



**AGENDA FOR ORDINARY MEETING  
TO BE HELD IN COUNCIL CHAMBERS, BUNDABERG  
ON TUESDAY 24 MARCH 2020, COMMENCING AT 10.00 AM**

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**Item****24 March 2020****Item Number:**

F1

**File Number:****Part:**

FINANCE

**Portfolio:**

Organisational Services

**Subject:**

Financial Summary as at 2 March 2020

**Report Author:**

Anthony Keleher, Chief Financial Officer

**Authorised by:**

Amanda Pafumi, General Manager Organisational Services

**Link to Corporate Plan:**

Our People, Our Business - 3.1 A sustainable financial position - 3.1.2 Apply responsible fiscal principles for sustainable financial management.

**Background:**

In accordance with section 204 of the *Local Government Regulation 2012* a financial report must be presented to Council on a monthly basis. The attached financial report contains the financial summary and associated commentary at 2 March 2020.

**Associated Person/Organization:**

Nil

**Consultation:**

Financial Services Team

**Chief Legal Officer's Comments:**

Pursuant to section 204 of the *Local Government Regulation 2012* the Local Government must prepare and the Chief Executive Officer must present, the financial report. The financial report must state the progress that has been made in relation to the Local Governments budget for the period of the financial year up to a day or as near as practicable to the end of the month before the meeting is held.

**Policy Implications:**

There appear to be no policy implications.

**Financial and Resource Implications:**

There appear to be no financial or resource implications.

**Risk Management Implications:**

There appears to be no risk management implications.

**Human Rights:**

There appears to be no human rights implications.

**Communications Strategy:**

Communications Team consulted.

