contestants at the 2021 Australian Hand Cane Cutting Championships.



## LOCAL GOVERNMENT REGULATION 2012

### Financial Statements (s183)

(a) The general purpose financial statement, audited by the auditor-general, is shown on pages 43 to 67.

(b) The current year financial sustainability statement for the financial year, audited by the auditor-general, is shown on page 71.

(c) The long term financial sustainability statement for the financial year is shown on page 75.

(d) The Auditor General's audit reports about the general purpose financial statement and current-year financial sustainability statement are shown on pages 68 to 70 and 72 to 74.

### Community Financial Report (s184)

The community financial report for the financial year is shown on pages 15 to 19.

### Particular resolutions (s185)

(a) A copy of resolutions made under section 250(1) of the *Local Government Regulation 2012*.

Ordinary Council Meeting, 15 December, 2020

#### Recommendation

That Council adopt the Councillor Expenses Reimbursement Policy as attached to this report.

#### Resolution

Moved Councillor Musumeci, seconded Councillor Furnell that the recommendation be adopted.

#### CARRIED

(b) A list of any resolutions made during the financial year under section 206(2) of the *Local Government Regulation 2012*.

Nil

### Councillors (s186)

(a) For each Councillor, the total remuneration, including superannuation contributions, paid to the Councillors during the 2020/21 financial year are listed below:

Name	Mayor	Deputy Mayor	Councillor	Telephone and Data	Total	Council 12% Superannuation
Boccalatte, Kaylee			\$54,082.70	\$600.00	\$54,682.70	\$6,489.92
Bonanno, John			\$54,082.70	\$600.00	\$54,682.70	\$6,489.92
Detenon, Michael			\$54,082.70	\$600.00	\$54,682.70	\$6,489.92
Furnell, John			\$54,082.70	\$600.00	\$54,682.70	\$6,489.92
McLaughlin, Lyn	\$108,140.27				\$108,140.27	\$12,976.94
Musumeci, Max			\$54,082.70	\$600.00	\$54,682.70	\$6,489.92
Perry, Sue		\$62,388.02		\$600.00	\$62,988.02	\$7,486.51
<b>TOTAL</b>	<b>\$108,140.27</b>	<b>\$62,388.02</b>	<b>\$270,413.50</b>	<b>\$3,600.00</b>	<b>\$444,541.79</b>	<b>\$52,913.05</b>

No Councillor receives a car allowance. The Mayor is provided with a vehicle for business and private use and the Councillors have access to a Council vehicle for business use only. The Mayor is also provided with a telephone and therefore does not receive the monthly telephone data allowance.





## Councillors (s186)

(b) The expenses incurred by, and the facilities provided to, each Councillor in accordance with Burdekin Shire Council's Councillor Expense Reimbursement Policy in the 2020/21 financial year were as follows:

Name	Food/Beverages	Conferences	Travel/Accom	Functions	Total
Boccalatte, Kaylee	\$80.58		\$929.53	\$175.00	\$1,185.11
Bonanno, John					-
Detenon, Michael	\$26.57	\$1,400.00	\$1,171.02	\$175.00	\$2,772.59
Furnell, John	\$44.09		\$177.36		\$221.45
McLaughlin, Lyn	\$887.38	\$900.00	\$4,789.57	\$549.99	\$7,126.94
Musumeci, Max					-
Perry, Sue		\$200.00			\$200.00
<b>TOTAL</b>	<b>\$1,038.62</b>	<b>\$2,500.00</b>	<b>\$7,067.48</b>	<b>\$899.99</b>	<b>\$11,506.09</b>

Mayor Cr Lyn McLaughlin, Cr Kaylee Boccalatte and Cr Michael Detenon attended the 2020 Local Government Association of Queensland conference, which provided free admission for two Councillors (Cr McLaughlin and Cr Boccalatte) as delegates - however as Cr Detenon attended as an observer, his attendance attracted a fee.

Each Councillor is provided with either a laptop computer or tablet device to be used for Council work and appropriate Personal Protective Equipment for use during Council inspections. Councillors have access to Council vehicles (including fuel provisions) for Council business such as travel to and from conferences and training. Hospitality expenses of \$65.09 and meeting related expenses of \$359.73 were incurred during the year in accordance with Council's adopted Councillor Expenses Reimbursement Policy.

(c) The number of meetings that each Councillor attended during the 2020/21 financial year were as follows:

Name	Ordinary and Special Meetings held	Ordinary and Special Meetings attended	Meetings absent while on Council business	Leave of absence
Boccalatte, Kaylee	24	24	0	0
Bonanno, John	24	22	0	2
Detenon, Michael	24	23	0	1
Furnell, John	24	23	0	1
McLaughlin, Lyn	24	22	2	0
Musumeci, Max	24	24	0	0
Perry, Sue	24	24	0	0



2020 Community Christmas Carols headliners Jade Holland and James Blundell with Mayor, Cr Lyn McLaughlin



## Councillors (s186)

(d) The total number of the following during the financial year:

Orders	LGA section	Number
(i) orders made by the Chairperson dealing with unsuitable meeting conduct.	150I(2)	Nil
(ii) orders made by the Local Government where the local government has decided that the Councillor has engaged in inappropriate conduct.	150AH(1)	Nil
(iii) decisions, orders and recommendations made by the conduct tribunal in relation to misconduct by a Councillor.	150(AR)1	Nil

(e) The total number of the following during the financial year:

Requirement	Details
(i) the name of each Councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made.	Not applicable
(ii) a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors.	Not applicable
(iii) a summary of the decision, order or recommendation made for each Councillor.	Not applicable

(f) The total number of the following during the financial year:

Details	LGA section	Number
(i) complaints referred to the assessor under section 150P(2)(a) of the Act by Local Government entities for the Local Government.	150P(2)(a)	Nil
(ii) matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission.	150P(3)	Nil
(iii) notices given to the assessor about Councillor conduct.	150R(2)	Nil
(iv) notices given to the assessor about the Councillor's conduct and all information held by the Local Government that relates to the conduct.	150S(2)(a)	Nil
(v) decisions made under section 150W(1)(a), (b) and (e) of the Act by the assessor to dismiss the complaint about the conduct under section 150X of the Act; to refer the suspected inappropriate conduct to the Local Government to deal with; or to take no further action under section 150Y of the Act.	150W(1)(a), (b) and (e)	Nil
(vi) referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act.	150AC(3)(a)	Nil
(vii) occasions information given to the assessor under section 150AF(4)(a) of the Act, indicating a Councillor may have engaged in misconduct.	150AF(4)(a)	Nil
(viii) occasions the Local Government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the Local Government, the suspected inappropriate conduct of a Councillor.	Chapter 5A, Part 3, Division 5	Nil
(ix) applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the Act about whether a Councillor engaged in misconduct or inappropriate conduct.	Chapter 5A, Part 3, Division 6	Nil



Members of Burdekin Shire Youth Council.

## Overseas travel (\$188)

No overseas travel was made in an official capacity during the period by any employee, Councillor or the Mayor.

## Grants to community organisations and discretionary funds (\$189)

(1) The Local Government's expenditure for 2020/21 on grants to community organisations.

The total summary of cash grants, donations, standing donations, and in-kind support has been broken into seven categories:

Category	Amount
Arts and Culture	\$400.00
Recreation and Sport	\$8,148.49
Community Development	\$22,939.79
Welfare	\$85,400.00
Surf Lifesaving	\$14,000.00
Standing Donations	\$77,008.50
In-kind	\$44,169.19
<b>TOTAL</b>	<b>\$252,065.97</b>

(2) No Councillors at Burdekin Shire Council have discretionary funds.

## Other contents (\$190)

(a) The assessment of Council's implementation of the Corporate Plan 2017-22 and Operational Plan 2020/21 is included on pages 22-31.

(b) Particulars of other issues relevant to making an informed assessment of Council's operations and performance in the financial year is included on pages 24-35.

(c) Council did not operate any commercial business units.

(d) Council did not levy any special rates or charges for a service, facility or activity supplied by another Local Government for the financial year.

(e) Council issued one invitation to one tenderer to change a tender due to a change of specifications

under section 228(8) during the financial year.

(f) The following registers were kept by Council during the financial year:

- Register of Interest for Councillors and their Related Persons
- Register of Interests for Senior Executive Employees and their Related Persons
- Councillor Conduct Register
- Register of Gifts and Benefits
- Strategic and Operational Risk Register
- Register of Delegations
- Register of Loss of Council Assets
- Council Policy Register
- Register of Impounded Animals
- Animal Register (Cats and Dogs)
- Road Map and Register
- Burial Register
- Register of Backflow Prevention Devices
- Register of Pre-Qualified Suppliers
- Register of Local Laws
- Register of Fees and Charges
- Register of Development Applications
- Register of Decision Notices regarding Development Applications
- Register of Declared Conflicts of Interest (Employees)

(g) Council granted concessions to pensioners in accordance with the Council resolution made at the Budget Meeting on 23 June 2020 as a pensioner rebate. The rebate was calculated as half the sum of the relevant General Rates up to a maximum rebate set at \$374. In total, Council received pensioner rebate applications for 954 properties and remitted \$342,357.54 in concessions.

