

# BURNIE CITY COUNCIL

Annual Report 2017 - 2018



**CITY of MAKERS**



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# HERITAGE

## A snapshot of our past

Emu Bay (later known as Burnie) was established by the Van Diemen's Land Co. (VDL Co.) in 1827 as a port to serve its vast inland pastoral holdings.

Today, Burnie is a thriving and vibrant city of almost 20,000 people with strong industries centred around manufacturing and agriculture and just as it was in 1827, a busy port providing a critical connection to the mainland.

Photo: Victoria Parade, Cattley Street

The journey from settlement to city is an interesting one, captured in great detail by author Kerry Pink in *Campsite to City*.

Burnie's origins are directly attributable to the initiatives and involvement of the VDL Co. The Company had a disastrous beginning in Emu Bay with the land being unsuitable for the fine wool sheep grazing aspirations of chief surveyor Henry Hellyer.

The ups and downs of the VDL Co. over that time are quite another story, but as a result the small settlement of Emu Bay remained no more than a carved-out village on the port. In the first 50 years of settlement the population did not exceed 200.

Burnie's fortunes took a dramatic turn for the better in the late 1800s with the discovery of the West Coast mineral deposits. With the VDL Co. building the original horse-drawn tramway through its lands (later upgrading to iron and steam), Burnie became the port for the mines. The population of Burnie had boomed to more than 1000 by 1891.

The railway was later taken over by the Emu Bay Railway Company and the West Coast mineral bonanza resulted in record growth for Burnie's business district and the development of its outlying areas. Banks, churches and schools were established and the population grew to 1,500 by around 1900.

Farms and forests then played a key role when the decline of the mines came in about 1915. With an established population needing work, the years between the two World Wars brought the strong realisation that secondary industry was needed to sustain Burnie.

That industry came in the remarkable form of the Associated Pulp and Paper Mills Ltd which set Burnie on its path to a stunning population boom and economic growth. Surprising, because the story of how Gerald Mussen eventually got the mill up and running in 1938 was nothing less than amazing following setback after setback.

By 1945, the population had reached 10,000 people and by 1965, 18,500 people. Burnie was granted city status in 1988 when it exceeded 20,000.

The paper industry history of Burnie is the backbone of today's City of Makers theme and while the Mill finally closed its doors in 2010, the contribution of the Mill is honoured throughout the city.

Today, Burnie is a more diversified and attractive city that celebrates its industrial past and embraces its bright and creative future. In recent years the Council has focused on renewing significant city infrastructure and on working toward a more liveable city to attract growth in residents, tourism and business investment.

# OUR VISION AND VALUES

## Our community's vision

*Making Burnie 2030*

### A VIBRANT, THRIVING BEAUTIFUL PLACE

*Burnie has a personality and an energy that is at once recognisable*

*Our commerce and industry are diverse, innovative, bold and a source of pride*

*The coastline and hinterland provide the natural beauty in which we live*

### A CARING COMMUNITY

*We care about each other and warmly welcome those who visit Burnie*

*An inclusive community that builds goodwill and wellbeing*

### A REGIONAL LEADER ENGAGED WITH THE WORLD

*We are a regional leader in education, health, retail, services, arts and culture*

*We are connected with the world through information, business, social and rich cultural connections*

### A CITY THAT LIVES ITS DREAMS

*We seize and make the most of our opportunities*

*Those who live here know that you can make it in Burnie*

## Our community's values

### BE BOLD AND COURAGEOUS

*To lead, innovate and take risks*

### WORK TOGETHER

*Engaging and collaborating to realise innovative, smart and sustainable solutions to our challenges and opportunities*

### VALUE KNOWLEDGE

*As a way of realising our potential and encouraging life-long learning*

### BE RESPECTFUL AND INCLUSIVE

*Of each other, our environment and our heritage*

*Bringing everyone along on the journey*

*Balancing urban and rural needs, work and life, industry and environment*



Members of the community are invited to make submissions in writing on the contents of the Annual Report for discussion at the Annual General Meeting, which will be held at 7pm on 4 December 2018. Submissions should be addressed to the General Manager and received by 5pm, 30 November 2018 for inclusion in the agenda of the meeting.



## INTRODUCTION

### by the Mayor

It is with great pleasure that I present to the Burnie community the Burnie City Council's Annual Report for 2017-18.

It provides an excellent snapshot of projects, achievements, services, events and initiatives as well as accountability to the community in the financial, strategic and governance matters that Council is responsible for.

The outlook for Burnie remains positive with the Burnie Port enjoying growth and key industries such as advanced manufacturing and forestry showing strong performance. Planned expansion of the Burnie Port by Tasports is a very welcome and necessary investment to support the significant container freight throughput, both in and out of Burnie for the state. The port continues to be Burnie's greatest economic asset and a barometer of the city's economic stability, just as it was the driver for Burnie's growth in the early years.

The deep water port is also a tourism gateway for cruise ship visitation with a bumper season of 29 ships visiting our port in 2017-18 compared to 16 in the previous year. Even higher numbers are expected for the coming year with Burnie being a highlight destination for passengers – largely due to the local welcome and assistance provided by a host of dedicated volunteers, and the uniquely local attractions, products and experiences within the region. Tasport's support with wharf shelters and contribution toward shuttle services is greatly appreciated.

Some notable projects were invested in this year, including the Romaine

Dam upgrade, which was an important community safety project in managing future flood flows; the remediation of the South Burnie Breakwater Bund which experienced damage in past storm events; and a new sub-surface drainage system installed at West Park Oval. The leachate treatment wetlands facility constructed at the Waste Management Centre in the previous year received an environmental award this year as a project of excellence. Another great project was the Marine Terrace section of shared coastal pathway. The project in itself includes an impressive elevated section, which overlooks the workings of the Port and now connects the full Coastal Pathway from Emu River through to Cooe.

Council continued to support major events hosted locally including the Burnie International Tennis Event, Targa North West, the New Year's Eve Cycling Criterium, and parts of the Australian Masters Games hosted here in the region in October 2017.

Council aims to provide accessible, affordable and memorable events where everyone belongs and can participate together. A Night on the Terrace and Kids in the Park are great examples of this. Events that promote active and healthy lifestyles are also well-attended with the adventurous Burnie Challenge, the annual Burnie 10 and 3-2-1 Go races, and the popular Park Run Australia being established as a weekly event. The annual festival Burnie Shines continues to be a calendar highlight in Spring, celebrating with the community for a bright summer season ahead. Burnie Shines featured 116 different events throughout October 2017.

Burnie continues to shine in its creative arts with a well-regarded Performing Arts Subscription Season, and a range of exhibitions at both the Burnie Regional Art Gallery and the Burnie Regional Museum. The National Geographic: 50 Greatest Photographs was a highlight this year. The vibrant arts culture in Burnie is largely due to the active contribution of committed and generous volunteers. I pay tribute to all our wonderful volunteers across so many areas of Burnie – seen and unseen, they each contribute so much in making Burnie a beautiful place to live.

The Burnie Works Collective Impact framework continues to be extraordinary work that we are fortunate to be involved in. This framework addresses entrenched, complex issues in communities and has successfully engaged many community and institutional partners in working together toward the objectives of Making Burnie 2030.

In October 2017, former Mayor Anita Dow resigned from her position to run as a candidate in the State Parliament, and was successful in that endeavour, becoming a local Member for Braddon. Former Mayor Dow was a strong advocate for the improvement of social issues, and was instrumental in the development of Burnie's community strategic plan, Making Burnie 2030 which has provided a common vision and focus for the past seven years. I thank Ms Dow for her commitment over many years to Council and to the betterment of Burnie.

Council continues in its five year strategy to bring Burnie's rate base back closer to the state average, by pursuing a reduction of rates by 1% each year while maintaining acceptable levels of service. This is a challenging task, and I pay credit to the senior management and staff who are committed to achieving this outcome, pursuing their daily jobs with pride in their work, and passion for the community they serve.

I encourage you to read this Annual Report and discover more about the many great things taking place across our City.

Alwyn Boyd,  
**MAYOR**



# LEADERSHIP

## Your elected representatives



## YOUR ELECTED REPRESENTATIVES

Mrs Anita Dow

Resigned as Mayor on 23 October 2017  
Resigned as Alderman on 23 October 2017

Mayor Alwyn Boyd

Elected as Mayor on 5 December 2017, term expires October 2018  
Term as Deputy Mayor ended when elected to Mayor  
Alderman term expires October 2018

Deputy Mayor Sandra French AM

Elected as Deputy Mayor 19 December 2017  
Alderman and Deputy Mayor term expires October 2018

Ald Robert Bentley

Alderman term expires October 2018

Ald Ron Blake OAM

Alderman term expires October 2018

Ald Teeny Brumby

Alderman term expires October 2018

Ald Ken Dorsey

Alderman term expires October 2018

Ald Amina Keygan

Elected on 5 December 2017  
Alderman term expires October 2018

Ald Steven Kons

Alderman term expires October 2018

Ald Chris Lynch

Alderman term expires October 2018

*Under the Local Government Act 1993, all-in, all-out elections occur every four years, with four year terms for Mayors and Deputy Mayors. The next elections are due to be held in October 2018.*



## Aldermen attendance at council meetings and workshops 2017-18

ALDERMEN	ORDINARY MEETINGS												TOTAL ORDINARY MEETINGS ATTENDED	ANNUAL GENERAL MEETING ATTENDANCE	TOTAL MEETINGS ATTENDED	TOTAL WORKSHOPS ATTENDED
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN				
BENTLEY	√	√	√	√	√	√	√	*	√	*	√	√	10/12	√	11/13	22/25
BLAKE	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	21/25
BOYD	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	21/25
BRUMBY	*	√	√	√	√	√	√	√	√	√	√	√	11/12	√	12/13	24/25
DORSEY	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	23/25
DOW	√	√	√	√	–	–	–	–	–	–	–	–	4/4	–	4/4	9/9
FRENCH	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	24/25
KEYGAN	–	–	–	–	–	√	◦	√	√	√	√	√	6/8	–	6/8	11/13
KONS	*	√	√	√	√	√	√	√	√	√	√	√	11/12	√	12/13	20/25
LYNCH	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	24/25

◦ Absent    \* Leave of absence granted by Council    – Outside term of office

### Council meetings

Ordinary meetings of Council are usually held every third Tuesday of the month, commencing at 7pm in the Council Chambers, 80 Wilson Street. Members of the public are welcome to attend these meetings.

Copies of the agenda and minutes of the previous meeting are available on Council's website, or from Revenue Services prior to the meeting, and also at the meeting.

Further information about the public question time and Council meetings is available from the Council offices.





## REVIEW OF THE YEAR by the General Manager

Burnie City Council has reported a solid financial performance for the year ending 30 June 2018.

### How We Performed

It is a pleasure to report that Council has delivered services within budget for 2017-18.

Council's performance against budget resulted in a surplus of \$0.832M compared to a budgeted surplus of \$0.039M. This represents a favourable variance to budget of \$0.793M.

Council has recorded a surplus after capital items of \$2.960M for 2017-18. The surplus after capital items includes non-recurring capital items such as capital grants and gain/(loss) on disposal of assets.

Council's total operational revenue decreased from \$34.596M in 2016-17 to \$33.346M in 2017-18 (\$1.250M

decrease). \$1.142M of the decrease relates to the timing of Commonwealth Financial Assistance Grant receipts.

Council's total operational expenditure decreased from \$33.234M in 2016-17 to \$32.487M in 2017-18 (\$0.747M decrease).

### Council's Financial Position

The net worth of Council as at 30 June 2018 was \$410.130M (\$397.515M in 2017).

This is predominantly made up of Council's investment in property, infrastructure, plant and equipment worth \$330.189M and Council's investment in TasWater of \$66.151M.

Council's infrastructure assets include roads and footpaths (\$130.884M), bridges and culverts (\$8.954M), drainage assets (\$48.765M), parks and recreation assets (\$31.704M), and land and buildings (\$97.512M).

### Council performance against the Financial Management Strategy (FMS)

Council's FMS ensures that Council's finances and operations are being managed to support the community's aspirations into the future while ensuring ongoing financial sustainability.

Council's financial performance and position for 2018 continues to be sustainable and consistent with the objectives and targets set.

Council has met all of its sustainability targets which are the following:-

- To achieve an operating margin ratio of 1.00 (2017-18 result 1.03)
- To maintain a current ratio above 1.10 (2017-18 result 1.54)

Council's cash balance at year-end was \$6.638M. \$1.691M of the cash held is committed by Council for unspent grant funds received in 2017-18, and Council's long service liability. Council's unrestricted cash was \$4.947M (\$5.662M 2016-17).

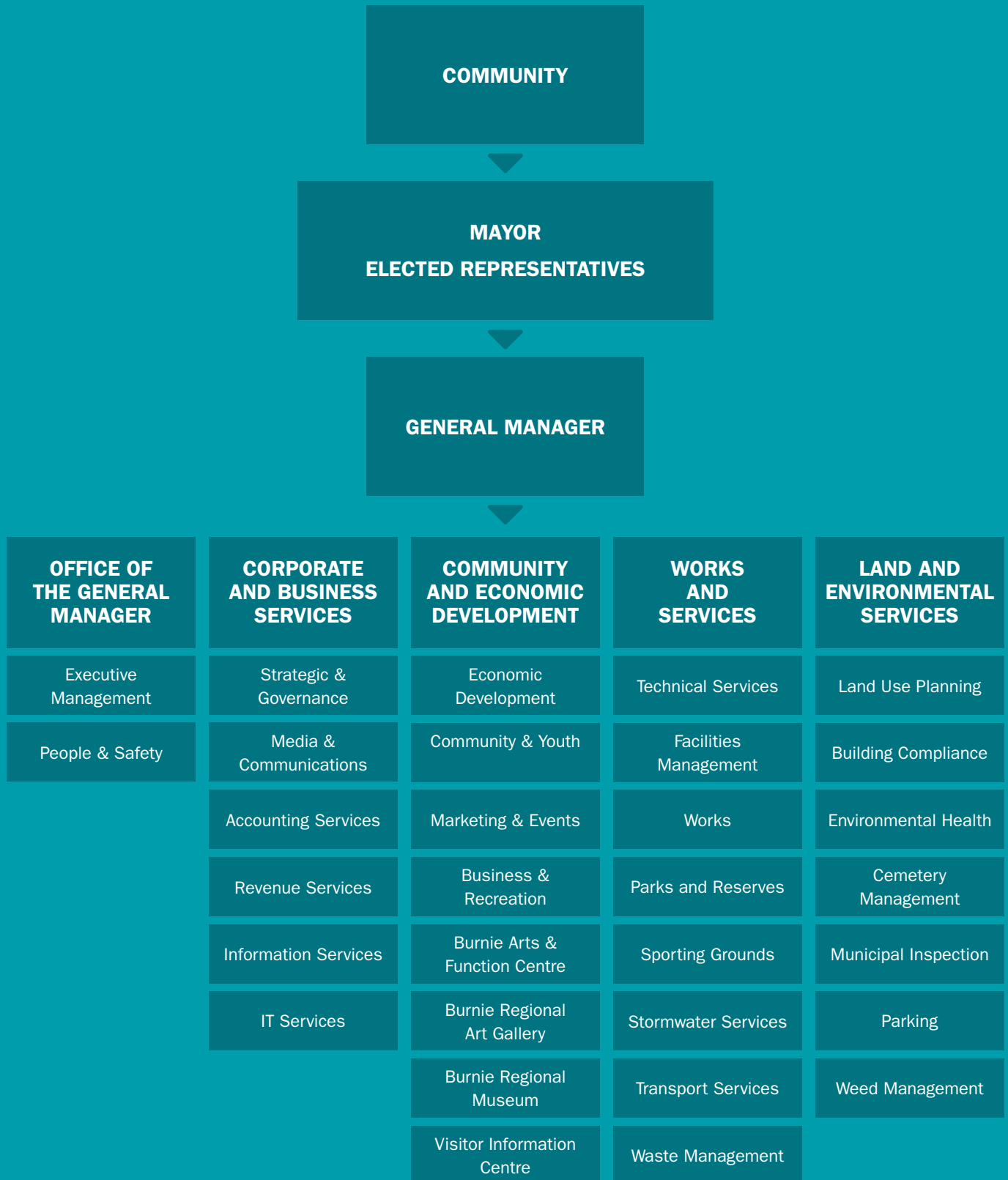
Council's current ratio result demonstrates that Council continues to have capacity to comfortably meet its financial obligations.

The annual report provides a comprehensive summary of Council's achievements and performance for the 2017-18 year against Council's annual plan adopted in June 2017. The annual report is commended to its readers as we continue to celebrate Council's contribution to the community.

Andrew Wardlaw,  
**GENERAL MANAGER**



# ORGANISATIONAL STRUCTURE



# MANAGEMENT Executive Management Team



**ANDREW WARDLAW**  
GENERAL MANAGER

Andrew commenced the role of General Manager in July 2012. Andrew has worked in local government for 25 years. He spent nine years in a General Manager role firstly with West Coast Council and then King Island Council before joining Burnie City Council as the Director of Corporate Business Services in 2009.

## RESPONSIBLE FOR:

Strategic support and policy advice to Council  
Oversight of operational activities  
Training and development  
Performance management  
Organisational development  
Controlled entities  
Legal issues



**RODNEY GREENE**  
DIRECTOR COMMUNITY  
AND ECONOMIC  
DEVELOPMENT

## RESPONSIBLE FOR:

Economic development  
Marketing and events  
Business development  
Community consultation  
Recreational services  
Community recovery  
Family and youth services

Cultural development  
Community development  
Community programs  
Burnie Regional Museum  
Burnie Regional Art Gallery  
Burnie Arts & Function  
Centre

Visitor Information Centre  
Strategic projects



**GARY NEIL**  
DIRECTOR WORKS  
AND SERVICES

## RESPONSIBLE FOR:

Stormwater  
Buildings  
Major infrastructure  
planning  
Asset management  
Transport  
Waste management  
Major capital projects

Design services  
Emergency management  
Engineering services  
Property services  
Spatial data management  
Parks and recreation  
management

Roads maintenance and  
construction  
Design and construction  
Civil construction  
Building maintenances  
General repairs and  
maintenance



**PATRICK EARLE**  
DIRECTOR LAND AND  
ENVIRONMENTAL  
SERVICES

## RESPONSIBLE FOR:

Compliance issues  
Building  
Land use  
Wildlife  
Subdivisions  
Parking

Environmental health  
Public health  
Cemeteries  
Animal control  
Litter control  
Municipal inspections

Environmental  
management  
Plumbing/drainage  
Food/hygiene inspections  
Natural resource  
management



**MITCHELL SMITH**  
EXECUTIVE MANAGER  
CORPORATE FINANCE



**MICHELLE NEASEY**  
EXECUTIVE MANAGER  
CORPORATE GOVERNANCE

## RESPONSIBLE FOR:

Financial services  
Revenue services  
Budgets  
Rates  
Information management  
Mail services

Accounts  
External business  
operations  
Information technology  
services  
Corporate governance

Statutory functions  
Strategic planning  
Policy and administration  
Insurance  
Communications



## INTEGRATED PLANNING FRAMEWORK

*Making Burnie 2030* is the community's plan for our future.

The success of *Making Burnie 2030* hinges on all the community partners committing to develop their own goals and strategies and the wider community working together to pursue the broader objectives.

Council's five year corporate plan fits under *Making Burnie 2030* and focuses on those areas in which Council has a direct role. Each year, the Annual Plan identifies the relevant actions for the

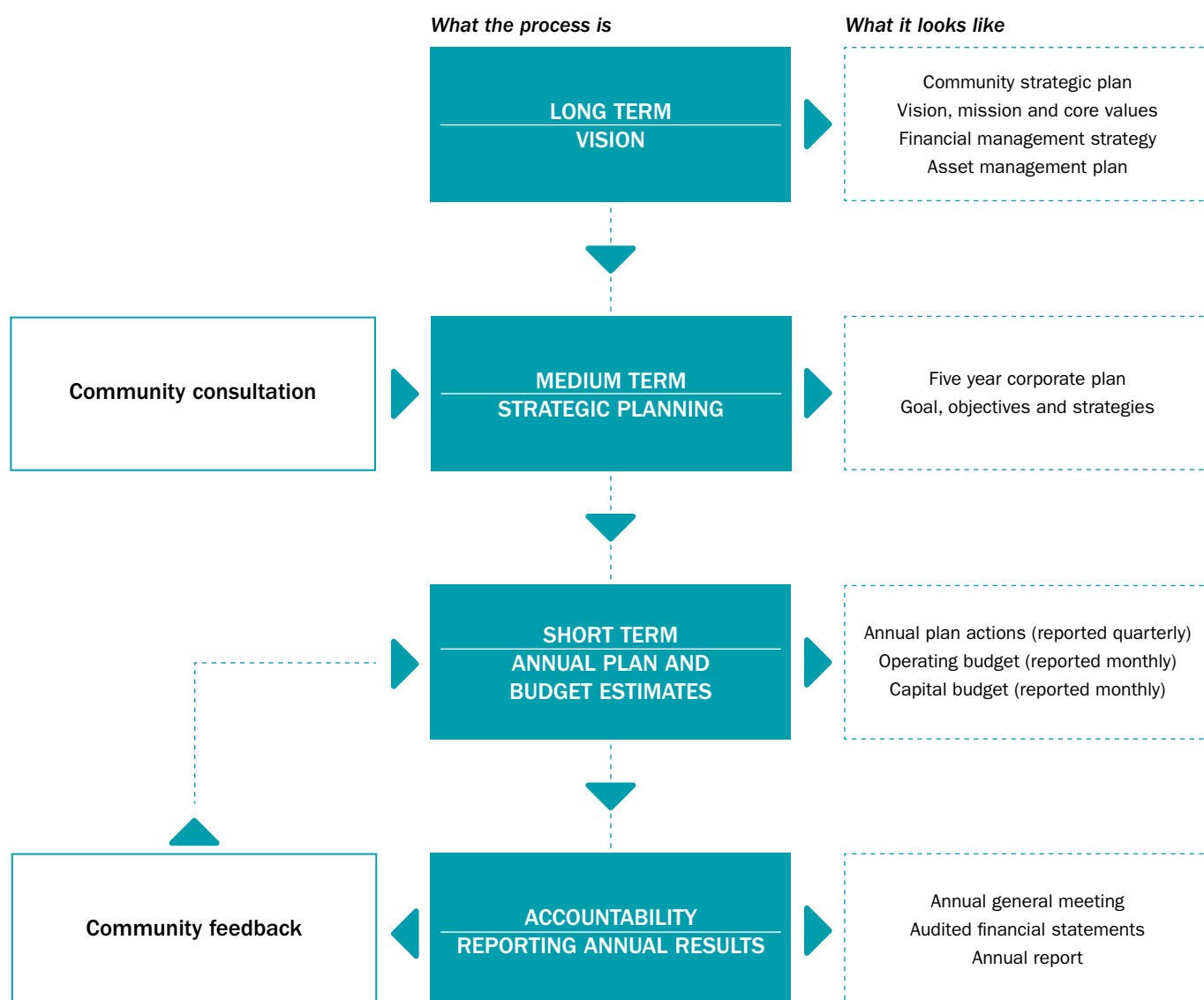
coming 12 months that will contribute to the achievement of the corporate plan.

The strategic and corporate plans are the driving force behind the policy deliberations of Council and provide the basis for consideration of the activities that Council engages in each year, in order to achieve planned outcomes for that year.

The Budget Estimates are prepared in conjunction with the Annual Plan and explain how Council will resource its operational and capital activities

for the year. The Annual Plan and Budget Estimates are supported by a Financial Management Strategy and adopted annually by Council prior to the commencement of the new financial year.

At the end of each financial year Council prepares an Annual Report on its performance during that year. Both financial and strategic performance is reported on in the Annual Report.







1

AN ATTRACTIVE PLACE TO  
LIVE, WORK AND PLAY



## Strategic objectives

- A range of vibrant, safe and attractive community spaces
- A community that celebrates and participates in its arts, culture and heritage
- A community that promotes and values its broad range of quality leisure, recreational and sporting opportunities
- An innovative range of accommodation and residential options addressing all the needs of the community
- A vibrant and progressive central business district
- A re-invigorated Paper Mill site that adds value to the regional economy

# Community Events

**Burnie City Council manages a number of events which are designed to bring the community together for special celebrations and are offered at affordable rates, making them accessible to all members of the Burnie community.**

In October, the 17th annual Burnie Shines festival was staged which featured 116 events throughout the month, covering all interests from music, art, performances, sport, gardens, shows and markets. Most of these were presented by community members, with some being organised by Council.

The Burnie Shines festival program was promoted through a printed event program, a website, via TV, street banners, press and radio advertising. In 2017 Caterpillar was the major sponsor for Burnie Shines and their contribution enabled the event messages to get out even further.

In October 2017, the north-west region hosted about 3,000 sports people participating in the Australian Masters Games, with a week of events and functions shared along the coast. It was an interesting challenge in working together, getting participants to matches, functions and festivities on time, throughout the week. At the end of the competitions, Burnie hosted a reception on the waterfront for participants and supported the finale concert presented by Skyfields at West Park.

Burnie's 14th New Year's Eve celebrations, A Night on the Terrace, attracted about 6,000 people to the waterfront for the celebrations, which began with a thrilling criterium, with over 70 elite cyclists racing through the streets of Burnie. There was lots of entertainment provided at this family event, including three great bands, a children's stage, super hero characters, circus performers, photo booths, a fire show, a beach bonfire, fireworks displays and lots to eat and drink.

An entry fee of \$2 per person, was collected by a team of volunteers at the various entrances. The bar was also run by volunteers from a consortium of community groups, (City of Burnie Lions Club, Somerset Surf Club and the City of Burnie Brass Band) which managed the bar to reinvest the profits back into their local community projects.

Council makes a significant investment in A Night on the Terrace, which brings people together on New Year's Eve in a safe and fun environment. Part of the success of the event has been the close working relationship Council has with suppliers, emergency services and community groups.

On Easter Sunday 1 April 2018, Council presented its 10th annual Kids in the Park event in Burnie Park. This event targets families with children under twelve and offers a range of activities for children to participate in. It is not just about seeing things, it is about having a go, hunting for eggs, joining a tea party, making a wand, learning to fairy dance, slide down a hill or join a great battle to save a princess.

Some 4,000 people attended Kids in the Park in 2018. This event had free entry and most of the activities were free to participants, with patrons only paying for some rides and their consumables. This evens the playing field, making this experience accessible to all families in the Burnie area, regardless of their circumstances.

# Burnie Arts & Function Centre

The Burnie Arts & Function Centre serves as the largest function and event venue on the north-west coast of Tasmania, with a large flat floor auditorium seating up to 1000, a 360 proscenium arch theatre and five other function rooms of varying size. The overall usage of the Centre remains very high, with approximately 45,900 people accessing the Centre throughout the financial year.

## Performing Arts Subscription Season

The Burnie Arts & Function Centre presents an annual performing arts subscription season throughout the calendar year.

The 2017 season was successful, with the Centre having a total of 337 subscribers by the end of the year.

The season program featured Ten Days On The Island, and a production by Bell Shakespeare Company, The Merchant of Venice, the first time such a prestigious theatre company has performed in Burnie.



## Open House

Open House provides disadvantaged young people in the region the ability to experience the theatre.

This is made possible through the generous donations from patrons. In 2017, the Burnie Arts & Function Centre was able to provide a theatre experience to another 110 children.

Since its inception in 2014, Open House has enabled 432 children to experience the magic of theatre.