Yes

No

**Attachments:**

[↓1](#) Financial Summary as at 2 March 2020

**Recommendation:**

**That the financial summary as at 2 March 2020 be noted by Council.**

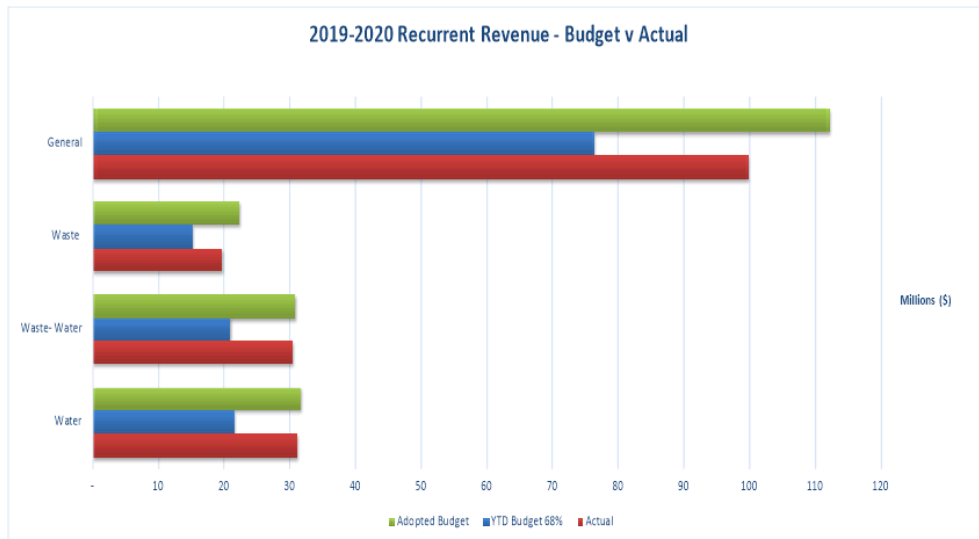
Financial Summary  
as at 02 Mar 2020

Progress check - 68%	Council			General			Waste			Wastewater			Water		
	Actual YTD	Adopted Budget	% Act/ Bud	Actual YTD	Adopted Budget	% Act/ Bud	Actual YTD	Adopted Budget	% Act / Bud	Actual YTD	Adopted Budget	% Act/ Bud	Actual YTD	Adopted Budget	% Act/ Bud
<b>Recurrent Activities</b>															
<i>Revenue</i>															
Rates and Utility Charges	180,796,821	180,884,986	100%	86,619,272	86,857,050	100%	15,319,955	15,310,200	100%	29,783,438	29,897,500	100%	29,074,156	29,020,236	100%
Less: Discounts and Pensioner Remissions	(6,748,447)	(6,048,950)	75%	(8,096,183)	(8,379,850)	73%	(222,788)	(227,600)	98%	(249,760)	(254,800)	98%	(179,738)	(186,900)	96%
	<b>154,048,374</b>	<b>151,636,036</b>	<b>102%</b>	<b>80,523,089</b>	<b>78,277,200</b>	<b>103%</b>	<b>15,097,167</b>	<b>15,082,600</b>	<b>100%</b>	<b>29,533,678</b>	<b>29,442,900</b>	<b>100%</b>	<b>28,894,418</b>	<b>28,833,336</b>	<b>100%</b>
Fees and Charges	17,847,408	27,944,991	84%	11,738,317	19,061,110	82%	4,152,240	8,506,941	84%	580,785	859,680	88%	1,378,086	1,517,260	91%
Interest Revenue	2,133,489	3,657,456	58%	629,208	1,237,500	51%	350,984	502,825	70%	315,475	539,631	58%	837,842	1,377,500	61%
Grants, Subsidies and Donations	7,075,097	13,856,976	51%	6,935,330	13,566,976	51%	91,730	280,000	32%	-	-	-	48,037	-	-
Sale of Developed Land Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Recurrent Revenue</b>	<b>181,104,368</b>	<b>197,095,459</b>	<b>92%</b>	<b>99,825,944</b>	<b>112,142,786</b>	<b>89%</b>	<b>19,692,123</b>	<b>22,382,366</b>	<b>88%</b>	<b>30,429,938</b>	<b>30,842,211</b>	<b>99%</b>	<b>31,156,363</b>	<b>31,728,096</b>	<b>98%</b>
<i>less Expenses</i>															
Employee Costs	46,802,058	73,460,278	64%	36,145,512	57,078,367	63%	4,083,635	6,026,784	68%	3,511,119	5,631,450	62%	3,061,792	4,753,677	64%
Materials and Services	39,848,741	66,414,844	57%	22,854,749	41,994,489	54%	7,075,843	11,486,334	62%	4,455,109	7,526,668	59%	5,463,040	8,427,353	65%
Finance Costs	2,806,926	4,433,076	63%	979,803	1,562,753	63%	596,807	911,471	65%	1,060,050	1,695,124	63%	170,266	263,728	65%
Depreciation	32,806,359	49,209,537	67%	23,420,837	35,131,255	67%	1,204,136	1,806,204	67%	4,265,721	6,398,581	67%	3,915,665	5,873,497	67%
<b>Total Recurrent Expenditure</b>	<b>122,264,084</b>	<b>196,547,735</b>	<b>62%</b>	<b>83,400,901</b>	<b>135,766,864</b>	<b>61%</b>	<b>12,960,421</b>	<b>20,210,793</b>	<b>64%</b>	<b>13,291,999</b>	<b>21,251,823</b>	<b>63%</b>	<b>12,610,763</b>	<b>19,318,255</b>	<b>65%</b>
<b>Operating Surplus</b>	<b>58,840,284</b>	<b>547,724</b>		<b>16,425,043</b>	<b>(23,624,078)</b>		<b>6,731,702</b>	<b>2,171,573</b>		<b>17,137,939</b>	<b>9,590,388</b>		<b>18,545,600</b>	<b>12,409,841</b>	
<i>less Transfers to</i>															
Restricted Capital Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCP Transfers	-	-	-	(10,340,078)	(15,510,118)	-	328,436	492,655	-	4,571,451	6,857,177	-	5,440,191	8,160,286	-
<b>Total Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,340,078)</b>	<b>(15,510,118)</b>	<b>-</b>	<b>328,436</b>	<b>492,655</b>	<b>-</b>	<b>4,571,451</b>	<b>6,857,177</b>	<b>-</b>	<b>5,440,191</b>	<b>8,160,286</b>	<b>-</b>
<b>Movement in Unallocated Surplus</b>	<b>58,840,284</b>	<b>547,724</b>		<b>26,765,121</b>	<b>(8,113,960)</b>		<b>6,403,266</b>	<b>1,678,918</b>		<b>12,566,488</b>	<b>2,733,211</b>		<b>13,105,409</b>	<b>4,249,555</b>	
Unallocated Surplus/(Deficit) brought forward	34,744,728	34,744,728		(16,904,646)	(16,904,646)		15,495,369	15,495,369		11,242,675	11,242,675		24,911,330	24,911,330	
<b>Unallocated Surplus/(Deficit)</b>	<b>93,585,012</b>	<b>35,292,452</b>		<b>9,860,475</b>	<b>(25,018,606)</b>		<b>21,898,635</b>	<b>17,174,287</b>		<b>23,809,163</b>	<b>13,975,886</b>		<b>38,016,739</b>	<b>29,160,885</b>	
<b>Capital Activities</b>															
Council Expenditure on Non-Current Assets	45,873,350	104,646,359	44%	39,463,006	85,533,534	46%	1,179,691	3,013,539	39%	1,209,988	4,013,152	30%	4,020,665	12,086,134	33%
Loan Redemption	4,856,022	7,292,658	67%	2,861,613	4,301,045	67%	438,704	658,057	67%	1,344,021	2,016,032	67%	211,684	317,524	67%
<b>Total Capital Expenditure</b>	<b>50,729,372</b>	<b>111,939,017</b>	<b>45%</b>	<b>42,324,619</b>	<b>89,834,579</b>	<b>47%</b>	<b>1,618,395</b>	<b>3,671,596</b>	<b>44%</b>	<b>2,554,009</b>	<b>6,029,184</b>	<b>42%</b>	<b>4,232,349</b>	<b>12,403,658</b>	<b>34%</b>
<b>Cash</b>															
Opening balance	147,278,309	147,278,309													
Movement - increase/(decrease)	(583,365)	(35,844,431)													
Closing balance	146,694,944	111,433,878													

