

---

**GENERAL MANAGER****AO139-19 GENERAL MANAGER'S INFORMATION REPORT CORPORATE AND BUSINESS SERVICES APRIL 2019****FILE NO: 4/18/2****PREVIOUS MIN:**

MAKING BURNIE 2030 – CORPORATE PLAN REFERENCE:

Direction	7	AN ENGAGING AND ACCOUNTABLE LEADERSHIP FOCUSED ON A STRONG FUTURE
Objective	7.4	A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes.
Strategy	7.4.2	Demonstrate financial accountability and ensure strong internal controls underpin performance.

**1.0 RECOMMENDATION:**

***“THAT the General Manager’s Information Report for Corporate and Business Services for April 2019 be noted.”***

**2.0 SUMMARY**

The report includes the following items:

**Corporate and Business Services**

- 2.1 Summary Financial Statements
- 2.2 Schedule of Investments
- 2.3 Operational Report by Directorate/Department
- 2.4 Receivables Analysis
- 2.5 Rates Analysis
- 2.6 Capital Expenditure Report
- 2.7 Contracts Awarded
- 2.8 Consultants Engaged
- 2.9 Governance – Use of Council Seal

**2.1 SUMMARY FINANCIAL STATEMENTS****Statement of Comprehensive Income**

This report provides the draft YTD operating results for the period ending 30 April 2019.

**YTD Comprehensive Income Statement**

	YTD Actual	YTD Budget	YTD Variance to Budget	Annual Budget 2019	Annual Forecast 2019	Forecast Variance to Budget	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Recurrent Income</b>							
Rates and charges	22,778	22,476	✓ (301)	22,514	22,778	✓ (264)	F
Statutory fees and fines	876	832	✓ (44)	999	1,037	✓ (38)	F
User fees	3,692	3,943	✗ 251	4,734	4,449	✗ 285	U
Grants	1,135	1,180	⚠ 45	1,417	1,460	✓ (43)	F
Reimbursements	295	238	✓ (57)	286	346	✓ (60)	F
Other income	660	746	✗ 86	896	896	✓ (1)	F
Investment income	487	939	✗ 452	1,127	1,174	✓ (47)	F
<b>Total recurrent income</b>	<b>29,922</b>	<b>30,354</b>	<b>✗ 432</b>	<b>31,972</b>	<b>32,138</b>	<b>✓ (166)</b>	<b>F</b>
<b>Recurrent Expenses</b>							
Employee benefits	8,893	9,271	✓ (378)	11,253	11,394	✗ 141	U
Materials and services	8,313	8,767	✓ (453)	10,524	10,661	✗ 138	U
Depreciation and amortisation	6,411	6,604	✓ (193)	7,928	7,725	✓ (203)	F
Finance costs	38	60	✓ (22)	73	73	✓ -	F
Other expenses	2,790	2,840	✓ (50)	3,409	3,405	✓ (4)	F
<b>Total recurrent expenses</b>	<b>26,445</b>	<b>27,542</b>	<b>✓ (1,097)</b>	<b>33,187</b>	<b>33,258</b>	<b>✗ 71</b>	<b>U</b>
<b>Operating surplus/(deficit)</b>	<b>3,477</b>	<b>2,812</b>	<b>✓ (665)</b>	<b>(1,215)</b>	<b>(1,119)</b>	<b>✓ (96)</b>	<b>F</b>
<b>Capital Items</b>							
Capital grants	879	2,472	✗ 1,593	2,967	2,862	✗ 105	U
Expenditure on assets not owned by Council	-	-	✓ -	-	-	✓ -	F
Developer Contributions	-	-	✓ -	-	-	✓ -	F
Net gain/(loss) on disposal of assets	(221)	-	✗ 221	(269)	(269)	✓ -	F
	<b>658</b>	<b>2,472</b>	<b>✗ 1,814</b>	<b>2,698</b>	<b>2,593</b>	<b>✗ 105</b>	<b>U</b>
<b>Surplus/(deficit)</b>	<b>4,135</b>	<b>5,284</b>	<b>✗ 1,149</b>	<b>1,483</b>	<b>1,474</b>	<b>⚠ 9</b>	<b>U</b>
<b>Operating Margin</b>	<b>1.13</b>	<b>1.10</b>		<b>0.96</b>	<b>0.97</b>		

- ✓ A favourable variance
- ⚠ An unfavorable variance < \$50k
- ✗ An unfavorable variance > \$50k

F = YTD favourable variance to budget      U = YTD unfavourable variance to budget

Council is budgeting for an underlying deficit of \$1.215m in 2018-19.

Council is currently forecasting to have a favourable operational variance to budget of \$0.096m. While there are a number of favourable and unfavourable variance across the budget the favourable variance of \$96k is predominately due to higher than budgeted supplementary rates income.

**Statement of Financial Position**

The Statement of Financial Position provides a snapshot of Council's financial position at the end of the reporting period.

The current ratio line is an indicator of Council's liquidity and ability to pay its debts when they fall due. A ratio of more than 1.00 or more indicates that there is more cash and short terms assets than short term liabilities. Council is forecasting to have a current ratio of 1.01 as at 30 June 2019.

**Statement of Financial Position**

	Actual 2019 \$'000	Budget 2019 \$'000	Forecast 2019 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6,088	4,078	3,830
Trade and other receivables	3,450	1,592	1,592
Inventories	131	138	138
Other assets	8	46	46
<b>Total current assets</b>	<b>9,676</b>	<b>5,854</b>	<b>5,606</b>
<b>Non-current assets</b>			
Investment in water corporation	66,151	66,151	66,151
Investments in subsidiaries	2,103	2,103	2,103
Investment in joint venture	3,329	3,329	3,329
Property, infrastructure, plant and equipment	330,528	333,989	334,227
<b>Total non-current assets</b>	<b>402,111</b>	<b>405,572</b>	<b>405,810</b>
<b>Total assets</b>	<b>411,787</b>	<b>411,426</b>	<b>411,416</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	906	2,601	2,601
Trust funds and deposits	132	135	135
Interest-bearing loans and borrowings	310	340	340
Employee provisions	2,292	2,489	2,489
<b>Total current liabilities</b>	<b>3,640</b>	<b>5,565</b>	<b>5,565</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and borrowings	1,111	923	923
Employee provisions	161	166	166
<b>Total non-current liabilities</b>	<b>1,271</b>	<b>1,089</b>	<b>1,089</b>
<b>Total liabilities</b>	<b>4,911</b>	<b>6,654</b>	<b>6,654</b>
<b>Net Assets</b>	<b>406,876</b>	<b>404,772</b>	<b>404,762</b>
<b>Equity</b>			
Accumulated surplus	273,697	273,698	273,698
Surplus/(deficit)	4,135	1,483	1,474
Reserves	129,043	129,590	129,590
<b>Total Equity</b>	<b>406,876</b>	<b>404,772</b>	<b>404,762</b>
<b>CURRENT RATIO</b>	<b>3</b>	<b>1.05</b>	<b>1.01</b>