(h) The report on the internal audit for the financial year is shown on page 35.

(i) Council did not receive any investigation notices in the financial year under section 49 for competitive neutrality complaints.

(j) No competitive neutrality complaint reports were received or responses required during the financial year under section 52(3).



Cr Sue Perry and Cr Max Musumeci with Burdekin Rewards Loyalty Cards at participating business, The Stemmyery.





Councillors and Council Officers inspecting the Home Hill Water Tower and Reservoir site.







An aerial photograph of a coastline at sunset. The ocean is a deep blue, with white foam from waves visible. A narrow strip of land with green vegetation and sandy areas runs along the left side of the frame. The sky is a mix of light blue and orange, with some clouds. The overall mood is serene and natural.

# **FINANCIAL STATEMENTS**

**for the financial year ending 30 June 2021**



# BURDEKIN SHIRE COUNCIL

## Financial Statements

For the year ended 30 June 2021

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**BURDEKIN SHIRE COUNCIL**  
**Statement of Comprehensive Income**  
For the year ended 30 June 2021

		2021	2020
	Note	\$	\$
<b>Income</b>			
<b>Recurrent</b>			
Rates and levies	3 (a)	39,760,170	40,386,970
Fees and charges	3 (b)	2,871,661	2,537,481
Interest received		544,342	1,226,529
Sale of contract and recoverable works		1,886,575	2,472,236
Other recurrent income		497,216	589,124
Grants, subsidies and contributions	4 (a)	5,147,693	5,952,159
		<u>50,707,657</u>	<u>53,164,499</u>
<b>Capital</b>			
Grants, subsidies and contributions	4 (b)	8,868,005	5,851,619
Other capital income	5	119,176	1,732
		<u>8,987,181</u>	<u>5,853,351</u>
<b>Total income</b>	2 (b)	<u>59,694,838</u>	<u>59,017,850</u>
<b>Expenses</b>			
<b>Recurrent</b>			
Employee benefits	6	(21,591,092)	(21,256,466)
Materials and services	7	(16,101,655)	(16,949,690)
Finance costs	8	(225,445)	(412,083)
Depreciation	14 (e)	(12,585,851)	(12,076,446)
Amortisation		(74,215)	(68,328)
		<u>(50,578,258)</u>	<u>(50,763,013)</u>
<b>Capital</b>			
Other capital expenses	9	(1,512,367)	(3,318,743)
<b>Total expenses</b>	2 (b)	<u>(52,090,625)</u>	<u>(54,081,756)</u>
<b>Net result</b>		<u>7,604,213</u>	<u>4,936,094</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase/(decrease) in asset revaluation surplus	19 (a)	7,099,073	2,809,251
<b>Total other comprehensive income for the year</b>		<u>7,099,073</u>	<u>2,809,251</u>
<b>Total comprehensive income for the year</b>		<u><u>14,703,286</u></u>	<u><u>7,745,345</u></u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.

**BURDEKIN SHIRE COUNCIL**  
**Statement of Financial Position**  
**As at 30 June 2021**

	Note	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	10	64,917,495	63,364,994
Receivables	12 (a)	1,521,406	1,574,073
Inventories		602,156	524,225
Contract assets	15 (a)	1,151,812	415,210
Other assets	13 (a)	1,647,323	2,064,847
<b>Total current assets</b>		<u>69,840,192</u>	<u>67,943,349</u>
<b>Non-current assets</b>			
Receivables	12 (b)	272,906	342,783
Property, plant and equipment	14 (e)	545,656,761	534,987,502
Intangible assets		497,774	441,396
Other assets	13 (b)	61,323	38,470
<b>Total non-current assets</b>		<u>546,488,764</u>	<u>535,810,151</u>
<b>TOTAL ASSETS</b>		<u>616,328,956</u>	<u>603,753,500</u>
<b>Current liabilities</b>			
Payables	16	6,602,757	5,654,325
Provisions	17 (a)	5,798,704	5,545,865
Borrowings	18	-	346,051
Contract liabilities	15 (b)	2,384,317	3,533,990
Other liabilities		1,856	2,714
<b>Total current liabilities</b>		<u>14,787,634</u>	<u>15,082,945</u>
<b>Non-current liabilities</b>			
Provisions	17 (b)	18,591,574	20,428,958
<b>Total non-current liabilities</b>		<u>18,591,574</u>	<u>20,428,958</u>
<b>TOTAL LIABILITIES</b>		<u>33,379,208</u>	<u>35,511,903</u>
<b>NET COMMUNITY ASSETS</b>		<u><u>582,949,748</u></u>	<u><u>568,241,597</u></u>
<b>Community equity</b>			
Asset revaluation surplus	19	322,683,462	315,584,389
Retained surplus (deficit)		260,266,286	252,657,208
<b>TOTAL COMMUNITY EQUITY</b>		<u><u>582,949,748</u></u>	<u><u>568,241,597</u></u>

*The above statement should be read in conjunction with the accompanying notes and accounting policies.*

**BURDEKIN SHIRE COUNCIL**  
**Statement of Changes in Equity**  
For the year ended 30 June 2021

	Total	Retained surplus (deficit)	Asset revaluation surplus Note 19
	2021	2021	2021
	\$	\$	\$
<b>Balance as at 1 July 2020</b>	568,241,597	252,657,208	315,584,389
Correction to opening balance	4,865	4,865	-
Restated opening balance as at 1 July 2020	568,246,462	252,662,073	315,584,389
Net result	7,604,213	7,604,213	-
Other comprehensive income for the year			
Asset revaluation surplus	7,099,073	-	7,099,073
Total comprehensive income for the year	14,703,286	7,604,213	7,099,073
<b>Balance as at 30 June 2021</b>	582,949,748	260,266,286	322,683,462

**Statement of Changes in Equity**  
For the year ended 30 June 2020

	Total	Retained surplus (deficit)	Asset revaluation surplus Note 19
	2020	2020	2020
	\$	\$	\$
<b>Balance as at 1 July 2019</b>	564,586,786	251,811,648	312,775,138
Adjustment on initial application of AASB 15 & AASB 1058	(4,093,811)	(4,093,811)	-
Correction to opening balance	3,277	3,277	-
Restated opening balance as at 1 July 2019	560,496,252	247,721,114	312,775,138
Net result	4,936,094	4,936,094	-
Other comprehensive income for the year			
Asset revaluation surplus	2,809,251	-	2,809,251
Total comprehensive income for the year	7,745,345	4,936,094	2,809,251
<b>Balance as at 30 June 2020</b>	568,241,597	252,657,208	315,584,389

*The above statement should be read in conjunction with the accompanying notes and accounting policies.*



# BURDEKIN SHIRE COUNCIL

## Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from customers		49,128,491	49,629,414
Operating grants, subsidies and contributions		5,310,476	5,822,314
Interest received		563,659	1,304,528
<b>Payments</b>			
Payments to suppliers and employees		(40,277,364)	(42,336,607)
Interest expense		(4,402)	(68,774)
<b>Net cash inflow (outflow) from operating activities</b>	24	<u>14,720,860</u>	<u>14,350,875</u>
<b>Cash flows from investing activities</b>			
Commonwealth government grants		1,243,933	620,261
State government subsidies and grants		7,469,442	5,163,144
Subsidies and grants arising from contract assets and liabilities		(2,049,058)	1,205,648
Capital contributions		154,630	68,214
Payments for property, plant and equipment		(19,551,140)	(18,538,021)
Payments for intangible assets		(164,062)	(285,539)
Proceeds from sale of property, plant and equipment		35,137	362,763
Net movement in loans to community organisations		38,810	22,077
<b>Net cash inflow (outflow) from investing activities</b>		<u>(12,822,308)</u>	<u>(11,381,453)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings	18	<u>(346,051)</u>	<u>(1,333,036)</u>
<b>Net cash inflow (outflow) from financing activities</b>		<u>(346,051)</u>	<u>(1,333,036)</u>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<u>1,552,501</u>	<u>1,636,386</u>
Cash and cash equivalents at beginning of the financial year		<u>63,364,994</u>	<u>61,728,608</u>
<b>Cash and cash equivalents at end of the financial year</b>	10	<u><b>64,917,495</b></u>	<u><b>63,364,994</b></u>

The above statement should be read in conjunction with the accompanying notes and accounting policies.

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**1 Information about these financial statements**

**(a) Basis of preparation**

These general purpose financial statements are for the period 1 July 2020 to 30 June 2021 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention, except for the revaluation of certain classes of property, plant and equipment.

**(b) New and revised Accounting Standards adopted during the year**

Council adopted all standards which were applicable to Council and became mandatorily effective for annual reporting periods beginning on 1 July 2020, none of the standards had a material impact on reported position, performance and cash flows.

**(c) Standards issued by the AASB not yet effective**

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Future standards are not expected to have a material impact on Council's financial statements.

**(d) Estimates and judgements**

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

- Revenue recognition - note 3
- Grants, subsidies and contributions - note 4
- Valuation and depreciation of property, plant and equipment - note 14
- Provisions - note 17
- Contingent liabilities - note 22
- Financial instruments - note 26

**(e) Rounding and comparatives**

The financial statements are in Australian dollars and have been rounded to the nearest \$1.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard.