Further to the Financial Summary Report as at 2 March 2020, the following key features are highlighted.

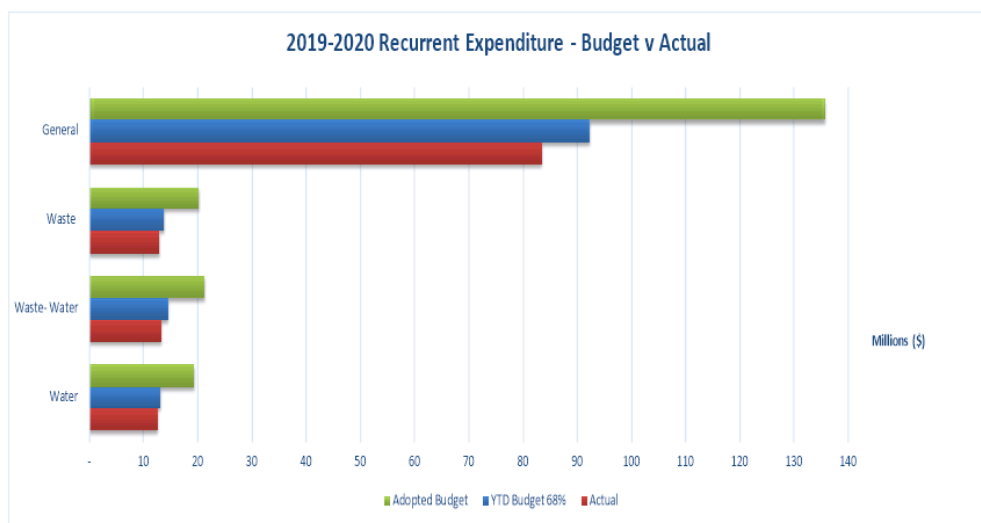
**Recurrent Revenue**

- Rates and Utility Charges for the second half year have been levied. Water consumption is higher than prior year averages. Pensioner remissions for the period have been applied across the business units and discount on general rates will increase during March as rate accounts are fully settled.
- Fees and charges are tracking slightly below budget. Water fees are tracking higher than anticipated with private works greater than budgeted.
- Interest Revenue is tracking below the year-to-date budget, however it's expected the actuals will approximate the budget during the remainder of the financial year with cash inflows from rates and charges.
- Grants, Subsidies and Donations are tracking below budget. This is due to the expected advance of the Financial Assistance Grant in June this financial year.