**Statement of Cash Flows**

This report details cash and investment movements and balances as at the end of the reporting period.

Council's cash and investments balance as at 30 April 2019 is \$6.088m.

**Burnie City Council**  
**Statement of Cash Flows**

	Actual 2019 \$'000	Budget 2019 \$'000	Forecast 2019 \$'000
<b>Cash flows from operating activities</b>			
Rates and charges	19,419	22,514	22,725
Statutory fees and fines	876	946	1,037
User fees	3,692	4,811	4,449
Grants	1,135	1,343	1,460
Reimbursements	295	285	346
Other income	660	889	896
Payments to suppliers	(10,152)	(10,460)	(10,610)
Payments to employees	(9,026)	(11,122)	(11,325)
Other payments	(2,790)	(3,481)	(3,405)
<b>Net cash provided by (used in) operating activities</b>	<b>4,109</b>	<b>5,725</b>	<b>5,572</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equip	(6,077)	(11,996)	(12,033)
Dividends and distributions	487	1,127	1,174
Capital grants	879	2,967	2,862
Proceeds from sale of property, infrastructure, plant and equipment	243	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>(4,468)</b>	<b>(7,902)</b>	<b>(7,997)</b>
<b>Cash flows from financing activities</b>			
Finance costs	(38)	(73)	(73)
Repayment of interest bearing loans and borrowings	(153)	(310)	(310)
<b>Net cash provided by (used in) financing activities</b>	<b>(191)</b>	<b>(383)</b>	<b>(383)</b>
Net increase (decrease) in cash and cash equivalents	(551)	(2,560)	(2,808)
Cash and cash equivalents at the beginning of the financial year	6,638	6,638	6,638
<b>Cash and cash equivalents at the end of the period</b>	<b>6,088</b>	<b>4,078</b>	<b>3,830</b>

**2.2 SCHEDULE OF INVESTMENTS**

A schedule of Council's investments is provided as at 30 April 2019:

<b>Investments Schedule as at 30/04/19</b>							
<b>Institution</b>	<b>Term</b>	<b>Rate</b>	<b>S&amp;P Rating</b>	<b>Lodgement Date</b>	<b>Maturity</b>	<b>Amount</b>	<b>Total</b>
ANZ	At Call	1.90%	A1+			1,964	1,964
MyState	365 Days	2.90%	A2	02-09-18	02-09-19	500,000	
MyState	270 Days	2.80%	A2	02-09-18	02-06-19	1,000,000	
My State	365 Days	2.80%	A2	08-08-18	08-08-19	500,000	2,000,000
Bendigo	270 Days	2.80%	A2	08-08-18	08-05-19	1,000,000	1,000,000
ME Bank	365 Days	2.85%	A2	23-07-18	23-07-19	1,000,000	
ME Bank	365 Days	2.85%	A2	08-08-18	08-08-19	1,000,000	2,000,000
Bankwest	270 Days	2.75%	A1+	30-08-18	27-05-19	1,000,000	1,000,000
							<b>6,001,964</b>

**Investment Allocation by Credit Rating**

<b>Credit Rating</b>	<b>%</b>	<b>Amount</b>	<b>WAIR</b>
A1+	17%	\$1,001,964	2.75%
A1	0%	\$0	0.00%
A2	83%	\$5,000,000	2.83%
	<b>100%</b>	<b>\$6,001,964</b>	

**Investment Allocation by Bank**

<b>Bank</b>	<b>%</b>	<b>Amount</b>
ANZ	0%	\$1,964
MyState	33%	\$2,000,000
Bendigo	17%	\$1,000,000
ME Bank	33%	\$2,000,000
Bankwest	17%	\$1,000,000
	<b>100%</b>	<b>\$6,001,964</b>

Council's Treasury Management Policy CP-CBS-SG-038 sets the parameters for management of Council's investment portfolio.

Cash reserves require careful management to both achieve optimum investment incomes and to ensure that cash is available when needed for planned expenditures. Funds are invested in a manner that allows Council to earn interest on community funds for as long as possible while retaining flexibility in accessing those funds for Council operations.

The primary tool for deciding on how much and how long to invest is the cash flow budget. A buffer of funds is retained in an interest bearing at call account to ensure funds are available to meet the Council's commitments.

Council's risk from exposure to any individual institution is restricted through diversification of the investment portfolio. No more than 40% of Council's total investment portfolio will be invested in any one institution. Council is also mindful of limiting its exposure to institutions with a credit rating of less than A1 and will not invest more than \$3,000,000 with any one institution with a credit rating of less than A1.

**2.3 OPERATIONAL REPORT BY DIRECTORATE/DEPARTMENT**

This section provides an overview of the operational performance of each department. Forecasts are provided for each department highlighting anticipated variances to budget identified to date.

Explanations are provided for forecast budget variances of \$20,000 or more.