**(f) Taxation**

Council is exempt from income tax, however council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and Payroll Tax on certain activities. The net amount of GST recoverable from the Australian Taxation Office (ATO) or payable to the ATO is shown as an asset or liability respectively.

**(g) Coronavirus (COVID-19) impact**

Council's operations for the year ended 30 June 2021 have been impacted by the COVID-19 pandemic.

The pandemic has significantly decreased Council's interest revenue from investments due to prevailing low interest rates. Revenue also reduced due to the closure of Council venues because of COVID-19 restrictions. This was partially offset by reduced operational expenditure.

The State and Commonwealth Governments provided additional capital grant funding to Council as a result of the pandemic. This has enabled Council to undertake community infrastructure and community projects to assist with stimulating the local community.

Council extended the due date of the annual rates levy from 31 days to 80 days to allow ratepayers more time to pay. Council has not seen a significant increase in rate arrears as a result.

Given the dynamic and evolving nature of COVID-19 and limited recent experience of the economic and financial impacts of a pandemic, Council will continue to monitor the impacts on our financial position and reflect any changes in future reporting periods.

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**2 Analysis of results by function**

**(a) Components of Council functions**

The activities relating to the Council's components reported on in note 2 (b).

**Administration**

Deliver responsible governance, efficient service and administrative support for Council's operations and strategic initiatives. The services include recruitment, training and development, employee and public relations, information technology services, secretarial and minutes support, records management, quality assurance, Council properties management, revenue, purchasing, creditors, payroll, debtors, budgeting, statutory and financial reporting, debt management, taxation, and financial, asset and systems management.

**Community and Cultural**

Council's community and cultural services objective is to provide a broad range of cultural, recreation and sport facilities, welfare and area promotion. The services include libraries, theatre, memorial hall, art and cultural activities, recreation and sport facilities, area promotion, welfare, disaster management, tourism and economic development.

**Development**

Development services aim to ensure all new development outcomes meet regulatory obligations including relevant Acts, the Planning Scheme, building codes, council policies and local laws. Development services comprises of development administration, town planning, building services, plumbing and facilities management.

**Environmental**

The objectives for Council's environmental services are to protect the public health of the community and encourage environmental responsibility throughout the community. These services include public health administration, food and rental accommodation licencing, local law enforcement and investigation of environmental nuisances, animal control, vector control, pest management, land protection, aquatic weed removal, protection of the environment, caravan parks and swimming pools.

**Engineering**

Engineering services objective is to provide safe and efficient transport networks, stormwater drainage systems, flood mitigation and warnings systems and a modern fleet of construction equipment and light vehicles which meet the requirements of the community, external stakeholders and regulatory responsibilities. Services provided include the design, construction, management and maintenance of relevant infrastructure and the procurement and maintenance of Council's fleet. The department also manages Council's relationship with Transport and Main Roads including the Road Maintenance Performance Contract.

**Waste**

Waste management services aim to provide efficient and compliant waste and recycling policies, infrastructure and services including waste receptacles, waste collection and disposal and waste management and education. Council operates or facilitates four transfer stations at Ayr, Home Hill, Giru and Clare and a landfill at Kirknie Road, Home Hill. Services also include the review, assessment and treatment of legacy landfills and investigation of illegal dumping.

**Sewerage**

Council provides sewerage services to the towns of Ayr, Brandon and Home Hill. The objectives of the service is to provide disposal and treatment of commercial, industrial and domestic sewage in a manner which safeguards public health and is consistent with Council's responsibilities and obligations under Queensland legislation. The services include the collection of sewage from customers within Council's adopted service areas via reticulation networks including pump stations, gravity and pressure sewers, and the treatment of the collected waste to a standard within environmental licence parameters determined by the regulator.

**Water**

Council is a registered water service provider under the provisions of the *Water Supply (Safety and Reliability) Act 2008*. Council provides potable water supply service to the towns of Ayr, Brandon, Home Hill and Giru and also to the rural residential settlement of Mt Kelly and the beachside settlement of Alva. The service objective is to provide an adequate supply of quality drinking water that complies with aesthetic and health parameters stipulated in the Australian Drinking Water Guidelines (2011). The services include the pumping, treatment and disinfection of raw water prior to the reticulated supply to customers via individual metered property connections.



**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**2 Analysis of results by function (continued)**

**(b) Income and expenses defined between recurring and capital, and assets are attributed to the following programs**

**For the year ended 30 June 2021**

Functions	Recurrent revenue		Capital revenue		Total Income	Recurrent Expenses	Capital Expenses	Total Expenses	Operating surplus/(deficit) from recurrent operations	Net result for year	Assets
	Grants	Other	Grants	Other	\$	\$	\$	\$	\$	\$	\$
Administration	2,537,388	27,580,091	158,011	(7,204)	30,268,286	(7,508,657)	(34,851)	(7,543,508)	22,608,822	22,724,778	91,258,917
Community and Cultural	323,265	417,717	1,360,857	-	2,101,839	(4,847,075)	(129,980)	(4,977,055)	(4,106,093)	(2,875,216)	26,780,002
Development	38,852	581,245	-	-	620,097	(1,326,381)	-	(1,326,381)	(706,284)	(706,284)	-
Environmental	32,500	1,145,678	295,799	5,326	1,479,303	(6,565,527)	(15,627)	(6,581,154)	(5,387,349)	(5,101,851)	14,056,637
Engineering	1,926,929	1,982,209	4,958,772	158,924	9,026,834	(16,316,745)	(1,215,343)	(17,532,088)	(12,407,607)	(8,505,254)	405,775,295
Waste	46,518	4,986,493	37,928	114,872	5,185,811	(4,873,126)	(39,743)	(4,912,869)	159,885	272,942	10,138,054
Sewerage	-	4,409,347	146,390	-	4,555,737	(4,493,798)	(51,983)	(4,545,781)	(84,451)	9,956	37,730,740
Water	-	4,699,425	1,755,618	1,888	6,456,931	(4,646,949)	(24,840)	(4,671,789)	52,476	1,785,142	30,589,311
<b>Total</b>	<b>4,905,452</b>	<b>45,802,205</b>	<b>8,713,375</b>	<b>273,806</b>	<b>59,694,838</b>	<b>(50,578,258)</b>	<b>(1,512,367)</b>	<b>(52,090,625)</b>	<b>125,399</b>	<b>7,604,213</b>	<b>616,328,956</b>

**For the year ended 30 June 2020**

Functions	Recurrent revenue		Capital revenue		Total Income	Recurrent Expenses	Capital Expenses	Total Expenses	Operating surplus/(deficit) from recurrent operations	Net result for year	Assets
	Grants	Other	Grants	Other	\$	\$	\$	\$	\$	\$	\$
Administration	2,857,835	28,093,684	45,761	-	30,997,280	(7,179,252)	(533,446)	(7,712,698)	23,772,267	23,284,582	89,350,754
Community and Cultural	256,510	326,607	404,403	-	987,520	(4,984,881)	(212,948)	(5,197,829)	(4,401,764)	(4,210,309)	26,769,327
Development	318,860	442,981	-	-	761,841	(1,628,874)	-	(1,628,874)	(867,033)	(867,033)	-
Environmental	51,200	1,062,840	347,899	1,065	1,463,004	(6,524,304)	(80,473)	(6,604,777)	(5,410,264)	(5,141,773)	14,346,298
Engineering	2,136,622	2,739,271	3,842,977	61,875	8,780,745	(16,706,710)	(2,193,922)	(18,900,632)	(11,830,817)	(10,119,887)	398,044,536
Waste	100,000	4,881,180	39,042	1,732	5,021,954	(4,657,889)	(246,983)	(4,904,872)	323,291	117,082	10,278,393
Sewerage	-	4,592,969	47,413	-	4,640,382	(4,405,352)	(30,444)	(4,435,796)	187,617	204,586	37,327,164
Water	-	5,303,940	1,055,910	5,274	6,365,124	(4,675,751)	(20,527)	(4,696,278)	628,189	1,668,846	27,637,028
<b>Total</b>	<b>5,721,027</b>	<b>47,443,472</b>	<b>5,783,405</b>	<b>69,946</b>	<b>59,017,850</b>	<b>(50,763,013)</b>	<b>(3,318,743)</b>	<b>(54,081,756)</b>	<b>2,401,486</b>	<b>4,936,094</b>	<b>603,753,500</b>

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**3 Revenue**

**(a) Rates and levies**

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

	2021	2020
	\$	\$
General rates	27,447,391	27,577,278
Separate rates	6,630	6,645
Environmental levy	86,925	87,784
Water	4,526,756	4,947,309
Sewerage	3,978,669	4,038,382
Garbage charges	4,056,157	4,051,365
Rates and utility charge revenue	40,102,528	40,708,763
Less: Pensioner remissions	(342,358)	(321,793)
	<u>39,760,170</u>	<u>40,386,970</u>

**(b) Fees and charges**

Revenue arising from fees and charges is recognised at a point in time when the performance obligation is completed and the customer receives the benefit of the goods/services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example caravan parks. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

	2021	2020
	\$	\$
Building and development fees	577,211	427,866
Caravan parks	480,829	435,059
Animal management	127,795	142,781
Waste disposal	705,126	641,716
Trade waste	282,406	262,120
Cultural facilities	178,019	150,789
Cemetery fees	189,155	181,915
Other fees and charges	331,120	295,235
	<u>2,871,661</u>	<u>2,537,481</u>

**4 Grants, subsidies and contributions**

Grant income under AASB 15 *Revenue from Contracts with Customers*

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

The performance obligations vary in each agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time revenue is recognised using either costs or time incurred.