# BURNIE ARTS & FUN



# Burnie Regional Art Gallery

It was a delight in 2018 to present Burnie Regional Art Gallery: 40 Years to celebrate the Gallery's contribution to the cultural fabric of our city. The Burnie Regional Art Gallery (BRAG) opened to the public on 12 August 1978. By May 1980, an acquisition policy was adopted to acquire the finest examples available in the fields of drawing, printmaking, photography, watercolour and gouache painting. Today, and from that visionary policy, BRAG houses a nationally significant permanent art collection with a focus on paper in recognition of the region's history of papermaking.

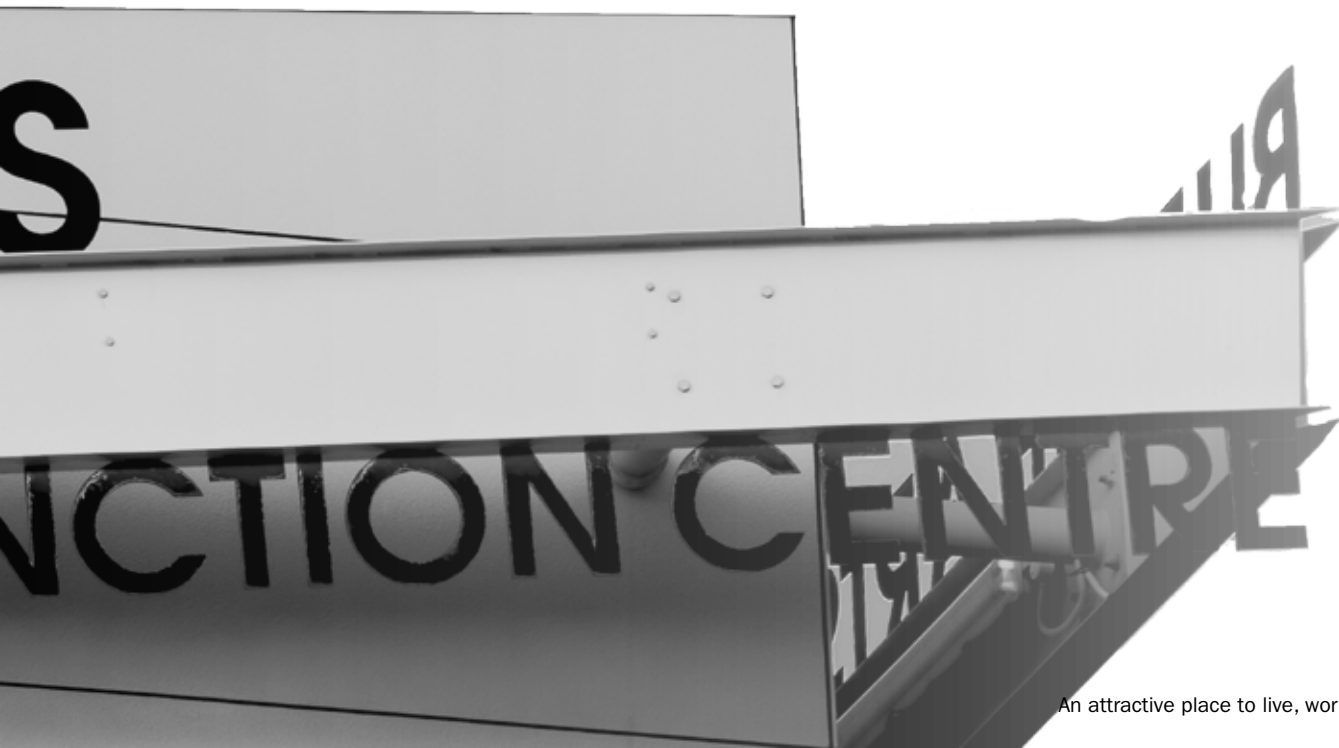
BRAG is operated and maintained by the Burnie City Council and supported by corporate partners, the Friends of Burnie Regional Art Gallery and assisted through Arts Tasmania by the Minister for the Arts.

A combination of good management by Council and the continued generosity and commitment of the community has resulted in a gallery of longevity and purpose. As a public art gallery, there are three main priorities: manage the art collection, present exhibitions and, together with the other members of the downtown precinct, provide the cultural heartbeat of the City.

Exhibitions are the public face of BRAG – what our audiences see and how they think about the Gallery. The exhibitions are developed from the permanent collection, invited artists, community artists, schools and craft groups or from touring shows. BRAG's annual exhibition program explores diverse topics to engage a range of audiences from the region and beyond.

In the last year BRAG hosted over 26,000 visitors including over 9,600 to the National Geographic: 50 Greatest Photographs held in the first three months of 2018. With such a generous exhibition space, BRAG hosts around 20 major exhibitions per year plus associated public events, floor talks, openings, musical performances, school holiday programs and classes. Add to that high school (Ha!High Art, and Art Rage), primary school (Kaleidoscope), together with short term and foyer exhibitions, the Gallery is a busy place.

Burnie has a significant public art collection housed at the Gallery and in the past year eleven artworks were added including those by well-known Tasmanian artists Dr Yvonne Rees-Pagh and Bill Yaxley, and former Burnie resident Matt Calvert. A large painting by internationally lauded painter Rodney Pople was donated through the Commonwealth Government's Cultural Gifts Program.



# Civic events

## Council conducts a number of civic events throughout the year.

Australia Day celebrations were held on Friday 26 January 2018 at the Burnie Arts & Function Centre. The Australia Day ceremony was attended by over 200 people with Professor Tim McCormack the featured guest speaker.

As part of the ceremony, Mayor Alwyn Boyd formally announced two conferees as new Australian citizens. Citizen of the Year was awarded to Trevor Snooks. Young Citizen of the Year was awarded to Oscar Varney. Community Event of the Year was awarded to Paddle for MND (undertaken by Craig Machen). The performance Facing North, held during the Ten Days on the Island, was also recognised as an Outstanding Event.

Citizenship ceremonies are hosted regularly by Council on behalf of the Department of Home Affairs. The Mayor conducts the ceremonies at which new citizens take their citizenship pledge in front of families and friends. Throughout 2017-18, Council conducted five ceremonies with a total of eight new citizens.

Council works closely with the RSL Burnie Sub-Branch to conduct the ANZAC Day services held on 25 April each year. Over recent years, these services have grown in number as the community's awareness and appreciation of the sacrifices made continues to build. The dawn service and 11am service are conducted at the Burnie Park cenotaph.

A large number of community groups, schools, organisations, and elected members come together to lay wreaths in a moving service that ensures our community honours the memory of those who fought and served in all conflicts.

Remembrance Day is another meaningful day in the calendar, with a service conducted at 10.40am on 11 November each year, culminating in the 11am two minutes of silence. Once again wreaths are laid at the cenotaph in memory of the fallen.

## Car parking

In October 2017 Council introduced the Easypark parking app within its CBD ground level car parks as part of its on-going program to improve parking technology. The mobile app allows people to pay for their parking via their phone, and has become very popular since its introduction.

Council replaced a number of on-street parking machines with voucher machines as part of the 2017-18 capital works program. Users are reminded that any unused time on their voucher is transferable on the date of issue for use on another parking space that attracts the same hourly rate.

Parking fees remained unchanged for the 2017-18 financial year.

Council continued to offer a cost effective and exclusive use of a parking space through its Reserved Parking Scheme.

## Dog control

Council has a responsibility to ensure the safety and the rights of the general community are protected through responsible dog ownership.

During the 2017-18 financial year, 1,891 dogs were registered in the Burnie municipality. *Section 8 of the Dog Control Act 2000* requires that all dogs aged 6 months and over must be registered with Council.

**easypark**



# Burnie Regional Museum

**Burnie City Council manages a number of events which are designed to bring the community together for special celebrations and are offered at affordable rates, making them accessible to all members of the Burnie community.**

## Engagement and collections

The Burnie Regional Museum (BRM) engaged more than 196,371 people across its digital platforms ensuring the collections and programs are reaching a wide audience. Other BRM public programs including the Lunchtime Talks attracted 627 attendees.

## Exhibitions and public programs

Construction of a world-class archival freezer store was completed in time to receive an estimated 1 million negatives from Fairfax Media taken by photographers from The Advocate Newspaper. Volunteers are now busy ensuring the negatives are properly housed and digitised. The photographs represent change across the north-west from the early 1950s to the late 1990s. To celebrate this donation, BRM launched its major temporary exhibition The Advocate Gift which explored the history of the Advocate Newspaper and its contribution to the north-west coast.

BRM's minor exhibition for the year was A Stitch in Time which explored the 'reduce, reuse, recycle' movement and showcased some of the Museum's homemade and preloved objects from the recently catalogued textile collection. This was a joint collaboration between BRAG and BRM.

With the ANZAC Centenary period coming to a close, BRM is now working hard on the next major exhibition 100 Years: 100 Objects - Finally the War is Over. The exhibition celebrates the hard work of volunteers and staff over the past four years in order to catalogue and digitise our unique WWI collections.

## Education programs

The Education Boxes remain popular with local teachers and schools from across the north-west. Attendance of school groups at the Museum also continues to be strong with multiple groups from fourteen schools across the region visiting to explore Burnie's unique history.

## Friends and volunteers

The annual High Tea was held at the Old Bank Building by the Friends of the Burnie Regional Museum. Eighty-three volunteers continue to support the cataloguing of the collection as well as meeting and greeting cruise ship passengers. Membership of the Friends of the Burnie Regional Museum and the Burnie Historical Society remains steady with members offering a significant support network for BRM. Attendance of the Burnie Historical Society Guest Speakers continues to be strong with 320 people attending last financial year.



# Major Projects

## West Park Oval

A new subsurface drainage system was installed at West Park to address historic issues with poor oval drainage in the winter months. In undertaking the works there was some disruption to normal ground activities and the support and assistance of the various clubs at West Park was greatly appreciated.

## Romaine Dam upgrade

Completion of ongoing upgrade works on the Romaine Dam located in the Romaine Reserve, occurred this year. This was an important community safety project which has improved the safety of the existing dam and provided improved management of flood flows in the Romaine and Alexander Creeks. The State Government's Natural Disaster Resilience Program contributed \$100,000 toward this project.

## Burnie Aquatic Centre

Further improvements occurred at the Burnie Aquatic Centre with the installation of BBQs, picnic facilities and additional grassed areas. Another reason to visit the Burnie Aquatic Centre to enjoy the fantastic facilities available.



## View Road Frisbee Golf

A new addition to the great range of free recreational opportunities available in Burnie's various parks is the Frisbee Golf, also known as Disc Golf. Try the nine hole course in the View Road Reserve.



## Wivenhoe score board

A new addition to the Wivenhoe Recreation Ground was an electronic score board which provides for a range of sports scoring, and features capabilities to play live and recorded images.

## Dog exercise area

Welcome improvements were made to the View Road dog exercise area this year through a \$25,000 grant from the State Government's Community Infrastructure Fund – Minor Grants program. Working with users of the dog exercise area, a range of improvements were planned and delivered including:

- Levelling of the exercise area to improve use and address drainage issues
- Seating including picnic tables
- Tree planting
- Dog exercise apparatus

Council also took the opportunity to seal the entry to the dog park to address user concerns in the winter months.

## South Burnie breakwater bund

The outer bund was damaged in the June 2016 storm event, with extensive design and modelling occurring post the event to determine a long-term remediation solution.

Remediation works progressed this year and a 10m extension of the bund to the west was included as part of the project. This project was partly funded by Marine and Safety Tasmania. The extension works support the launching of vessels in rough weather and was considered an important public safety initiative. Rough weather prior to the end of June tested the new works out and they performed admirably.



# Coastal pathway – Marine Terrace

**A missing link in the coastal pathway was closed this year with the construction of a shared path between the Oakleigh Park rail overpass and the Burnie waterfront.**

The pathway is located on the east side of Marine Terrace and is 2.4m wide. A feature of the shared path is the elevated section which overlooks the Burnie Port and provides an opportunity to view the port operations.

Council fully funded this \$1.77M project. The project reflects Council's ongoing commitment to facilitating active recreational and transport opportunities.



## CCTV

Community safety was improved again this year with the installation of an additional 13 CCTV cameras on the West Beach boardwalk and in Cattley Street, Burnie.

Funding for this project was made possible under the Australia Government Safer Communities Fund with a grant of \$74,772 being provided.

## Mooreville Road widening – stage 1

Council commenced the first stage of an ongoing upgrade program for Mooreville Road. The upgrade program will increase the sealed width of Mooreville Road to 6.2m, improve the road alignment at selected locations and roadside drainage.

The aim of the project was to improve road safety and reduce ongoing maintenance costs.

The first section cost in the order of \$500,000 and extended from south of the Waste Management Centre for approximately 1.5km.

This project was assisted with funding from the Tasmanian Government.

## Burnie Park grassed terraces

A number of grassed terraces were constructed near the sound shell in Burnie Park to provide additional seating opportunities for people attending events at the sound shell. The terraces were a great addition for the annual Carols by Candlelight.



## FUTURE DIRECTION 1 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
<b>1.1</b>	<b>A RANGE OF VIBRANT, SAFE AND ATTRACTIVE COMMUNITY SPACES</b>		
<b>1.1.1</b>	<b>Create and maintain a range of welcoming and attractive spaces across the municipality that foster a sense of community, belonging and pride.</b>		
1.1.1.1	Develop a management plan for Romaine Reserve including a fire management plan.	✓	100%
1.1.1.2	Develop a concept design for the Cattley Street Bus Interchange streetscape improvements with the assistance of a landscape architect, focusing on improved amenity and public safety outcomes.	✓	100%
<b>1.1.2</b>	<b>Enhance the use of community spaces through initiatives to improve the feeling of safety for all ages.</b>		
1.1.2.1	Expand the coverage of CCTV in the CBD and waterfront precinct.	✓	100%
<b>1.2</b>	<b>A COMMUNITY THAT CELEBRATES AND PARTICIPATES IN ITS ARTS, CULTURE AND HERITAGE</b>		
<b>1.2.1</b>	<b>Promote the value of arts and culture in our community by supporting initiatives and opportunities that grow participation and appreciation of cultural diversity and the arts.</b>		
1.2.1.1	Continue to develop initiatives at the BRAG for young audiences.	▶	Ongoing
1.2.1.2	Maintain the Arts for the Community program which focuses on community involvement in arts.	▶	Ongoing
1.2.1.3	Integrate various community arts groups into the Subscription Season program.	▶	Ongoing
1.2.1.4	Develop a Graffiti Policy.	▶	80%
1.2.1.5	Build the BAFC Subscription Season by maintaining subscribers, developing the sponsorship base and seeking ongoing funding from Arts Tasmania.	▶	Ongoing
1.2.1.6	Provide support to Tasmanian International Arts Festival and in alternate years provide support to a high end arts event in autumn.	✓	100%
1.2.1.7	Expand the Arts Unearthed, Art for Community program to include theatre skills learning for youth and adults.	▶	Ongoing
1.2.1.9	Prepare selected works from the Gallery's Permanent Collection, to include in a merchandise strategy to increase awareness of, and promote, the Gallery's Collection.	▶	1%
1.2.1.10	Develop a sculpture park installation.	▶	10%
1.2.1.12	Conduct an energy efficiency audit and develop an energy management plan for the BAFC.	✓	100%
<b>1.2.2</b>	<b>Facilitate and support open community events that embrace our values and celebrate our place.</b>		
1.2.2.1	Facilitate the Burnie Shines program of arts, events, performances and exhibitions during October.	✓	100%
1.2.2.2	Plan for and hold Kids in the Park as an open event that celebrates children and young families.	✓	100%
1.2.2.3	Facilitate the Night on the Terrace New Year's Eve celebration as a community building event.	✓	100%
1.2.2.4	Explore opportunities for a Winter Feast Event for Burnie.	✓	100%
<b>1.2.3</b>	<b>Support projects and initiatives that promote our cultural heritage and history through a variety of formats.</b>		
1.2.3.1	Continue to implement a range of feature exhibitions at the Burnie Regional Museum.	▶	Ongoing
1.2.3.2	Continue to deliver public programs at the Burnie Regional Museum that encourage repeat visits and community involvement.	▶	Ongoing
1.2.3.3	Develop the Young Collectors program as an initiative to increase youth involvement with the Museum.	▶	Ongoing
1.2.3.7	Acquire The Advocate collection of negatives.	✓	100%
1.2.3.9	Update interpretation in permanent and semi-permanent exhibition spaces at the Burnie Regional Museum.	▶	60%
1.2.3.10	Install new POS system at BRM to capture and report on visitor data, to create a more seamless visitor experience and to expand our customer baseline.	▶	10%
<b>1.2.4</b>	<b>Support civic events within the community.</b>		
1.2.4.1	Provide support to civic events such as Australia Day Celebrations, Anzac Day, Remembrance Day and Volunteers Events.	✓	100%
1.2.4.2	Liaise with the Royal Australian Navy to explore the opportunity of an annual naval visit to the port of Burnie	▶	Ongoing
<b>1.3</b>	<b>A COMMUNITY THAT PROMOTES AND VALUES ITS BROAD RANGE OF QUALITY LEISURE, RECREATIONAL AND SPORTING OPPORTUNITIES</b>		
<b>1.3.1</b>	<b>Enhance and promote opportunities for recreation and leisure around our natural assets.</b>		
<b>1.3.2</b>	<b>Maintain and develop recreational and sporting facilities to encourage greater participation and sporting opportunities.</b>		
1.3.2.2	Review the Recreation Plan.	▶	80%

LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✕



Strategy	Action	Status	%Complete
1.3.2.3	Investigate a recreational adventure project for Burnie.	✓	100%
1.3.2.4	Undertake planning for Coastal Pathway between Cooeee and Cam River, focusing on the agreement with Tasrail and State Government for occupation of the rail corridor.	▶	50%
1.3.2.7	Undertake redevelopment of Montello Soccer Complex, subject to grant funding.	▶	25%
1.3.2.10	Develop a sports database.	▶	80%
<b>1.4</b>	<b>AN INNOVATIVE RANGE OF ACCOMMODATION AND RESIDENTIAL OPTIONS ADDRESSING ALL THE NEEDS OF THE COMMUNITY</b>		
<b>1.4.1</b>	<b>Assess long term accommodation needs within the community and advocate for investment in appropriate housing options.</b>		
1.4.1.1	Explore opportunities to support affordable housing programs and retirement living developments.	▶	Ongoing
1.4.1.2	Support initiatives to develop further student accommodation options.	▶	Ongoing
<b>1.4.2</b>	<b>Ensure policies, programs and strategies support diversity and choice in the form and setting of housing.</b>		
<b>1.5</b>	<b>A VIBRANT AND PROGRESSIVE CENTRAL BUSINESS DISTRICT</b>		
<b>1.5.1</b>	<b>Continue to invest in renewal of the CBD as a vibrant, attractive and cohesive retail and business hub.</b>		
<b>1.5.2</b>	<b>Achieve a visitor-friendly CBD through improved connectivity, navigational aids and infrastructure supports.</b>		
1.5.2.1	Develop a Smart City digital strategy for Burnie CBD.	▶	10%
<b>1.6</b>	<b>A RE-INVIGORATED PAPER MILL SITE THAT ADDS VALUE TO THE REGIONAL ECONOMY</b>		
<b>1.6.1</b>	<b>Promote the strategic advantages of the paper mill site for manufacturing, processing, transport and storage.</b>		
<b>1.7</b>	<b>A ROAD TRANSPORT SYSTEM THAT MEETS THE NEEDS OF THE COMMUNITY AND SUPPORTS THE WIDER REGION</b>		
<b>1.7.1</b>	<b>Maintain the efficiency and safety of the local road network.</b>		
1.7.1.1	Undertake a road safety audit of the urban road network and develop a plan of action to address deficiencies.	▶	50%
1.7.1.2	Actively participate in the implementation of the Tasmanian Freight Strategy.	▶	Ongoing
1.7.1.3	Work with the Department of State Growth to develop a plan to improve the appearance of the Bass Highway reservation, eastern approach to the City.	▶	35%
<b>1.7.2</b>	<b>Manage the creation and regulation of controlled parking spaces to provide convenience and accessibility.</b>		
1.7.2.1	Develop a parking strategy and undertake a review of the parking policy and pricing.	▶	50%
<b>1.7.3</b>	<b>Advocate for adequate public transport services to meet community needs within Burnie and improve efficiencies.</b>		
1.7.3.1	Maintain an engagement with the CEO of Metro Tasmania on an annual basis.	✓	100%
<b>1.7.4</b>	<b>Enhance opportunities for active transport.</b>		

LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✕





2

## AN INCLUSIVE AND HEALTHY COMMUNITY



## Strategic objectives

- Well-developed health infrastructure and programs respond to and meet regional needs
- The importance of physical and emotional wellbeing is valued and actively adopted by the community
- A place where everyone feels accepted and participates freely in community activities

## Burnie Ten and 321-GO kids' race

**The 2017 B&E Burnie Ten was again a success with nearly 3000 people taking on the ten kilometre course. In its 33rd year, the B&E Burnie Ten is still a Tasmanian calendar highlight and this year incorporated the Australian Masters Games 10km road race.**

Just over 1100 children participated in the Health Care Insurance 321-GO kids' race last year, a consistent number with the previous year. With a community awareness to become healthier and more active both events provide an annual personal goal for young and old. Not only do these events attract significant entries, they also draw thousands of family, friends and interested onlookers to Burnie.

The large amounts of spectators that support both events add a unique

atmosphere and are keys to the success of these races. The effort of a huge number of volunteers should not go unrecognised. These volunteers are made up of individuals, longstanding committee members and a wide range of community groups who all fill vital roles.

The B&E Burnie Ten and HealthCare Insurance 321-GO kids' race are organised by Council staff together with the Burnie Ten and 321-GO committees.

## Targa Lunch stopover @ The Point

The Targa lunchtime stopover in Burnie was catered by Golden Grain accessing the kitchen at 6am (in the dark!) and involving three spit roasters located outside.

The first group of cars arrived at 10:15am and the final group at around 2pm. Total attendees was approximately 480-500 which included drivers, navigators, crews, family, officials and support teams, with the skate park unlocked to provide additional parking spaces.

There was a great deal of public interest and many locals attended to take photos of the large number of exotic cars.

## Age Friendly Communities Plan

During the year Council continued work on developing an Age Friendly Communities Prospectus and is updating the Age Friendly Communities Action Plan.

A Seniors Directory booklet has been developed detailing local services, cultural and recreation activities that are available for seniors along the north west coast.

## Burnie Challenge

The 2018 Health Care Insurance Burnie Challenge continues to be an eagerly awaited event encouraging community participation in a non-competitive yet physically demanding environment.

The Challenge involves over 1100 people participating in a four-kilometre mud run and obstacle course.

A key objective of the Health Care Insurance Burnie Challenge is to support and encourage people from all walks of life to become physically active and to create a fun opportunity for the whole community to be involved in.

Such is the popularity of the Challenge it now attracts entrants from all around the state. The Health Care Insurance Burnie Challenge is designed to encourage team work; therefore it is suitable for all age groups regardless of physical capabilities.

Burnie City Council is grateful for the support it receives from local businesses and organisations for the Health Care Insurance Burnie Challenge.

**THE BURNIE  
CHALLENGE**  
**HOW TOUGH ARE YOU?**

# Grants and Benefits

Twenty Nine community clubs and organisations received financial assistance in 2017-18. In accordance with *section 77(2) of the Local Government Act 1993*, Council is required to report the details of any grant or benefit provided.

## Financial assistance grants Rounds 1 and 2

\$1,954	Burnie Junior Football Club for a laser printer, supplies and first aid equipment	\$1,500	Tasmanian Special Children's Christmas Party to send 16 children and families from Burnie to the Special Christmas Party in Launceston
\$3,479	Burnie Rugby Union Club for goal post pads, corner pads and a share in a line marking machine	\$1,225	West Ridgley Cricket Club for a defibrillator
\$1,225	Burnie Softball and Cricket Club Rooms for a defibrillator, tables and chairs	\$6,000	Park Run Australia to set up a Park Run in Burnie
\$1,130	Girl Guides Tasmania for three laptops and basic software	\$1,526	Coastal Cycling Club for a defibrillator and 2-way radio system
\$8,569	Highclere Community Centre Committee to re-roof the Highclere Community Centre	\$740	Ridgley District Bowls Club for a reverse cycle air conditioner
\$400	Koori Kids for NAIDOC Week school initiatives	\$2,800	Burnie Bowls Club to improve security of venue around bar
\$1,273	Out of the Shadows and Into the Light Suicide Awareness and Prevention Walk for a low garden and access paths at the Burnie Park	\$2,500	Burnie Golf Club for a flail mower
\$1,400	Probus Club of Burnie for a public address system	\$1,950	Playgroup Tasmania for a start-up kit for a new Burnie Playgroup
\$376	Stowport Community Morning Tea Group for Great Big Morning Tea and Seniors' Christmas Luncheon	\$1,222	Friends of Fernglade toward the Platypus Festival
		\$3,690	Natone Community Hall for new tables and chairs
		\$1,161	NW Environment Centre for a banner and wind flags for the NW EcoFest
		\$2,868	Sovereign Military Order of the Knights Templar for training equipment for youth program







**\$6,000 was  
granted to  
Park Run  
Australia  
to setup a  
Park Run in  
Burnie.**

#### **Other Grants and Sponsorships**

\$2,500	Burnie Concert Band
\$2,500	Burnie Highland Pipe Band
\$2,500	Burnie Youth Choir
\$2,500	City of Burnie Brass Band
\$2,500	EMusicians
\$2,500	Stringalong Music Program
\$2,117	Cooee to Camdale Coastcare
\$64,710	Burnie Football Club
\$5,600	Support to State Representatives (various)
\$500	Minor sponsorships by Mayor <\$200

#### **Event Support and In-kind Benefits**

\$1,666	Burnie Amateur Swimming Club – Burnie 100 Swim Meet
\$10,000	Friends of BRAG – National Geographic: 50 Greatest Photographs
\$5,000	Burnie Coastal Art Group – 2017 Tasart Exhibition
\$1,091	Morning Melodies
\$4,500	Burnie Carols by Candlelight
\$3,000	Burnie Athletic Club – New Years’ Day Carnival
\$5,000	Burnie Tennis Club – Burnie International
\$21,725	Burnie Tennis Club – Burnie International Event – equipment in-kind >\$1,000
\$11,285	Burnie Tennis Club – Australian Masters Games – equipment in-kind >\$1,000
\$2,040	Central Coast Council – Australian Masters Games – equipment in-kind >\$1,000

\$2,280	Burnie Softball Association – Australian Masters
\$1,394	Games – equipment in-kind >\$1,000
\$10,343	Burnie Show Society – Burnie Show – equipment in-kind >\$1,000
\$3,780	Various – equipment in-kind <\$1,000
	Burnie Men’s Shed – donation of surplus equipment

#### **Waste Disposal for Charitable Organisations**

\$988	Australian Red Cross to assist with waste disposal costs
\$4,012	City Mission Burnie branch to assist with waste disposal costs
\$572	Burnie Men’s Shed for kerbside collection

#### **Industry and Business Support**

\$70,977	Support to Industry and Business Policy
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#### **Remissions**

\$8,153	Stormwater service charge remissions
\$678	Hardship interest penalty remissions
\$6,045	General rate remissions
\$18,624	Waste service remissions
\$165	Private conservation remissions
\$0	Service remissions
\$411,470	Rates and charges early payment discounts

## Recreational water quality

### Objective

Require water used for primary contact activities such as swimming and water sports is sufficiently free from pathogenic organisms to protect the health and safety of the user.

### Actions

- Identify areas popular for recreational water usage within the municipality.

- Monitor for water quality in accordance with the Recreational Water Quality Guidelines 2007 for the presence of faecal coliforms over the summer period.

Samples indicate waters comply with the limit of 140 enterococci/100ml set by the Recreational Water Quality

Guidelines 2007; with the exception of a single January 2018 sample, for which a subsequent re-sample complied.