Department	30-Apr	Annual Budget	Forecast	Forecast Variance to Budget	Note
<b>Community &amp; Economic Development</b>					
Burnie Arts & Function Centre	790,388	915,389	1,017,578	102,189 Unfavourable	1
Burnie Regional Art Gallery	447,002	583,662	562,658	(21,004) Favourable	2
Burnie Regional Museum	214,879	273,527	268,714	(4,813) Favourable	
Business & Recreation	270,162	223,120	335,956	112,836 Unfavourable	3
CED Management	309,929	373,762	386,470	12,708 Unfavourable	
Community & Youth	289,261	378,077	358,702	(19,375) Favourable	
Marketing & Events	435,005	514,284	510,629	(3,655) Favourable	
Visitor Information Centre	371,741	370,935	383,611	12,676 Unfavourable	
<b>Community &amp; Economic Development Total</b>	<b>3,128,366</b>	<b>3,632,756</b>	<b>3,824,318</b>	<b>191,562</b> Unfavourable	
<b>Corporate &amp; Business Services</b>					
Accounting Services	(69,971)	-	(34,159)	(34,159) Favourable	4
Information Management	159,451	148,486	186,558	38,072 Unfavourable	5
Information Technology Services	(116,410)	-	(84,282)	(84,282) Favourable	6
Revenue Services	321,009	423,942	401,246	(22,696) Favourable	7
Strategic and Governance	(15,051,156)	(14,985,538)	(15,299,646)	(314,108) Favourable	8
<b>Corporate &amp; Business Services Total</b>	<b>(14,757,076)</b>	<b>(14,413,110)</b>	<b>(14,830,283)</b>	<b>(417,173)</b> Favourable	
<b>Employee Oncost Recovery</b>					
Oncosts	(180,806)	-	-	- Favourable	
<b>Employee Oncost Recovery Total</b>	<b>(180,806)</b>	<b>-</b>	<b>-</b>	<b>-</b> Favourable	
<b>Land &amp; Environmental Services</b>					
Compliance Support	(543,897)	(724,524)	(616,756)	107,768 Unfavourable	9
Development Services	495,368	729,235	677,860	(51,375) Favourable	10
Management LES	248,504	319,693	311,375	(8,318) Favourable	
<b>Land &amp; Environmental Services Total</b>	<b>199,975</b>	<b>324,404</b>	<b>372,479</b>	<b>48,075</b> Unfavourable	
<b>Office of the General Manager</b>					
Executive Management	378,900	477,020	468,059	(8,961) Favourable	
Organisational Development	(22,262)	-	8,973	8,973 Unfavourable	
<b>Office of the General Manager Total</b>	<b>356,638</b>	<b>477,020</b>	<b>477,032</b>	<b>12</b> Unfavourable	
<b>Works &amp; Services</b>					
Cemetery Services	24,637	683	665	(18) Favourable	
Facilities Management	1,696,433	2,134,398	2,112,028	(22,370) Favourable	11
Management WS	(1,536)	(25,234)	111,946	137,180 Unfavourable	12
Parks & Reserves	1,549,237	2,009,202	1,942,459	(66,743) Favourable	13
Sporting Grounds	1,208,533	1,477,999	1,451,263	(26,736) Favourable	14
Stormwater Services	(718,681)	(506,073)	(487,582)	18,491 Unfavourable	
Transport Services	4,923,347	6,098,264	6,059,763	(38,501) Favourable	15
Waste Management	(891,573)	4,509	85,162	80,653 Unfavourable	16
<b>Works &amp; Services Total</b>	<b>7,790,397</b>	<b>11,193,748</b>	<b>11,275,704</b>	<b>81,956</b> Unfavourable	
<b>Total</b>	<b>(3,462,505)</b>	<b>1,214,818</b>	<b>1,119,250</b>	<b>(95,568)</b> Favourable	

---

**Community & Economic Development*****1. Burnie Arts & Function Centre***

The BAFC provides the community with a safe, comfortable, well equipped and professionally managed performing arts and conference facility. The Centre includes two well-equipped theatre spaces, catering, kiosk and bar services; and a variety of rooms suitable for a diverse range of community and commercial activities.

The unfavourable variance to budget of \$102k for the Burnie Arts & Function Centre is due to higher than budgeted employee benefits \$57k which is partially offset by higher fee income, higher than budgeted electricity costs (\$27k) and lower than budgeted subscription season income due to the timing of shows in the 2019 program (\$29k).

***2. Burnie Regional Art Gallery***

The Art Gallery presents a range of quality exhibitions and professional visual art experiences to the community.

The favourable variance to budget of \$21k for the Burnie Regional Art Gallery is due to lower than budgeted grant expenditure \$14k and higher than budgeted sponsorship income \$9k.

***3. Business and Recreation***

Provides support to business groups in the city, coordination of cruise ship support, management of recreational sporting grounds and facilities; and manages major sporting events.

The unfavourable variance to budget of \$112k for Business and Recreation is predominately due to higher than budgeted losses on a number of Council's events, including Burnie Ten (\$44k), 321 Go (\$10k) and Burnie Challenge (\$7k). The losses relate to lower than budgeted entry income and also some one-off expenses relating to the rebranding of Burnie Ten. An unfavourable variance to budget of (\$29k) have also been incurred at the West Park venue.

**Corporate & Business Services*****4. Accounting Services***

The accounting services department oversees and maintains Council's treasury activities including financial planning and budgeting, overseeing financial systems and controls; and reporting to key stakeholders including Council, auditors and managers.

The favourable variance to budget of \$34k for Accounting Services is due to employee vacancies \$11k and higher than budgeted controlled entity SLA income \$23k.

***5. Information Management***

This business unit manages business information systems and processes to centralise collection, storage, disposal and retrieval of Council information and records for all areas of Council.

The unfavourable variance to budget of \$38k for Information Management is due to lower than budgeted income for 132 and 337 certificates.



**6. Information Technology Services**

This business unit is where costs associated with the maintenance of business systems used to assist Council in achieving its objectives and the management of Council's IT resources and infrastructure.

The favourable variance to budget of \$84k for Information Technology Services is due to lower than budgeted contract expenditure.

**7. Revenue Services**

The Revenue Services department levies and collects all Council revenue including rates and charges. The department provides a first point of contact for all customers' enquiries and plays a key role in ensuring that the community is able to access information in a professional, informative and expedient manner.

The favourable forecast variance to budget of \$22k for Revenue Services is due to lower than budgeted employee benefits due to a staff vacancy.

**8. Governance and Strategic**

This business unit provides the overall governance focus for Council. General rate revenue and costs associated with the Aldermen, the compilation of Council agendas and minutes, the facilitation of civic and ceremonial events, the oversight of insurance, organisational policies and by-laws, as well as attendance to Council's legislative imperatives are captured here.