Grant income under AASB 1058 *Income of Not-for-Profit Entities*

Assets arising from grants in the scope of AASB 1058 are recognised at the assets' fair value when the asset is received. Related liability or equity items associated with the asset are recognised in accordance with the relevant accounting standard.

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
For the year ended 30 June 2021

**4 Grants, subsidies and contributions (continued)**

Capital grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Donations and Contributions

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council.

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Physical assets contributed to Council by developers in the form of roadworks, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on Council maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value in excess of the recognition thresholds are recognised at fair value as non-current assets. Those below the threshold are recorded as expenses.

Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It may include non-cash contributions which are usually infrastructure assets received from developers.

	2021 \$	2020 \$
<b>(a) Recurrent</b>		
General purpose grants	3,315,502	3,649,853
State government subsidies and grants	1,589,950	2,071,174
Contributions	242,241	231,132
	<u>5,147,693</u>	<u>5,952,159</u>

Council received prepayment of the Financial Assistance Grant in June 2021 and May 2020.

	2021 \$	2020 \$
Grants recognised at a point in time	3,981,454	4,712,850
Contributions recognised at a point in time	242,240	231,132
Grants recognised over time	923,999	1,008,177
	<u>5,147,693</u>	<u>5,952,159</u>

**(b) Capital**

	2021 \$	2020 \$
Commonwealth government grants	1,243,933	620,261
State government subsidies and grants	7,469,442	5,163,144
Contributions	154,630	68,214
	<u>8,868,005</u>	<u>5,851,619</u>

	2021 \$	2020 \$
Grants and contributions recognised at a point in time	287,830	229,019
Grants and contributions recognised over time	8,580,175	5,622,600
	<u>8,868,005</u>	<u>5,851,619</u>

**5 Other capital income**

	2021 \$	2020 \$
Gain on disposal of non-current assets	4,304	-
Revision of the future restoration expenditure	108,094	1,732
Discount rate adjustment	6,778	-
	<u>119,176</u>	<u>1,732</u>



**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
For the year ended 30 June 2021

**6 Employee benefits**

Employee benefit expenses are recorded when the service has been provided by the employee.

	Note	2021	2020
		\$	\$
Total staff wages and salaries		17,430,121	17,303,948
Councillors' remuneration		445,771	438,804
Annual, sick and long service leave entitlements		3,423,120	3,288,911
Superannuation	23	2,288,322	2,188,683
		<u>23,587,334</u>	<u>23,220,346</u>
Other employee related expenses		589,479	570,596
		<u>24,176,813</u>	<u>23,790,942</u>
Less capitalised employee expenses		(2,585,721)	(2,534,476)
		<u>21,591,092</u>	<u>21,256,466</u>

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

Total full time Equivalent Council employees at 30 June	2021	2020
Elected members	7	7
Administration staff	122	125
Depot and outdoors staff	129	128
	<u>258</u>	<u>260</u>

**Key management personnel compensation**

Employee benefits include transactions with key management personnel and their close family members. The key management personnel include the Mayor, six councillors, Chief Executive Officer and two Directors. Key management personnel employee benefits, including accrued leave entitlements are:

	2021	2020
	\$	\$
Short-term employee benefits	1,202,987	1,239,078
Post-employment benefits	126,907	128,235
Long-term employee benefits	31,225	21,257
	<u>1,361,119</u>	<u>1,388,570</u>

Detailed remuneration disclosures are provided in the annual report.

**7 Materials and services**

Expenses are recorded on an accruals basis as Council receives the goods or services.

	2021	2020
	\$	\$
Audit of annual financial statements by the Auditor-General of Queensland	73,091	75,240
Waste levy payment	726,294	756,976
Waste levy refund*	(427,404)	(449,335)
Contract payments	2,548,050	2,254,854
Electricity	1,241,973	1,521,444
Materials	1,584,103	2,097,506
Plant hire external	2,620,101	2,182,790
Trade/contract services	1,547,466	1,456,084
Plant and equipment expenses	1,140,671	1,307,539
Communications and IT	1,245,175	1,218,981
Other material and services	3,802,135	4,527,611
	<u>16,101,655</u>	<u>16,949,690</u>

\*The State Government rebated \$427,404 of the state waste levy to mitigate the direct impacts on households.

The audit fee quoted by the Queensland Audit Office relating to the 2020/21 financial statements is \$73,500

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**8 Finance costs**

Note	2021	2020
	\$	\$
Finance costs charged by the Queensland Treasury Corporation	4,402	68,774
Bank charges	68,790	72,596
Impairment of receivables and bad debts written-off	2,230	1,069
Restoration	150,023	269,644
	<u>225,445</u>	<u>412,083</u>

**9 Other capital expenses**

2021	2020
\$	\$
Loss on the sale of non-current assets	-
Loss on write-off of non-current assets	146,943
Discount rate adjustment to restoration provision	3,014,542
	<u>157,258</u>
	<u>3,318,743</u>

	2021	2020
	\$	\$
Loss on write-off of non-current assets	-	6,355
Land and Improvements	-	6,355
Buildings	119,290	787,576
Plant and Equipment	1,382	16,343
Transport	1,192,560	2,011,803
Water	24,840	20,527
Sewerage	51,983	30,444
Drainage	1,135	15,880
Other Assets	87,708	125,213
Computer Software	33,469	401
	<u>1,512,367</u>	<u>3,014,542</u>

**10 Cash and cash equivalents**

Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

	2021	2020
	\$	\$
Cash at bank and on hand	3,981,337	3,249,081
Deposits at call	60,936,158	55,115,913
Term deposits	-	5,000,000
	<u>64,917,495</u>	<u>63,364,994</u>

External restrictions on cash are disclosed as Contract Liabilities as per Note 15 (b).

Council may be exposed to credit risk through its investments in the QTC Cash Fund and deposits held with banks and other financial institutions. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed.

**11 Trust funds**

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds from security deposits lodged to guarantee performance and deposits for hire of Council facilities. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

	2021	2020
	\$	\$
<b>Trust funds held for outside parties</b>		
Security deposits	<u>43,217</u>	<u>40,439</u>

**BURDEKIN SHIRE COUNCIL**  
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**12 Receivables**

Receivables, loans and advances are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery or advance. Settlement of receivables is required within 30 days after the invoice is issued.

Loans and advances relate to loans made to various community organisations with varying terms however generally with a maximum of 10 years and are considered interest free. The credit risk on these loans is considered low and security is not normally obtained.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June.

As Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair rate receivables. Interest was charged on outstanding rates at a rate of 8% per annum in 2020/21 and 9% per annum in 2019/20. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

Grants and other debtors payable by State and Commonwealth governments and their agencies are effectively government guaranteed and both governments have high credit ratings. Accordingly, Council determines the level of credit risk exposure to be immaterial and therefore does not record an Expected Credit Loss for these counterparties.

In other cases, Council assesses the credit risk before providing goods, or services and applies normal business credit protection procedures to minimise the risk.

By the nature of Council's operations, there is a geographical concentration of risk in Council's area. As the area is largely agricultural, there is also a concentration in the agricultural sector.

	2021	2020
	\$	\$
<b>(a) Current</b>		
Rateable revenue and utility charges	810,597	831,454
Other debtors	616,116	678,690
Less loss allowance	(1,761)	(1,458)
Loans and advances to community organisations	96,454	65,387
	<u>1,521,406</u>	<u>1,574,073</u>
<b>(b) Non-current</b>		
Loans and advances to community organisations	<u>272,906</u>	<u>342,783</u>
<b>13 Other assets</b>		
	2021	2020
	\$	\$
<b>(a) Current</b>		
Water charges yet to be levied	900,137	1,300,418
GST recoverable	331,394	381,497
Escrow	200,000	200,000
Prepayments	215,792	182,932
	<u>1,647,323</u>	<u>2,064,847</u>
<b>(b) Non-current</b>		
Prepayments	<u>61,323</u>	<u>38,470</u>



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**14 Property, plant and equipment**

**(a) Recognition**

Purchases of property, plant and equipment are recognised as assets unless they are below the asset recognition threshold or are considered maintenance expenditure.

Land under the roads and reserve land which falls under the *Land Act 1994* or the *Land Title Act 1994* is controlled by the Queensland Government pursuant to the relevant legislation. This land is not recognised in these financial statements.

**(b) Measurement**

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition, including freight, design fees, architect's fees and all other establishment costs. Direct labour and materials incurred in the acquisition or construction of assets are treated as capital expenditure.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against asset revaluation surplus.