No warnings or closure of water for recreational use were issued.

WATER SAMPLING DETAILS							
LOCATION	28/11/16	14/12/16	11/01/17	16/01/17	26/1/17	20/2/17	CLASSIFICATION
Cootee Beach (West End)	<10	<10	<10		<10	10	Primary contact
Cootee Beach (East End)	31	10	<10		<10	<10	Primary contact
West Beach (West End)	<10	10	<10		10	<10	Primary contact
West Beach (East End)	31		<10		<10	10	Primary contact
South Burnie (Yacht Club)	31	20	591	20	111	<10	Primary contact

## Public swimming pools and spa pools

### Objective

Require all public pools and spa pools are operated so as to protect the health and safety of those using the facility.

### Actions

- Regular sample to ensure compliance with the Microbiological Criteria for swimming pools.

There are six public swimming pools of various size located in Burnie. Each is sampled monthly when operating for heterotrophic colony count, thermotolerant coliforms and *Pseudomonas Aeruginosa*.

Occasional readings indicate need for corrective action. Standards were achieved on resampling. No pools were closed due to failure of water quality standards.



## Food hygiene

### Objective

Require food for human consumption is safe, wholesome, properly described and compliant with the *Australian Food Standards Code and Food Act 2003*.

### Actions

- Conduct regular inspections of all food premises that handle or sell food.
- Advise and educate on food handling procedures.
- Conduct food sampling in accordance with the requirements of the Department of Health and Human Services.
- Continuation of food handler training sessions with food businesses.

162 fixed food business, 14 statewide mobile food business, and 98 one-off event registrations were issued during 2017-18.

The number of inspections conducted in each premises will depend on the assessed risk factor calculated using the Australian Food Standards Code. The Code takes into account the type of foods sold (ie if they are potentially hazardous), the skills and knowledge of the operator, and the condition of the premises.

Higher risk premises are subject to both a food audit by independent auditors and inspection by Council staff. Lower risk premises are inspected less frequently.

A total of 85 inspections of fixed premises and 11 inspections of mobile business were conducted during 2017-18.

## Goals and objectives in relation to Public Health

### Activity Overview

- Provide a capacity to monitor health and safety standards of the environment and in facilities providing food and personal services
- Deliver programs and services to facilitate an environment free from risk of environmental harm or nuisance
- Facilitate compliance with statutory requirements including licensing, inspection, and enforcement actions as required
- Assist in the promotion of consistent public health services across the region through resource sharing programs such as Immunisation and Food Premises with neighbouring Councils.

### Aims

- Protect the health and safety of the community by having proper regard to:
  - control and monitoring of on-site effluent and waste water systems
  - health and hygiene standards of food premises
  - pest control
  - immunisation and environmental health awareness programs
  - administration and enforcement of relevant legislative and regulatory requirements
- Enhance community awareness of environmental health and management issues
- Maintain a regular program of inspections and actions

*As required under s72(1A)(b) of the Local Government Act 1993, the following resources were allocated to public health in 2017-18:*

Expenditure	\$267,000
Revenue	\$74,000
<b>Net Cost</b>	<b>\$193,000</b>

## Regulated systems (cooling towers)

### Objective

Require all cooling towers are operated and maintained in a manner that they do not create risk of Legionella.

### Actions

- Register all cooling towers in accordance with the Department of Health and Human Services Guidelines for the Control of Legionella in Regulated Systems.
- Keep accurate records of the cooling towers to include:
  - Type of cooling system
  - Location
  - Contact names of persons responsible for the cooling tower
  - Water sampling results

There are two (2) separate cooling towers sites within the Burnie municipal area.

## Public health risk activities (ear piercing and tattooing)

### Objective

Require adequate systems are in place to prevent the risk of cross contamination in premises used for skin penetration.

### Actions

- Register and inspect all skin penetration premises within the municipal area in order to ensure those premises and their operators comply with the Tattooing Guidelines for Public Health Risk Activities, including for ear piercing, tattooing and body piercing.

There are five (5) registered premises covering ear piercing, tattooing, cosmetic tattooing, cosmetic therapies and body piercing activities.

## Immunisations

### Objective

Provide a program to immunise all children and at risk persons, including Council employees, in accordance with the National Health and Medical Research Council immunisation guidelines and in accordance with resource sharing activities with other north west councils.

### Actions

- Immunise Grade 7 students for Human Papilloma Virus, and Diphtheria, Tetanus, and Pertussis in secondary schools within the Burnie, West Coast, Waratah, Wynyard and Circular Head municipal areas.
- Conduct special immunisation sessions when required. The Meningococcal ACWY program was delivered to Grade 10, 11 and 12 students during 2017-18.
- Maintain the Human Papilloma Virus register.
- Provide Department of Health with timely reports of all vaccinations given.
- A total of 2,886 vaccinations were administered for the year.

## Environment and health complaints

Resident complaints continue to provide a significant workload for Council's environmental health officers. The number and category of complaints received from the community and investigated during 2017-18 were:

CATEGORY	COMPLAINT	NUMBER
Noise	Industrial and residential noise issues.	17
Water	Oil and other pollutants in stormwater and recreational waters.	9
Air	Domestic wood heaters, burn-off practices, spray painting, wood fibre dust and dust from land development practices.	11
Solid Waste	Inappropriate disposal of household garbage, car bodies and demolition waste, etc.	4
Food Complaints	Poor food handling, contaminated food, etc.	9
TOTAL		50



## FUTURE DIRECTION 2 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
<b>2.1</b>	<b>WELL-DEVELOPED HEALTH INFRASTRUCTURE AND PROGRAMS RESPOND TO AND MEET REGIONAL NEEDS</b>		
<b>2.1.1</b>	<b>Continue to advocate for Burnie to be the north west centre for health services.</b>		
2.1.1.1	Maintain an engagement with the CEO of Tasmanian Health Service – North West on an annual basis.	✗	Not started
<b>2.1.2</b>	<b>Continue to advocate for strong health programs and services that meet the needs of the community.</b>		
<b>2.1.3</b>	<b>Maintain effective and supportive relationships with non-governmental health agencies.</b>		
2.1.3.1	Meet with disability service providers to gain an understanding of community needs and advocate with them for adequate resources and facilities.	✓	100%
<b>2.2</b>	<b>THE IMPORTANCE OF PHYSICAL AND EMOTIONAL WELLBEING IS VALUED AND ACTIVELY ADOPTED BY THE COMMUNITY</b>		
<b>2.2.1</b>	<b>Facilitate a suite of family-focused activities that promote wellbeing and healthy lifestyles.</b>		
2.2.1.1	Run the Burnie Challenge as an annual event.	✓	100%
2.2.1.2	Run the Burnie Ten and 321Go children's footrace event.	✓	100%
<b>2.2.2</b>	<b>Encourage community-driven initiatives that focus on developing healthier lifestyles and improved emotional wellbeing.</b>		
2.2.2.1	Assist in development and implementation of a Local Drug Action Plan.		
<b>2.3</b>	<b>A PLACE WHERE EVERYONE FEELS ACCEPTED AND PARTICIPATES FREELY IN COMMUNITY ACTIVITIES</b>		
<b>2.3.1</b>	<b>Promote the improvement of equal access across various types of barriers that prevent participation.</b>		
2.3.1.1	Explore a partnership program that provides opportunities for young people to participate in an activity of their choice where affordability is a limiting factor.	▶	Ongoing
2.3.1.2	Advocate for improved affordable transport for children with disabilities.	▶	Ongoing
<b>2.3.2</b>	<b>Support initiatives aimed at improving social outcomes by removing barriers to participation in learning and employment opportunities.</b>		
2.3.2.1	Work with our community through a <i>Collective Impact Framework</i> to remove obstacles that prevent participating in opportunities for training and employment.	▶	Ongoing
2.3.2.2	Partner with service clubs and agencies to identify projects that will target special needs in the community.	▶	Ongoing
2.3.2.3	Provide support to local and regional events that provide positive social and economic benefits to Burnie.	▶	Ongoing
2.3.2.4	Assist the Local Enabling Group in implementing <i>The Search</i> program.	▶	Ongoing
<b>2.3.3</b>	<b>Promote volunteerism as a lifestyle choice.</b>		
2.3.3.1	Develop a program aimed at encouraging volunteering amongst young people.	✓	100%
<b>2.3.4</b>	<b>Promote inclusiveness and participation within identifiable groups.</b>		
2.3.4.1	Complete and implement the Age Friendly Community Program.	✓	100%
2.3.4.2	Revise and implement the Youth Development Strategy.	▶	60%
<b>2.3.5</b>	<b>Assist those who assist the community.</b>		
2.3.5.1	Facilitate engagement between Aldermen and at least one community group per month.	▶	75%
LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✗			



3

A CENTRE FOR INFORMATION,  
KNOWLEDGE AND LEARNING



## Strategic objectives

- UTAS is a strong leader in the provision of education and research in the Burnie region
- The education providers work together and are responsive in meeting the learning needs of the community
- The community is engaged in education and values learning from the early years and throughout life
- Our community is skilled and able to manage change and meet global, regional and local challenges
- Opportunities exist for people to achieve their dreams and potential

## Bursaries and awards

The Education Bursaries and Awards Policy has been developed to invest in young people within the Burnie community by encouraging their education development. This policy aims to support young people with their studies at the University of Tasmania (UTAS) and encourage students in the other levels of education by awarding excellence in leadership and positively contributing to the values of the school.

A total of \$12,300 was awarded last year under this policy.

## UTAS Development at West Park

Council continues to look forward to the construction of the new UTAS Campus at West Park. UTAS recently announced the appointment of John Wardle Architects, and is hoping to receive development approval in late 2018 with commencement in 2019.

UTAS has also been working towards a new delivery model for the north-west so that the Campus will be a true regional facility underway.

## Burnie Works Collective Impact

Burnie Works is a collective impact framework working to create change and address complex issues in our community including educational outcomes and unemployment.

Burnie City Council and the Westpac Foundation provide funding for a full time Project Officer - Collective Impact to provide support and facilitation through a distributive backbone. Burnie Works continues to develop and work towards the goals set by the community in Making Burnie 2030.

Burnie Works includes a central backbone organisation; the Local Enabling Group and working groups BIG, Dream Big, Every Day Counts, Employment Partnership Group and Burnie Works Local Drug Action Team. The framework also links with the Hilltop Fresh Produce Project and Communities for Children.

In 2017-18 Burnie linked with the North West Suicide Prevention Trial working to reduce suicide in men aged 40-64 and men and women over 64. The Local Enabling Group is supporting Family Planning Tasmania's LAQR4U project promoting information availability and use of long acting reversible contraception, by acting as a reference group.

BIG is working to increase the connection between business and education. BIG wants to support our young people on to a positive life pathway to fulfil their great potential and aspirations. In 2017-18, BIG has continued to support the University of Tasmania Science and Engineering Investigation Awards (North West) held

in September 2017 and the NextGen Business Challenge. BIG also continued Up Close and BIG... with Jane Bennett, Ray Martin, Professor Paulo de Souza and Professor Tim McCormack talking to students about their education and career path.

Dream Big aims to encourage Grade 5 students in Burnie to dream about their future. Students from Romaine Park, Montello, Ridgley, Natone, Havenview, Cooe and Somerset Primary Schools are undertaking Dream Big in 2017-18.

Dream Big gives students the chance to:

- Visit higher education campuses in Burnie during Term 1 (Hellyer College, Tas TAFE and UTAS- Cradle Coast Campus).
- Visit and learn about a career of their choice during Term 2 - Term 3

2017 saw 202 participants. In 2018, this will increase to 238 students participating in higher education visits, and 88 students who will participate in careers visits in 2018.

We continue to work within the framework to create large-scale change in our community.

## Youth Development

The Burnie Youth Strategy was developed as a collaborative approach with community to youth development. Areas covered in the strategy are employment, housing, transport and diversity.

The strategy aims to both approach long standing issues by investigating and supporting local strengths, as well as involve and empower young people more deeply in the decisions that affect them. Aspects of the Strategy such as the diversity area, have brought traditionally isolated young people into projects like Youth Making Changes Around Burnie (YMCAB) along with providing a better avenue of information for Council over concerns of differing groups of young people.

The Burnie Youth Council has been operating for 16 years and is comprised of two representatives from each school and college in the Burnie municipality. The Youth Council provides members

with a unique opportunity to participate in civic education and gain a greater understanding of local government. Burnie Youth Council provides the Council with valuable links and insight into the strengths and challenges of Burnie's young community.

In 2018 the Burnie Youth Council is led by Youth Mayor Georgie Blake from Burnie High School, Deputy Youth Mayor Senior Bellamy Paine from Marist Regional College, and Deputy Youth Mayor Junior Millie Lithgow from Leighland Christian School.

Youth Making Changes Around Burnie is an active group of young people aged 14-25 who organise, facilitate

and promote events for young people in Burnie. YMCAB meets on a monthly basis and provides a safe, friendly environment for young people to discuss ideas and concerns and turn these ideas into reality for youth in the Burnie area. YMCAB also delivers various events such as the colour run, film nights, music gigs, activities and fundraising.

YMCAB members are also involved in the organisation and delivery of the National Youth Week event along with contributing to consultation on various aspects of youth culture and expectations.





## FUTURE DIRECTION 3 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
<b>3.1</b>	<b>UTAS IS A STRONG LEADER IN THE PROVISION OF EDUCATION AND RESEARCH IN THE BURNIE REGION</b>		
<b>3.1.1</b>	<b>Partner with the University of Tasmania including the Rural Clinical School to maximise the growth of the UTAS Cradle Coast Campus.</b>		
3.1.1.1	Work with UTAS to implement the West Park masterplan.	▶	30%
3.1.1.2	Explore opportunities to link with UTAS on Smart City initiatives.	▶	Ongoing
<b>3.2</b>	<b>THE EDUCATION PROVIDERS WORK TOGETHER AND ARE RESPONSIVE IN MEETING THE LEARNING NEEDS OF THE COMMUNITY</b>		
<b>3.2.1</b>	<b>Promote learning pathways.</b>		
3.2.1.1	Facilitate collaboration between education providers to strengthen learning pathways.	▶	Ongoing
<b>3.2.2</b>	<b>Encourage opportunities that optimise the use of assets and resources for education.</b>		
3.2.2.2	Implement the progressive stages under the Heads of Agreement with UTAS on the land at West Park.	▶	Ongoing
3.2.2.3	Assist the Local Enabling Group in facilitating a 'Learning Week'.	▶	Ongoing
<b>3.2.3</b>	<b>Encourage partnerships between education providers and industry that ensures training is matched to the employment needs of the region.</b>		
3.2.3.1	Support workforce participation programs by making available work experience placements.	▶	Ongoing
3.2.3.2	Support the development of BIG educational/business events.	▶	70%
<b>3.3</b>	<b>THE COMMUNITY IS ENGAGED IN EDUCATION AND VALUES LEARNING FROM THE EARLY YEARS AND THROUGHOUT LIFE</b>		
<b>3.3.1</b>	<b>Invest in programs that develop the potential of our children.</b>		
3.3.1.1	Actively participate with UTAS on Science Week activities.	▶	100%
<b>3.3.2</b>	<b>Develop child care centres as family service hubs.</b>		
<b>3.3.3</b>	<b>Encourage initiatives to improve our education retention rates and promote the value of education.</b>		
3.3.3.1	Provide support to the Dream Big project being undertaken by local schools introducing children to careers in local industry.	▶	Ongoing
3.3.3.2	Facilitate and support the Burnie Education and Training Reference Group.	✗	Deferred
<b>3.3.4</b>	<b>Encourage initiatives that provide opportunities for lifelong learning.</b>		
<b>3.4</b>	<b>OUR COMMUNITY IS SKILLED AND ABLE TO MANAGE CHANGE AND MEET GLOBAL, REGIONAL AND LOCAL CHALLENGES</b>		
<b>3.4.1</b>	<b>Improve the resilience of the Burnie community.</b>		
<b>3.4.2</b>	<b>Advocate for access to relevant professional development and up-skilling opportunities.</b>		
3.4.2.1	Advocate for extension of associate degree, under-graduate and post-graduate offerings at the Cradle Coast Campus that are relevant to the region's industry needs.	▶	Ongoing
<b>3.5</b>	<b>OPPORTUNITIES EXIST FOR PEOPLE TO ACHIEVE THEIR DREAMS AND POTENTIAL</b>		
<b>3.5.1</b>	<b>Celebrate the successes of people who have excelled in their field.</b>		
3.5.1.1	Provide support to the Dream Big project being undertaken by local schools introducing children to careers in local industry.	▶	Ongoing
<b>3.5.2</b>	<b>Contribute to an optimistic outlook by promoting the positive stories within our community.</b>		
3.5.2.1	Take up opportunities to feature positive stories within the community through Council's various communication channels.	▶	Ongoing

LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✗

A photograph of a museum display. In the foreground, a glass display case contains various small objects, including what appears to be a small figurine and some colorful items. To the right, a mannequin head is visible, wearing a large, light-colored hat. The background shows a museum interior with other displays and a large window.

Making their mark

Burnie is a city known for  
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re

4

A SECURE, INNOVATIVE AND  
DIVERSE ECONOMY



## Strategic objectives

- A globally competitive business community, focused on the development of niche and premium products
- A highly skilled workforce with a focus on innovation and entrepreneurship
- A five-star visitor experience on the edge of adventure
- The City of Makers renowned for its niche industries, specialty manufacturing and artisanship
- The opportunities offered by contemporary communications technology are maximised

## Visitor Services

**Burnie Visitor Information Centre located at Makers' Workshop, serviced approximately half of the 115,000 visitors to the workshop, providing a vital service to the Burnie community and locations beyond the municipality. Membership with the Tasmanian Visitor Information Network provides a valuable link and branding to an integral Tasmanian service.**

### Creative Paper

Creative Paper Tasmania received exceptional exposure on the national stage with a feature on ABC's Landline. An increase in interest in the boutique handmade paper mill and ongoing online exposure through its website increased the business's wholesale opportunities and interest from various industries.

A quieter coach tour season in the region contributed to reduced opportunities for the hand-made paper tour experience, but a continued strong participation from the general travelling public and cruise ship visitation kept operations busy.

### Cruise Ship Visitation

Burnie continues its status as a well-respected player in the competitive cruise ship market and passengers again rated Burnie as third place in Australia as a destination favourite.

The 2017-18 season witnessed 29 ships visit the Burnie port with two milestones for Burnie. The largest passenger ship to berth at the port – the Norwegian Jewel, made its maiden visit, with a capacity of over 3000 passengers and crew. The ship utilised the new \$1.5M mooring dolphin, which provides extra length for larger ships and the first ever double berthing

occurred on successive days. Four ships visited our shore for the first time on their maiden visit.

Mayor Alwyn Boyd and his wife Gwenda continued to welcome the passengers on every cruise ship, a highlight for passengers with many photo opportunities occurring.

## Economic development

Economic conditions in the Burnie region have improved over the past three years, with significant growth in almost all industry sectors.

The manufacturing, dairy processing, forestry, transport and mining sectors are all reporting considerable activity, and other sectors in the broader region are also experiencing growth.

Council has provided assistance to a number of these sectors through its

Assistance to Industry and Business policy.

Council is also assisting in the development of the Cradle Coast Futures Plan. This Plan will encompass the whole region and will be focused on helping growth industries to create more and better jobs.



## FUTURE DIRECTION 4 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
<b>4.1</b>	<b>A GLOBALLY COMPETITIVE BUSINESS COMMUNITY, FOCUSED ON THE DEVELOPMENT OF NICHE AND PREMIUM PRODUCTS</b>		
<b>4.1.1</b>	Support the growth of the Burnie economy through the principles of the Burnie Economic Development Strategy and the Settlement and Investment Strategy.		
4.1.1.1	Support new and expanding businesses through the application of the Assistance to Industry and Business Policy.	▶	Ongoing
4.1.1.2	Develop a Resident and Professional Attraction Strategy.	▶	30%
<b>4.2</b>	<b>A HIGHLY SKILLED WORKFORCE WITH A FOCUS ON INNOVATION AND ENTREPRENEURSHIP</b>		
<b>4.2.1</b>	Build opportunities for innovation and entrepreneurship to flourish.		
4.2.1.1	Develop a strategic link with TMEC - Advance Manufacturing Centre of Excellence.	▶	Ongoing
<b>4.3</b>	<b>A FIVE-STAR VISITOR EXPERIENCE ON THE EDGE OF ADVENTURE</b>		
<b>4.3.1</b>	Promote Burnie as a hub for a diverse range of tourism experiences within the region.		
4.3.1.1	Develop a cruise ship strategy.	▶	40%
4.3.1.2	Assist the implementation of the Burnie Destination Action Plan	▶	20%
<b>4.4</b>	<b>THE CITY OF MAKERS RENOWNED FOR ITS NICHE INDUSTRIES, SPECIALTY MANUFACTURING AND ARTISANSHIP</b>		
<b>4.4.1</b>	Develop initiatives that strengthen the Makers of Burnie brand and align with the Tasmanian brand.		
<b>4.5</b>	<b>THE OPPORTUNITIES OFFERED BY CONTEMPORARY COMMUNICATIONS TECHNOLOGY ARE MAXIMISED</b>		
<b>4.5.1</b>	Advocate for regional access to current technology, communications services and infrastructure.		
4.5.1.1	Assist local businesses to access NBN FTTP where required.	✗	Not started
LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✗			









5

A NATURAL AND BUILT ENVIRONMENT  
THAT IS RESPECTED AND CARED FOR



## Strategic objectives

- Our natural resources are protected and enhanced
- The region develops and uses renewable energy sources
- A strong level of participation and collaboration in community based environmental protection and conservation groups
- A region that is energy, water and waste efficient
- A built environment that is valued, reflects our past and embraces our future

## Waste management

**Council provides a range of waste management services to the community, including kerbside refuse and recycling collections, commercial district cardboard collections, public place recycling and litter collections, and waste transfer and resource recovery at the Burnie Waste Management Centre.**

During the year, Council continued to implement waste and resource recovery management practices.

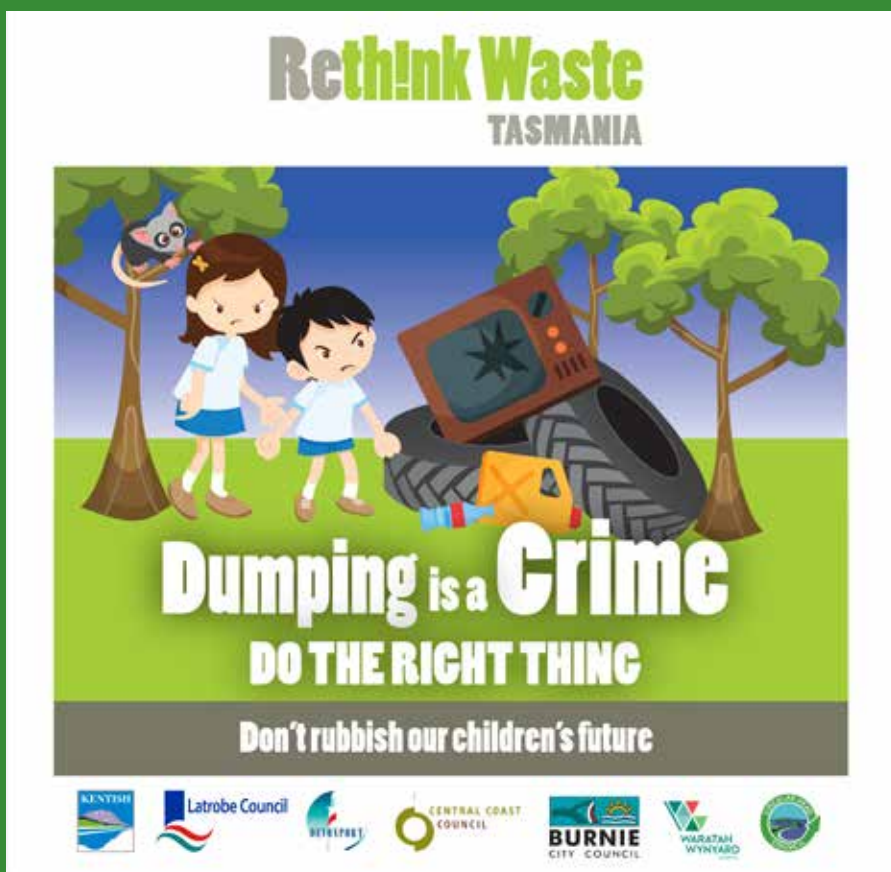
Opportunities to recycle dry cell batteries and printer cartridges were provided during the year and these services continue to be well received.

Council provided a kerbside hard rubbish collection to urban Burnie and Ridgley areas last year and due to its success will provide a similar service again in 2018.

In conjunction with the Cradle Coast Waste Management Group, investigations into the feasibility of providing a third bin collection service for green waste and food waste were finalised, with Council determining not to implement a service at this point in time. However Council continues to have an interest in the future implementation of such a service.

Council continued to take part in the Mobile Muster Program, the official Recycling Program of the Australian Mobile Phone industry.

Illegal dumping continues to be a focus for Council and the region. Particular actions included identifying hot spots, intelligence gathering, education,



### Metro Bus Advertisement

cleaning up dumping sites and catching offenders. Council will continue to work with partners from Cradle Coast Waste Management Group, Department of Primary Industries, Parks, Water and

Environment and the Environment Protection Authority.



## Land use planning statistics

**The Burnie Interim Planning Scheme 2013 applies for use and development of land in the Burnie municipal area.**

Eight (8) separate amendments were made to the planning scheme during 2017-18, to incorporate changes in mandatory State provisions for bushfire risk management and visitor accommodation; to improve opportunities for use on specific sites at Terrylands and Upper Burnie; to alter development standards for access and remove a maximum site area for a single dwelling in suburban areas; and to protect the flight path for helicopters using the North West Regional Hospital.

Council received 157 applications under the planning scheme for permit applications, comprising 148 use or development applications and nine applications for subdivision of land.

26 applications lodged in 2016-17 were carried over for determination.

Applications covered a range of use and development, with continued activity in the small to medium residential sector, redevelopment, and commercial and recreation uses.

148 permit applications were determined in the period from 1 July 2017 until 30 June 2018.

147 permits were granted and one refused. Seven permit applications were withdrawn.

Twenty-eight applications remain undetermined at 30 June 2018.

The average determination time was 24 days for a discretionary permit application and 16 days for a permitted permit application against the statutory maximum of 42 day and 28 days respectively.

## Building and plumbing activity

Burnie's building and plumbing approval activity for 2017-18 involved building work with a combined value of \$32.5M.

2017-18 was the first full financial year of operation under the *Building Act 2016*. The Act introduced categories of building work for which permits are not required. The building value reported therefore does not represent the total value of building work in the Burnie municipal area.

Residential building work in Burnie for new dwellings, alterations and extensions to existing houses, had a total value of \$20.3M.

Burnie's commercial and industrial building work had a value of \$10.2M, of which two large projects account for a little over half.

The remaining \$2M was made up of non-habitable structures such as sheds, retaining walls and other miscellaneous structures.