The favourable forecast variance to budget of \$314k for Strategic & Governance is due to higher than budgeted supplementary rates (\$195k), higher than budgeted investment income (\$47k), higher than budgeted reimbursement income (\$33k) and lower than budgeted contract expenditure (\$35k).

**Land & Environmental Services****9. Compliance Support**

Compliance support business unit includes regulatory compliance and is responsible for the administration and management of cemeteries, the provision and regulation of public car spaces; and municipal inspection. Activities of this department assist to protect the community from the nuisance behaviours of animals, weeds or other conditions on land in accordance with relevant legislation and Council by-laws.

The unfavourable variance to budget of \$108k for compliance support is due to lower than budgeted cemetery management fees \$34k, lower than budgeted parking income \$37k, higher than budgeted employee benefits \$27k and higher than budgeted security cost for coin collection and counting \$18k.

**10. Development Services**

The development services business unit includes land use planning, building compliance and environmental health.

The favourable forecast variance to budget of \$51k for Development Services is due to higher than budgeted permit application fees.

**Works & Services****11. Facilities Management**

Facilities Management is responsible for the management of Council's buildings to ensure long term sustainability.

The favourable forecast variance to budget of \$22k for Facilities Management is due to lower than budgeted depreciation.

**12. Management WS**

The Management WS business unit provides management and strategic support, coordination and advice in relation to Council's significant investment in infrastructure including engineering services.

The unfavourable forecast variance to budget of \$137k for Management WS is due to higher than budgeted depreciation \$72k, higher than budgeted strategic initiatives \$32k and higher than budgeted employee benefits \$28k.

**13. Parks & Reserves**

Parks & Reserves carries the responsibility for management of parks and reserves and related assets in accordance with established service levels. Includes public open space, natural bush, feature parks for community usage and cemeteries.

The favourable forecast variance to budget of \$67k for Parks & Reserves is due to lower than budgeted depreciation.

**14. Sporting Grounds**

The sporting grounds business unit is responsible for maintenance of sporting grounds, playing surfaces and ancillary infrastructure in accordance with established services levels.

The favourable forecast variance to budget of \$27k for Sporting Grounds is due to lower than budgeted depreciation (\$56k) offset by higher than budgeted contract expenditure \$10k and lower than budgeted fee income \$14k.

**15. Transport Services**

Transport services is where the costs relating to construction and maintenance of Council's local roads network, maintenance and management of road reservations is captured.

The favourable forecast variance to budget of \$38k for Transport Services is due to lower than budgeted electricity costs.

**16. Waste Management**

The Waste Management business unit provides waste management services including domestic garage collection, recycling, commercial garbage and litter bin collections and operation of the Burnie Waste Management Centre. This area includes maintenance and management of Burnie's CBD and street cleaning.

The unfavourable forecast variance to budget of \$80k for Waste Management is due to higher than budgeted waste contract expenses.

**2.4 RECEIVABLES ANALYSIS**

The receivables analysis summarises all current amounts owed to Council as at the end of the reporting period. Graphical analysis is provided for the breakup of main receivable categories.

**Receivables Analysis as at 30 April 2019**

	<u>Total</u>	<u>Current</u>	<u>30-60 Days</u>	<u>60-90 Days</u>	<u>90+ Days</u>
<b>Trade Debtors</b>					
Sundry Debtors	232,306	202,950	14,722	1,200	13,434
Reserved Parking Spaces	10,806	7,737	1,961	(1,129)	2,238
Burnie Venues & Catering	4,527	2,786	509	-	1,232
Lease Debtors	14,137	14,555	(1,187)	769	-
Business & Recreation Debtors	17,716	11,705	5,172	838	-
Waste Debtors	45,486	44,984	1,258	(157)	(599)
<b>Total Trade Debtors</b>	<b>324,977</b>	<b>284,717</b>	<b>22,435</b>	<b>1,521</b>	<b>16,304</b>
Goods & Services Tax	(91,054)				
Infringements & Parking	1,277,685				
Other Receivables	8,663				
Rates & Charges	2,994,660				
Allowance for Impaired Debts	(1,065,369)				
<b>Total Receivables</b>	<b>3,449,563</b>				

**Infringements & parking**

	<b>Apr-19</b>		<b>Apr-18</b>		<b>Movement</b>	
	Count	Balance	Count	Balance	Count	Balance
<b>Issued 2019</b>	2,534	177,576			2,534	177,576
<b>Issued 2018</b>	1,276	102,433	2,487	167,607	(1,211)	(65,174)
<b>Issued 2017</b>	1,689	67,758	1,824	101,943	(135)	(34,185)
<b>Issued 2016</b>	1,010	44,343	1,062	55,503	(52)	(11,160)
<b>Issued 2015</b>	620	40,560	697	47,404	(77)	(6,844)
<b>Issued 2014</b>	560	37,726	608	42,715	(48)	(4,989)
<b>Issued 2013</b>	663	40,661	723	46,176	(60)	(5,515)
<b>Issued 2012</b>	553	35,145	580	37,409	(27)	(2,264)
<b>Issued 2011</b>	570	34,991	621	39,644	(51)	(4,653)
<b>Issued 2010</b>	675	25,686	716	28,945	(41)	(3,259)
<b>Issued 2009</b>	782	54,231	861	60,474	(79)	(6,243)
<b>Issued 2008</b>	1,461	73,343	1,482	76,206	(21)	(2,863)
<b>Issued 2007</b>	2,027	79,011	2,035	81,726	(8)	(2,715)
<b>Issued Pre-2006</b>	9,887	470,825	9,912	474,856	(25)	(4,031)
	<b>24,307</b>	<b>1,284,289</b>	<b>23,608</b>	<b>1,260,608</b>	<b>699</b>	<b>23,681</b>