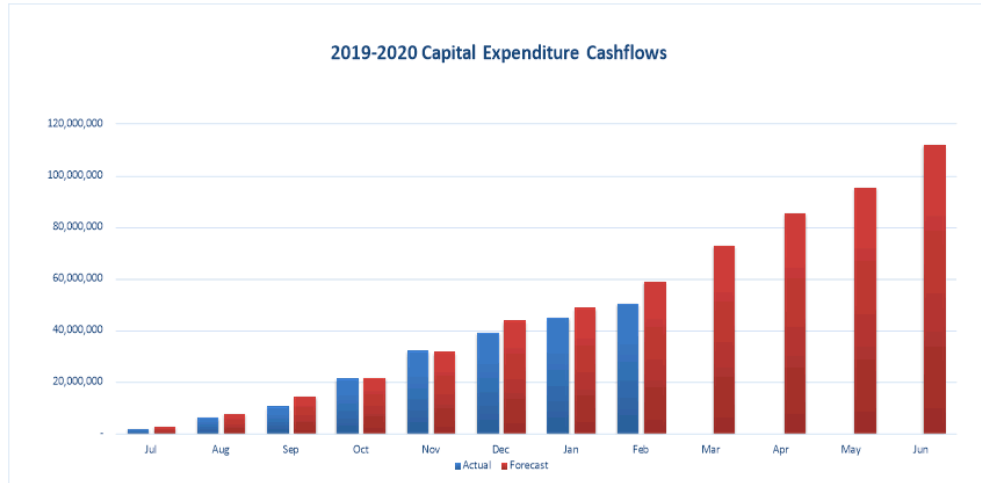
**Recurrent Expenditure**

- Employee Costs are tracking slightly below budget. This is expected with the latest Certified Agreement increase coming into effect during December.
- Materials and Services are tracking below budget. This is largely due to the timing in delivery of non-capital projects.
- Finance Costs are tracking slightly below budget. Finance costs include a provision for bad debts which may be realised later in the financial year.

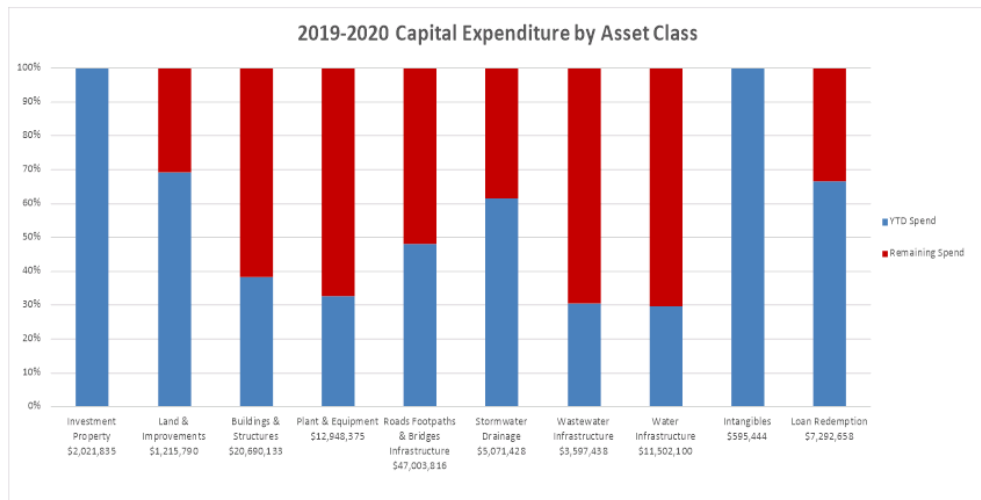


**Capital Expenditure and Capital Grants**

- Council has delivered 45% of this year's capital program at the reporting date, which is slightly behind expected cashflows. It's expected the large program of works scheduled for the remainder of the financial year will be delivered.