## FUTURE DIRECTION 5 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
<b>5.1</b>	<b>OUR NATURAL RESOURCES ARE PROTECTED AND ENHANCED</b>		
5.1.1	Recognise and protect those areas that are formally protected.		
5.1.2	Assist in the sustainable use of natural resources including agricultural land, forests, minerals, water, air and natural landscapes.		
<b>5.2</b>	<b>THE REGION DEVELOPS AND USES RENEWABLE ENERGY SOURCES</b>		
5.2.1	Support opportunities for both commercial and private generation of renewable energy.		
<b>5.3</b>	<b>A STRONG LEVEL OF PARTICIPATION AND COLLABORATION IN COMMUNITY BASED ENVIRONMENTAL PROTECTION AND CONSERVATION GROUPS</b>		
5.3.1	Support communities that care for and protect our environment.		
5.3.1.1	Support community environmental groups such as Friends of Little Penguins, Bushwatch, Burnie Coastal Care Group, Upper Natone Reserve Committee, Friends of Fernglade, and Keep Australia Beautiful.	▶	Ongoing
<b>5.4</b>	<b>A REGION THAT IS ENERGY, WATER AND WASTE EFFICIENT</b>		
5.4.1	Support initiatives that promote energy efficiency.		
5.4.1.1	Plan for the roll out of LED lighting in the public lighting network as part of the North West regional lighting project.	✓	100%
5.4.2	Support the appropriate and efficient use of various water resources.		
5.4.3	Support the State and regional strategies in waste reduction.		
5.4.3.1	Consider implementation of a Food Organics Green Organics (FOGO) collection service for the Burnie Community.	✓	100%
<b>5.5</b>	<b>A BUILT ENVIRONMENT THAT IS VALUED, REFLECTS OUR PAST AND EMBRACES OUR FUTURE</b>		
5.5.1	Ensure the use and development of land enables communities to provide for their social, economic and cultural well-being and for their health and safety, while maintaining the potential for land to meet reasonably foreseeable needs, without risk to the life supporting capacity of land, air and water.		
5.5.2	Ensure the form and layout of settlement provides attractive, convenient, efficient, healthy, pleasant and safe urban and rural places in which people live, work or visit.		
5.5.2.2	Review the Burnie West Coastal Master Plan to identify opportunities for future use of the land.	▶	50%
5.5.3	Plan for or make available adequate community and utility infrastructure assets to support economic prosperity and liveable settlements.		
LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✗			



# 6 A REGIONAL HUB





## Strategic objectives

- Burnie is the community and commercial services centre for the broader north-west region
- Effective, efficient and integrated transport linkages service and connect Burnie with the state, region and world
- The City provides leadership and works collaboratively on regional strategic issues

## Tas Communications Pty Ltd

Tas Communications Unit Trust was established in August 2002 and its main focus is providing quality support to its local government customers along with tailoring niche services to meet the needs of its business customer base. It is also an internet service supplier, application service hosting and service desk supplier. With a fibre and wireless network between Smithton and Hobart, Tas Communications service clients in most of the population centres in Tasmania.

The following services are provided to the customer service base:

- Network services
- Internet services
- Managed services
- Product sales
- Support and consulting services

### Directors

The Directors of the Corporate Trustee of the entity as at 30 June 2018 were:

- Rodney Greene (Chairman and Secretary)
- Steven Cambridge (Independent Director)

The Trust is 100% owned by Burnie City Council with one Director employed by Council and a second independent Director. The continued operation of the entity in its present form, undertaking its current activities, is dependent on Council's continued support.

The Council is continuing an independent review of Tas Communications that commenced in 2016.

### Financial performance and position

The Trust recorded another successful year with an operating surplus of

\$226,646 compared with \$295,664 in 2017. The Trust has net assets of \$2,329,377 as at 30 June 2018 compared with \$2,328,395 in 2017 and is well situated to continue to grow and service its existing customer base into the future. The Trust invested \$47,636 in telecommunications and information technology assets throughout the year.

The Trust employed four full time equivalent employees as at 30 June 2018 (four in 2017). The Trust employed four full time equivalent employees as at 30 June 2017 (four in 2016).

## Burnie Airport Corporation Pty Ltd

The Burnie Airport Corporation Unit Trust was established in December 2001 and is 51% owned by the Burnie City Council (BCC) and 49% owned by a private sector partner, Australian Regional Airports (ARA). The Trust acquired the Burnie Airport from the Burnie Port Corporation in 2001.

The purpose of the Trust is to provide sustainable infrastructure for a regular, reliable carrier servicing the greater Burnie region.

### Directors

The Directors of the Corporate Trustee of the entity as at 30 June 2018 were:

- Andrew Wardlaw (Chairman, BCC Director, Corporate Secretary)
- Patrick Earle (BCC Director)
- John Nissen (ARA Director)
- Rod Sullivan (ARA Director)

### Financial performance and position

The Trust recorded an operating profit of \$183,310 for the year compared to the budgeted forecast of \$45,290. The Trust had net assets of \$6,527,071 as at 30 June 2018 compared with \$6,540,248 in 2017.

The Trust employed 3.25 full time equivalent employees as at 30 June 2018 (2017: 3.0 full time equivalents).

# Shared services

**Through Cradle Coast Authority, Burnie City Council is involved in shared service arrangements with other councils in the region for Cradle Coast Tourism, NRM, Cradle Coast Waste Management Group and the Regional Planning Initiative. Council's participation in this joint authority goes beyond the areas listed however these projects involve specific collaboration with councils.**

The Cradle Coast Authority entered a Memorandum of Understanding with the State Government for a Strategic Shared Services Initiative. This report was received in December 2017 and Burnie has committed to working with other councils in the region to actively pursue opportunities to progress resource sharing. The areas of particular interest are information technology, procurement, waste management and regulatory services.

In June 2018, Burnie City, Circular Head and Waratah-Wynyard Councils endorsed a Memorandum of Understanding to investigate and develop plans to establish a Shared Services Entity.

Burnie provides environmental health officers to West Coast, Circular Head and Waratah-Wynyard Councils for immunisations services. The Council received \$23,000 in revenue from these services in 2017-18, a reduction from \$61,000 in 2016-17.

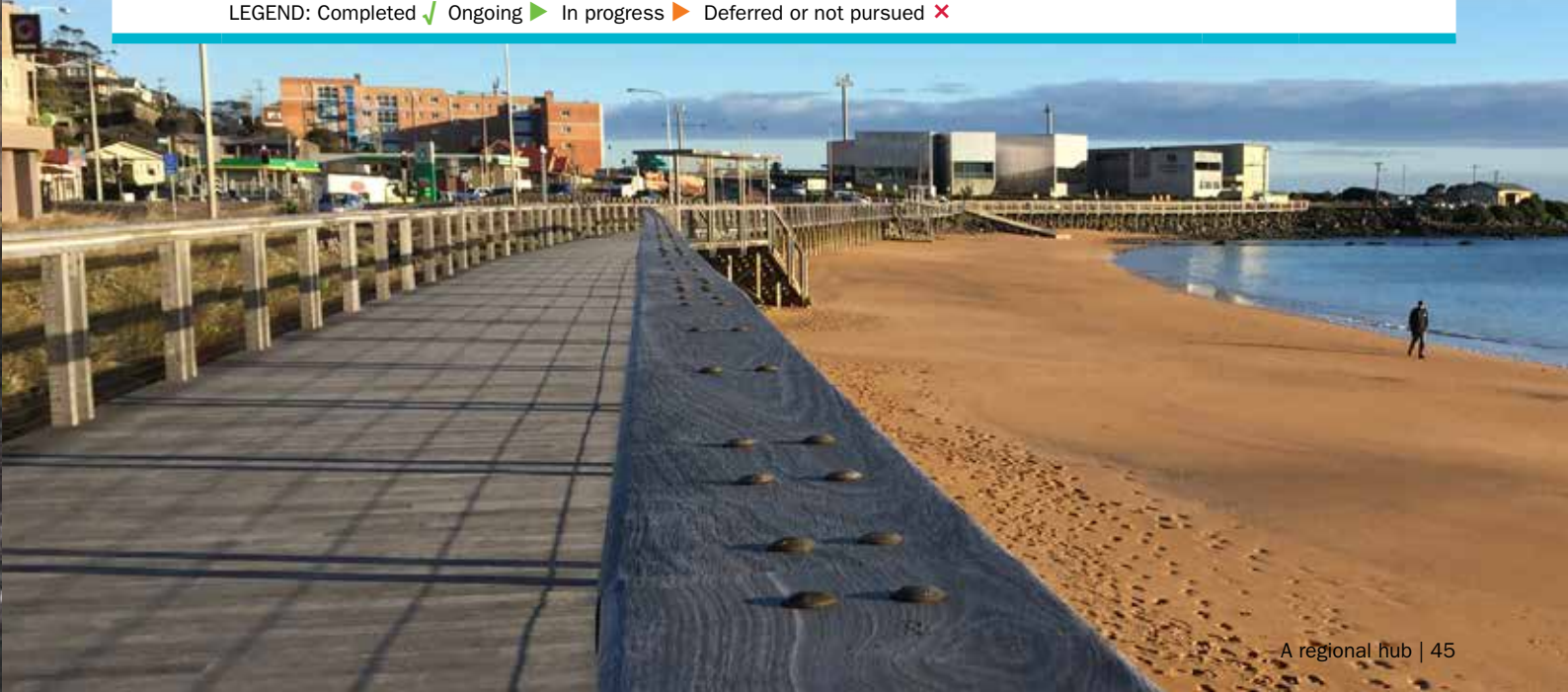
Council owns Tas Communications Pty Ltd and this entity currently provides IT and communications services to Waratah-Wynyard and Latrobe Councils.

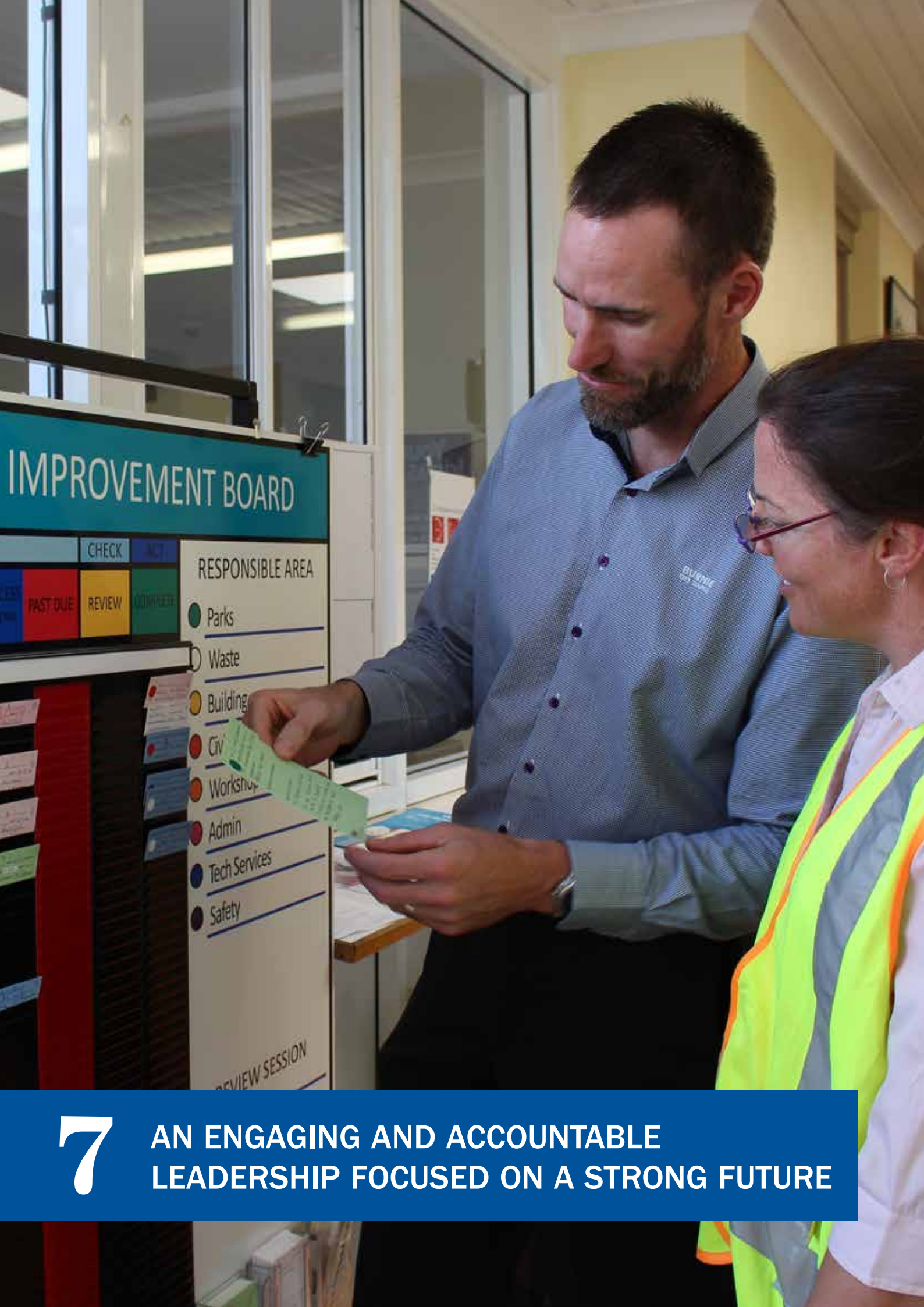




## FUTURE DIRECTION 6 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
<b>6.1</b>	<b>BURNIE IS THE COMMUNITY AND COMMERCIAL SERVICES CENTRE FOR THE BROADER NORTH-WEST REGION</b>		
<b>6.1.1</b>	<b>Promote Burnie as an attractive investment choice.</b>		
6.1.1.1	Develop an Investment Prospectus for CBD, subject to grant funding.	▶	20%
6.1.1.2	Develop an Investment Prospectus for Industrial and Commercial sites, subject to grant funding.	▶	10%
<b>6.1.2</b>	<b>Maintain and enhance key community facilities that serve the broader region for cultural recreational and community purposes.</b>		
6.1.2.1	Explore the potential for Burnie to become a pre-pilot test site for new government programs and services.	▶	Ongoing
<b>6.1.3</b>	<b>Advocate for the ongoing and expanded representation of government agencies and services in Burnie that address community needs and provide necessary infrastructure and support to the broader region.</b>		
<b>6.2</b>	<b>EFFECTIVE, EFFICIENT AND INTEGRATED TRANSPORT LINKAGES SERVICE AND CONNECT BURNIE WITH THE STATE, REGION AND WORLD</b>		
<b>6.2.1</b>	<b>Maintain an active focus on the critical importance of the port and rail operations to the broader region.</b>		
<b>6.2.2</b>	<b>Advocate for retention of a regular air passenger and freight service from Burnie to the mainland and to King Island.</b>		
6.2.2.1	Maintain a majority ownership in the Burnie Airport Corporation.	▶	Ongoing
<b>6.2.3</b>	<b>Advocate for the planning and development of strengthened strategic transport linkages to other major centres in the region.</b>		
6.2.3.1	Advocate for the development of a long-term plan for the Bass Highway link between Burnie and Wynyard.	▶	Ongoing
<b>6.3</b>	<b>THE CITY PROVIDES LEADERSHIP AND WORKS COLLABORATIVELY ON REGIONAL STRATEGIC ISSUES</b>		
<b>6.3.1</b>	<b>Advocate for the community on issues of local and regional importance.</b>		
6.3.1.1	Commit to funding and collaborate with the Australian Master Games Committee.	✓	100%
6.3.1.2	Work alongside Australian Master Games to manage hosting of the closing ceremony.	✓	100%
<b>6.3.2</b>	<b>Encourage initiatives to promote regional cooperation for both regional benefits and maximising efficiencies.</b>		
6.3.2.1	Participate in the Cradle Coast Councils' Strategic Shared Service Initiative.	✓	100%
6.3.2.2	Meet at least annually with the Cradle Coast Authority to maintain dialogue on matters of regional significance.	✓	100%
6.3.2.3	Participate in the Tasmanian Visitor Information Network.	▶	Ongoing
6.3.2.4	Provide technical tasks and support service in the area of environmental health, planning and weed management, to adjacent municipal districts under resources sharing arrangements.	▶	750%
LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✗			





7

AN ENGAGING AND ACCOUNTABLE  
LEADERSHIP FOCUSED ON A STRONG FUTURE



## Strategic objectives

- A Council that provides engaging and effective leadership to Burnie
- Council and the community are informed and engaged on issues of local importance
- Council is compliant in all areas and carries out the role of regulatory enforcement in a fair and effective manner
- A sustainable, viable financial future is assured and accountability is demonstrated through open and transparent processes
- A sustainable long term future is planned through the management of Council's infrastructure and assets
- A culture of continuous improvement that adapts well to change and promotes the value of customer service excellence
- Council has a strong and positive work culture that embraces teamwork and shared values
- A best practice approach is taken to managing risk in the community and providing a safe work environment

## Emergency management

Council has a statutory responsibility under the Emergency Management Act 2006 to undertake various aspects of planning, preparation, response and recovery to support our community in times of emergency.

A Combined Area Group (incorporating Burnie City Council, Circular Head Council and Waratah-Wynyard Council) has been established to support the effective delivery of emergency management arrangements in each of the municipalities. This group has developed combined area Municipal Emergency Management Plans and Risk Assessments.

The other aspect to Council's emergency management role is to provide support to the Burnie volunteer SES Unit. Council has a close working relationship with the local unit and acknowledges the key role the unit plays in support of emergency response and rescue activities in the Burnie and wider communities.

## Capital works (overview of remaining projects)

Council's capital works budget adopted for 2017-18 was \$11,748M.

In all, there were 152 project line items within the capital works program, with responsibility for these projects resting across a number of departments of Council.

The capital works program varies from small building upgrades, works on parks and reserves, purchase of artworks, plant and equipment, IT hardware and software, parking equipment and the list continues.

Overviews of some major projects are provided throughout the Annual Report.

Remaining projects of interest include:

- Stowport Road corner widening program
- Rural and urban resurfacing programs
- West Park intersection – pedestrian refuge
- Plummer Avenue upgrade
- Disability parking improvement in Wivenhoe
- Central Business District painting and bollard program
- CCTV expansion on waterfront
- Alexander Street traffic management improvements
- Burnie Park new BBQ
- City Office lift upgrade

## Commonwealth financial assistance

The Australian Commonwealth Government provides Financial Assistance Grants to all local governing bodies. The grant program consists of two components: a general-purpose component, and a local road component. The funds can be spent at Council's discretion and assist Council to pay for services provided to the community.

Local government grants commissions have been established in each state to recommend the distribution of the Financial Assistance Grants to Councils in accordance with the Act and the National Principles for allocating grants.

The Financial Assistance Grant funding for Burnie City Council for the 2017-18 year was \$2,263,845. The grants represent 6.4% of Council's total operational funding source.

## Employer of Choice

Burnie City Council successfully gained the Employer of Choice status in November 2011 and was re-accredited in 2015. The significance of this award is the recognition of specific programs Council has put in place to help create a positive and engaging work environment.

**employer  
of choice**

## Contracts and awards over \$100,000

CONTRACT NUMBER	CONTRACT TITLE	CONTRACTOR REGISTERED BUSINESS NAME AND ADDRESS	DURATION	VALUE OF CONTRACT (EX GST)
2605	Cleaning Services for Public Amenities	<b>Dev's Contract Cleaning Pty Ltd</b> West Park Oval, Bass Highway Burnie TAS 7320	4 years	\$168,341.70 per annum indexed
2604	Security and/or Cash Collection Services	<b>Advanced Protection Solutions</b> 10 Laird Road Burnie TAS 7320	3 years	\$91,105.00 per annum indexed
2603	Plummer Avenue Upgrade	<b>RT &amp; NJ Construction Services Pty Ltd</b> 62 West Mooreville Road Burnie TAS 7320	4 weeks	\$108,534.08
2597	Supply and Delivery of One (1) Four Wheel Drive Backhoe	<b>JF Machinery Pty Ltd</b> 288 Georgetown Road Rocherlea TAS 7248	not applicable	\$126,400.00
2596	Supply and Delivery of One (1) 10 Yard Truck and Tipping Tray and Hoist	<b>FRM</b> 176 Stony Rise Road Devonport TAS 7310	not applicable	\$131,233.94
2595	Supply and Delivery of One (1) Suction Street Sweeper	<b>Treloar Transport Co</b> 7 Spring Street Sheffield TAS 7306	not applicable	\$286,586.46
2593	Burnie Aquatic Centre Supply of Natural or LP Gas	<b>Aurora Energy Pty Ltd</b> GPO Box 191 Hobart TAS 7001	1 year	Schedule of Rates
2591	Cleaning Services for City Offices	<b>Lazaro Pty Ltd</b> 111 Macquarie Street Hobart TAS 7001	3 years	\$67,228.13 per annum indexed
2590	South Burnie Breakwater Bund Reconstruction	<b>SD Groves Earthmoving Pty Ltd</b> 80 Back Cam Road Somerset TAS 7322	3 months	\$339,174.60
2586	Bitumen Surfacing Services 2017-2018	<b>Roadways Pty Ltd</b> 3 Ormsby Street Wivenhoe TAS 7320	1 year	Schedule of Rates Contract (Parts A, B and C)
2577	Marine Terrace - Coastal Pathway	<b>Fairbrother Pty Ltd</b> 12 Stony Rise Road Devonport TAS 7310	5 months	\$1,552,865.00
2567	West Park Oval Drainage Improvements	<b>Total Turf Care Pty Ltd</b> 32 Harvest Lane Old Beach TAS 7017	4 weeks	\$195,771.00

### TasWater

As at 30 June 2018 Council held a 4.12% (2017: 4.12%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution, reflecting the Council's voting rights. Throughout 2017-18 Council received \$1.242M in distributions from TasWater (2017: \$1.242M).

Council will continue to derive returns in the form of dividends, guarantee fees and tax equivalents from the entity and uses those funds to minimize rate increases to the community.

The objectives for TasWater prescribed in the *Water and Sewerage Corporation Act 2012* are to:

- Efficiently provide water and sewerage functions in Tasmania
- Encourage water conservation, the demand management of water and the re-use of water on an economic and commercial basis
- Be a successful business
- Operate its activities in accordance with good commercial practice
- Deliver sustainable returns to its members
- Deliver water and sewerage services to customers in the most cost efficient manner



# Asset management and service delivery

**On behalf of the Burnie community, Council manages a large portfolio of assets which support the delivery of Council services or are used by the community**  
**The portfolio of assets includes:**

## **Transport**

Systems are in place to support the appropriate management of the road and bridge network, including service level documents, inspection regimes, asset management plans and forward works program.

Operational tasks carried out include pothole patching and pavement repairs, kerb and channel and footpath maintenance, shoulder and unsealed road grading, signs and barriers maintenance and installation, and verge maintenance.

## **Stormwater**

A Stormwater System Management Plan was adopted by Council in early 2017.

The Stormwater System Management Plan brings together a number of Council plans and strategies and provides a consolidated view of how the urban stormwater systems are managed, identifies challenges and risks and a plan of action to address. Actions are incorporated in the forward works program as required.

Council carries out ongoing maintenance works to clear hot spots where debris from trees and other sources collects. These areas include gully pits on roads, creeks, culverts and bridges.

## **Buildings**

A large portfolio of buildings are owned and operated by Council to support operational and community activities.

Many members of our community will regularly use a council facility and building, in doing business, playing sport or attending an event.

Council's focus for building management is to maintain the facilities in a fit for use

condition. Improvement programs related to energy management, better access opportunities and renewing infrastructure are included in the operational and capital works budget.

## **Parks, reserves and sports grounds**

The Burnie municipality contains approximately 200 distinct areas of parks, reserves and sporting grounds which provide a range of outdoor experiences for the community. The total area of reserves, including undeveloped bushland, covers an area of 452 hectares and forms a valuable network of public spaces for a variety of activities.

Walking and cycling tracks are features of the City with a strong network that takes advantage of sea views, bush environment and urban landscapes; providing opportunities for a range of passive recreation activities.

Council also maintains three cemeteries within the Burnie municipality. Two traditional memorial cemeteries, which are closed to new reservations, are located at Ridgley and Wivenhoe. Council's current operating cemetery, the Burnie Lawn Cemetery is located on East Cam Road.

## **Plant and equipment**

An extensive portfolio of plant and equipment across all the operational areas of Council is maintained to aid in the delivery of services to the community.

These assets represent a significant investment by the Burnie community.

Our aim continues to be making adequate and ongoing funding provision for asset renewal and service deliver activities, to support the needs of the community.

To support the achievement of this aim, Council has mature asset management practices and processes in place which provide an appropriate framework for the construction, operation, renewal and where required, disposal of assets. Ongoing review of the asset portfolio, asset and financial information occurs within those processes.

## **Cradle Coast Authority**

Council is a member of the Cradle Coast Authority which is a joint authority created by the nine councils of north-west Tasmania to facilitate the sustainable development of the region, resolve regional issues and coordinate regional-scale activity.

Their purpose is to represent the nine councils and their communities as a region.

The Authority is currently engaged in a variety of initiatives including industry development, health and wellbeing initiatives and education, training and workplace development. Council's annual membership fee for 2017-18 was \$153,252 (2016-17: \$150,988).

## **Public Interest**

### **Disclosures**

In accordance with section 86 of the *Public Interest Disclosures Act 2002*, Council is required to report the number and type of public interest disclosures. There were no disclosures reported during 2017-18. Information on current procedures is available at [www.burnie.net](http://www.burnie.net) under Council policies.



## Local Government Association of Tasmania

Council is currently a member of the Local Government Association of Tasmania (LGAT). LGAT is the voice of Local Government in Tasmania and represents 28 of Tasmania's 29 councils.

The Association provides support to councils so that they, in turn, are well placed to serve their communities. This support comes in the form of providing specialist services to the councils including policy and strategic support and information and learning for Local Government elected members and officers.

LGAT also coordinates the Tasmanian Local Government Awards for Excellence, the annual Tasmanian Local Government conference and LGAT Assist. Council's annual membership fee paid to the Association in 2017-18 was \$51,238 (2016-17: \$56,344).

## Ridgley drainage study

Council engaged consultant Pitt and Sherry to undertake a drainage study of the Ridgley township. The aim of the study was to identify local flooding issues and identify opportunities to minimise the effects of the flooding. The study has been completed and received by Council at its meeting on 19 June 2018 and is available at [burnie.net](http://burnie.net).

Significant flooding was identified at two locations and recommended works are noted below:

Location 1: New 750dia pipe under private property and highway, existing to Cooe Creek, about 75m long.

Location 3: Replace culverts under Ridgley Highway, railway and Circular Road, excavate new inlet at Community Centre, catch drains at rear of properties on Ridgley Highway.

Funds have been identified in the 2018-19 capital works program to install a new 750mm pipe in the vicinity of 883 Ridgley Highway.

## Complaints under Customer Service Charter

In accordance with *section 339F of the Local Government Act 1993*, Council is required to disclose the number and nature of complaints it received under the provisions of the Customer Service Charter. In 2017-18 no complaints were received.

## Donations of land

In accordance with *section 72(1) (da) of the Local Government Act 1993*, Council is required to disclose any donations of land made throughout the year, including the name of the recipient, the reasons for donation and the value of the land. In 2017-18 there were no donations of land made by Council.

## Code of Conduct complaints

In accordance with *section 72(1) (ba) of the Local Government Act 1993*, Council is required to report the number of Code of Conduct complaints that were upheld or partially upheld throughout the financial year. In 2017-18 there were no code of conduct complaints upheld or partially upheld.

## Energy Management

Council has set an energy reduction target and is applying a number of strategies to help achieve this target. From an infrastructure perspective, investment has been made in LED lighting and solar energy.

2017-18 projects have included:

- Works Depot – solar energy system
- City Offices – LED light changeover
- Upper Burnie Community Hall – LED light changeover
- Burnie Regional Art Gallery – lighting replacement



# Special committees

## **BURNIE CITY COUNCIL AUDIT COMMITTEE**

The objective of the Committee is to assist Council in providing a transparent and independent process in its financial management to ensure accountability to the community in the governance, management and allocation of resources. In addition to Ald Blake OAM and Ald Kons, the Committee consists of independent Chairman Robin Johnson and independent members Lisa Dixon and Steven Jarman.