**2.5 RATES ANALYSIS**

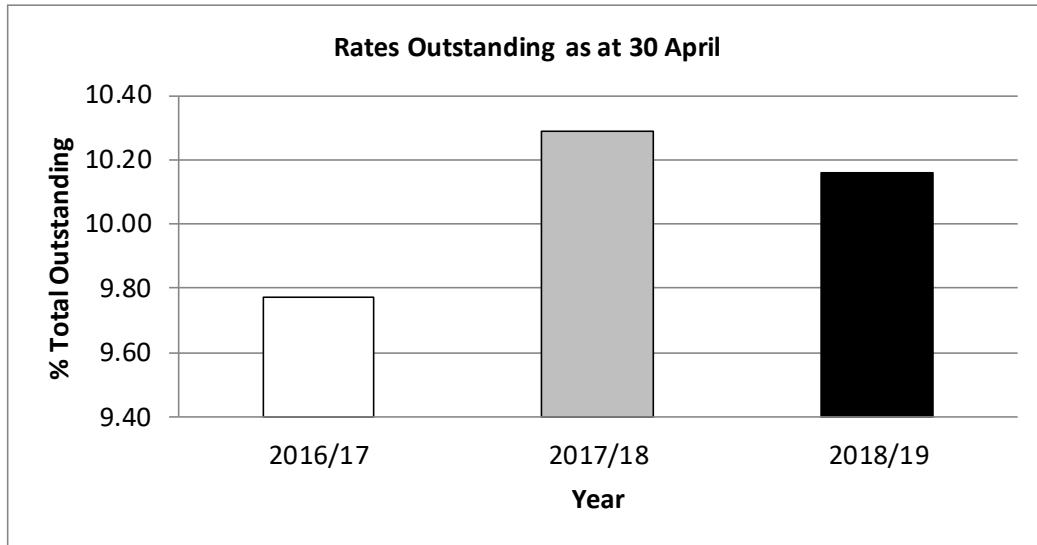
The rates analysis contains a summary of rating transaction movements for 2018/19 including the total levied, the total paid to date and the total unpaid as at the end of the reporting period. Rates are levied in July each year.

**Rates Outstanding as at 30/04/2019**

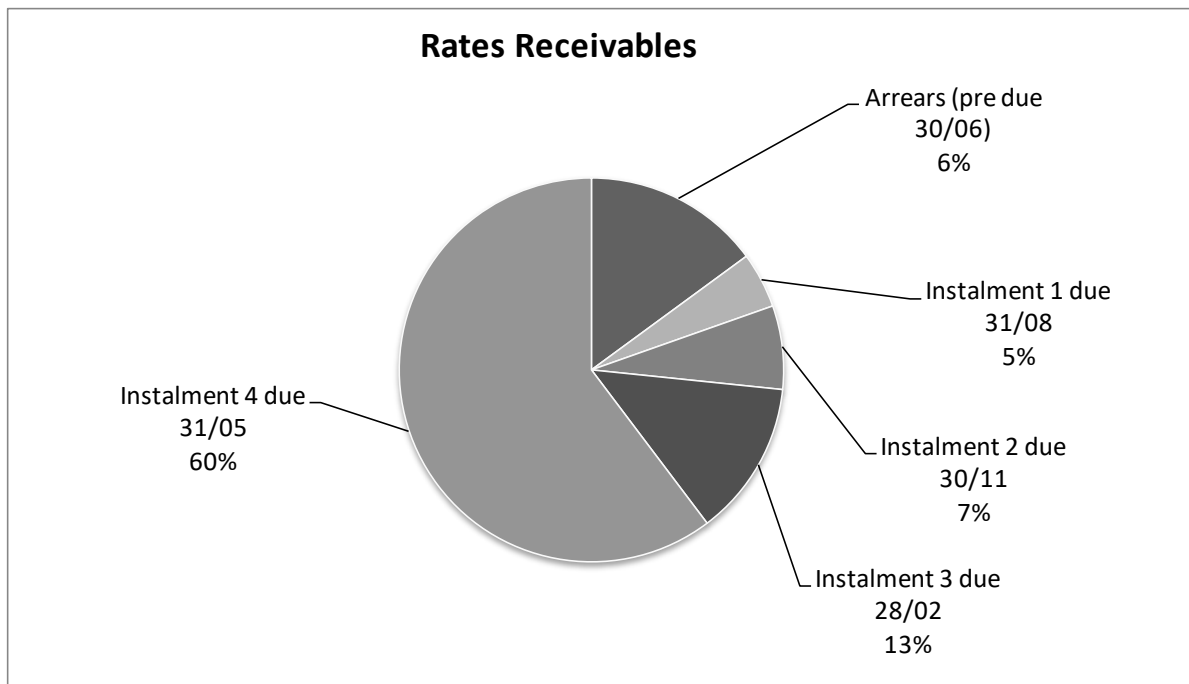
	This Financial Year 30 Apr 2019		Last Financial Year 30 Apr 2018		Change
		\$		\$	\$
Arrears Brought Forward as at July	5.30%	1,239,630	5.06%	1,172,182	67,448
Credit Brought Forward	-2.96%	(692,968)	-2.51%	(580,636)	(112,332)
Add Current Rates & Charges Levied	95.86%	22,432,054	96.90%	22,444,285	(12,231)
Penalty	0.32%	75,580	0.21%	47,545	28,036
Supplementary Rates	1.48%	345,598	0.34%	77,746	267,852
<b>Gross Rates and Charges Demanded</b>	<b>100.00%</b>	<b>23,399,895</b>	<b>100.00%</b>	<b>23,161,122</b>	<b>238,773</b>
Less: Rates & Charges Collected	84.84%	19,851,662	84.61%	19,596,372	255,290
Pension Remission	3.01%	705,175	3.08%	714,048	(8,873)
Residential Waste Remission	0.08%	18,144	0.08%	18,624	(480)
Hardship Interest Remission	0.00%	329	0.00%	591	(262)
Private Conservation	0.00%	105	0.00%	165	(60)
Misc Remissions	0.06%	12,988	0.11%	25,977	(12,989)
Services Remissions	0.00%	-	0.00%	-	-
Stormwater Remission	0.04%	8,692	0.04%	8,153	539
General Rate Remission	0.02%	4,611	0.03%	6,045	(1,434)
- Legal Fees	-0.01%	(1,638)	-0.01%	(1,814)	176
- Discounts	1.80%	422,178	1.77%	409,357	12,821
- Roundings/Adjustments	0.00%	(2)	0.00%	1	(3)
Sub Total	89.84%	21,022,245	89.71%	20,777,520	244,725
<b>Unpaid Rates &amp; Charges as at 30/04/2019</b>	<b>10.16%</b>	<b>2,377,650</b>	<b>10.29%</b>	<b>2,383,602</b>	<b>(5,952)</b>