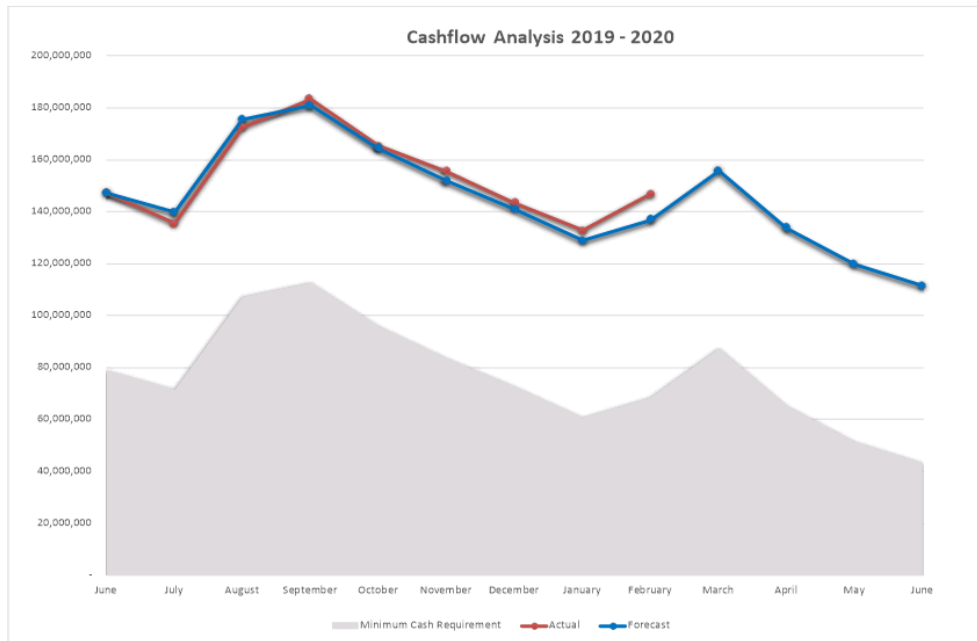
- Significant projects currently underway include the Gregory River Water Treatment Plant Upgrade, Buss Street Upgrade, Burnett Heads Water Main Improvements, Waterloo Hall Road Seal and Walkervale State School Carpark.
- The budgeted spend by asset class is shown below.



- Capital grants are on track with all milestones having been met and any variations to funding agreements approved. The final funding claims for Rubyanna Treatment Plant and Givelda Evacuation Route have been paid. The Childers Swimming Pool and Muttipleux claims are awaiting payment by the relevant Departmental body.

**Cash**

- The cash balance as at 2 March 2020 was \$146.7 million, an increase of \$13.9 million from the last report at 30 January 2020, reflecting the receipt of rates payments.
- No short-term liquidity issues are foreseeable.
- The actual and forecast cash movement is shown below. The variation is primarily related to the delivery of the capital works program.





**Rates Debtor**

- Rates outstanding total \$55.4 million which is lower than the rate debt outstanding this time last year.

**Other Debtors**

- Infringements outstanding total \$429,500 with the number of infringements increasing slightly to 3,521. Infringements continue to be recovered via the State Penalties, Enforcement Registry.
- Sundry Debtors outstanding for more than 90 days total \$655,000 across 75 accounts. The majority of this balance relates to the claim for the Multiplex which is awaiting approval from the State Government. Where appropriate, legal action has commenced on recovery of these debts.



**LATE AGENDA FOR ORDINARY MEETING  
TO BE HELD IN COUNCIL CHAMBERS, BUNDABERG  
ON TUESDAY 24 MARCH 2020, COMMENCING AT 10.00 AM**

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**Item****24 March 2020****Item Number:**

C1

**File Number:**

.

**Part:**

Councillors

**Portfolio:**

Councillors

**Notice of Motion:**

Cr Greg Barnes - ANZAC Day Flypasts

**Background:**

Like all regions around the nation and areas overseas, this Council has traditionally observed appropriate protocols on our most sacred day of commemoration. Australians young and old stand side by side to portray their thanks and show respect for those who have so nobly served their nation.

Unfortunately, the current coronavirus crisis has forced the cancellation of such events.

This Council has recently tendered for the charter of an appropriate aircraft, however, without a vote from the elected members, this charter has been cancelled even though it does not present any threat to the safety of our residents.

Despite the cancellation, the selected aircraft is still available to conduct regional fly-pass salutes as perhaps one of the only ways in which we as a region can safely demonstrate our respect.

I urge my colleagues to recognise this by supporting this motion for which abundant funding as already been allocated.

**Human Rights:**

There appears to be no human rights implications.