Council Representative  
*Ald Ron Blake OAM, Ald Steven Kons*

Contact Officer  
*Executive Manager Corporate Finance*

## **BURNIE CITY YOUTH COUNCIL SPECIAL COMMITTEE**

The Burnie Youth Council advises Council on matters of importance to Burnie's young people and represents Burnie at statewide youth forums. It is also an opportunity for members to become familiar with the concepts and procedures which relate to the operations of Local Government.

Council Representative  
*Deputy Mayor Sandra French AM, (Proxy: Ald Teeny Brumby)*

Contact Officer  
*Youth Development Officer*

## **BURNIE SPORTS CENTRE SPECIAL COMMITTEE**

The committee's role is to implement consistent processes to ensure the Burnie Sports Centre is maintained and utilised to its full potential.

Council Representative  
*Mayor Alwyn Boyd, Ald Ken Dorsey*

Contact Officer  
*Recreation and Activities Officer*

## **UPPER NATONE RESERVE SPECIAL COMMITTEE**

The Committee manages the operation of the Upper Natone Reserve, promoting and maximising the Reserve's viability.

Council Representative  
*Mayor Alwyn Boyd (Proxy: Ald Teeny Brumby)*

Contact Officer  
*Director Works and Services*

## **BURNIE AUSTRALIA DAY SPECIAL COMMITTEE**

The Committee organises and hosts the Burnie Australia Day Ceremony.

Council Representative  
*Deputy Mayor Sandra French AM*

Contact Officer  
*PA to Mayor and General Manager*

## **BURNIE REGIONAL ART GALLERY SPECIAL ADVISORY COMMITTEE**

The Committee aims to support the maintenance of the Burnie Regional Art Gallery as a facility equal to the best regional galleries in Australia and to work to sustain its future viability. The Acquisitions Program of the Burnie Regional Art Gallery is supported to see the Gallery's collection gain in strength and national standing.

Council Representative  
*Ald Steve Kons and Deputy Mayor Sandra French AM*

Contact Officer  
*Director Burnie Regional Art Gallery*

## **BURNIE REGIONAL MUSEUM SPECIAL COMMITTEE**

The Committee supports the development of the Burnie Regional Museum as a centre for research into the history and heritage of the Burnie region, delivering a contemporary visitor experience and ensuring the preservation, conservation and curation of the Museum collection.

Council Representative  
*Ald Ken Dorsey (Proxy: Ald Chris Lynch)*

Contact Officer  
*Curator of the Burnie Regional Museum*

## **GENERAL MANAGER'S PERFORMANCE REVIEW SPECIAL COMMITTEE**

The Committee is responsible to undertake the annual performance review of the General Manager in accordance with the employment contract in a professional and timely manner.

Council Representative  
*All Aldermen*

Contact Officer  
*Mayor Alwyn Boyd*

## **PUBLIC ART PROJECTS SPECIAL ADVISORY COMMITTEE**

The Committee's role is to evaluate and assess all public art proposals and is responsible for identifying new public art opportunities.

Council Representative  
*Deputy Mayor Sandra French AM*

Contact Officer  
*Director Burnie Regional Art Gallery*

## **BURNIE COMMUNITY SAFETY ADVISORY SPECIAL COMMITTEE**

The Committee advises Council on matters relating to community safety issues with the aim of achieving a greater focus on safety outcomes at a local community level.

Council Representatives  
*Ald Robert Bentley and Mayor Alwyn Boyd*

Contact Officer  
*Technical Officer*

## **YOUTH MAKING CHANGES AROUND BURNIE SPECIAL COMMITTEE**

Youth Making Changes Around Burnie (YMCAB) is a dynamic committee of young people aged 14 - 25 who organise, facilitate and promote events for young people in Burnie. The group also advises Council on matters of importance to young people and represents Burnie at statewide youth forums.

Council Representative  
*Deputy Mayor Sandra French AM (Proxy: Ald Teeny Brumby)*

Contact Officer  
*Youth Development Officer*

## FUTURE DIRECTION 7 ANNUAL PLAN OUTCOMES

Strategy	Action	Status	%Complete
7.1	A COUNCIL THAT PROVIDES ENGAGING AND EFFECTIVE LEADERSHIP TO BURNIE		
7.1.1	Formulate policy that is equitable, inclusive and responsive to current needs, and ensure decision-making is informed and accountable.		
7.1.1.1	Plan for disposal of Council land at Cooee Point.	▶	30%
7.1.2	Ensure effective operation and support for Council entities, authorities and special committees.		
7.1.2.1	Ensure a Letter of Expectation is in place for entities Tas Communications and Burnie Airport Corporation and that an Annual Statement of Corporate Intent is received from each entity.	▶	50%
7.2	COUNCIL AND THE COMMUNITY ARE INFORMED AND ENGAGED ON ISSUES OF LOCAL IMPORTANCE		
7.2.1	Enhance the level of community and organisational engagement across a range of Council operations.		
7.2.1.1	Explore the potential in hosting regular community forums around the community.	✓	100%
7.2.1.2	Develop a Communication, Consultation and Engagement Framework.	▶	10%
7.2.2	Inform the community of key decisions and actions of Council.		
7.3	COUNCIL IS COMPLIANT IN ALL AREAS AND CARRIES OUT THE ROLE OF REGULATORY ENFORCEMENT IN A FAIR AND EFFECTIVE MANNER		
7.3.1	Ensure Council remains compliant with all its statutory and regulatory obligations and contributes to the regulatory environment which affects our community.		
7.3.1.1	Monitor the environment for proposed new or changing legislation and regulations and contribute to their formation where possible.	▶	Ongoing
7.3.1.2	Monitor development of amended land use legislation and preparation of a single state-wide planning scheme and provide input wherever possible.	▶	49%
7.3.2	Resource the reasonable enforcement of the legislative and regulatory provisions for which Council is responsible within its financial resources, and ensure the community is well informed of their obligations.		
7.3.2.1	Implement the Weed Management Plan.	▶	77%
7.3.2.2	Maintain parking control, animal control, by-laws and cemetery management compliance systems.	▶	Ongoing
7.3.2.3	Maintain land use, building and health monitoring regulatory systems.	▶	Ongoing
7.4	A SUSTAINABLE, VIABLE FINANCIAL FUTURE IS ASSURED AND ACCOUNTABILITY IS DEMONSTRATED THROUGH OPEN AND TRANSPARENT PROCESSES		
7.4.1	Ensure a long term strategic focus drives financial policy and decisions.		
7.4.1.1	Review and update Council's Financial Management Strategy to support continued sound financial decisions.	✓	100%
7.4.1.2	Ensure Council's Financial Management Strategy continues to be aligned with Asset Management Plans and the five year capital works program.	✓	100%
7.4.2	Demonstrate financial accountability and ensure strong internal controls underpin performance.		
7.4.2.1	Implement the endorsed recommendations of the Audit Committee.	✓	100%
7.4.2.2	Develop an annual budget in accordance with Council's Long Term Financial Management Strategy.	✓	100%
7.4.2.3	Continue to develop and enhance financial controls through the identification of continuous improvement opportunities.	▶	Ongoing
7.5	A SUSTAINABLE LONG TERM FUTURE IS PLANNED THROUGH THE MANAGEMENT OF COUNCIL'S INFRASTRUCTURE AND ASSETS		
7.5.1	Strategies and plans are well-developed and guide the future allocation of resources.		
7.5.1.1	Develop a renewal strategy for bituminous surfaces identifying a range of renewal options that can support cost effective asset renewal and retain current levels of service.	▶	70%
7.5.1.2	Ridgley drainage study: undertake an assessment of overland and stream flooding in Ridgley and identify mitigation measures to reduce the risk of flooding to the community.	✓	100%
7.5.2	Ensure assets are adequately developed, maintained and renewed.		
LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✕			



Strategy	Action	Status	%Complete
7.5.2.1	Complete and implement a Cemetery Strategy to inform the future design of the cemetery, considering contemporary cemetery management practices and service levels.	▶	40%
<b>7.6</b>	<b>A CULTURE OF CONTINUOUS IMPROVEMENT THAT ADAPTS WELL TO CHANGE AND PROMOTES THE VALUE OF CUSTOMER SERVICE EXCELLENCE</b>		
<b>7.6.1</b>	<b>Provide a high standard of service to all customers in terms of timeliness, consistency and quality.</b>		
7.6.1.1	Develop a summary of infrastructure services provided by Council, how they are prioritised, programmed and delivered, and seek community feedback on the current service provision arrangements.	▶	50%
<b>7.6.2</b>	<b>Promote a culture of continuous improvement that encourages innovation and contemporary practice.</b>		
7.6.2.1	Implement the Burnie Continuous Improvement Program.	▶	Ongoing
<b>7.6.3</b>	<b>Maintain effective systems for internal data management and maximise their capabilities.</b>		
<b>7.7</b>	<b>COUNCIL HAS A STRONG AND POSITIVE WORK CULTURE THAT EMBRACES TEAMWORK AND SHARED VALUES</b>		
<b>7.7.1</b>	<b>Attract and retain good staff by providing strong HR practices, learning opportunities and a positive work culture.</b>		
7.7.1.1	Promote and integrate a positive behaviours framework.	▶	Ongoing
7.7.1.2	Develop a Workforce Planning Strategy.	▶	16%
7.7.1.3	Develop and implement a leadership training program.	▶	20%
<b>7.7.2</b>	<b>Continually explore opportunities and strategies that reinforce Council's status as an Employer of Choice.</b>		
7.7.2.1	Maintain membership to the Employer of Choice (EoC) knowledge centre and participate in EoC programs and networking groups as they arise.	▶	Ongoing
<b>7.7.3</b>	<b>Provide support to elected members to assist them to fulfil their roles effectively.</b>		
7.7.3.1	Provide opportunities for Aldermen to undertake professional development.	▶	Ongoing
<b>7.8</b>	<b>A BEST PRACTICE APPROACH IS TAKEN TO MANAGING RISK IN THE COMMUNITY AND PROVIDING A SAFE WORK ENVIRONMENT</b>		
<b>7.8.1</b>	<b>Develop an integrated approach to risk management from the strategic level through to activity level.</b>		
7.8.1.1	Maintain and support the systems and process included in the Risk Framework.	▶	Ongoing
<b>7.8.2</b>	<b>Provide a safe work environment for all employees.</b>		
7.8.2.1	Develop and implement a Work Health and Safety Management System in accordance with AS 4801.	✓	100%
<b>7.8.3</b>	<b>Work with other agencies to ensure our community is well prepared and able to respond to disaster.</b>		
7.8.3.1	Maintain and test business continuity plans for all council workplaces.	▶	Ongoing
7.8.3.2	Develop and implement a communication plan to explain the Burnie municipality flood risks to the community.	▶	70%
7.8.3.3	Undertake a review of Municipal Emergency Management risks and support the development of a combined risk register for the Western Emergency Management Committee.	▶	70%
7.8.3.4	Advocate to the State Government to undertake flood modelling of the Emu River and provide input in to the modelling project.	✓	100%
LEGEND: Completed ✓ Ongoing ▶ In progress ▶ Deferred or not pursued ✗			





# CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDING 30 JUNE 2018



## Independent Auditor's Report

To the Aldermen of Burnie City Council

### Report on the Audit of the Consolidated Financial Report

#### Opinion

I have audited the financial report of Burnie City Council (Council) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2018 and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the General Manager.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, the Group's financial position as at 30 June 2018 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the Local Government Act 1993 and Australian Accounting Standards.

#### Basis for Opinion

I conducted the audit in accordance with 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 Group 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.

The Audit Act 2008 further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit responsibility does not extend to the budget figures included in the financial report, the asset renewal funding ratio disclosed in note 32, nor the Significant Business Activities disclosed in note 8 to the financial report and accordingly, I express no opinion on them.

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To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector  
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

I communicate with the General Manager 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.

Stephen Morrison  
Assistant Auditor-General  
Delegate of the Auditor-General

Tasmanian Audit Office

28 September 2018  
Hobart

..3 of 3

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1993 and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council is to be dissolved by an Act of Parliament or the Aldermen intend to cease operations, or have no realistic alternative but to do so.

#### 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 the 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 the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager'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 Group'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. My conclusion is based

..3 of 3

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector  
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## Certification of the Consolidated Financial Report

The financial report presents fairly the consolidated financial position of the Burnie City Council as at 30 June 2018, the results of its operations for the year then ended and the cash flows of the Council, in accordance with the Local Government Act 1993 (as amended), Australian Accounting Standards (including interpretations) and other pronouncements issued by the Australian Accounting Standards Board.

Andrew Wardlaw  
GENERAL MANAGER

Date: 14<sup>th</sup> August 2018

# BURNIE CITY COUNCIL

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### FOR THE YEAR ENDED 30 JUNE 2018

		Consolidated	Consolidated	Council	Council	Council
	Note	Actual	Restated Actual	Budget	Actual	Restated Actual
		2018	2017	2018	2018	2017
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>						
<b>Recurrent Income</b>						
Rates and charges	9	22,490	22,563	22,552	22,490	22,563
Statutory fees and charges	10	926	911	920	926	911
User fees	11	5,368	5,588	5,095	4,669	4,794
Grants	12	2,534	3,972	1,333	2,534	3,972
Reimbursements		291	164	193	291	164
Other income	13	896	861	841	876	846
Investment income	14	1,242	1,242	1,590	1,468	1,345
Share of profit of joint venture	15	93	1	-	93	1
		<b>33,840</b>	<b>35,302</b>	<b>32,523</b>	<b>33,346</b>	<b>34,596</b>
<b>Capital Income and Expenditure</b>						
Capital grants	12	300	2,760	1,003	300	2,760
Capital works completed on assets not owned by Council	34	(271)	(3,637)	-	(271)	(3,637)
Contributions - non-monetary assets	33	2,415	948	-	2,415	948
De-recognition of assets	36	-	(1,696)	-	-	(1,696)
Net gain/(loss) on disposal of assets	35	(336)	(1,374)	(220)	(344)	(1,357)
		<b>2,108</b>	<b>(2,999)</b>	<b>783</b>	<b>2,100</b>	<b>(2,982)</b>
<b>Total Income Adjusted for Capital Items</b>		<b>35,948</b>	<b>32,303</b>	<b>33,306</b>	<b>35,446</b>	<b>31,614</b>
<b>Recurrent Expenses</b>						
Employee benefits	16	11,176	11,632	11,435	10,701	11,158
Materials and services	17	10,457	10,743	10,446	10,666	10,954
Impairment of debts	18	(11)	(13)	-	(11)	(13)
Depreciation and amortisation	19	8,005	8,177	8,485	7,770	7,945
Finance costs	20	87	101	87	87	101
Other expenses	21	3,273	3,089	3,173	3,273	3,089
<b>Total expenses</b>		<b>32,987</b>	<b>33,729</b>	<b>33,627</b>	<b>32,487</b>	<b>33,234</b>
<b>Surplus/(deficit) before:</b>		<b>2,961</b>	<b>(1,426)</b>	<b>(320)</b>	<b>2,960</b>	<b>(1,620)</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to surplus or deficit:</b>						
Net asset revaluation increment - Council	38	9,250	1,963	-	9,250	1,963
Net asset revaluation decrement - Associate	38	(78)	-	-	(78)	-
<b>Items that may be reclassified to surplus or deficit:</b>						
Fair value adjustment on available for sale asset	38	848	426	-	848	426
<b>Total other comprehensive income</b>		<b>10,020</b>	<b>2,389</b>	<b>-</b>	<b>10,020</b>	<b>2,389</b>
<b>Comprehensive result</b>		<b>12,981</b>	<b>963</b>	<b>(320)</b>	<b>12,980</b>	<b>769</b>

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



# BURNIE CITY COUNCIL

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### AS AT 30 JUNE 2018

	Note	Consolidated Actual 2018 \$'000	Consolidated Restated Actual 2017 \$'000	Consolidated Restated Actual 2016 \$'000	Council Actual 2018 \$'000	Council Restated Actual 2017 \$'000	Council Restated Actual 2016 \$'000
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	22	7,551	8,327	9,496	6,638	7,514	8,833
Trade and other receivables	28	1,781	2,021	1,700	1,539	1,854	1,560
Inventories	29	135	166	230	135	166	230
Other assets	30	46	26	16	46	26	16
<b>Total current assets</b>		<b>9,513</b>	<b>10,540</b>	<b>11,442</b>	<b>8,358</b>	<b>9,560</b>	<b>10,639</b>
<b>Non-current assets</b>							
Investment in Water Corporation	44	66,151	65,304	64,878	66,151	65,304	64,878
Investments in subsidiaries	45	-	-	-	2,103	2,103	2,103
Investment in joint venture accounted for using the equity method	46	3,329	3,335	3,356	3,329	3,335	3,356
Non-current assets classified as held for transfer		-	-	1,674	-	-	1,674
Property, infrastructure, plant and equipment	31	331,668	318,871	318,026	330,189	317,213	316,538
<b>Total non-current assets</b>		<b>401,148</b>	<b>387,510</b>	<b>387,934</b>	<b>401,772</b>	<b>387,955</b>	<b>388,549</b>
<b>Total assets</b>		<b>410,661</b>	<b>398,050</b>	<b>399,376</b>	<b>410,130</b>	<b>397,515</b>	<b>399,188</b>
<b>Liabilities</b>							
<b>Current liabilities</b>							
Trade and other payables	39	2,670	2,613	2,889	2,548	2,494	2,824
Trust funds and deposits	40	135	134	134	135	134	134
Interest bearing loans and borrowings	23	310	296	287	310	296	287
Employee provisions	26	2,545	2,643	2,648	2,425	2,525	2,557
Deferred income		10	10	-	-	-	-
Other provisions		-	-	1,442	-	-	1,442
<b>Total current liabilities</b>		<b>5,670</b>	<b>5,696</b>	<b>7,400</b>	<b>5,418</b>	<b>5,449</b>	<b>7,244</b>
<b>Non-current liabilities</b>							
Interest-bearing loans and borrowings	23	1,263	1,574	1,870	1,263	1,574	1,870
Employee provisions	26	161	184	231	161	184	231
Deferred income		53	63	-	-	-	-
Other provisions		-	-	304	-	-	304
<b>Total non-current liabilities</b>		<b>1,477</b>	<b>1,821</b>	<b>2,405</b>	<b>1,424</b>	<b>1,758</b>	<b>2,405</b>
<b>Total liabilities</b>		<b>7,147</b>	<b>7,517</b>	<b>9,806</b>	<b>6,842</b>	<b>7,207</b>	<b>9,649</b>
<b>Net Assets</b>		<b>403,514</b>	<b>390,533</b>	<b>389,570</b>	<b>403,288</b>	<b>390,308</b>	<b>389,539</b>
<b>Equity</b>							
Accumulated surplus		273,924	270,963	272,389	273,698	270,738	272,358
Reserves	38	129,590	119,570	117,181	129,590	119,570	117,181
<b>Total Equity</b>		<b>403,514</b>	<b>390,533</b>	<b>389,570</b>	<b>403,288</b>	<b>390,308</b>	<b>389,539</b>

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

**BURNIE CITY COUNCIL**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

<b>Consolidated</b>	<b>Total Equity</b>		<b>Accumulated Surplus</b>		<b>Consolidated Asset Revaluation</b>		<b>Consolidated Fair Value Reserve</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at the beginning of the financial year	390,533	389,570	270,963	272,389	112,148	110,185	7,422	6,996
Comprehensive result	12,981	963	2,961	(1,426)	9,172	1,963	848	426
<b>Balance at the end of the financial year</b>	<b>403,514</b>	<b>390,533</b>	<b>273,924</b>	<b>270,963</b>	<b>121,320</b>	<b>112,148</b>	<b>8,270</b>	<b>7,422</b>

<b>Council</b>	<b>Total Equity</b>		<b>Accumulated Surplus</b>		<b>Council Asset Revaluation</b>		<b>Council Fair Value Reserve</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at the beginning of the financial year	390,308	389,539	270,738	272,358	112,148	110,185	7,422	6,996
Comprehensive result	12,980	769	2,960	(1,620)	9,172	1,963	848	426
<b>Balance at the end of the financial year</b>	<b>403,288</b>	<b>390,308</b>	<b>273,698</b>	<b>270,738</b>	<b>121,320</b>	<b>112,148</b>	<b>8,270</b>	<b>7,422</b>

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



# BURNIE CITY COUNCIL

## CONSOLIDATED STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated Inflows/ (Outflows) 2018 \$'000	Consolidated Inflows/ (Outflows) 2017 \$'000	Council Inflows/ (Outflows) 2018 \$'000	Council Inflows/ (Outflows) 2017 \$'000
<b>Cash flows from operating activities</b>				
Rates	22,490	22,563	22,490	22,563
Statutory fees and charges	926	911	926	911
User charges and other fines (inclusive of GST)	6,291	5,980	5,482	4,949
Grants (inclusive of GST)	2,534	3,972	2,534	3,972
Reimbursements (inclusive of GST)	320	181	320	181
Interest	380	387	380	387
Rents (inclusive of GST)	546	505	546	505
Other receipts (inclusive of GST)	10	11	-	-
Net GST refund/payment	774	832	861	925
Distributions from Joint Ventures	22	22	22	22
Dividends from controlled entities	-	-	226	103
Investment revenue from water corporation	1,242	1,242	1,242	1,242
Finance costs	(87)	(101)	(87)	(101)
Payments to suppliers (inclusive of GST)	(12,124)	(12,331)	(12,235)	(12,425)
Payments to employees (including redundancies)	(11,294)	(11,706)	(10,824)	(11,259)
Other payments (inclusive of GST)	(3,589)	(3,384)	(3,589)	(3,384)
<b>Net cash provided by (used in) operating activities</b>	<b>24 8,441</b>	<b>9,084</b>	<b>8,294</b>	<b>8,591</b>
<b>Cash flows from investing activities</b>				
Payments for property, infrastructure, plant and equipment	(9,641)	(12,970)	(9,594)	(12,551)
Capital grants	300	2,836	300	2,760
Proceeds from sale of property, infrastructure, plant and equipment	421	168	421	168
<b>Net cash provided by (used in) investing activities</b>	<b>(8,920)</b>	<b>(9,966)</b>	<b>(8,873)</b>	<b>(9,623)</b>
<b>Cash flows from financing activities</b>				
Repayment of interest bearing loans and borrowings	(297)	(287)	(297)	(287)
<b>Net cash provided by (used in) financing activities</b>	<b>(297)</b>	<b>(287)</b>	<b>(297)</b>	<b>(287)</b>
Cash and cash equivalents at the beginning of the financial year	8,327	9,496	7,514	8,833
Net increase (decrease) in cash and cash equivalents	(776)	(1,169)	(876)	(1,319)
<b>Cash and cash equivalents at the end of the financial year</b>	<b>22 7,551</b>	<b>8,327</b>	<b>6,638</b>	<b>7,514</b>

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

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

## General Accounting Policies

### Note 1 Reporting entity

- A. The Burnie City Council is a body corporate with perpetual succession and a common seal. Council's main office is located at 80 Wilson Street Burnie, Tasmania.
- B. The purpose of the Council is to:
- Provide health, safety and welfare of the community
  - To represent and promote the interests of the community
  - Provide for the peace, order and good government in the municipality

### Note 2 Basis of accounting

These financial statements are a general purpose financial report that consists of a Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and the *Local Government Act 1993 (LGA1993)* (as amended). Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not for profit entities.

The financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest thousand dollars.

This financial report has been prepared under the historical cost convention, except where specifically stated.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

All entities controlled by Council that have material assets or liabilities, such as special committees and material subsidiaries or joint ventures, have been included in this report. All transactions between these entities and Council have been eliminated in full.

### Note 3 Use of judgements and estimates

#### Judgements and assumptions

In the application of Australia Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant notes as follows:

#### Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 26.

#### Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation obligations. These assumptions are discussed in note 27.

#### Fair value of property, infrastructure, plant and equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 31.

#### Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 44.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### **Note 4 Other significant accounting policies and new accounting standards**

##### **A. Taxation**

Council and its controlled entities are exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and Goods and Services Tax.

##### *Goods and Services Tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Consolidated Statement of Cash Flows on a gross basis.

##### **B. Impairment of assets**

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value.

Any excess of the assets carrying value over its recoverable amount is expensed to the Consolidated Statement of Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the depreciated value of the asset approximated by its written down replacement cost.

##### **C. Allocation between current and non-current**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months - being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

##### **D. Budget information**

The estimated revenue and expense amounts in the Consolidated Statement of Comprehensive Income represent original budget figures and are not audited.

##### **E. Adoption of new and amended accounting standards**

In the current year, Council has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

##### ***AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107 (effective from 1 January 2017)***

Amendments to AASB 107 require additional disclosures to enable the reader to evaluate changes in liabilities arising from financing activities. These disclosures will include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities. Council has included a reconciliation of liabilities arising from financing activities at note 24.

##### **F. Pending accounting standards**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below. (Note: standards are applicable to reporting periods beginning on or after the effective date referred to below).

##### ***AASB 9 Financial Instruments (effective from 1 January 2018)***

This standard replaces the existing standard, AASB139: *Financial Instruments: Recognition and Measurement*, and revises classification, measurement and disclosure of financial assets and liabilities. It reduces the number of categories for financial assets and simplifies the measurement choices, including the removal of impairment testing of assets measured at fair value. Classification of financial assets is determined by an entities business model for holding the particular asset and its contractual cash flows.

The amortised cost model is available for debt assets meeting both a business model and cash flow characteristics test. Amortised cost is to be used for assets with contractual terms giving rise to principal and interest payments. Where the business model is achieved by both collecting the contractual cash flows and from selling the financial asset, it may be classified as fair value through other comprehensive income. Any financial asset not held in either of these classifications, or where designated, will be classified as fair value through profit or loss. Gains or losses on financial assets at fair value are to be recognised in profit and loss unless the asset is part of a hedging relationship or, where the financial asset is an equity instrument not held for trading, and an irrevocable election is made to present all movements in other comprehensive income.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

When adopted, the standard requires Council to reclassify all financial assets. This includes Council's classification and accounting for its significant investment in TasWater which is an available-for-sale financial asset. Council currently recognises changes in the fair value of its available-for-sale assets through other comprehensive income. Under AASB9 Council will make an irrevocable election for its equity investment in TasWater as 'fair value through other comprehensive income' and therefore the adoption of this standard will not impact the way movements in the fair value are accounted for.

The standard also introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses. Based on assessments to date, Council expects a small increase to impairment losses, however the standard is not expected to have a material impact overall.

Council has reviewed and assessed other impacts on the classification, measurement and disclosure of financial instruments and determined there will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed.

Council will apply the standard from 1 July 2018 using a retrospective approach with cumulative catch-up. This does not require Council to restate comparative figures, but will require a reconciliation of changes in classification of financial assets and financial liabilities.

The amendment is not expected to have a significant impact on Council's financial statements.

#### ***AASB 15 Revenue from Contracts with Customers*** (effective from 1 January 2019)

AASB 15 introduces a five-step process for revenue recognition, with the core principal of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.

Accounting policy changes will arise in the timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.

Council has analysed the new revenue recognition requirements noting that future impacts include:

- Depending on the respective contractual terms, the new requirements of AASB 15 may result in a change to the timing of revenue from sales of

goods and services such that some revenue may need to be deferred as a liability to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations, (a promise to transfer a good or service).

- Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific.
- Grants that are not enforceable and/or not sufficiently specific, will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, for example the Commonwealth Financial Assistance Grants. These grants will continue being recognised as revenue upfront assuming no change to the current grant arrangements.

For Council there will be a significant effect in the treatment of all grants with sufficiently specific performance obligations, but where the conditions have yet to be fulfilled at year end. Council currently presents unexpended grant income received in note 12. Council's assessment is that the majority of the amounts received unexpended for the year, \$80,000 will be deferred as a liability under AASB15 and progressively recorded as income as performance obligations are fulfilled.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

#### ***AASB 1058 Income for Not for Profit Entities*** (effective from 1 January 2019)

AASB 1058 supersedes all the income recognition requirements relating to councils, previously in AASB 1004 *Contributions*. The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation, or a contribution by owners, related to an asset (such as cash or another asset) received.