	<u>2018/2019</u>		<u>2017/2018</u>	
Outstanding as at 30 April		2,936,175		2,899,740
Rates in credit		(558,525)		(516,138)
		<b>2,377,650</b>		<b>2,383,602</b>
Total number of assessments		10,038		9,954
Assessments outstanding	43.33%	4,349	45.0%	4,478
Credit Rates	-23.5%	(558,525)	-21.7%	(516,138)
Arrears (pre due 30/06)	18.4%	438,028	18.5%	440,265
Instalment 1 due 31/08	5.8%	137,413	5.6%	134,320
Instalment 2 due 30/11	8.7%	206,678	8.1%	193,337
Instalment 3 due 28/02	16.2%	384,281	16.6%	395,086
Instalment 4 due 31/05	74.4%	1,769,775	72.9%	1,736,732
	<b>100.00%</b>	<b>2,377,650</b>	<b>100.00%</b>	<b>2,383,602</b>

There were 4,349 assessments outstanding as at 30 April 2019 compared to 4,478 as at 30 April 2018.



The following graph provides a breakdown of total rates outstanding by instalment.



## 2.6 CAPITAL EXPENDITURE REPORT

The following report outlines council's YTD capital expenditure compared to budget as at 30 April 2019. Explanations are provided below for project forecast variances to budget of \$20,000 or more.

YTD Capital Expenditure 2018/19						
	YTD Expenditure	Annual Budget	Balance Unspent	Forecast	Forecast Variance to Budget	Note
<b>ROADS</b>						
<b>RURAL ROADS</b>						
Upgrade Programme	835,355	1,416,880	581,525	1,128,904	● (287,976)	1
Rural Roads Resealing	91,529	90,780	(749)	93,428	● 2,648	
Rural Roads Major Patching & Resealing	599,404	443,695	(155,709)	615,620	⊗ 171,925	2
Rural Roads Bridges Programme	57,801	100,910	43,109	83,530	● (17,380)	
<b>TOTAL RURAL ROADS</b>	<b>1,584,089</b>	<b>2,052,265</b>	<b>468,176</b>	<b>1,921,482</b>	● (130,783)	
<b>URBAN ROADS</b>						
Car Parking Improvements	5,980	69,690	63,710	81,690	● 12,000	
Driveways, Footpaths and Channel	85,122	98,180	13,058	113,468	● 15,288	
Retaining Walls	147,421	366,670	219,249	404,370	⊗ 37,700	3
Urban Infrastructure	210,854	1,498,828	1,287,974	393,497	● (1,105,331)	4
Urban Road Renewal & Upgrades	634,722	995,403	360,681	1,102,893	⊗ 107,490	5
Urban Road Resealing	317,598	515,393	197,795	468,621	● (46,772)	6
<b>TOTAL URBAN ROADS</b>	<b>1,401,697</b>	<b>3,544,164</b>	<b>2,142,467</b>	<b>2,564,539</b>	● (979,625)	
<b>TOTAL ROADS</b>	<b>2,985,786</b>	<b>5,596,429</b>	<b>2,610,643</b>	<b>4,486,021</b>	● (1,110,408)	
<b>STORMWATER</b>						
Storm Water Upgrades & Replacements	275,018	589,800	314,782	431,629	● (158,171)	7
<b>TOTAL STORMWATER</b>	<b>275,018</b>	<b>589,800</b>	<b>314,782</b>	<b>431,629</b>	● (158,171)	
<b>PARKS, RESERVES AND SPORTING FACILITIES</b>						
General Parks and Reserves	544,688	1,195,466	650,778	1,058,621	● (136,845)	8
Cemeteries	38,406	5,166	(33,240)	43,406	⊗ 38,240	9
Sporting Grounds & Facilities	175,798	321,198	145,400	425,197	⊗ 103,999	10
<b>TOTAL PARKS, RESERVES &amp; SPORTING FACILITIES</b>	<b>758,893</b>	<b>1,521,830</b>	<b>762,937</b>	<b>1,527,224</b>	● 5,394	
<b>WASTE</b>						
Garbage and Recycling	20,284	23,720	3,436	20,284	● (3,436)	
Waste Management Centre	15,024	55,214	40,190	55,214	● -	
<b>TOTAL WASTE MANAGEMENT</b>	<b>35,307</b>	<b>78,934</b>	<b>43,627</b>	<b>75,498</b>	● (3,436)	
<b>BUILDINGS</b>						
Sporting Facilities	620,926	1,382,737	761,811	1,330,091	● (52,646)	11
Public Amenities	23,399	118,600	95,201	118,600	● -	
Burnie Arts & Function Centre	131,444	174,266	42,822	170,284	● (3,982)	
Burnie Regional Museum	27,275	31,500	4,225	27,275	● (4,225)	
Other Buildings	67,856	93,435	25,579	116,669	⊗ 23,234	12
<b>TOTAL BUILDINGS</b>	<b>870,900</b>	<b>1,800,538</b>	<b>929,638</b>	<b>1,762,919</b>	● (37,619)	
<b>PROPERTY, PLANT &amp; EQUIPMENT (PPE)</b>						
Computer Equipment	14,374	203,773	189,399	203,773	● -	
Vehicles	60,695	97,000	36,305	95,541	● (1,459)	
Plant	659,612	1,326,149	666,537	1,261,374	● (64,775)	13
Other	260,600	507,966	247,366	506,856	● (1,110)	
Parking Equipment	101,400	106,414	5,014	114,460	● 8,046	
Furniture & Fittings	46,132	147,750	101,618	77,750	● (70,000)	14
Heritage Assets	8,044	20,000	11,957	30,000	● 10,000	
<b>TOTAL PLANT/EQUIPMENT/VEHICLES</b>	<b>1,150,858</b>	<b>2,409,052</b>	<b>1,258,194</b>	<b>2,289,754</b>	● (119,298)	
<b>TOTAL</b>	<b>6,076,762</b>	<b>11,996,583</b>	<b>5,919,821</b>	<b>10,573,045</b>	● (1,423,538)	

Note 1 - Upgrade Programme

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	
Fernglade Road Upgrade & Pathway Stage 2 (Wattle Ave - Emu River)	231,002	608,000	508,000	● -100,000	-16%
Mooreville Rd Widening - Stage 2	597,184	573,160	597,184	● 24,024	4%
West Ridgley Road and Culvert Upgrade (Provisional)	0	212,000	0	● -212,000	-100%

**Fernglade Road Upgrade & Pathway Stage 2 (Wattle Ave - Emu River)** – The project was originally proposed to be completed internally, but has now been put out to contract resulting in some savings for depot and tech services overhead.