**Attachments:**

Nil

**Motion:****That:****1. due to the cancellation of all regional ANZAC Day Services, this Council:**

- a. **recognise and respect the service and sacrifice by members of the Australian and New Zealand Defence Forces by providing a chartered vintage aircraft to conduct aerial salutes of regional centres on ANZAC Day 2020;**

- b. recognise that an amount for this charter has already been allocated in the current budget and that savings will otherwise be realised through the cancellation of 2020 ANZAC Day regional services;**
  - c. recognise that further carry-over funding should be available from the 2018/19 budget after Council decided not to sponsor flypast salutes for the 2019 ANZAC Day regional services;**
- 2. That, this Council, as far as possible:**
  - a. observe flag protocols at regional memorials by presenting the Australian National Flag, and where possible, the New Zealand National Flag, at half-mast as a sign of our community's respect for the fallen;**
  - b. permit the placement of the bronze Lee-Enfield rifle sculpture into the Bargara Memorial during ANZAC Day 2020.**

**Item****24 March 2020****Item Number:**

F2

**File Number:**

.

**Part:**

FINANCE

**Portfolio:**

Organisational Services

**Subject:**

Land Sale to Recover Rates Arrears

**Report Author:**

Stephen Johnston, Chief Executive Officer

**Authorised by:**

Stephen Johnston, Chief Executive Officer

**Link to Corporate Plan:**

Our People, Our Business - 3.1 A sustainable financial position - 3.1.2 Apply responsible fiscal principles for sustainable financial management.

**Background:**

On 19 November 2019, Council resolved at its Ordinary meeting to proceed to land sales for recovery of unpaid rate arrears pursuant to the *Local Government Regulation 2012*.

Given the COVID-19 pandemic and the recommendations regarding social distancing put in place from the Federal Government, Council does not believe that it is appropriate to proceed with the auction at this time as social distancing at the auction would be very difficult to achieve.

Council will be able to recommence the process at any stage in the future.

**Associated Person/Organization:**

Nil

**Consultation:**

Portfolio Spokesperson: Cr Cooper

**Chief Legal Officer's Comments:**

Council can terminate the auction given the current pandemic. Council has also been provided with external legal advice from King and Company Lawyers confirming that Council may terminate the auction.

**Policy Implications:**

There appear to be no policy implications.

**Financial and Resource Implications:**

The termination of this Land Sale process does not prevent Council from charging Interest on the overdue rates and charges; nor will this prevent Council from including these properties in future Land Sale processes.

**Risk Management Implications:**

There appears to be no risk management implications.

**Human Rights:**

There appears to be no human rights implications.

**Communications Strategy:**

Communications Team consulted.

- Yes
- No

**Attachments:**

Nil

**Recommendation:**

**That Council terminate the Land Sale to Recover Rate Arrears process at this time.**

**Item****24 March 2020****Item Number:**

F3

**File Number:**

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**Part:**

FINANCE

**Portfolio:**

Organisational Services

**Subject:**

Interest on Overdue Rates and Charges

**Report Author:**

Stephen Johnston, Chief Executive Officer

**Authorised by:**

Stephen Johnston, Chief Executive Officer

**Link to Corporate Plan:**

Our People, Our Business - 3.1 A sustainable financial position - 3.1.2 Apply responsible fiscal principles for sustainable financial management.

**Background:**

Council in its Revenue Statement, adopted as part of the Budget, determined that it will charge interest on overdue rates and charges from the seventh day following the due date stated on the rate notice.

Given that the Coronavirus (COVID-19) will have a significant impact on the economy and community in the Bundaberg Regional Council area, Council under section 9(1) of the Local Government Act 2009, may provide relief in the interest of welfare and good governance in the local government area ie from the charging of interest until the 30 June 2020.

The relief from interest charges is to apply to all outstanding rates and charges from the last interest run on 12 March 2020.

**Associated Person/Organization:**

Nil

**Consultation:**

Portfolio Spokesperson: Cr SA Cooper

**Chief Legal Officer's Comments:**

External legal advice from King and Co Lawyers has been provided.

**Policy Implications:**

There appear to be no policy implications.

**Financial and Resource Implications:**

It is expected that the relief from charging interest until the 30 June 2020 will result in a reduction of \$160,000 in revenue.

**Risk Management Implications:**

There appears to be no risk management implications.

**Human Rights:**

There appears to be no human rights implications.

**Communications Strategy:**

Communications Team consulted.

Yes

No

**Attachments:**

Nil

**Recommendation:**

**In the interests of the welfare and good government of its local government area, having regard to the economic downturn currently being experienced as a result of the coronavirus COVID-19 pandemic**

**- and pursuant to section 9(1) of the *Local Government Act 2009*, Council not charge interest on all outstanding rates and charges levied by Rate Notices from 12 March 2020 to 30 June 2020.**