AASB 1058 applies when Council receives volunteer services or enters into other transactions in which the



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

consideration to acquire an asset is significantly less than the fair value of the asset, and where the asset is principally to enable Council to further its objectives. In cases where Council enters into other transactions, Council recognises and measures the asset at fair value in accordance with the applicable Australian Accounting Standards (e.g. AASB 116 *Property, Plant and Equipment*).

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by council (i.e. an in-substance acquisition of a non-financial asset), Council recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. Council will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15 as discussed above.

AASB 1058 requires the recognition of Volunteer services where they would have been purchased if not donated and the fair value of those services can be reliably measured. Council has assessed these requirements and determined that Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

Council has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report include:

- Grants received to construct non-financial assets controlled by Council will be recognised as a liability, and subsequently recognised progressively as revenue as Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Under the new standards, other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific. Council is yet to evaluate the existing grant arrangements as to whether revenue from those grants could be deferred under the new requirements.
- Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants for which there are no sufficiently specific performance obligations, for example the Commonwealth Financial Assistance Grants. These grants are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

- Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of goods and services such that some revenue may need to be deferred to a later reporting period to the extent that Council has received cash, but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). An example of this is rates received in advance, which is currently required to be recognised as revenue when received. Council is yet to full complete its analysis of existing arrangements for sale of its goods and services and the impact on revenue recognition has not yet been fully determined.

#### ***AASB 16 Leases*** (effective from 1 January 2019)

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

AASB 16 will result in most of Council's operating leases being brought onto the Consolidated Statement of Financial Position. There are limited exceptions relating to short term leases and low value assets which may remain off the balance sheet. Council's existing lease commitments are disclosed in note 42.

The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term and increases in lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease.

Rent expense will no longer be shown. The profit and loss impact of the leases will be through amortisation and interest charges. Council's current operating lease expenditure is shown at note 42. In the Consolidated Statement of Cashflows, lease payments will be shown as cash flows from financing activities instead of operating activities.

Lessor accounting under AASB 16 remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight line basis or another systematic basis where appropriate.

Council will apply the standard from 1 July 2019 using a retrospective approach with cumulative catch-up with an adjustment to Accumulated surpluses for the difference in accounting treatment on initial adoption.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

**AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB10 and AASB12 and AASB 2017-5 Amendments to Australian accounting Standards - Effective Daye of Amendments to AASB10 and AASB 128 and Editorial Corrections** (effective from 1 January 2022)

The amendments address an acknowledged inconsistency between the requirements in AASB 10, and those in AASB 128 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business

(whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. AASB 2017-5 defers the effective date of AASB 2014-10 to 1 January 2022 i.e. Councils' financial statements for the year ended 30 June 2022.

The amendment is not expected to have a significant impact on Council's financial statements.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities or have no material impact.

## Our Performance

### Financial performance

#### Note 5 Management indicators relating to our performance

	Benchmark	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
<b>(a) Consolidated underlying surplus/(deficit)</b>					
<b>Net result for the year</b>		<b>2,961</b>	<b>(1,426)</b>	<b>27,563</b>	<b>(2,644)</b>
<b>Less: Non operating income</b>					
Adjustment to non asset recognition		-	-	(24,341)	(109)
Capital Grants		(300)	(2,760)	(5,788)	(1,568)
Contributions		(2,415)	(948)	(166)	(280)
Recognition of assets		-	-	-	-
Profit on sale of operations		-	-	-	(204)
Adjustment to landfill provision		-	-	968	(968)
<b>Add: Non operating expenditure</b>					
De-recognition of assets		-	1,696	131	6,250
Asset revaluation decrement		-	-	-	-
Write down on investment subsidiary		-	-	-	-
Capital works completed on assets not owned by Council		271	3,637	-	421
Adjustment to timing of Financial Assistance Grants		(28)	(1,142)	1,243	(1,243)
<b>Consolidated underlying surplus/(deficit)</b>	<b>0</b>	<b>489</b>	<b>(943)</b>	<b>(390)</b>	<b>(345)</b>
<b>(b) Consolidated underlying surplus ratio</b>					
Underlying surplus/(deficit)		489	(943)	(390)	(345)
Recurrent Income*		33,812	35,543	35,948	36,910
<b>Consolidated Underlying surplus ratio %</b>	<b>&gt; 0%</b>	<b>1.45%</b>	<b>-2.65%</b>	<b>-1.08%</b>	<b>-0.93%</b>
4 Year Average	<b>-0.81%</b>				

\* Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature.

The ratio serves as an overall measure of financial operating effectiveness. The operating surplus ratio differs from note 5 above due to the ratio including the profit/loss on disposal of assets and being calculated on a consolidated basis.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

Ratio results below the indicated benchmark would indicate that Council might not be generating sufficient income to fulfil its ongoing operating requirements. Council seeks to achieve equity across generations by ensuring that each generation pays its way with respect to recurrent expenses being met from recurrent revenue (the full cost of the services that it consumes).

#### Note 6 Council's performance against budget

	Council Actual 2018 \$'000	Council Budget 2018 \$'000	Council Actual 2017 \$'000
Surplus/(deficit) as per Statement of Comprehensive	2,960	(320)	(1,620)
Less: Capital income	(2,100)	(783)	2,982
Add: 2017-18 Financial Assistance Grant received in prior year	1,142	1,142	-
Less: 2018-19 Financial Assistance Grant received in advance	(1,170)	-	(1,142)
<b>Council's result against budget</b>	<b>832</b>	<b>39</b>	<b>220</b>

Council's result for the 2017-18 year was \$0.832 million, compared to a budgeted result of \$0.39 million. A favourable variance to budget of \$0.793 million.

## Activities of Council

#### Note 7 Functions/activities of the Council

(a)

	Grants \$'000	Rates \$'000	Other \$'000	Total Revenue \$'000	Total Expenditure \$'000	Surplus/ (Deficit) \$'000	Assets \$'000
Corporate Services							
2017-2018	1,129	17,032	4,303	22,463	7,501	14,963	45,963
2016-2017	1,689	17,069	4,156	22,914	10,096	12,818	44,692
Children's Services							
2017-2018	-	-	-	-	1	(1)	-
2016-2017	295	-	65	360	421	(61)	-
Cultural Activities							
2017-2018	193	-	520	713	4,311	(3,598)	11,087
2016-2017	261	-	443	704	4,287	(3,583)	10,907
Parks & Recreation							
2017-2018	138	-	-	138	3,517	(3,379)	54,966
2016-2017	1,603	-	-	1,603	3,616	(2,013)	53,053
Public Services							
2017-2018	-	-	9	9	2,599	(2,591)	6,851
2016-2017	-	-	1	1	2,578	(2,577)	6,806
Regulatory Services							
2017-2018	-	-	2,740	2,740	3,180	(441)	10,780
2016-2017	-	-	2,742	2,742	3,157	(415)	10,898
Roads, streets and bridges							
2017-2018	1,370	-	2,415	3,785	6,397	(2,612)	164,282
2016-2017	2,884	-	948	3,832	6,834	(3,002)	156,610
Waste Management							
2017-2018	5	3,877	658	4,540	4,328	212	1,271
2016-2017	-	3,900	675	4,575	4,261	314	1,307
Integrated Services							
2017-2018	-	1,581	-	1,581	1,267	314	114,931
2016-2017	-	1,594	-	1,594	4,674	(3,080)	111,344
Commercial Activities							
2017-2018	-	-	586	586	492	94	531
2016-2017	-	-	685	685	512	173	2,433
<b>Total</b>							
<b>2017-2018</b>	<b>2,834</b>	<b>22,490</b>	<b>11,231</b>	<b>36,555</b>	<b>33,594</b>	<b>2,961</b>	<b>410,661</b>
<b>2016-2017</b>	<b>6,732</b>	<b>22,563</b>	<b>9,715</b>	<b>39,010</b>	<b>40,436</b>	<b>(1,426)</b>	<b>398,050</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### (b)

Total assets shown in note 7(b) are reconciled with the amounts shown for assets in the statement of financial position as follows:

	2018 \$'000	2017 \$'000
Current assets	9,513	10,540
Non-current assets	401,148	387,510
	410,661	398,050

#### (c)

The activities of the Council are categorised into the following broad functions:

#### Corporate Services

Operation and maintenance of council chambers, Governance Services, Administration Offices, Engineering Services, Economic Development, Works Depot and Private Works.

#### Cultural Services

The operation and maintenance of the Burnie Arts and Function Centre, Makers Workshop, Burnie Regional Art Gallery, Burnie Regional Museum, and promotions and marketing activities.

#### Waste Management

Collection, handling, processing and disposal of waste materials.

#### Parks and Reserves

Operation and maintenance of parks and gardens, sporting and natural reserves and other sporting facilities.

#### Stormwater Services

Construction, operation and maintenance of drainage and stormwater works.

#### Roads, Streets and Bridges

Construction, maintenance and cleaning of roads, footpaths, street lighting and bridges.

#### Public Services

Operation and maintenance of community amenities including public halls, restrooms, aquatic centre, emergency services, cemeteries and provision of welfare services.

#### Regulatory Services

Administration of parking facilities, animal control, building control, town planning and environmental protection.

#### Commercial Activities

Council's controlled entities including Burnie Airport and Tas Communications.

### Note 8 Significant business activities

Council considers a significant business activity to be a business activity that involves the production of goods and/or services in a market that is, or has the potential to be, competitive.

Council has determined that the following services are significant business activities:

- Catering, Bar & Room Hire – Burnie Arts & Function Centre
- Burnie Aquatic Centre
- Waste Management
- Parking

Operating, capital and competitive neutrality costs and revenue associated with each of the above activities are disclosed below. Competitive neutrality costs include notional costs i.e. income tax equivalent, rates and land tax which would be payable by an undertaking where no exemptions applied. Income tax has been calculated at the business rate after allowance for tax deductible items.

**BURNIE CITY COUNCIL**  
**CONSOLIDATED NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**2017/18**

**Revenue**

Rates  
 Grants  
 Other  
 Total revenue

**Expenses**

**Direct costs:**

Employee benefits  
 Materials & services  
 Interest  
 Other

**Indirect Costs:**

Engineering & administration

**Capital costs:**

Depreciation  
 Opportunity cost of capital

**Competitive neutrality costs**

BAFC - Trading	Aquatic Centre	Waste	Parking	Total
\$'000	\$'000	\$'000	\$'000	\$'000
0	0	3,877	0	3,877
10	0	5	0	15
246	0	658	2,231	3,135
256	0	4,540	2,231	7,027
206	15	700	567	1,488
54	735	3,211	379	4,379
0	13	0	0	13
0	26	114	42	182
260	789	4,025	988	6,062
0	0	223	99	322
37	276	80	142	535
41	279	31	128	479
78	555	111	270	1,014
10	14	57	353	434

**2016/17**

**Revenue**

Rates  
 Grants  
 Other  
 Total revenue

**Expenses**

**Direct costs:**

Employee benefits  
 Materials & services  
 Interest  
 Other

**Indirect Costs:**

Engineering & administration

**Capital costs:**

Depreciation  
 Opportunity cost of capital

**Competitive neutrality costs**

BAFC - Trading	Aquatic Centre	Waste	Parking	Total
\$'000	\$'000	\$'000	\$'000	\$'000
0	0	3,900	0	3,900
0	0	0	0	0
310	0	452	2,185	2,947
310	0	4,352	2,185	6,847
294	20	682	574	1,570
78	701	3,113	376	4,268
0	16	0	0	16
0	27	103	40	170
372	764	3,898	990	6,024
0	0	242	129	371
36	272	83	139	530
45	304	34	136	519
81	576	117	275	1,049
11	14	44	332	401



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

## Revenue and income

### Note 9 Rates and charges

Council uses Assessed Annual Value (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is the estimated yearly rental income received from the property.

The valuation base used to calculate general rates for 2017-18 was \$162,136,630 (2016-17 \$156,188,228). The 2017-18 rate in the AAV dollar was 11.301c (2016-17 11.416c). Government funds received in relation to pensioner rates rebates of \$716,653 were accounted for as rates and charges revenue (2016-17 \$708,404).

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
General rate	15,150	15,361	15,150	15,361
Waste service charges	3,877	3,900	3,877	3,900
Fire levies	1,882	1,709	1,882	1,709
Stormwater service charges	1,581	1,593	1,581	1,593
<b>Total rates and charges</b>	<b>22,490</b>	<b>22,563</b>	<b>22,490</b>	<b>22,563</b>

The date of the latest general revaluation of land for rating purposes within the municipality is 30 June 2013, an indexation of property valuations was completed in 2015 and dated 30 June 2015. New indexed values were applied in the rating year commencing 1 July 2015.

### Accounting Policy

Rate income is recognised as revenue when Council obtains control over the assets comprising the receipt. Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates. A provision for impairment on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

### Note 10 Statutory fees and charges

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Infringements	573	521	573	521
Planning fees	143	168	143	168
Section 132 & 337 certificates	138	150	138	150
Licence fees	72	72	72	72
<b>Total statutory fees and fines</b>	<b>926</b>	<b>911</b>	<b>926</b>	<b>911</b>

### Accounting Policy

Fees and charges (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs. A provision for impairment is recognised when collection in full is no longer probable.

### Note 11 User fees

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Parent fees and childcare income	-	66	-	66
Parking revenue	1,662	1,645	1,662	1,645
Sales	503	544	483	494
Other fees and charges	3,203	3,333	2,524	2,589
<b>Total user fees</b>	<b>5,368</b>	<b>5,588</b>	<b>4,669</b>	<b>4,794</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Accounting Policy

Fee income is recognised as revenue when the service has been provided, or the payment is received, whichever first occurs. A provision for impairment is recognised when collection in full is no longer probable.

#### Note 12 Grants

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Grants were received in respect of the following :				
<b>Summary of grants</b>				
Recurrent grants	2,534	3,972	2,534	3,972
Capital grants received specifically for assets	300	2,760	300	2,760
<b>Total</b>	<b>2,834</b>	<b>6,732</b>	<b>2,834</b>	<b>6,732</b>
<b>Recurrent grants</b>				
<b>Federal government grants</b>				
Financial assistance grant	2,340	3,366	2,340	3,366
Autism services	-	295	-	295
<b>Total federal government grants</b>	<b>2,340</b>	<b>3,661</b>	<b>2,340</b>	<b>3,661</b>
<b>State government grants</b>				
Art gallery "Arts Tasmania"	71	63	71	63
Museum "Arts Tasmania"	34	30	34	30
Performing Arts	-	7	-	7
Transport services	-	50	-	50
Youth services	-	6	-	6
CBD masterplan	-	45	-	45
Community & economic development	5	5	5	5
<b>Total state government grants</b>	<b>110</b>	<b>206</b>	<b>110</b>	<b>206</b>
<b>Other contributions</b>				
Collective impact	36	47	36	47
Arts exhibitions	47	58	47	58
<b>Total other contributions</b>	<b>83</b>	<b>105</b>	<b>83</b>	<b>105</b>
<b>Total operating grants</b>	<b>2,534</b>	<b>3,972</b>	<b>2,534</b>	<b>3,972</b>

The Australian Commonwealth Government provides Financial Assistance Grants to Council for general purpose use and the provision of local roads. In 2017-18 the Commonwealth made early payment of the two quarterly instalments for the following year. In accordance with AASB1004 *Contributions*, Council recognises these grants as revenue when it receives the funds and obtains control. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2017-18 by \$1,169,513 (2016-17 above by \$1,142,546). This has impacted on the Statement of Comprehensive Income, resulting in the surplus/(deficit) being higher in 2017-18 by \$26,967 (2016-17 higher by \$1,142,546).

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Capital grants received for new or upgraded assets</b>				
<b>State government grants</b>				
Burnie Aquatic Centre	-	250	-	250
Sporting grounds	-	50	-	50
Parks & reserves	-	45	-	45
South Burnie Breakwater	88	-	88	-
Vulnerable Road Users	100	-	100	-
<b>Total state government grants</b>	<b>188</b>	<b>345</b>	<b>188</b>	<b>345</b>
<b>Federal government grants</b>				
Burnie Aquatic Centre	-	300	-	300
Roads to recovery	50	1,157	50	1,157
CCTV cameras	-	67	-	67
Tennis courts	-	391	-	391
Safer Communities	7	-	7	-
<b>Total federal government grants</b>	<b>57</b>	<b>1,915</b>	<b>57</b>	<b>1,915</b>
<b>Other contributions</b>				
Tennis courts	-	500	-	500
Illegal Dumping	5	-	5	-
Wivenhoe Showgrounds	50	-	50	-
<b>Total other contributions</b>	<b>55</b>	<b>500</b>	<b>55</b>	<b>500</b>
<b>Total capital grants and contributions</b>	<b>300</b>	<b>2,760</b>	<b>300</b>	<b>2,760</b>

Users of the financial report should refer to note 22 for details of restricted cash relating to grants (grants recognised as revenue during the reporting period which were obtained on the condition that they be applied in a specific manner but are yet to be expended in that manner).

#### Accounting Policy

Grant income is recognised as revenue when Council obtains control over the assets comprising the receipt. Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant is also disclosed. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Unreceived contributions over which Council has control are recognised as receivables.

#### Note 13 Other income

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Interest	308	329	288	314
Interest on rates	92	73	92	73
Rentals	496	459	496	459
<b>Total other income</b>	<b>896</b>	<b>861</b>	<b>876</b>	<b>846</b>

#### Accounting Policy

##### Rent

Rents are recognised as revenue when the payment is due or the payment is received, whichever first occurs. Rental payments received in advance are recognised as a prepayment until they are due.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Interest

Interest is recognised progressively as it is earned, the value of the payment is notified, or the payment is received, whichever occurs first.

#### Operating leases as lessor

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at depreciated replacement cost.

Where leases are commercial agreements, and properties leased are predominantly used for leasing to third parties, Council records lease revenue on an accruals basis and records the associated properties as invest property in accordance with AASB 140 *Investment Properties*. These properties are recognised at fair value. These leases may include incentives which have not been recognised in the statement of financial position, on the basis the amounts are unlikely to be material and could be not reliably measured at balance date.

#### Note 14 Investment income

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Distributions from water corporation				
- Dividends	766	806	766	806
- Guarantee fees	109	62	109	62
- Tax equivalent payments	367	374	367	374
Distributions from Tas Communications	-	-	226	103
<b>Total investment income</b>	<b>1,242</b>	<b>1,242</b>	<b>1,468</b>	<b>1,345</b>

#### Accounting Policy

Distributions are recognised when Council's right to receive payment or distribution is established.

#### Note 15 Share of profit of joint venture

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Share of profits from the Burnie Airport Corporation	93	1	93	1
	<b>93</b>	<b>1</b>	<b>93</b>	<b>1</b>

#### Accounting Policy

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entity. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in Council's share of the net assets of the entity. Council's share of the financial result of the entity is recognised in the Consolidated Statement of Comprehensive Income. Council changed the treatment of its investment in the Burnie Airport Corporation, moving from a subsidiary to a joint venture. The change was treated as a prior period error and the 2017 statements have been restated, details on the effect on the financial statements can be found in note 37.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

## Expenditure

### Accounting Policy

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

### Note 16 Employee benefits

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Wages and salaries	8,570	8,789	8,227	8,453
Annual leave and long service leave	1,125	1,269	1,077	1,224
Superannuation	1,174	1,199	1,130	1,158
Other employee related expenses	1,007	1,086	967	1,034
	<b>11,876</b>	<b>12,343</b>	<b>11,401</b>	<b>11,869</b>
Less: amounts allocated to capital	(700)	(711)	(700)	(711)
<b>Total employee benefits</b>	<b>11,176</b>	<b>11,632</b>	<b>10,701</b>	<b>11,158</b>

### Accounting Policy

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

### Note 17 Materials and services

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Advertising and marketing	100	105	92	101
Levies and contributions	361	405	361	405
Contracts	3,992	3,922	3,992	3,922
Contracts with controlled entities	665	724	665	724
Cost of goods sold	1,037	972	202	153
Cruise ship expenses	208	108	208	108
Electricity	796	789	793	785
Insurance	321	278	312	274
Legal expenses	238	199	238	199
Materials and services	2,350	2,820	3,414	3,862
Memberships and subscriptions	284	311	284	311
Printing, stationery and office supplies	105	110	105	110
<b>Total materials and services</b>	<b>10,457</b>	<b>10,743</b>	<b>10,666</b>	<b>10,954</b>

### Accounting Policy

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 18 Impairment of debts

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Trade debtors	(11)	(13)	(11)	(13)
<b>Total impairments of debts</b>	<b>(11)</b>	<b>(13)</b>	<b>(11)</b>	<b>(13)</b>

#### Accounting Policy

An impairment expense is recognised when there is objective evidence that collection of amounts owed to Council is not probable and an impairment loss has occurred.

#### Note 19 Depreciation and amortisation

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Property</b>				
Buildings	1,088	1,080	1,088	1,080
<b>Plant and Equipment</b>				
Plant, machinery and equipment	974	904	773	703
Motor vehicles	184	179	184	179
Fixtures, fittings and furniture	141	130	141	130
<b>Infrastructure</b>				
Roads and footpaths	3,454	3,677	3,454	3,677
Infrastructure	232	260	232	260
Bridges and culverts	181	188	181	188
Drainage	745	764	745	764
Telecommunications	34	31	-	-
Parks and recreation	923	915	923	915
Municipal revaluation	49	49	49	49
<b>Total depreciation and amortisation</b>	<b>8,005</b>	<b>8,177</b>	<b>7,770</b>	<b>7,945</b>

#### Accounting Policy

Buildings, land improvements, plant and equipment, infrastructure and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where infrastructure assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Land, heritage and earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the remaining useful life as determined each year.

Major depreciation periods used are listed below and are consistent with the year unless otherwise stated:

Classification	Useful Life (Years)
Land (inc land under roads)	Infinite
Buildings	20-100 years
Motor vehicles	7 years
Fixtures, fittings and furniture	5-50 years
Plant, machinery and equipment	3-10 years
Heritage	Not depreciated
Telecommunications	3-10 years
Infrastructure	10-75 years
Municipal revaluation	7 years
Waste management	10-60 years
Drainage	20-100 years
Car parks	15-40 years
Bridges and culverts	20-80 years
Parks and recreation	10-100 years
Roads and footpaths	10-100 years
Aeronautical roads and runways	5-100 years



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 20 Finance costs

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Interest - borrowings	87	101	87	101
<b>Total finance costs</b>	<b>87</b>	<b>101</b>	<b>87</b>	<b>101</b>

#### Accounting Policy

Finance costs are expensed as incurred using the effective interest method. Borrowing costs include interest on bank overdrafts, interest on borrowings, unwinding of discounts, and finance lease charges.

#### Note 21 Other expenses

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
External auditor's remuneration - Council and grant acquittals	59	61	59	61
External auditor's remuneration - Burnie Airport Corporation & Tas Communications	16	11	16	11
Internal auditor remuneration	5	9	5	9
Aldermen allowances*	260	260	260	260
Direct Aldermen expenses*	22	31	22	31
Indirect Aldermen expenses	10	6	10	6
Election costs	56	8	56	8
Fire levies	1,777	1,686	1,777	1,686
Land tax	231	233	231	233
Water and sewer rates	366	269	366	269
Remissions and discounts	463	501	463	501
Audit Committee costs	8	14	8	14
<b>Total other expenses</b>	<b>3,273</b>	<b>3,089</b>	<b>3,273</b>	<b>3,089</b>

\*Refer to note 47 for a breakdown of these costs for each Aldermen.

## Cash Management

#### Note 22 Cash and cash equivalents

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Cash on hand	25	25	25	25
Cash at bank	1,952	1,544	1,039	731
Short term deposits	5,574	6,758	5,574	6,758
<b>Total cash and cash equivalents</b>	<b>7,551</b>	<b>8,327</b>	<b>6,638</b>	<b>7,514</b>

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

Long service leave	1,611	1,782	1,611	1,782
Grants	80	70	80	70
<b>Total restricted assets</b>	<b>1,691</b>	<b>1,852</b>	<b>1,691</b>	<b>1,852</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>5,860</b>	<b>6,475</b>	<b>4,947</b>	<b>5,662</b>

2018 grants shown as restricted assets relate to \$0.080 million for unspent grant funds for partnershiping. Council also holds a \$0.350 million credit card facility with the Commonwealth Bank.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

2017 grants shown as restricted assets relate to 0.059 million for unspent grant funds for partnershiping, a touring exhibition within the art gallery, and \$0.011 million for unspent grant funds received for drug and alcohol programs through the collective impact project. Council also holds a \$0.350 million credit card facility with the Commonwealth Bank.

#### Accounting Policy

For the purposes of the Consolidated Statement of Cashflows, cash and cash equivalents include cash on hand, deposits at call and other highly liquid investments with original maturities of twelve months or less, net of outstanding bank overdrafts.

#### Note 23 Interest bearing loans and borrowings

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Borrowings - current	310	296	310	296
Borrowings - non-current	1,263	1,574	1,263	1,574
<b>Total interest bearing loans and borrowings</b>	<b>1,573</b>	<b>1,870</b>	<b>1,573</b>	<b>1,870</b>
The maturity profile for Council's non-current borrowings is:				
Later than one year and not later than five years	1,141	1,336	1,141	1,336
Later than five years	122	238	122	238
<b>Total</b>	<b>1,263</b>	<b>1,574</b>	<b>1,263</b>	<b>1,574</b>
<b>Financing activities movement</b>			<b>2018</b>	<b>2017</b>
Opening balance			1,870	2,157
Loan repayments made			(297)	(287)
<b>Closing balance</b>			<b>1,573</b>	<b>1,870</b>

#### Net fair value

The book value of borrowings is not materially different to its net fair value at 30 June.

#### Accounting Policy

The borrowing capacity of Council is limited by the Local Government Act 1993. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 24 Reconciliation of operating cash flows to the comprehensive result

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Surplus/(deficit)	2,960	(1,426)	2,960	(1,620)
Depreciation/amortisation	8,005	8,177	7,770	7,945
(Profit)/loss on disposal of property, plant and equipment	336	1,374	344	1,357
Assets contributed to Council	(2,415)	(948)	(2,415)	(948)
Work completed on assets not owned by Council	271	3,637	271	3,637
De-recognition of assets	-	1,674	-	1,674
Impairment of debts	(11)	(13)	(11)	(13)
Share of Income from Joint Venture	(70)	21	(70)	21
Capital grants	(300)	(2,760)	(300)	(2,760)
<b>Change in assets and liabilities:</b>				
(Increase)/decrease in trade and other receivables	243	(296)	326	(282)
(Increase)/decrease in other current assets	(20)	(10)	(20)	(10)
Increase/(decrease) in trade and other payables	(469)	(406)	(469)	(396)
(Decrease)/increase in other liabilities	1	47	-	-
(Increase)/decrease in inventories	31	65	31	65
Increase/(decrease) in provisions	(121)	(52)	(123)	(79)
<b>Net cash provided by operating activities</b>	<b>8,441</b>	<b>9,084</b>	<b>8,294</b>	<b>8,591</b>

#### Reconciliation of liabilities arising from financing activities

	Interest-bearing loans and borrowings \$'000
Balance as at 1 July 2017	1,870
Acquisitions / New leases	0
Foreign exchange rate movements	0
Changes in fair value	0
Other movements	0
Transfers to / (from) other Government entity	0
Changes from financing cash flows:	
Cash Received	0
Cash Repayments	(297)
<b>Balance as at 30 June 2018</b>	<b>1,573</b>

#### Note 25 Management indicators relating to cash management

	Benchmark	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
<b>(c) Consolidated Net financial liabilities</b>					
Liquid assets less		9,332	10,348	11,196	15,932
Total liabilities		7,147	7,517	9,806	11,343
<b>Net financial liabilities</b>	<b>0</b>	<b>2,185</b>	<b>2,831</b>	<b>1,390</b>	<b>4,589</b>

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would need to fund the shortfall.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

	Benchmark	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
<b>(d) Consolidated Net financial liabilities ratio</b>					
Net financial liabilities		2,185	2,831	1,390	4,589
Recurrent Income*		33,812	35,543	35,948	36,910
<b>Consolidated Net financial liabilities ratio %</b>	<b>0% - (50%)</b>	<b>6.46%</b>	<b>7.97%</b>	<b>3.87%</b>	<b>12.43%</b>
4 Year Average	<b>7.68%</b>				

\* Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature.