**(c) Depreciation**

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

All assets except for land are depreciated over their useful life using the straight line method. Land is not depreciated as it has an unlimited useful life. Useful lives are reviewed regularly to ensure that the economic benefits embodied in the assets are consumed over the period of use by Council. The condition assessments performed as part of the annual valuation process for assets measured at written down current replacement cost, are used to estimate the useful lives of these assets at each reporting date.

Where assets have separately identifiable components these components have separately assigned useful lives.

Council only has residual values on the plant and equipment asset class and these are determined based on estimated recovery value at the end of an asset's useful life.

**(d) Impairment**

Property, plant and equipment held at cost is assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the asset's recoverable amount is determined. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
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**14 Property, plant and equipment (continued)**  
**(e) Movements**

	Land and Improvements	Buildings	Plant and Equipment	Transport	Water	Sewerage	Drainage	Other Assets	Works in Progress	Total
	Fair Value Level 2 & 3	Fair Value Level 2 & 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost	
<b>For the year ended 30 June 2021</b>										
Gross value as at 30 June 2021	24,581,289	75,795,584	17,621,518	453,243,720	50,956,316	87,287,787	48,939,975	32,596,743	13,927,971	804,950,903
Less accumulated depreciation	(5,681,829)	(36,254,276)	(7,356,158)	(103,734,346)	(24,238,806)	(50,389,542)	(18,575,710)	(13,063,475)	-	(259,294,142)
Closing written down value as at 30 June 2021	18,899,460	39,541,308	10,265,360	349,509,374	26,717,510	36,898,245	30,364,265	19,533,268	13,927,971	545,656,761
<b>For the period ended 30 June 2020</b>										
Gross value as at 30 June 2020	24,653,499	76,025,358	16,333,721	442,266,319	48,519,097	84,926,126	47,735,443	31,871,440	8,668,825	780,999,828
Less accumulated depreciation	(5,640,683)	(35,093,304)	(6,131,131)	(98,112,115)	(22,991,337)	(48,208,501)	(17,581,725)	(12,253,530)	-	(246,012,326)
Closing written down value as at 30 June 2020	19,012,816	40,932,054	10,202,590	344,154,204	25,527,760	36,717,625	30,153,718	19,617,910	8,668,825	534,987,502
<b>Movements for year ended 30 June 2021</b>										
Opening written down value as at 1 July 2020	19,012,816	40,932,054	10,202,590	344,154,204	25,527,760	36,717,625	30,153,718	19,617,910	8,668,825	534,987,502
Correction to opening balance						4,865				4,865
Additions at cost	9,458	203,596	1,163,801	5,633,237	360,944	726,881	116,226	690,021	10,646,976	19,551,140
Internal transfers from work in progress	142,208	270,845	274,272	2,946,383	1,033,750	366,733	134,179	219,460	(5,387,830)	-
Depreciation provided in year	(283,699)	(1,738,692)	(1,350,293)	(5,602,432)	(692,396)	(1,388,602)	(623,322)	(906,415)		(12,076,446)
Disposals		(7,205)	(23,628)							(30,833)
Write-offs		(119,290)	(1,382)	(1,192,560)	(24,840)	(51,983)	(1,135)	(87,708)		(1,478,898)
Revaluation adjustment to other comprehensive income (refer the ARS*)	18,677			3,570,542	512,292	522,726	584,599			5,208,836
Closing net value as at 30 June 2021	18,899,460	39,541,308	10,265,360	349,509,374	26,717,510	36,898,245	30,364,265	19,533,268	13,927,971	545,656,761
<b>Range of estimated useful life in years</b>	34 - 210	5 - 156	2 - 60	4 - 152	7 - 138	10 - 127	5 - 151	5 - 150		
Additions of renewal assets	-	197,162	955,046	4,321,881	349,787	723,194	70,650	564,664	5,910,608	13,092,992
Additions of other assets	9,458	6,434	208,755	1,311,356	11,157	3,687	45,576	125,357	4,736,368	6,458,148
Total additions in year	9,458	203,596	1,163,801	5,633,237	360,944	726,881	116,226	690,021	10,646,976	19,551,140

\* ARS denotes - Asset Revaluation Surplus

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
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**14 Property, plant and equipment (continued)**

**(f) Valuation**

**(i) Processes**

Council considers the carrying amount of its property, plant and equipment on an annual basis compared to fair value and makes adjustment where these are materially different. At least every 3-5 years, Council performs a full comprehensive revaluation. For buildings, land, bridges, other assets and specific water and sewerage assets this is achieved by engaging an external professionally qualified valuer.

Council engineers, asset managers and asset officers undertake the internal valuation of infrastructure assets. The road component values (seal, pavement and subgrade) result from applying unit rates derived from Council's construction costs where there is sufficient representative samples, otherwise an index is applied based on similar construction type. All other infrastructure assets are valued using a first principles methodology incorporating current plant hire and wage rates, material and design costs and agreed installation rates. Condition of these infrastructure assets is assessed by either Council staff or a contractor physically sighting a sample of assets or by using aged based analysis. Process guidelines, maintenance history and regular inspection reports are also considered.

In the intervening years, with respect to the valuation of land, buildings, other assets, bridges and specific water and sewerage assets, a "desktop" valuation is undertaken. The desktop valuation involves management providing updated information to the valuer regarding additions, deletions, and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices to apply to each of these asset classes. Council staff assess the cost assumptions associated with all other infrastructure assets taking into consideration additions, deletions and changes to assumptions such as useful life, residual value and condition rating.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

In accordance with AASB 13 fair value measurements for assets are categorised on the following basis:

- Level 1 - Fair value based on quoted prices (unadjusted) in active markets for identical assets
- Level 2 - Fair value based on inputs that are directly or indirectly observable, such as prices for similar assets.
- Level 3 - Fair value based on unobservable inputs for the asset

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers between the levels during the year.

**(ii) Techniques used to derive fair values**

**Land and Improvements (level 2 and 3)**

Land fair values were comprehensively revalued by independent valuer, APV Valuers and Asset Management effective 31 May 2019. Fair value of land is measured at current market value, which is derived by reference to market based evidence including observable historical sales data for properties of similar nature and specification in the same localities. Where there is a lack of appropriate comparable sales evidence, the valuation is based on the closest comparable sales in terms of the characteristics of the parcel and sales evidence. Council's fair value measurement is either a level 2 or 3, depending on whether the land is subject to use and/or sale restrictions and whether there is an active market. As at 31 March 2021 APV Valuers and Asset Management undertook a desktop review. The overall change to cost as at 31 March 2021 was a decrease of 0.90%.

	2021	2020
Land and Improvements	\$	\$
- Non-specialised (level 2)	11,991,422	11,969,814
- Specialised (level 3)	6,908,038	7,043,002
	<u>18,899,460</u>	<u>19,012,816</u>



**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
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**14 Property, plant and equipment (continued)**

**Buildings (level 2 and 3)**

The fair value of buildings were comprehensively revalued by independent valuer, Jones Lang LaSalle Pty Ltd effective 31 March 2020. Where there is an active market for Council building assets, fair value has been derived from sales evidence, with value adjustments taking into consideration location, development potential, aspect, size and date of sale. Where Council buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement cost to construct a modern equivalent asset. Cost data has been sourced from recent Council projects and cost guides such as Rawlinsons and Cordells. Allowances for physical depreciation and obsolescence has been deducted from the new replacement cost to determine fair value. As at 31 March 2021 Jones Lang LaSalle Pty Ltd provided an index of 1% which has not been applied.

	2021	2020
<b>Buildings</b>	\$	\$
- Non-specialised (level 2)	1,545,298	1,563,892
- Specialised (level 3)	37,996,010	39,368,162
	39,541,308	40,932,054

**Infrastructure assets (level 3)**

All Council infrastructure assets consisting of Transport, Drainage, Water, Sewerage and Other Assets are recorded at fair value using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the average cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or were redundant an adjustment was made so that the resulting valuation reflected the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output within the Council's planning horizon.

The fair value was determined using methods relevant to the asset class as described under individual asset categories below.

**Transport infrastructure**

**Roads**

All road segments are componentised into subgrade, pavement, and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs and overhead allocations. Council also assumes that all raw materials can be sourced from local suppliers.

Council completed a comprehensive valuation (including a full condition of its roads) effective 31 March 2019. In the subsequent years unit rate reviews and desktop conditioning were undertaken. Council staff have undertaken a full review of unit rates and a desktop review of condition as at 31 March 2021. The review of unit rates has resulted in an increase to cost of 1.31%.

**Bridges**

A comprehensive revaluation of bridge assets was undertaken by independent valuers, AssetVal Pty Ltd, effective 31 December 2017. Each bridge was assessed individually, with the valuation varying according to the material type used for construction, the deck area, condition and size. AssetVal Pty Ltd construction estimates considered raw materials, plant, labour and oncosts. These were applied to the known measurements of the assets to calculate the current replacement cost. The raw cost of material, as well as plant and labour hire rates, were established either through suppliers, quoted prices, or cost guides (e.g. Australian Rawlinson's Construction Handbook). Oncosts were established using industry standards which were then tailored to suit Council.

The valuers advised a 0% increase in Bridge and Major Culvert construction costs effective 31 December 2020.