**Mooreville Road Widening – Stage 2** – Minor additional works required to complete the project.

**West Ridgley Road and Culvert Upgrade (Provisional)** – Project was provisional on receiving Government funding. Project not expected to progress in 2018-19.

Note 2 - Rural Roads Major Patching & Resealing

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	
Circular Rd Reseal - East from Ridgley Hwy for 2.2km	484,233	316,200	486,400	● 170,200	54%

**Circular Rd Reseal – East from Ridgley Hwy for 2.2km** – Significant additional paver repairs.

Note 3 – Retaining Walls

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	
Retaining Walls - 19 Aileen Cres	62,152	62,300	100,000	● 37,700	61%

**Retaining Walls – 19 Aileen Cres** – Additional cost in the main due to the need to relocate a sewer main.

Note 4 - Urban Infrastructure

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	
Coastal Pathway Marine Terrace	32,440	0	32,440	● 32,440	0%
Coastal Pathway - Cooee to Somerset	23,255	1,211,648	50,000	● -1,161,648	-96%

**Coastal Pathway Marine Terrace** – Works from 2017-18, project costs paid in current financial year.

**Coastal Pathway - Cooee to Somerset** – Project on hold due to discussions with the State Government regarding erosion issues within the rail corridor.

Note 5 – Urban Road Renewal Upgrades

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	
Queen St- William St to Bass Hwy	289,046	495,000	700,000	● 205,000	41%
South Burnie Foreshore - Esplanade Access Road	122,224	255,000	122,224	● -132,776	-52%

**Queen St – William St to Bass Hwy** - Additional Stormwater works not scoped.

**South Burnie Foreshore – Esplanade Access Road** - Pavement rehabilitation reduced significantly.

#### Note 6 – Urban Road Resealing

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	Variance
Ormsby St Reseal - West of Pearl Street	73,100	89,760	73,100	● -16,660	-19%
Three Mile Line Road Reseal - Woniora Rd to Mooreville	133,504	174,420	134,300	● -40,120	-23%

**Ormsby St Reseal - West of Pearl Street** – Competitive rates. Not all of the surface preparation allowance required.

**Three Mile Line Road Reseal - Woniora Rd to Mooreville** – Scope of works modified. Future roundabout at Woniora Road, works in the intersection deferred. Will coordinate with developer.

#### Note 7 – Stormwater Upgrades & Replacements

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	Variance
Gully Pit Improvement Annual Program	44,617	71,160	44,617	● -26,543	-37%
Kerb Outfall Replacement Annual Program	8,451	17,790	8,451	● -9,339	-52%
Manholes/Mains Replacement & Property SW	71,037	118,600	71,037	● -47,563	-40%
Subsurface Drainage Program	4,623	23,720	4,623	● -19,097	-81%
Ridgley Drainage Study/Imp - Stage 1	47,759	189,760	158,000	● -31,760	-17%
Stormwater Main - 11-17 Old Surrey Road	6,312	66,180	6,312	● -59,868	-90%
Menai Street Stormwater Upgrade	81,514	47,440	81,514	● 34,074	72%

**Gully Pit Improvement Annual Project/Kerb Outfall Replacement Annual Program/Manholes/Mains Replacement & Property SW/Subsurface Drainage Program** – Offset Queen Street.

**Ridgley Drainage Study/Imp – Stage 1** – Scope of work reviewed. Small pipe to be installed. Trenchless technology to be applied.

**Stormwater Main – 11-17 Old Surrey Road** – Fully funded project in 2019-20.

**Menai Street Stormwater Upgrade** – Increased scope of works.

#### Note 8 - General Parks and Reserves

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	Variance
Romaine Reserve Playground Reinstatement	52,252	0	52,252	● 52,252	0%
Camdale Point Strategic Masterplan Works	12,510	59,300	25,000	● -34,300	-58%
Neighbourhood Park Upgrade Prog - Barker	32,964	17,790	32,964	● 15,174	85%
Parks Furniture Replacement Program	5,270	17,790	5,270	● -12,520	-70%
West Beach Stair Repair	64,412	0	64,412	● 64,412	0%
Walking Track Upgrades	9,570	23,720	9,570	● -14,150	-60%
Waterfront - Rail Corridor Integration	113,460	161,676	140,000	● -21,676	-13%
Waterfront - Eastern Promenade	180,887	745,500	550,000	● -195,500	-26%

**Romaine Reserve Playground Reinstatement** – Last year's budget.

**Camdale Point Strategic Masterplan Works** - Design and investigation work. Balance to be carried forward.



**Neighbourhood Park Upgrade Prog – Barker** – Invoice to be sent to community group – recoup \$15k.

**Parks Furniture Replacement Program** – Street furniture installed as part of the Romaine Reserve project.

**West Beach Stair Repair** – Unfunded works associated with storm damage in the previous year.

**Walking Track Upgrades** – Works carried out at Romaine as part of new BBQ area.

**Waterfront - Rail Corridor Integration & Eastern Promenade** – Cost expected to be lower than budget due to favourable tender pricing.