This ratio indicates the net financial obligations of Council compared to its recurrent income.

Council's net financial liabilities ratio decreased in the 2017-18 financial year due to a decrease in cash as at 30 June. Council's average net financial liabilities ratio over the past four years has been 7.65%, slightly above benchmark.

\*\* A significant change in the financial liabilities ratio occurred in the 2016-17 financial year due to a decrease in Council's landfill provision.

Council budgets on a basis of having enough liquid assets to cover its liabilities. It is expected that Council will have a positive net financial liabilities ratio in the 2018-19 financial year.

## Our People

### Note 26 Employee provisions

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Current</b>				
Annual leave	698	666	663	626
Long service leave	1,276	1,392	1,205	1,328
Rostered days off	44	46	44	46
Oncosts on employee entitlements	527	539	513	525
<b>Total current provisions</b>	<b>2,545</b>	<b>2,643</b>	<b>2,425</b>	<b>2,525</b>
<b>Non-current</b>				
Long service leave	134	153	134	153
Oncosts on employee entitlements	27	31	27	31
<b>Total non current provisions</b>	<b>161</b>	<b>184</b>	<b>161</b>	<b>184</b>
<b>Employee aggregate carrying amount of provisions:</b>				
<b>Current</b>				
All annual leave and long service leave entitlements representing 10 or more years				
- Short term employee benefits , that fall due within 12 months of the end of the period, measured at nominal value	2,545	2,643	2,425	2,525
-Other long term employee benefits that do not fall due within 12 months	-	-	-	-
<b>Non-current</b>				
- Long service leave representing less than 7 years of continuous service, measured at present value	161	184	161	184
<b>Total employee provisions</b>	<b>2,706</b>	<b>2,827</b>	<b>2,586</b>	<b>2,709</b>
<b>The following assumptions were adopted in measuring the value of employee benefits:</b>				
- Weighted average increase in employee benefits			2.50%	2.80%
- Weighted average discount rates			2.07%	1.89%
- Weighted average settlement period			12	12
<b>Average Full Time Equivalents as at 30 June</b>	<b>140</b>	<b>145</b>	<b>136</b>	<b>141</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Accounting Policy

##### *(i) Short term employee benefit obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave, rostered days off and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

##### *(ii) Other long term employee benefit obligations*

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

##### *(iii) Sick leave*

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in

each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

##### *(iv) Defined benefit plans*

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the

reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e. as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

##### *(v) Defined contribution plans*

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### Note 27 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2018 the Council contributed 12.5% of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Rice Warner Pty Ltd undertook the last actuarial review of the Fund at 30 June 2017. The review disclosed that at that time the net market value of assets available for funding member benefits was \$58,940,000, the value of vested benefits was \$51,170,000, the surplus over vested benefits was \$7,770,000 and the value of total accrued benefits was \$50,606,000, and the number of members was 134. These amounts relate to all members of the fund at the date of

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

valuation and no asset or liability is recorded in the Tasplan Super's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

Net Investment Return	7.0%	pa
Salary Inflation	4.0%	pa
Price Inflation	n/a	

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2017.
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 2017.
- Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2017.

The Actuary recommended that in future the Council contribute 9.5% of salaries in 2017/18 and 0% from 1 July 2018 to 30 June 2021. The Actuary will continue to undertake a brief review of the financial position the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2020 and is expected to be completed in late 2020.

Council also contributes to other accumulation schemes on behalf of a number of employees; however the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes. During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

As required in terms of paragraph 148 of AASB 119 *Employee Benefits*, Council discloses the following details:

- The 2017 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is consistent with the method used at the previous actuarial review in 2014.
- Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience

differs from that expected, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

- In terms of Rule 27.4 of the Tasplan Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit in terms of Rule 27.4 (b)(A). However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions. This issue can be resolved by the Trustee seeking an Actuarial Certificate in terms of Rule 26.5 identifying a deficit and the Trustee determining in terms of Rule 26.3(c) that the particular employer should make the payment required to make good any shortfall before the cessation of participation is approved.
- The application of Fund assets on Tasplan being wound-up is set out in Rule 41.4. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependents in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).
- The Trust Deed does not contemplate the Fund withdrawing from Tasplan. However it is likely that Rule 27.4 would be applied in this case (as detailed above).
- The Fund is a defined benefit Fund.
- The Quadrant Defined Benefits Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB 119 defined benefit reporting.
- During the reporting period the amount of contributions paid to defined benefits schemes was Consolidated Entity \$8,000 (2016-17 \$8,000), Council \$8,000 (2016-17 \$8,000), and the amount paid to accumulation schemes was Consolidated Entity \$1,166,000 (2016-17



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

\$1,209,000), Council \$1,121,000 (2016-17 \$1,147,000).

- During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$7,000 and the amount to be paid to accumulation schemes is \$1,228,975.
- As reported on the first page of this note, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2017. Moderate investment returns since that date, make it quite probable that this is still the position. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2020.

- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Rice Warner Pty Ltd as at 30 June 2017, showed that the Fund had assets of \$58.9 million and member's Vested Benefits were \$51.2 million. These amounts represented 0.7% and 0.6% respectively of the corresponding total amounts for Tasplan.
- As at 30 June 2017 the fund had 134 members and the total employer contributions for the year ending 30 June 2017 were \$1,777,084 and \$267,506 respectively.

#### Fund

##### Defined Benefits fund

Employer Contributions to Tasplan Super

##### Accumulation Funds

Employer Contributions to AMP Super  
 Employer Contributions to ANZ Super  
 Employer Contributions to L & L Arnol Super  
 Employer Contributions to Australian Ethical Super  
 Employer Contributions to Australian Super  
 Employer Contributions to Brown Super  
 Employer Contributions to Care Super  
 Employer Contributions to CBus Super  
 Employer Contributions to Commonwealth Super  
 Employer Contributions to De Bomford Super  
 Employer Contributions to First State Super  
 Employer Contributions to Hesta Super  
 Employer Contributions to Hill Super  
 Employer Contributions to Host Plus Super  
 Employer Contributions to ING Super  
 Employer Contributions to Jason & Emmaleah Cumming Super  
 Employer Contributions to LG Super  
 Employer Contributions to IOOF Super  
 Employer Contributions to Macquarie Super  
 Employer Contributions to MLC Super  
 Employer Contributions to North Super  
 Employer Contributions to Oneanswer Super  
 Employer Contributions to Onepath Super  
 Employer Contributions to Panorma Super  
 Employer Contributions to Rest Super  
 Employer Contributions to Sun Super  
 Employer Contributions to Superwrap Super  
 Employer Contributions to Tasplan Super  
 Employer Contributions to Telstra Super  
 Employer Contributions to Uni Super  
 Employer Contributions to Vic Super  
 Employer Contributions to Vision Super  
 Employer Contributions to Wealth Super  
 Employer Contributions to Wilbur Super

Council 2018 \$'000	Council 2017 \$'000
8	8
<b>8</b>	<b>8</b>
13	8
1	-
9	9
7	7
17	22
7	7
3	-
20	20
4	9
9	6
-	4
1	5
7	7
55	40
8	7
5	-
3	-
-	1
7	6
2	
9	4
3	-
13	13
8	-
4	-
12	14
21	28
819	899
8	7
8	6
6	6
24	5
8	7
2	-
<b>1,121</b>	<b>1,147</b>

Council usually pays superannuation payments within a week of the end of the pay period. There is therefore no outstanding superannuation liability as at 30 June 2018.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

## Our Assets and Liabilities

### Receivables and other assets

#### Note 28 Trade and other receivables

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Rates and charges	540	591	540	591
Accrued interest	81	38	81	38
Other accrued income	107	94	97	92
Sundry debtors	2,122	2,378	1,886	2,209
Provision for impairment	(1,069)	(1,080)	(1,065)	(1,076)
<b>Total trade and other receivables</b>	<b>1,781</b>	<b>2,021</b>	<b>1,539</b>	<b>1,854</b>

#### Accounting Policy

Receivables are carried at amortised cost using the effective interest rate method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred. A provision for impairment on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

#### Note 29 Inventories

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Inventories held for sale	85	94	85	94
Inventories held for consumption	50	72	50	72
<b>Total inventories</b>	<b>135</b>	<b>166</b>	<b>135</b>	<b>166</b>

#### Accounting Policy

Inventories held for distribution are measured at cost, adjusted when applicable, for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

#### Note 30 Other assets

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Current</b>				
Prepayments	46	26	46	26
<b>Total other assets</b>	<b>46</b>	<b>26</b>	<b>46</b>	<b>26</b>

**BURNIE CITY COUNCIL**  
**CONSOLIDATED NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Property, plant and equipment**

**Note 31 Property, infrastructure, plant and equipment**

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Summary</b>				
at cost	30,377	30,893	27,046	27,537
Less accumulated depreciation	16,528	15,949	14,676	14,251
	<b>13,849</b>	<b>14,944</b>	<b>12,370</b>	<b>13,286</b>
at fair value	565,107	546,257	565,107	546,257
Less accumulated depreciation	247,288	242,330	247,288	242,330
	<b>317,819</b>	<b>303,927</b>	<b>317,819</b>	<b>303,927</b>
<b>Total</b>	<b>331,668</b>	<b>318,871</b>	<b>330,189</b>	<b>317,213</b>
<b>Property</b>				
<b>Land</b>				
at fair value	23,037	23,037	23,037	23,037
	<b>23,037</b>	<b>23,037</b>	<b>23,037</b>	<b>23,037</b>
<b>Land under roads</b>				
at fair value	24,371	24,371	24,371	24,371
	<b>24,371</b>	<b>24,371</b>	<b>24,371</b>	<b>24,371</b>
<b>Total Land</b>	<b>47,408</b>	<b>47,408</b>	<b>47,408</b>	<b>47,408</b>

Valuation of land (excluding land under roads) was determined by the office of the Valuer-General effective 30 June 2013. Land under roads was recognised for the first time on 1 July 2015. Total value of assets recognised was \$24.341 million.

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Buildings</b>				
at fair value	89,436	86,859	89,436	86,859
Less accumulated depreciation	39,332	37,473	39,332	37,473
	<b>50,104</b>	<b>49,386</b>	<b>50,104</b>	<b>49,386</b>
Valuation of buildings were determined by independent valuers Opteon, Tasmania as at 30 June 2014 indexed up to September 2015.				
<b>Total Property</b>	<b>97,512</b>	<b>96,794</b>	<b>97,512</b>	<b>96,794</b>



**BURNIE CITY COUNCIL**  
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**FOR THE YEAR ENDED 30 JUNE 2018**

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Plant and Equipment</b>				
<b>Plant, machinery and equipment</b>				
at cost	12,231	11,571	9,869	9,277
Less accumulated depreciation	8,003	7,688	6,671	6,558
	<b>4,228</b>	<b>3,883</b>	<b>3,198</b>	<b>2,719</b>
<b>Motor vehicles</b>				
at cost	1,458	1,637	1,458	1,574
Less accumulated depreciation	624	810	624	747
	<b>834</b>	<b>827</b>	<b>834</b>	<b>827</b>
<b>Fixtures, fittings and furniture</b>				
at cost	3,421	3,121	3,421	3,103
Less accumulated depreciation	2,416	2,293	2,416	2,275
	<b>1,005</b>	<b>828</b>	<b>1,005</b>	<b>828</b>
<b>Heritage plant and equipment</b>				
at cost	1,454	916	1,454	916
Less accumulated depreciation	454	105	454	105
	<b>1,000</b>	<b>811</b>	<b>1,000</b>	<b>811</b>
<b>Total Plant and Equipment</b>	<b>7,067</b>	<b>6,349</b>	<b>6,037</b>	<b>5,185</b>
<b>Infrastructure</b>				
<b>Roads and footpaths</b>				
at fair value	284,001	268,169	284,001	268,169
Less accumulated depreciation	153,117	145,409	153,117	145,409
	<b>130,884</b>	<b>122,760</b>	<b>130,884</b>	<b>122,760</b>

Roads and footpaths assets were last revalued as at 30 June 2016 using replacement rates determined by Council's technical services division. The assets have been indexed each year by applying the Road and Bridge Construction Index with the last indexation as at 31 March 2018.

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Infrastructure</b>				
at cost	9,710	10,029	9,710	10,029
Less accumulated depreciation	4,289	4,393	4,289	4,393
	<b>5,421</b>	<b>5,636</b>	<b>5,421</b>	<b>5,636</b>
<b>Bridges and culverts</b>				
at fair value	14,989	14,376	14,989	14,376
Less accumulated depreciation	6,035	5,634	6,035	5,634
	<b>8,954</b>	<b>8,742</b>	<b>8,954</b>	<b>8,742</b>

Bridges and culverts were revalued as at 30 June 2016 using replacement costs provided by AusSpan. The assets have been indexed each year by applying the Road and Bridge Construction Index with the last indexation as at 31 March 2018.

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Drainage</b>				
at fair value	79,125	81,988	79,125	81,988
Less accumulated depreciation	30,360	36,479	30,360	36,479
	<b>48,765</b>	<b>45,509</b>	<b>48,765</b>	<b>45,509</b>

Valuation of drainage assets has been determined by Council's technical services division as at 30 June 2018.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Telecommunications</b>				
at cost	952	952	-	-
Less accumulated depreciation	520	487	-	-
	<b>432</b>	<b>465</b>	<b>-</b>	<b>-</b>
<b>Parks and recreation</b>				
at fair value	50,148	47,457	50,148	47,457
Less accumulated depreciation	18,444	17,335	18,444	17,335
	<b>31,704</b>	<b>30,122</b>	<b>31,704</b>	<b>30,122</b>

Valuation of parks and recreation assets has been determined by Council's technical services division. The last full revaluation was undertaken on 30 June 2014. The assets have been indexed each year by applying the Consumer Price Index, All Groups for Hobart. The last indexation was to 31 March 2018.

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Municipal Revaluation</b>				
at cost	246	246	246	246
Less accumulated amortisation	222	173	222	173
	<b>24</b>	<b>73</b>	<b>24</b>	<b>73</b>
<b>Total Infrastructure</b>	<b>226,184</b>	<b>213,307</b>	<b>225,752</b>	<b>212,842</b>
<b>Works in progress</b>				
Works in progress at cost	905	2,421	888	2,392
<b>Total Works in progress</b>	<b>905</b>	<b>2,421</b>	<b>888</b>	<b>2,392</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>331,668</b>	<b>318,871</b>	<b>330,189</b>	<b>317,213</b>

## Accounting Policy

### Acquisition and Recognition

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Property, infrastructure, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where the value exceeds the recognition thresholds for the respective assets class. Fair value is the price that would be received to sell the assets in an orderly transaction between market participants at the measured date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads. Such assets are recognised as "Work in Progress" until they become available for service.

In accordance with Council's policy, the threshold limits detailed below have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Classification	Threshold
Aeronautical roads and runways	\$5,000
Bridges and culverts	\$5,000
Buildings	\$5,000
Drainage	\$5,000
Fixtures, fittings and furniture	\$500
Heritage assets	\$1
Infrastructure	\$500
Land	\$1
Land under roads	\$1
Motor vehicles	\$5,000
Parks and recreation	\$5,000
Plant, machinery and equipment	\$500
Roads and footpaths	\$5,000
Telecommunications	\$500
Municipal revaluation	\$1

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### **Revaluation**

Council has adopted the following valuation basis for its non-current assets:

Classification	Valuation Basis
Aeronautical roads and runways	Fair Value
Bridges and culverts	Fair Value
Buildings	Fair Value
Drainage	Fair Value
Fixtures, fittings and furniture	Cost
Heritage assets	Cost
Infrastructure	Cost
Land	Fair Value
Land under roads	Fair Value
Motor vehicles	Cost
Parks and recreation	Fair Value
Plant, machinery and equipment	Cost
Roads and footpaths	Fair Value
Telecommunications	Cost
Municipal revaluation	Cost

Subsequent to the initial recognition of assets, non-current physical assets, other than plant, machinery and equipment, fixtures, fittings and furniture, heritage assets, infrastructure assets, motor vehicles and telecommunications equipment are measured at their fair value in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced council officers or independent experts.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will

only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at note 49.

Where assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

#### **Impairment of assets**

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Consolidated Statement of Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the depreciated value of the asset approximated by its written down replacement cost.

#### **Land under roads**

Council recognises the value of land under roads it controls at fair value.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 32 Management indicators relating to assets

##### (a) Council's asset consumption ratio

An asset consumption ratio has been calculated in relation to each asset class required to be included in the long term strategic asset management plan of Council.

		2018	2017	2016	2015
<i>Transport Infrastructure</i>					
Depreciated replacement cost		130,884	122,760	121,997	118,542
Current replacement cost		284,001	268,169	264,171	252,200
Asset consumption ratio %	> 60%	46%	46%	46%	47%
4 year average	46%				
<i>Buildings</i>					
Depreciated replacement cost		50,103	49,386	44,575	46,929
Current replacement cost		89,436	86,859	82,444	86,876
Asset consumption ratio %	> 60%	56%	57%	54%	56%
4 year average	56%				
<i>Drainage</i>					
Depreciated replacement cost		48,765	45,509	44,427	44,152
Current replacement cost		79,125	81,988	79,341	77,888
Asset consumption ratio %	> 60%	62%	56%	56%	57%
4 year average	57%				

This ratio indicates the level of service potential available in Council's existing asset base.

Council's asset consumption ratio for both transport and drainage assets has stayed relatively consistent, but drainage has increased due to a revaluation of drainage assets as at 30 June 2018.

##### (b) Council's asset renewal ratio

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long term strategic asset management plan of Council. This ratio measures Council's capacity to fund future asset replacement requirements.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

		2018 \$'000	2017 \$'000	2016 \$'000
<b>Total Property, Plant &amp; Infrastructure</b>				
Projected capital funding outlays*		65,818	74,111	94,538
Projected capital expenditure funding**		54,567	57,698	81,164
Asset renewal ratio %	90% - 100%	121%	128%	116%
<b>Transport Infrastructure</b>				
Projected capital funding outlays*		47,795	54,862	61,252
Projected capital expenditure funding**		36,544	38,449	47,878
Asset renewal ratio %	90% - 100%	131%	143%	128%
<b>Plant, Equipment &amp; Other</b>				
Projected capital funding outlays*		8,500	8,436	13,320
Projected capital expenditure funding**		8,500	8,436	13,320
Asset renewal ratio %	90% - 100%	100%	100%	100%
<b>Buildings</b>				
Projected capital funding outlays*		3,661	4,212	3,992
Projected capital expenditure funding**		3,661	4,212	3,992
Asset renewal ratio %	90% - 100%	100%	100%	100%
<b>Parks and Reserves</b>				
Projected capital funding outlays*		2,974	3,751	3,599
Projected capital expenditure funding**		2,974	3,751	3,599
Asset renewal ratio %	90% - 100%	100%	100%	100%
<b>Drainage</b>				
Projected capital funding outlays*		2,888	2,850	3,522
Projected capital expenditure funding**		2,888	2,850	3,522
Asset renewal ratio %	90% - 100%	100%	100%	100%

\* Current value of projected capital funding outlays for an asset identified in Council's long term financial plan.

\*\* Value of projected capital expenditure funding for an asset identified in Council's long term strategic asset management plan.

Council's asset renewal ratio indicates that Council will have sufficient funding over the next ten years to meet its asset renewal needs.

#### (c) Council's asset sustainability ratio

		2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
Capital expenditure on replacement/renewal of existing assets		3,933	3,181	4,820	4,184
Annual depreciation expense		7,770	7,945	7,621	7,788
Asset sustainability ratio %	100%	51%	40%	63%	54%

This ratio is an indicator of the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

Asset Class	2018 \$'000	2017 \$'000	2016 \$'000	2015 \$'000
Capital renewal expenditure	3,933	3,181	4,820	4,184
Capital new/upgrade expenditure	5,661	9,370	10,995	4,155
<b>Total capital expenditure</b>	<b>9,594</b>	<b>12,551</b>	<b>15,815</b>	<b>8,339</b>

BURNIE CITY COUNCIL  
CONSOLIDATED NOTES TO THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018

Note 33 Movements in property, plant and equipment, infrastructure

	Balance at beginning of financial year	Acquisition of assets and transfers from work in progress	Transfers between asset classes	Revaluation increments (decrements) (note 38)	Depreciation and amortisation (note 19)	Written down value of disposals (note 35)	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2018</b>							
<b>Property</b>							
Land	47,408	-	-	-	-	-	47,408
Buildings	49,386	841	-	982	(1,088)	(17)	50,104
<b>Total property</b>	<b>96,794</b>	<b>841</b>	<b>-</b>	<b>982</b>	<b>(1,088)</b>	<b>(17)</b>	<b>97,512</b>
<b>Plant and Equipment</b>							
Plant, machinery and equipment	3,883	1,320	-	-	(963)	(12)	4,228
Motor vehicles	827	377	-	-	(184)	(186)	834
Fixtures, fittings and furniture	828	318	-	-	(141)	-	1,005
Heritage plant and equipment	811	71	130	-	(12)	-	1,000
<b>Total plant and equipment</b>	<b>6,349</b>	<b>2,086</b>	<b>130</b>	<b>-</b>	<b>(1,300)</b>	<b>(198)</b>	<b>7,067</b>
<b>Infrastructure</b>							
Roads and footpaths	122,760	7,157 *	-	4,792	(3,454)	(371)	130,884
Infrastructure	5,636	147	(130)	-	(232)	-	5,421
Bridges and culverts	8,742	65	-	328	(181)	-	8,954
Drainage	45,509	1,487	-	2,527	(745)	(13)	48,765
Telecommunications	465	-	-	-	(33)	-	432
Parks and recreation	30,122	2,050	-	621	(923)	(166)	31,704
Municipal revaluation	73	-	-	-	(49)	-	24
<b>Total infrastructure</b>	<b>213,307</b>	<b>10,906</b>	<b>(130)</b>	<b>8,268</b>	<b>(5,617)</b>	<b>(550)</b>	<b>226,184</b>
<b>Works in progress</b>							
Work in progress	2,421	(1,516)	-	-	-	-	905
<b>Total work in progress</b>	<b>2,421</b>	<b>(1,516)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>905</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>318,871</b>	<b>12,317</b>	<b>-</b>	<b>9,250</b>	<b>(8,005)</b>	<b>(765)</b>	<b>331,668</b>

\*Acquisitions include developer contributions of \$2,415,000. Developer contributions are road assets donated to Council on completion of subdivisions within the municipality.



BURNIE CITY COUNCIL  
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Consolidated 2017	Balance at beginning of financial year	Acquisition of assets and transfers from work In progress	Revaluation increments (decrements) (note 38)	Depreciation and amortisation (note 19)	Written down value of disposals (note 35)	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>						
Land	47,367	41	-	-	-	47,408
Buildings	44,575	6,584	-	(1,080)	(693)	49,386
<b>Total property</b>	<b>91,942</b>	<b>6,625</b>	<b>-</b>	<b>(1,080)</b>	<b>(693)</b>	<b>96,794</b>
<b>Plant and Equipment</b>						
Plant, machinery and equipment	4,495	300	-	(904)	(8)	3,883
Motor vehicles	895	170	-	(179)	(59)	827
Fixtures, fittings and furniture	715	246	-	(130)	(3)	828
Heritage plant and equipment	811	-	-	-	-	811
<b>Total plant and equipment</b>	<b>6,916</b>	<b>716</b>	<b>-</b>	<b>(1,213)</b>	<b>(70)</b>	<b>6,349</b>
<b>Infrastructure</b>						
Roads and footpaths	121,997	4,403 *	245	(3,677)	(208)	122,760
Infrastructure	2,173	3,995	-	(260)	(272)	5,636
Bridges and culverts	8,877	35	18	(188)	-	8,742
Drainage	44,427	840	1,023	(764)	(17)	45,509
Telecommunications	402	102	-	(31)	(8)	465
Parks and recreation	26,649	3,984	677	(915)	(273)	30,122
Municipal revaluation	122	-	-	(49)	-	73
<b>Total infrastructure</b>	<b>204,647</b>	<b>13,359</b>	<b>1,963</b>	<b>(5,884)</b>	<b>(778)</b>	<b>213,307</b>
<b>Works in progress</b>						
Work in progress	14,521	(12,100)	-	-	-	2,421
<b>Total work in progress</b>	<b>14,521</b>	<b>(12,100)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,421</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>318,026</b>	<b>8,600</b>	<b>1,963</b>	<b>(8,177)</b>	<b>(1,541)</b>	<b>318,871</b>

\*Acquisitions include developer contributions of \$948,000. Developer contributions are road assets donated to Council on completion of subdivisions within the municipality.

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Council 2018	Balance at beginning of financial year	Acquisition of assets and transfers from work in progress	Transfers between asset classes	Revaluation increments (decrements) (note 38)	Depreciation and amortisation (note 19)	Written down value of disposals (note 35)	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>							
Land	47,408	-	-	-	-	-	47,408
Buildings	49,386	841	-	982	(1,088)	(17)	50,104
<b>Total property</b>	<b>96,794</b>	<b>841</b>	<b>-</b>	<b>982</b>	<b>(1,088)</b>	<b>(17)</b>	<b>97,512</b>
<b>Plant and Equipment</b>							
Plant, machinery and equipment	2,719	1,252	-	-	(761)	(12)	3,198
Motor vehicles	827	377	-	-	(184)	(186)	834
Fixtures, fittings and furniture	828	318	-	-	(141)	-	1,005
Heritage plant and equipment	811	71	130	-	(12)	-	1,000
<b>Total plant and equipment</b>	<b>5,185</b>	<b>2,018</b>	<b>130</b>	<b>-</b>	<b>(1,098)</b>	<b>(198)</b>	<b>6,037</b>
<b>Infrastructure</b>							
Roads and footpaths	122,760	7,157 *	-	4,792	(3,454)	(371)	130,884
Infrastructure	5,636	147	(130)	-	(232)	-	5,421
Bridges and culverts	8,742	65	-	328	(181)	-	8,954
Drainage	45,509	1,487	-	2,527	(745)	(13)	48,765
Parks and recreation	30,122	2,050	-	621	(923)	(166)	31,704
Municipal revaluation	73	-	-	-	(49)	-	24
<b>Total infrastructure</b>	<b>212,842</b>	<b>10,906</b>	<b>(130)</b>	<b>8,268</b>	<b>(5,584)</b>	<b>(550)</b>	<b>225,752</b>
<b>Works in progress</b>							
Work in progress	2,392	(1,504)	-	-	-	-	888
<b>Total work in progress</b>	<b>2,392</b>	<b>(1,504)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>888</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>317,213</b>	<b>12,261</b>	<b>-</b>	<b>9,250</b>	<b>(7,770)</b>	<b>(765)</b>	<b>330,189</b>

\*Acquisitions include developer contributions of \$2,415,000. Developer contributions are road assets donated to Council on completion of subdivisions within the municipality.