**Drainage infrastructure**

Drainage assets are managed by component including segments of conduit, pits, manholes and channels. A full review of unit rates was undertaken internally by Council staff as at 31 March 2021. The review of unit rates has resulted in an increase to cost of 2.14%.

Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. Where drainage assets are located underground and physical inspection is not possible, the age, size and type of construction material, together with current and planned maintenance records are used to determine the fair value at reporting date.

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
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**14 Property, plant and equipment (continued)**

**Water and sewerage infrastructure**

A full revaluation of water and sewerage infrastructure fair value was determined by a combination of independent valuers, Jones Lang LaSalle Pty Ltd and internal valuations effective 31 March 2020. Jones Lang LaSalle Pty Ltd undertook a valuation of specific water assets (inc. boreholes, buildings, elevated storage, pumps, telemetry, aerator, chlorination equipment) and sewerage assets (inc. treatment plants, buildings, pump stations). Replacement costs have been determined using unit rates based on greenfield project costs and include all materials, labour and direct costs. These unit rates have been developed based on a variety of sources including in-house Council project costs, product suppliers, and published construction cost information, such as Rawlinson's and Cordell's. Allowances for physical depreciation and obsolescence were based on on-site condition and obsolescence assessments and were deducted from the new replacement cost to determine fair value. The remaining water and sewerage assets CRC were determined by management. The value of sewers was compared with current relined costs and the higher of the two values was adopted as the replacement unit rate.

Jones Lang LaSalle Pty Ltd provided an index for the specific water and sewerage assets, with Council staff internally reviewing the unit rates for the remaining assets. The following changes to cost - water 2.81% and sewerage 1.63% has been applied as at 31 March 2021.

**Other assets**

Other assets were comprehensively revalued by independent valuer, APV Valuers and Asset Management effective 31 May 2019. Where Council's other assets are specialised in nature the valuation has been undertaken using the written down current replacement cost methodology. As at 31 March 2021 APV Valuers and Asset Management undertook a desktop review which resulted in a 0% change in cost.

**Sensitivity of valuation to unobservable inputs**

Council's assets that are valued using written down CRC utilise a number of inputs into the valuation methodology. These inputs require judgement and are therefore classed as unobservable. The use of different judgements could result in a different valuation.

**15 Contract balances**

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or grantor. Where Council had invoiced the customer or grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

	2021	2020
	\$	\$
<b>(a) Contract assets</b>	1,151,812	415,210
	2021	2020
	\$	\$
<b>(b) Contract liabilities</b>	2,384,317	3,533,990
Funds received upfront to construct and repair Council controlled assets		

Revenue recognised that was included in the contract liability balance at the beginning of the year

	2021	2020
	\$	\$
Funds to construct and repair Council controlled assets	2,135,495	2,378,456

**16 Payables**

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

	2021	2020
	\$	\$
<b>Current</b>		
Creditors and accruals	3,940,912	3,381,209
Prepaid Rates	2,661,845	2,273,116
	6,602,757	5,654,325

Creditors and accruals are anticipated to be paid within one year except for contract retentions of \$44,270 which will be paid out within two years.

**BURDEKIN SHIRE COUNCIL**  
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**17 Provisions**

Liabilities are recognised for employee benefits such as wages and salaries, annual and long service leave in respect of services provided by the employees up to the reporting date.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee oncosts. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

**Long service leave**

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee oncosts. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates.

**Restoration**

A provision is made for the cost of restoring refuse sites where it is probable the Council will be liable, or required, to do this when the use of the facilities is complete.

The provision for refuse restoration is calculated as the present value of anticipated future costs associated with the closure and decontamination of these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These assumptions may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred.

The provision recognised for refuse sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that for the open site, Council will remediate the old trenches and waste mounds in 2030 with an estimated project cost of \$13,319,096. The remaining area is estimated to close in 2069 with a projected estimated cost of \$4,118,920. The remaining closed sites are estimated to be remediated between 2023 and 2025 with projected cost of \$5,467,488.

Where refuse sites are on state reserve land which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Changes in the provision thereafter are treated as an expense or income.

		2021	2020
<b>(a) Current</b>		\$	\$
	Annual leave	2,472,914	2,390,373
	Long service leave	3,325,790	3,155,492
		<u>5,798,704</u>	<u>5,545,865</u>
<b>(b) Non-current</b>			
	Long service leave	316,870	299,168
	Restoration	18,274,704	20,129,790
		<u>18,591,574</u>	<u>20,428,958</u>
<b>(c) Details of movements in restoration provision</b>	Note	2021	2020
		\$	\$
	Balance at beginning of the year	20,129,790	18,287,294
	Increase due to change in time	150,023	269,644
	Increase (decrease) due to change in discount rate	(1,639,618)	1,547,625
	Increase (decrease) in estimate of future cost and change in date of restoration	(365,491)	25,227
		<u>18,274,704</u>	<u>20,129,790</u>

This is the present value of the estimated future cost of restoring the refuse sites.

**18 Borrowings**

Unsecured borrowings are provided by the Queensland Treasury Corporation.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Principal and interest repayments are made quarterly in arrears. There have been no defaults or breaches of the loan agreement during this period. The final repayment date for Council's loan was 15 September 2020.

Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset.



**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
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**18 Borrowings (continued)**

Council was required as part of the condition of receiving capital grant funds of \$1,050,000 from the Department of Communities to mortgage as security a parcel of freehold land and improvements. It is not envisaged that Council will breach the contract.

**Borrowings at balance date are**

Current	2021	2020
<b>Queensland Treasury Corporation</b>	\$	\$
Balance at beginning of the year	346,051	1,679,087
Principal repayments	(346,051)	(1,333,036)
Book value at end of the year	-	346,051

**19 Asset revaluation surplus**

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus. Increases and decreases on revaluation are offset within a class of assets.

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

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

	Note	2021	2020
<b>(a) Movements in the asset revaluation surplus</b>		\$	\$
Balance at beginning of the year		315,584,389	312,775,138
Adjustments to the property, plant and equipment through revaluations	14 (e)	5,208,836	4,226,577
Adjustment to land and improvements arising from change in rehabilitation costs		1,890,237	(1,417,326)
Balance at end of the year		322,683,462	315,584,389

**(b) Asset revaluation surplus analysis**

The closing balance is comprised of the following asset categories

Land and Improvements	4,761,115	2,852,201
Buildings	27,779,502	27,779,502
Transport	224,128,130	220,557,588
Water	12,877,305	12,365,013
Sewerage	27,932,901	27,410,175
Drainage	13,858,335	13,273,736
Other Assets	11,346,174	11,346,174
	322,683,462	315,584,389

**20 Commitments for expenditure**

	2021	2020
<b>(a) Contractual commitments</b>	\$	\$
Contractual commitments at the reporting date but not recognised in the financial statements		
Service contracts over next 1 to 5 years	8,058,905	8,710,159

	2021	2020
<b>(b) Capital commitments</b>	\$	\$
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities		
Buildings and software	-	12,187
Infrastructure	3,958,205	1,167,705
Payable not later than 1 year	3,958,205	1,179,892

**21 Events after balance date**

There were no material financial adjusting events after balance date.

**22 Contingent liabilities**

**Local Government Workcare**

Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. Council's maximum exposure to the bank guarantee is \$327,635.

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**22 Contingent liabilities (continued)**

**Local Government Mutual**

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2020 the LGM financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Council's Chief Executive Officer is a board member of Local Government Workcare and Local Government Mutual. These two entities are considered related parties to Council.

**Industrial Estate Development**

In 2020, Council entered into contracts to acquire land to facilitate the expansion of the Ayr Industrial Estate to provide economic growth and employment in the Burdekin region. These contracts were settled during the 2020 financial year and contained various terms and conditions.

Under the various terms and conditions of the land contracts Council has contingent assets/liabilities which include escrow payments, call option, relocation costs and land swaps in the new development.

**23 Superannuation**

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

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of the Council.

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

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

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

The next triennial actuarial review is not due until 1 July 2021.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

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

	Note	2021 \$	2020 \$
Superannuation contributions made to the Regional Defined Benefits Fund		149,029	140,897
Other superannuation contributions for employees		2,139,293	2,047,786
	6	<u>2,288,322</u>	<u>2,188,683</u>

**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

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

	Note	2021 \$	2020 \$
Net result		7,604,213	4,936,094
Non-cash items			
Impairment of receivables and bad debts written-off	8	2,230	1,069
Depreciation	14 (e)	12,585,851	12,076,446
Amortisation		74,215	68,328
Change in restoration provisions expensed to finance costs	8	150,023	269,644
		<u>12,812,319</u>	<u>12,415,487</u>
Investing and development activities			
Capital grants, subsidies and contributions	4 (b)	(8,868,005)	(5,851,619)
Other capital income	5	(119,176)	(1,732)
Other capital expenses	9	1,512,367	3,318,743
		<u>(7,474,814)</u>	<u>(2,534,608)</u>
Changes in operating assets and liabilities			
(Increase)/decrease in receivables		81,504	658,965
(Increase)/decrease in other assets		394,671	(490,981)
(Increase)/decrease in contract assets		174,790	(67,617)
(Increase)/decrease in inventories (excluding land)		(77,931)	9,686
Increase/(decrease) in payables		948,432	(378,674)
Increase/(decrease) in contract liabilities		(12,007)	(62,228)
Increase/(decrease) in provisions		270,541	313,107
Increase/(decrease) in other liabilities		(858)	(448,356)
		<u>1,779,142</u>	<u>(466,098)</u>
<b>Net cash inflow from operating activities</b>		<u><u>14,720,860</u></u>	<u><u>14,350,875</u></u>

**25 Transactions with related parties**

**(a) Subsidiaries**

Council did not have any subsidiaries during the financial year.