#### Note 9 – Cemeteries

Project Description	YTD Actual	Annual Budget	Forecast	Forecast Variance	% Variance
Lawn Cemetery Stage 5 Irrigation	38,240	0	38,240	38,240	0%

**Lawn Cemetery Stage 5 Irrigation** – Works from 2017-18, project costs paid in current financial year.

#### Note 10 – Sporting Grounds & Facilities

Project Description	YTD Actual	Annual Budget	Forecast	Forecast Variance	% Variance
West Park Upgrade	107,255	0	107,255	107,255	0%
Natone Ground Amenities	0	12,000	0	-12,000	-100%
Upper Burnie Sports Centre Footpath	16,736	6,523	16,736	10,213	157%

**West Park Upgrade** – Grant funding is being sort for this project.

**Natone Ground Amenities** – Project is not progressing.

**Upper Burnie Sports Centre Footpath** - Scope of works increased including installation of lighting. Some site challenges also led to extra time being required on site.

#### Note 11 - Sporting Facilities

Project Description	YTD Actual	Annual Budget	Forecast	Forecast Variance	% Variance
Tennis Court Remediation	103,277	0	129,000	129,000	0%
PCYC Old Stadium - Painting & Linings	22,655	8,108	22,655	14,547	179%
Surf Club - Lift Installation	0	107,969	0	-107,969	-100%
Surf Life Saving Club - Redevelopment	444,558	1,208,700	1,128,000	-80,700	-7%

**Tennis Court Remediation** – Scope of works and contingency/site issues, budgeted 2016-17, estimated additional costs 2017-18 carried forward.

**PCYC Old Stadium - Painting & Linings** – Actual cost of works greater than funds available from carry forward.

**Surf Club - Lift Installation** – Project has been incorporated with the Surf Club Building upgrade.

**Surf Life Saving Club – Redevelopment** – A saving is anticipated due to the final tender price being lower than budgeted.

**Note 12 – Buildings - Other**

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	Variance
Depot - Admin Building - Roof Solar Panels	14,653	0	14,653	●	0%
Mechanical Services Upgrade and Renewals	3,043	0	3,043	●	0%
Mechanical Services Upgrade and Renewals	24,159	20,400	24,159	●	18%

**Depot – Admin Building – Roof Solar Panels** - Last year's budget.

**Mechanical Services Upgrade renewals** - Last year's budget.

**Note 13 – Plant**

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	Variance
Hire Plant	578,238	1,251,000	1,180,000	●	-6%

**Hire Plant** – Note – potential carry forward balance. Savings based on tender processes.

**Note 14 Furniture & Fittings**

Project Description	YTD	Annual	Forecast	Forecast	%
	Actual	Budget		Variance	Variance
BAFC - Fire Curtain or Alternative	0	70,000	0	●	-100%

**BAFC – Fire Curtain or Alternative** - Reviewing options.

**2.7 CONTRACTS AWARDED**

The following table shows contracts awarded over \$100,000 (full contract value) during April 2019.

Contract Number	Contract Title	Contractor Registered Business Name and Address	Awarded Date	Initial Term	Value of Contract (Ex GST)
No Contracts awarded over \$100,000 during April 2019.					

**2.8 CONSULTANTS ENGAGED**

The following table lists consultants engaged throughout the current financial year for a cost greater than \$10,000. For the purpose of this table, a consultant is defined as a person or organisation that provides Council with professional advice in areas of strategy, planning or engineering. Consultants are engaged in accordance with Council's policy *C12 Code for Tenders and Contracts*.

Reasons that consultants may be engaged:

- A Lack of resource within Council
- B Specialist expertise required
- C Independence
- D Value for money (where Council cannot provide the service as efficiently)
- E Legal requirement

Project	Consultant	Description	Committed \$	Actual \$ LTD	Reason	Funded from	Complete
Romaine Dam Stage 2 Raising	K Moore & Associates	Construction phase services.	20,000 (Fee estimate)	43,661	B	Capital Works Allocation	Yes
Marine Terrace Coastal Pathway	Rare Innovation	Structural design and documentation for the elevated walkway sections.	20,800	33,992	B	Capital Works Allocation	Yes
South Burnie Breakwater Bund	Water Technology	Wave/coastal processes modelling, design and document reconstruction for tender, inspections.	21,650	19,809	B	Capital Works Allocation	Yes
Surf Club Lift	GHD	Investigate lift options, prepare concept plans for consultation, detail design for tender. No further work required, included in Surf Club Redevelopment.	23,080	1,200	B	Capital Works Allocation	Yes
Environmental Design	ES&D	Contaminated Soils, detailed site investigation	26,000	20,383	B	Cost of Sale	Yes
Adventure Playground Consultancy	Playstreet	Adventure Playground	15,000	10,440	B	Capital Works Allocation	Yes

Project	Consultant	Description	Committed \$	Actual \$ LTD	Reason	Funded from	Complete
Burnie Surf Club Redevelopment	Jaws Architects	Design and Project Delivery Services	74,797	74,797	B	Capital Works Allocation	Yes
Ridgley Drainage Study	Pitt & Sherry	Consultant Brief 188 – Stormwater Investigations and Reporting	26,730	29,403	B	Capital Works Allocation	Yes
Emu River Flood Study	Entura	Consultant Brief 191 – Investigation and reporting (Additional fee for analysis, research and property owner workshop)	49,800	56,010	B	Annual Plan Action	Yes
Parking Audit	Crowe Horwath	Scheduled audit commissioned by BCC Audit Committee	5,000	5,000	C	Audit Committee Budget	Yes
Romaine Dam	Entura	Dam Safety management plan and surveillance report	25,000	25,000	B	Strategic Initiatives	Yes
Credit Card Internal Audit	KPMG	Scheduled audit commissioned by BCC Audit Committee	7,000	7,000	C	Audit Committee Budget	Yes

## 2.9 GOVERNANCE – USE OF COUNCIL SEAL

4 April 2019	Part 5 Agreement – 132 & 137 Rutherford Road, Stowport – DA 2017/84
5 April 2019	Part 5 Agreement – West Mooreville Road, Park Grove – DA 2019/1
9 April 2019	Sale and Transfer of Land Titles – Beattie Street Burnie
18 April 2019	Certificate Under Section 35 Burnie Interim Planning Scheme 2013 Scheme Amendment No. 2019/1 – Massy Greene Drive
18 April 2019	Certified Draft Scheme Amendment Burnie Interim Planning Scheme 2013 Amendment No. 2019/1 – Massy Greene Drive