**(b) Transactions with related parties that have not been disclosed**

Most of the entities and people that are related parties of Council live and operate within the Shire. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include payment of rates, animal registration, use of council facilities e.g. library, theatre, swimming pools.

Council has not included these types of transactions in its disclosure, where they are made on the same terms and conditions available to the general public.

**26 Financial instruments**

**Financial assets and financial liabilities**

Council has exposure to credit, liquidity and market risks arising from financial instruments.

**Risk management framework**

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies. Council approves policies and registers for overall risk management, as well as specifically for managing credit, liquidity and market risk.

The Council's risk management policies and registers are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council. Council does not enter into derivatives.

The Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council audit committee is assisted in its oversight role by internal audit. Internal audit undertakes planned reviews in accordance with the endorsed three year internal audit plan, the results of which are reported to the audit committee.



**BURDEKIN SHIRE COUNCIL**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**26 Financial instruments (continued)**

**Credit risk**

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar State/Commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the Council.

**Liquidity risk**

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

The Council does not have any overdraft facilities at the reporting date.

**Market risk**

Market risk is the risk that changes in market indices, such as interest rates, will affect the Council's income or the value of its holdings of financial instruments.

*Interest rate risk*

The Council is exposed to interest rate risk through investments with QTC and other financial institutions. Council has access to a mix of variable and fixed rate funding options through QTC and other financial institutions so that interest rate risk exposure can be minimised.

# BURDEKIN SHIRE COUNCIL

## FINANCIAL STATEMENTS

For the year ended 30 June 2021

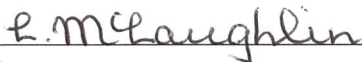
### MANAGEMENT CERTIFICATE

For the year ended 30 June 2021

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

  
\_\_\_\_\_  
Mayor

Cr. L.A. McLaughlin

Date: 06 / 09 / 2021

  
\_\_\_\_\_  
Chief Executive Officer

T.P. Brennan

Date: 06 / 09 / 2021

## INDEPENDENT AUDITOR'S REPORT

To the councillors of Burdekin Shire Council

### Report on the audit of the financial report

#### Opinion

I have audited the financial report of Burdekin Shire Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2021, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

#### Basis for opinion

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

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

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

#### Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Burdekin Shire Council's annual report for the year ended 30 June 2021 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

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



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

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

### **Responsibilities of the councillors for the financial report**

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

#### **Report on other legal and regulatory requirements**

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- I received all the information and explanations I required.
- I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

#### **Prescribed requirements scope**

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's transactions and account balances to enable the preparation of a true and fair financial report.



Sri Narasimhan  
as delegate of the Auditor-General

13 September 2021

Queensland Audit Office  
Brisbane

**BURDEKIN SHIRE COUNCIL**  
**Current-Year Financial Sustainability Statement**  
**For the year ended 30 June 2021**

**Measures of financial sustainability**

- (i) **Operating surplus ratio**  
Operating surplus (Net result excluding capital items) divided by total operating revenue (excluding capital revenue).
- (ii) **Asset sustainability ratio**  
Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.
- (iii) **Net financial liabilities ratio**  
Total liabilities less current assets divided by total operating revenue (excluding capital items).

Council's performance at 30 June 2021 against key financial ratios

Ratio	Target	Actual
Operating surplus	Between 0% and 10%	0.26%
Asset sustainability	Greater than 90%	107.54%
Net financial liabilities	Not greater than 60%	-71.90%

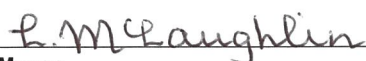
**Note 1 - Basis of Preparation**

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the Financial Management (Sustainability) Guideline 2013. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2021.

**Certificate of Accuracy**  
**For the year ended 30 June 2021**

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

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

  
\_\_\_\_\_  
Mayor

Cr. L.A. McLaughlin

Date: 06/09/2021

  
\_\_\_\_\_  
Chief Executive Officer

T.P. Brennan

Date: 06/09/2021



## INDEPENDENT AUDITOR'S REPORT

To the councillors of Burdekin Shire Council

### Report on the current-year financial sustainability statement

#### Opinion

I have audited the accompanying current-year financial sustainability statement of Burdekin Shire Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Burdekin Shire Council for the year ended 30 June 2021 has been accurately calculated.

#### Basis of opinion

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

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

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

#### Emphasis of matter – basis of accounting

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

#### Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Burdekin Shire Council's annual report for the year ended 30 June 2021 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

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

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

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

### **Responsibilities of the councillors for the current-year financial sustainability statement**

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

### **Auditor's responsibilities for the audit of the current-year financial sustainability statement**

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

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

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

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

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



Sri Narasimhan  
as delegate of the Auditor-General

13 September 2021

Queensland Audit Office  
Brisbane



**BURDEKIN SHIRE COUNCIL**  
**Long-Term Financial Sustainability Statement (unaudited)**  
 Prepared as at 30 June 2021

**Measures of Financial Sustainability**

- (i) **Operating surplus ratio**  
 Operating surplus (Net result excluding capital items) divided by total operating revenue (excluding capital revenue).
- (ii) **Asset sustainability ratio**  
 Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.
- (iii) **Net financial liabilities ratio**  
 Total liabilities less current assets divided by total operating revenue (excluding capital items).

Council's performance at 30 June 2021 against key financial ratios

		<b>Operating surplus ratio</b>	<b>Asset sustainability ratio</b>	<b>Net financial liabilities ratio</b>
<b>Target</b>		Between 0% and 10%	Greater than 90%	Not greater than 60%
Actuals at 30 June 2021		0.26%	107.54%	-71.90%
Projected for the years ended	30 June 2022	-0.60%	125.60%	-56.70%
	30 June 2023	0.70%	139.60%	-49.90%
	30 June 2024	0.70%	135.80%	-47.80%
	30 June 2025	1.30%	111.20%	-52.10%
	30 June 2026	1.00%	117.10%	-52.20%
	30 June 2027	1.10%	116.30%	-53.30%
	30 June 2028	1.30%	115.30%	-58.50%
	30 June 2029	1.30%	95.10%	-68.60%
	30 June 2030	1.10%	102.30%	-75.20%

**Financial Management Strategy**

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

**Certificate of Accuracy**  
**For the long-term financial sustainability statement prepared as at 30 June 2021**

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

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

L. McLaughlin  
 Mayor

Cr. L.A. McLaughlin

Date: 06/09/2021

T.P. Brennan  
 Chief Executive Officer

T.P. Brennan

Date: 06/09/2021



# Contact Council



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Burdekin Shire Council



[@burdekinshire](https://www.instagram.com/burdekinshire)  
[@visitburdekin](https://www.instagram.com/visitburdekin)



**Burdekin**  
Shire Council



### 7.2.1. OPERATIONS

**Tender Submissions Received for ACL/20/001 Pre-Qualified Suppliers for Hire of Wet and Dry Plant and Equipment – Refresh One and ACL/20/002 Traffic Control Providers – Refresh One**

**File Reference:** 351 and 352  
**Report Author:** Leigh Palmer, Administration Officer Environment and Health Services  
**Authoriser:** Wayne Saldumbide, Manager Operations  
**Meeting Date:** 28 September 2021

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

Burdekin Shire Council Corporate Plan 2017-2022

5.3.2. Ensure Council's financial position is effectively managed

5.3.3. Adhere to the governance framework and public reporting systems

5.3.4. Undertake regulatory responsibilities in accordance with legislative obligations

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### **Executive Summary**

Submissions for Approved Contractors List ACL/20/001 – Request for Pre-Qualified Suppliers for Hire of Wet and Dry Plant and Equipment – Refresh One and ACL/20/002 – Request for Pre-Qualified Suppliers for Traffic Control Providers (including equipment) – Refresh One closed at 2:00pm on the 10 September 2021.

Council received twenty-two applications for Hire of Wet and Dry Plant and Equipment with two (2) applications deemed non-conforming due to insufficient documentation being supplied with the application. From the nineteen conforming applications eight (8) were from local suppliers.

Council received four applications for Traffic Control Providers by the nominated closing time. Of these two (2) were deemed non-conforming as insufficient documentation was supplied with the application.

### **Recommendation**

That Council accepts the conforming tenders received for Refresh One – ACL/20/001 – Request for Pre-Qualified Suppliers for Hire of Wet and Dry Plant and Equipment and ACL/20/002 – Request for Pre-Qualified Suppliers for Traffic Control Providers (including equipment) as per the attached listing for the period up to and including 30 September 2023 with an opportunity for the second annual refresh at the 30 September 2022.

### **Background**

Council may establish a register of pre-qualified suppliers under the provisions of the *Local Government Regulations 2012*, Division 3 Section 232.

This section applies to a medium-sized contractual arrangement or large-sized contractual arrangement for services.

A Local Government may enter into the contract without first inviting written quotes or tenders if the contract is made with a person who is on an approved contractor list.

A Pre-Qualified Supplier Listing is a list of persons who the Local Government considers to be appropriately qualified to provide the services.

The Local Government must put together the Pre-Qualified Suppliers list by:

(a) inviting expressions of interest from suitably qualified persons, by an advertisement in a newspaper that



circulates generally in the local government area; and

(b) allowing expressions of interest to be given to the local government for at least 21 days after the invitation is advertised; and

(c) choosing persons for the approved contractor list on the basis of the sound contracting principles.

This is in line with provisions within Council's Procurement Policy 2021/2022.

### **Consultation**

Applications for the above, closing at 2:00pm on the 10 September 2021 was advertised in the Burdekin Local News, Thursday 26 August 2021 and Townsville Bulletin, Friday 27 August 2021 and on Burdekin Shire Council's website for three (3) weeks from Friday 20 August 2021. Previously registered suppliers on Vendor Panel were sent an email advising of the tender being released.

A non-mandatory meeting for prospective applicants was scheduled on Tuesday 31 August 2021 at 5.30pm to explain the mandatory requirement to lodge offers electronically via Vendor Panel tendering platform and to have any queries in relation to the tender documentation clarified.

No RSVP's were received from prospective tenderers so the meeting was cancelled.

### **Budget & Resource Implications**

The attached listing is utilised in the delivery of the budgeted Capital and Maintenance Programs.

### **Legal Authority & Implications**

*Local Government Regulations 2012*

Chapter 6 Contracting

Division 3: Exceptions for medium-sized and large-sized contractual arrangements

Section 231 - Exception for register of pre-qualified suppliers

Burdekin Shire Council Procurement Policy 2021/2022.

### **Policy Implications**

The establishment of a Register of Pre-qualified Suppliers is consistent with the Burdekin Shire Council Procurement Policy 2021/2022 as follows:

The Burdekin Shire Council Procurement Policy states Council officers must have regard to the following sound contracting principles in all purchasing and disposal activities:

- a) Value for money
- b) Open and effective competition
- c) The development of competitive local business and industry
- d) Environmental protection
- e) Ethical behaviour and fair dealing

### **Risk Implications (Strategic, Operational, Project Risks)**

Council mitigates risk by running a tender for the Approved Contractors list to ensure that all contractors Council engages from the approved contractors list to carry out services are compliant. This includes ensuring that approved contractors: are registered companies or incorporated bodies; are covered by Workcover Queensland; are adequately trained and possess the required licenses and tickets; are covered

by Public Liability and Plant insurance; machinery is registered, and have adequate Work, Health and Safety procedures and practices are in place.

### **Attachments**

1. Request for Pre-Qualified Hire of Wet and Dry Plant and Equipment and Traffic Control Providers (including equipment)

<b>ACL/20/001 - REFRESH - VP 261416</b>	<b>Response Number</b>
AUSROAD SYSTEMS PTY LTD	VPR455485
BAZZA'S TRUCK HIRE PTY LTD	VPR459067
DENNIS ENTERPRSES (NQ) PTY LTD	VPR460903
ELLIS PROFILING QLD) PTY LTD	VPR461494
EMAC COMMUNICATIONS & CIVILS PTY LTD	VPR460978
FLEXIHIRE PTY LTD	VPR461191
G & G MARKWELL PTY LTD	VPR462436
HALLER INDUSTRIES PTY LTD	VPR461758
LANBUILT PTY LTD T/A BPL CIVIL SOLUTIONS	VPR457863
NQ TRUCK HIRE PTY LTD	VPR462923
PETERAIL PTY LTD T/A P & G TILTS	VPR460916
ROBINSON CIVIL GROUP (ROBINSON CIVIL CONSTRUCTIONS FNQ PTY LTD)	VPR462483
ROLLERS QLD (ROLLERS AUSTRALIA PTY LTD)	VPR458169
SPATARO'S BOBCAT & MINILOAD PTY LTD	VPR462278
STICKY GROUP PTY LTD	VPR462744
R MALAPONTE PTY LTD	Accepted after the Close due Clause 1.8.4
ROBERT OAR PTY LTD ATF ROBERT OAR TRUST T/A RURAL QUIP	VPR456468
TOWNSVILLE EARTHMOVING	VPR462616
VAC BORA PTY LTD	VPR462372
VACTRUCKS (NQ) PTY LTD	VPR462776



ACL/20/002 - REFRESH VP 261412	Response Number
EVOLUTION TRAFFIC MANAGEMENT PTY LTD	VPR462975
GUARDRITE SECURITY AND TRAFFIC MANAGEMENT QLD PTY	VPR462913

### 7.3.1. PLANNING AND DEVELOPMENT

#### Request for Quotation - Replace Burdekin Memorial Hall Chiller Unit, Storage Tank, Pump and Controls.

**File Reference:** 216  
**Report Author:** Keith Lewty, Facilities Management Coordinator  
**Authoriser:** Shane Great, Manager Planning and Development  
Nick Wellwood, Director Infrastructure Planning and Environmental Services  
**Meeting Date:** 28 September 2021

#### Link to Corporate/Operational Plan:

Burdekin Shire Council Corporate Plan 2017-2022

1.1.1. Plan, build and maintain infrastructure that enhances community assets

Burdekin Shire Council Operational Plan 2020-2022

PD 12 Develop and implement appropriate facilities management strategies that will ensure effective and efficient planning and coordination of all relevant building maintenance activities

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### Executive Summary

After a routine inspection of the Air Conditioning Units at the Burdekin Memorial Hall, it was discovered that one side of the chiller unit had failed. The extent of damage to the chiller unit could not be repaired and therefore a Request for Quotations was sent to three suppliers on 3 August 2021. The quotations scope of works was based upon components of a similar replacement size.

After the initial quotations for The Burdekin Memorial Hall – Replace Chiller Unit, Storage Tank, and Controls were called, all three contacted supplies provided quotes on or before 7 August 2021.

The scope of works included as part of quotations received by Council varied greatly in design specifications including several options. Due to the complex nature of the existing air conditioner unit and variations in the quotes received, Council Officers referred the quotations to an independent consulting engineer to assist and ensure the most cost effective and efficient scope of works is adopted.

### Recommendation

That Council accepts the Quotation submitted by MVO Airconditioning for the amount of \$155,430.00 ex GST to carry out works associated with replacing the Burdekin Memorial Hall Chiller Unit, Pump, Storage Tank, and Controls.

### Background

Quotations for the Burdekin Memorial Hall – Replace Chiller Unit, Storage Tank, and Controls have been called with three (3) quotes sourced in accordance with Council's adopted Procurement Policy. Quotations were received from:

- MVO Airconditioning
- Laser Electrical
- Burdekin Air Conditioning and Electrical Pty Ltd.

Quotes were assessed using similar criteria to "VendorPanel" using a multi-criteria assessment scoring based on:

- Price
- Experience
- Local Content
- Delivery Time

- Quality of workmanship
- Contract variations/Dealings

After an initial assessment of the quotes, it was revealed that the scope of works varied significantly and included several options. Given this, officers referred the scope of works to Mr Wayne Benson of Ashburner Francis for an independent assessment to provide a revised, consistent "scope of works". Subsequently, all three (3) suppliers were provided with a tender/quote clarification advice requesting that the quotes be amended to include the new terms and specifications. In particular:

- 300kW scroll chiller (including lead time);
- 3000 litre chilled water storage tank, with a pricing option for a larger 5,000 litre tank;
- New chilled water pump of the same type as the existing (backward pull out);
- New control system; and
- Allowance to reuse and re-route the existing sub-mains.

All three (3) contractors provided revised quotations by close of business 21 September 2021. At the completion of assessing the quotations, all quotes complied with the revised scope of works. At the completion of the evaluation, the cheapest and highest ranked supplier was MVO Airconditioning.

The quote evaluation summary is set out below, which determines MVO Airconditioning as the preferred supplier.

#### **Summary of quote evaluation:**

<b>Company Name</b>	<b>Weighted Scores</b>	<b>Ranking</b>	<b>Delivery Time</b>
MVO Airconditioning	92.5/100	1	12-14 weeks
Laser Electrical	90.5/100	2	13-15 weeks
Burdekin Air Conditioning and Electrical Pty Ltd	86/100	3	12-14 weeks

Therefore, it is recommended that Council adopt the recommendation to award the contract to MVO Airconditioning.

#### **Consultation**

On-site meetings with identified contractors/suppliers were undertaken at the beginning of August to ascertain extent of works.

#### **Budget & Resource Implications**

Given that the proposed emergent works were not identified in the 2021/2022 Budget, funds are not included in current capital budgets. It is intended to fund the works from depreciation reserves at the next budget review given this is renewal works.

#### **Legal Authority & Implications**

Not Applicable.

#### **Policy Implications**

Council's Procurement Policy.

#### **Risk Implications (Strategic, Operational, Project Risks)**

Delays associated with the supply and installation of new air conditioning plant and equipment may impact on the air conditioning at the Memorial Hall during a booked function.

#### **Attachments**

None.