BURNIE CITY COUNCIL  
CONSOLIDATED NOTES TO THE FINANCIAL REPORT  
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Council 2017	Balance at beginning of financial year	Acquisition of assets and transfers from work in progress	Revaluation increments (decrements) (note 38) \$'000	Depreciation and amortisation (note 19) \$'000	Written down value of disposals (note 35) \$'000	Balance at end of financial year \$'000
<b>Property</b>						
Land	47,367	41	-	-	-	47,408
Buildings	44,575	6,584	-	(1,080)	(693)	49,386
<b>Total property</b>	<b>91,942</b>	<b>6,625</b>	<b>-</b>	<b>(1,080)</b>	<b>(693)</b>	<b>96,794</b>
<b>Plant and Equipment</b>						
Plant, machinery and equipment	3,409	13	-	(703)	-	2,719
Motor vehicles	895	170	-	(179)	(59)	827
Fixtures, fittings and furniture	715	246	-	(130)	(3)	828
Heritage plant and equipment	811	-	-	-	-	811
<b>Total plant and equipment</b>	<b>5,830</b>	<b>429</b>	<b>-</b>	<b>(1,012)</b>	<b>(62)</b>	<b>5,185</b>
<b>Infrastructure</b>						
Roads and footpaths	121,997	4,403 *	245	(3,677)	(208)	122,760
Infrastructure	2,173	3,995	-	(260)	(272)	5,636
Bridges and culverts	8,877	35	18	(188)	-	8,742
Drainage	44,427	840	1,023	(764)	(17)	45,509
Parks and recreation	26,649	3,984	677	(915)	(273)	30,122
Municipal Revaluation	122	-	-	(49)	-	73
<b>Total infrastructure</b>	<b>204,245</b>	<b>13,257</b>	<b>1,963</b>	<b>(5,853)</b>	<b>(770)</b>	<b>212,842</b>
<b>Works in progress</b>						
Work in progress	14,521	(12,129)	-	-	-	2,392
<b>Total work in progress</b>	<b>14,521</b>	<b>(12,129)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,392</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>316,538</b>	<b>8,182</b>	<b>1,963</b>	<b>(7,945)</b>	<b>(1,525)</b>	<b>317,213</b>

\*Acquisitions include developer contributions of \$948,000. Developer contributions are road assets donated to Council on completion of subdivisions within the municipality.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 34 Capital works completed on assets not owned by Council

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Capital works completed on assets not owned by Council	271	3,637	271	3,637
<b>Total capital works on assets not owned by Council</b>	<b>271</b>	<b>3,637</b>	<b>271</b>	<b>3,637</b>

2017-18 construction work undertaken on assets not owed by Council predominantly relates to works completed on Romaine reserve dam on behalf of TasWater and works on other assets owned by the State Government.

#### Note 35 Net gain/(loss) on disposal of assets

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
<b>Profit/(loss) on sale of assets</b>				
Proceeds on sale assets	429	167	421	168
Less: Write down value of assets disposed	(765)	(1,541)	(765)	(1,525)
<b>Total net gain/(loss) on sale of assets</b>	<b>(336)</b>	<b>(1,374)</b>	<b>(344)</b>	<b>(1,357)</b>

#### Accounting Policy

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

#### Note 36 De-recognition of assets

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
De-recognition of assets	-	(1,696)	-	(1,696)
<b>Total de-recognition of assets</b>	<b>-</b>	<b>(1,696)</b>	<b>-</b>	<b>(1,696)</b>

During the 2016-17 financial year, Council de-recognised its Autism Centre building due to the transfer of the operations of the Centre to a new provider.

#### Note 37 Correction of prior period errors

##### Provision for Impairment of Debtors

Following a recent internal audit of the parking procedures and practices, it was identified that there were a significant number of infringements from 2017 financial year or earlier that had not been lodged with MPES. The impact of this issue is that MPES cannot collect any of these debts older than 6 months and due to their age, they would potentially need to be written off.

An assessment was made on data collected from MPES and due to the material value of the adjustment, a prior period adjustment was necessary. The 2016-17 comparative data has been restated to disclose the prior period error as considered material.

##### Treatment of Burnie Airport Corporation

Under AASB 10 Consolidated Financial Statements, Burnie City Council have in prior years been accounting for its investment in Burnie Airport Corporation as an investment in a subsidiary. During 2017-18, it was identified that Burnie City Council, although having a 51% ownership of the Burnie Airport Corporation, did not have a controlling voting right and therefore did not have "control" of the Burnie Airport Corporation.

As such, the 2016-17 comparative data has been restated to disclose the investment in the Burnie Airport Corporation as an investment in joint venture under AASB 11 Joint Arrangements and accounted for using the equity method in accordance with AASB 128 Investments in Associates and Joint Ventures.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

30 June 2017 Comparative year

Financial Statement Line Item/ Balance Affected	Note	Actual 2017 \$'000	Burnie Airport Corporation \$'000	Provision for Impairment \$'000	Restated Actual 2017 \$'000
<b>Consolidated 2017</b>					
<b>Income Statement (extract)</b>					
<b>Income</b>					
<b>Recurrent Income</b>					
User Fees		6,971	(1,383)	-	5,588
Share of profit of joint venture		-	1	-	1
<b>Total Income</b>		<b>36,684</b>	<b>(1,382)</b>	<b>0</b>	<b>35,302</b>
<b>Capital income</b>					
Net gain(loss) on disposal of property, plant & equipment		(1,373)	(1)	-	(1,374)
		<b>(2,998)</b>	<b>(1)</b>	<b>0</b>	<b>(2,999)</b>
<b>Expenses</b>					
Employee benefits		11,886	(254)	-	11,632
Materials and services		11,543	(800)	-	10,743
Impairment of debts		(57)	44	-	(13)
Depreciation and amortisation		8,363	(186)	-	8,177
Finance Costs		188	(87)	-	101
Other expenses		3,189	(100)	-	3,089
<b>Total expenses</b>		<b>35,112</b>	<b>(1,383)</b>	<b>0</b>	<b>33,729</b>
<b>Operating surplus/(deficit)</b>		<b>(1,426)</b>	<b>0</b>	<b>0</b>	<b>(1,426)</b>
<b>Other comprehensive income</b>					
		<b>2,389</b>	<b>0</b>	<b>0</b>	<b>2,389</b>
<b>Comprehensive result</b>		<b>963</b>	<b>0</b>	<b>0</b>	<b>963</b>
<b>Financial Position (extract)</b>					
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		8,439	(112)	-	8,327
Trade and other receivables		2,806	(161)	(624)	2,021
Current assets classified as held for sale		497	(497)	-	-
Other assets		37	(11)	-	26
<b>Total current assets</b>		<b>11,945</b>	<b>(781)</b>	<b>(624)</b>	<b>10,540</b>
<b>Non-current assets</b>					
Investment in joint venture accounted for using the equity method		-	3,335	-	3,335
Property, infrastructure, plant and equipment		326,296	(7,425)	-	318,871
<b>Total non-current assets</b>		<b>391,600</b>	<b>(4,090)</b>	<b>0</b>	<b>387,510</b>
<b>Total assets</b>		<b>403,545</b>	<b>(4,871)</b>	<b>(624)</b>	<b>398,050</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables		2,696	(83)	-	2,613
Employee Provisions		2,689	(46)	-	2,643
<b>Total current liabilities</b>		<b>5,825</b>	<b>(129)</b>	<b>0</b>	<b>5,696</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings		3,106	(1,532)	-	1,574
Employee provisions		189	(5)	-	184
<b>Total non-current liabilities</b>		<b>3,358</b>	<b>(1,537)</b>	<b>0</b>	<b>1,821</b>
<b>Total liabilities</b>		<b>9,183</b>	<b>(1,666)</b>	<b>0</b>	<b>7,517</b>
<b>Net Assets</b>		<b>394,362</b>	<b>(3,205)</b>	<b>(624)</b>	<b>390,533</b>
<b>Equity</b>					
Accumulated surplus		271,587	-	(624)	270,963
Reserves		119,570	-	-	119,570
<b>Total Parent Equity</b>		<b>391,157</b>	<b>0</b>	<b>(624)</b>	<b>390,533</b>
Outside equity interest		3,205	3,205	-	-
<b>Total Equity</b>		<b>394,362</b>	<b>0</b>	<b>(624)</b>	<b>390,533</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

30 June 2017 Comparative year

Financial Statement Line Item/ Balance Affected	Note	Actual 2017 \$'000	Burnie Airport Corporation \$'000	Provision for Impairment \$'000	Restated Actual 2017 \$'000
<b>Council 2017</b>					
<b>Income Statement (extract)</b>					
<b>Income</b>					
<b>Recurrent Income</b>					
Investment Income		1,367	(22)	-	1,345
Share of profit of joint venture		-	1	-	1
<b>Total Income</b>		<b>34,617</b>	<b>(21)</b>	<b>0</b>	<b>34,596</b>
<b>Capital income</b>		<b>(2,982)</b>	<b>0</b>	<b>0</b>	<b>(2,982)</b>
<b>Expenses</b>					
<b>Total expenses</b>		<b>33,234</b>	<b>0</b>	<b>0</b>	<b>33,234</b>
<b>Operating surplus/(deficit)</b>		<b>(1,599)</b>	<b>(21)</b>	<b>0</b>	<b>(1,620)</b>
<b>Other comprehensive income</b>		<b>2,389</b>	<b>0</b>	<b>0</b>	<b>2,389</b>
<b>Comprehensive result</b>		<b>790</b>	<b>(21)</b>	<b>0</b>	<b>769</b>
<b>Financial Position (extract)</b>					
<b>Assets</b>					
Trade and other receivables		2,478	-	(624)	1,854
<b>Current assets</b>		<b>10,184</b>	<b>0</b>	<b>(624)</b>	<b>9,560</b>
<b>Non-current assets</b>					
Investment in subsidiaries		2,916	(813)	-	2,103
Investment in joint venture accounted for using the equity method		-	3,335	-	3,335
<b>Total non-current assets</b>		<b>385,433</b>	<b>2,522</b>	<b>0</b>	<b>387,955</b>
<b>Total assets</b>		<b>395,617</b>	<b>2,522</b>	<b>(624)</b>	<b>397,515</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
<b>Total current liabilities</b>		<b>5,449</b>	<b>0</b>	<b>0</b>	<b>5,449</b>
<b>Non-current liabilities</b>					
<b>Total non-current liabilities</b>		<b>1,758</b>	<b>0</b>	<b>0</b>	<b>1,758</b>
<b>Total liabilities</b>		<b>7,207</b>	<b>0</b>	<b>0</b>	<b>7,207</b>
<b>Net Assets</b>		<b>388,410</b>	<b>2,522</b>	<b>(624)</b>	<b>390,308</b>
<b>Equity</b>					
Accumulated surplus		271,360	2	(624)	270,738
Reserves		117,050	2,520	0	119,570
<b>Total Equity</b>		<b>388,410</b>	<b>2,522</b>	<b>(624)</b>	<b>390,308</b>



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### 1 July 2016 Comparative year opening balances

Financial Statement Line Item/ Balance Affected	Note	Actual 2016 \$'000	Burnie Airport Corporation \$'000	Provision for Impairment \$'000	Restated Actual 2016 \$'000
<b>Consolidated 2016</b>					
<b>Income Statement (extract)</b>					
<b>Income</b>					
<b>Recurrent Income</b>					
User Fees		7,186	(1,282)	-	5,904
Share of profit of joint venture		-	72	-	72
<b>Total Income</b>		<b>34,705</b>	<b>(1,210)</b>	<b>0</b>	<b>33,494</b>
<b>Capital income</b>					
Net gain(loss) on disposal of property, plant & equipment		(868)	61	-	(807)
		<b>28,328</b>	<b>61</b>	<b>0</b>	<b>28,389</b>
<b>Expenses</b>					
Employee benefits		12,879	(231)	-	12,648
Materials and services		11,038	(428)	-	10,610
Impairment of debts		52	(45)	-	7
Depreciation and amortisation		8,030	(186)	-	7,844
Finance Costs		210	(90)	-	120
Other expenses		3,261	(98)	-	3,163
<b>Total expenses</b>		<b>35,470</b>	<b>(1,078)</b>	<b>0</b>	<b>34,392</b>
<b>Operating surplus/(deficit)</b>		<b>27,563</b>	<b>(72)</b>	<b>0</b>	<b>27,491</b>
<b>Other comprehensive income</b>					
		<b>5,426</b>	<b>0</b>	<b>0</b>	<b>5,426</b>
<b>Comprehensive result</b>		<b>32,989</b>	<b>(72)</b>	<b>0</b>	<b>32,917</b>
<b>Financial Position (extract)</b>					
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		9,744	(248)	-	9,496
Trade and other receivables		2,505	(181)	(624)	1,700
Current assets classified as held for sale		497	(497)	-	-
Other assets		30	(14)	-	16
<b>Total current assets</b>		<b>13,006</b>	<b>(940)</b>	<b>(624)</b>	<b>11,442</b>
<b>Non-current assets</b>					
Investment in joint venture accounted for using the equity method		-	3,356	-	3,356
Property, infrastructure, plant and equipment		325,636	(7,611)	-	318,026
<b>Total non-current assets</b>		<b>392,188</b>	<b>(4,255)</b>	<b>0</b>	<b>387,934</b>
<b>Total assets</b>		<b>405,194</b>	<b>(5,195)</b>	<b>(624)</b>	<b>399,376</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables		3,067	(178)	-	2,889
Employee Provisions		2,685	(37)	-	2,648
<b>Total current liabilities</b>		<b>7,615</b>	<b>(215)</b>	<b>0</b>	<b>7,400</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings		3,623	(1,753)	-	1,870
Employee provisions		234	(3)	-	231
<b>Total non-current liabilities</b>		<b>4,161</b>	<b>(1,756)</b>	<b>0</b>	<b>2,405</b>
<b>Total liabilities</b>		<b>11,776</b>	<b>(1,971)</b>	<b>0</b>	<b>9,806</b>
<b>Net Assets</b>		<b>393,418</b>	<b>(3,224)</b>	<b>(624)</b>	<b>389,570</b>
<b>Equity</b>					
Accumulated surplus		273,013	-	(624)	272,389
Reserves		117,181	-	-	117,181
<b>Total Parent Equity</b>		<b>390,194</b>	<b>-</b>	<b>(624)</b>	<b>389,570</b>
Outside equity interest		3,224	(3,224)	-	-
<b>Total Equity</b>		<b>393,418</b>	<b>0</b>	<b>(624)</b>	<b>389,570</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### 1 July 2016 Comparative year opening balances

Financial Statement Line Item/ Balance Affected	Note	Actual 2016 \$'000	Burnie Airport Corporation \$'000	Provision for Impairment \$'000	Restated Actual 2016 \$'000
<b>Council 2016</b>					
<b>Income Statement (extract)</b>					
<b>Income</b>					
<b>Recurrent Income</b>					
Investment income		1,307	(65)	-	1,242
Share of profit of joint venture		-	72	-	72
<b>Total Income</b>		<b>32,735</b>	<b>7</b>	<b>0</b>	<b>32,742</b>
<b>Capital income</b>					
		<b>28,389</b>	<b>0</b>	<b>0</b>	<b>28,389</b>
<b>Expenses</b>					
<b>Total expenses</b>		<b>33,754</b>	<b>0</b>	<b>0</b>	<b>33,754</b>
<b>Operating surplus/(deficit)</b>		<b>27,370</b>	<b>7</b>	<b>0</b>	<b>27,377</b>
<b>Other comprehensive income</b>		<b>5,426</b>	<b>0</b>	<b>0</b>	<b>5,426</b>
<b>Comprehensive result</b>		<b>32,796</b>	<b>7</b>	<b>0</b>	<b>32,803</b>
<b>Financial Position (extract)</b>					
<b>Assets</b>					
<b>Current assets</b>					
Trade and other receivables		2,184	-	(624)	1,560
<b>Total current assets</b>		<b>11,263</b>	<b>-</b>	<b>(624)</b>	<b>10,639</b>
<b>Non-current assets</b>					
Investment in subsidiaries		2,916	(813)	-	2,103
Investment in joint venture accounted for using the equity method		-	3,356	-	3,356
<b>Total non-current assets</b>		<b>386,006</b>	<b>2,543</b>	<b>-</b>	<b>388,549</b>
<b>Total assets</b>		<b>397,269</b>	<b>2,543</b>	<b>(624)</b>	<b>399,188</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
				-	
<b>Total current liabilities</b>		<b>7,244</b>	<b>-</b>	<b>-</b>	<b>7,244</b>
<b>Non-current liabilities</b>					
<b>Total non-current liabilities</b>		<b>2,405</b>	<b>-</b>	<b>-</b>	<b>2,405</b>
<b>Total liabilities</b>		<b>9,649</b>	<b>-</b>	<b>-</b>	<b>9,649</b>
<b>Net Assets</b>		<b>387,620</b>	<b>2,543</b>	<b>(624)</b>	<b>389,539</b>
<b>Equity</b>					
Accumulated surplus		272,959	23	(624)	272,358
Reserves		114,661	2,520	-	117,181
<b>Total Equity</b>		<b>387,620</b>	<b>2,543</b>	<b>(624)</b>	<b>389,539</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 38 Reserves

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
<b>Consolidated 2018</b>			
<b>(a) Asset revaluation</b>			
<b>Property</b>			
Land	11,000	-	11,000
Buildings	-	982	982
	<b>11,000</b>	<b>982</b>	<b>11,982</b>
<b>Infrastructure</b>			
Roads and footpaths	59,539	4,792	64,331
Car parks	2,500	-	2,500
Bridges and culverts	4,454	328	4,782
Drainage	22,269	2,527	24,796
Parks and recreation	9,866	621	10,487
	<b>98,628</b>	<b>8,268</b>	<b>106,896</b>
<b>Associate</b>			
Investment in Burnie Airport Corporation	2,520	(78)	2,442
	<b>2,520</b>	<b>(78)</b>	<b>2,442</b>
<b>Total asset revaluation reserve</b>	<b>112,148</b>	<b>9,172</b>	<b>121,320</b>
<b>(b) Fair value reserve</b>			
Investment in Water Corporation	7,422	848	8,270
<b>Total fair value reserve</b>	<b>7,422</b>	<b>848</b>	<b>8,270</b>
<b>Total reserves 2018</b>	<b>119,570</b>	<b>10,020</b>	<b>129,590</b>

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
<b>Consolidated 2017</b>			
<b>(a) Asset revaluation</b>			
<b>Property</b>			
Land	11,000	-	11,000
Buildings	-	-	-
	<b>11,000</b>	<b>-</b>	<b>11,000</b>
<b>Infrastructure</b>			
Roads and footpaths	59,294	245	59,539
Car parks	2,500	-	2,500
Bridges and culverts	4,436	18	4,454
Drainage	21,246	1,023	22,269
Parks and recreation	9,189	677	9,866
	<b>96,665</b>	<b>1,963</b>	<b>98,628</b>
<b>Associate</b>			
Investment in Burnie Airport Corporation	2,520	-	2,520
	<b>2,520</b>	<b>-</b>	<b>2,520</b>
<b>Total asset revaluation reserve</b>	<b>110,185</b>	<b>1,963</b>	<b>112,148</b>
<b>(b) Fair value reserve</b>			
Investment in Water Corporation	6,996	426	7,422
<b>Total fair value reserve</b>	<b>6,996</b>	<b>426</b>	<b>7,422</b>
<b>Total reserves 2017</b>	<b>117,181</b>	<b>2,389</b>	<b>119,570</b>



**BURNIE CITY COUNCIL**  
**CONSOLIDATED NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
<b>Council 2018</b>			
<b>(a) Asset revaluation</b>			
<b>Property</b>			
Land	11,000	-	11,000
Buildings	-	982	982
	<b>11,000</b>	<b>982</b>	<b>11,982</b>
<b>Infrastructure</b>			
Roads and footpaths	59,539	4,792	64,331
Car parks	2,501	-	2,501
Bridges and culverts	4,454	328	4,782
Drainage	22,269	2,527	24,796
Parks and recreation	9,866	621	10,487
	<b>98,629</b>	<b>8,268</b>	<b>106,897</b>
<b>Associate</b>			
Investment in Burnie Airport Corporation	2,520	(78)	2,442
	<b>2,520</b>	<b>(78)</b>	<b>2,442</b>
<b>Total asset revaluation reserve</b>	<b>112,149</b>	<b>9,172</b>	<b>121,322</b>
<b>(b) Fair value reserve</b>			
Investment in Water Corporation	7,421	848	8,269
<b>Total fair value reserve</b>	<b>7,421</b>	<b>848</b>	<b>8,269</b>
<b>Total reserves 2018</b>	<b>119,570</b>	<b>10,020</b>	<b>129,590</b>

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
<b>Council 2017</b>			
<b>(a) Asset revaluation</b>			
<b>Property</b>			
Land	11,000	-	11,000
Buildings	-	-	-
	<b>11,000</b>	<b>-</b>	<b>11,000</b>
<b>Infrastructure</b>			
Roads and footpaths	59,294	245	59,539
Car parks	2,500	-	2,500
Bridges and culverts	4,436	18	4,454
Drainage	21,246	1,023	22,269
Parks and recreation	9,189	677	9,866
	<b>96,665</b>	<b>1,963</b>	<b>98,628</b>
<b>Associate</b>			
Investment in Burnie Airport Corporation	2,520	-	2,520
	<b>2,520</b>	<b>-</b>	<b>2,520</b>
<b>Total asset revaluation reserve</b>	<b>110,185</b>	<b>1,963</b>	<b>112,148</b>
<b>(b) Fair value reserve</b>			
Investment in Water Corporation	6,996	426	7,422
<b>Total fair value reserve</b>	<b>6,996</b>	<b>426</b>	<b>7,422</b>
<b>Total reserves 2017</b>	<b>117,181</b>	<b>2,389</b>	<b>119,570</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

## Payables and other liabilities

### Note 39 Trade and other payables

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Trade payables	2,303	2,427	2,240	2,368
Accrued expenses	316	131	308	121
Revenue received in advance	51	55	-	5
<b>Total trade and other payables</b>	<b>2,670</b>	<b>2,613</b>	<b>2,548</b>	<b>2,494</b>

### Note 40 Trust funds and deposits

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Refundable deposits, bonds and retentions	135	134	135	134
<b>Total trust funds and deposits</b>	<b>135</b>	<b>134</b>	<b>135</b>	<b>134</b>

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds until they are returned or forfeited.

### Note 41 Commitments

Council has entered into the following commitments

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2018</b>					
<b>Operating</b>					
Security services	100	-	-	-	100
Bridge management	18	18	9	-	45
Management - Aquatic Centre	384	392	200	-	976
Cleaning contracts for council buildings	370	-	-	-	370
Air conditioner maintenance	20	-	-	-	20
Waste management	2,927	2,981	6,506	-	12,414
<b>Total</b>	<b>3,819</b>	<b>3,391</b>	<b>6,715</b>	<b>-</b>	<b>13,925</b>
<b>Capital</b>					
Mount Street service lid replacements	100	19	-	-	119
Plant and equipment	142	-	-	-	142
<b>Total</b>	<b>242</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>261</b>

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

2017	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>Operating</b>					
Security services	40	-	-	-	40
Bridge management	18	18	9	-	45
Management - Aquatic Centre	361	361	30	-	752
Cleaning contracts for council buildings	182	-	-	-	182
Air conditioner maintenance	20	-	-	-	20
Waste management	2,803	2,344	7,032	3,622	15,801
<b>Total</b>	<b>3,424</b>	<b>2,723</b>	<b>7,071</b>	<b>3,622</b>	<b>16,840</b>
<b>Capital</b>					
Council Offices - Lift Upgrade	241	-	-	-	241
<b>Total</b>	<b>241</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>241</b>

#### Note 42 Leases

At the reporting date, Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

(b) Operating lease receivables	2018	2017
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
	\$'000	\$'000
Not later than one year	457	490
Later than one year and not later than five years	612	802
Later than five years	249	307
	<b>1,318</b>	<b>1,599</b>

For the 2017-18 financial year, Council did not have any operating lease commitments.

#### Note 43 Contingent liabilities

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

### Investments in other entities

#### Note 44 Investment in water corporation

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Opening balance	65,304	64,878	65,304	64,878
Fair value adjustment on available for sale assets	847	426	847	426
<b>Carrying value of investment in Water Corporation</b>	<b>66,151</b>	<b>65,304</b>	<b>66,151</b>	<b>65,304</b>

Council has derived returns from the Water Corporation as disclosed at note 14 in the form of dividends, tax equivalent payments and guarantee fees.

Council's investment in Tas Water is valued at its fair value at balance date. Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2018, Council continued to hold a 4.12% ownership interest in Tas Water which is based on schedule 2 of the Corporation's Constitution and reflects Council's voting rights.



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

Any unrealised gains and losses are recognised through the Statement of Comprehensive Income to an Available-for-sale assets fair value reserve each year.

Council has classified this asset as an Available-for-sale asset as defined in *AASB 139 Financial Instruments: Recognition and Measurement* and has followed *AASB 132 Financial Instruments: Presentation* and *AASB7 Financial Instruments: Disclosures* to value and present the asset in the financial report. Council's investment is not traded in an active market and is only sensitive to fluctuations in the value of Tas Water's net assets.

On 1 May 2018 TasWater and the State Government announced a memorandum of understanding under which the State Government will inject \$20 million per year for the next ten years into TasWater and in return will become a shareholder of TasWater. As a shareholder the State Government will not receive any dividend distributions. The partnership provides for a reduction in forecast price increases, accelerated infrastructure upgrades and a joint focus on major projects. As at the date of these financial statements, the owner councils and the State Government were working together on the nature of the future reforms.

#### Note 45 Investment in subsidiaries

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Tas Communications (100% ownership)	-	-	2,103	2,103
<b>Total investments in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>2,103</b>	<b>2,103</b>

The percentage ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

Council's investment in subsidiaries is accounted for at cost. Subsidiaries included in the consolidated accounts are:

- Tas Communications Unit Trust (100% ownership)

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses are eliminated on consolidation.

Where associate entities are acquired through the year, their results are only included from the date of acquisition, whilst for associate entities that have been disposed of during the year, their results are only included to the date of disposal.

#### Tas Communications

Tas Communications (the Trust) provides support to its local government customers along with tailoring niche services to meet the needs of its business customer base. It is also an internet service supplier, application service hosting and service desk supplier.

The Trust has recorded another successful year with an operating surplus of \$226,646 compared with a surplus of \$295,664 in 2017. The Trust has net assets of \$2,329,377 as at 30 June 2018 compared with \$2,328,395 in 2017 and is well situated to continue to grow and service its existing customer base into the future. The Trust invested \$121,453 in telecommunications and information technology assets throughout the year. The Trust employed four full time equivalent employees as at 30 June 2018 (four in 2017).

Council is currently reviewing its service arrangements and ownership of the Trust. At the time of preparing this report, the outcome of the review is unknown.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 46 Investment in joint venture

	Consolidated Actual 2018 \$'000	Consolidated Actual 2017 \$'000	Council Actual 2018 \$'000	Council Actual 2017 \$'000
Burnie Airport Corporation (51% ownership)	3,329	3,335	3,329	3,335
<b>Total investment in joint venture</b>	<b>3,329</b>	<b>3,335</b>	<b>3,329</b>	<b>3,335</b>

##### (a) Composition of the joint venture

Joint Venture	Principal place of business	Percentage Owned 2018	Percentage Owned 2017
Burnie Airport Corporation	Australia	51%	51%

##### (b) Joint venture with joint venture partner

Burnie Airport Corporation	2018 \$	2017 \$
% ownership held by joint venture partner	49%	49%
Profit/(loss) allocated to joint venture partner	89,822	1,387
Accumulated equity of joint venture partner	3,198,265	3,204,722
Dividends paid to joint venture partner	21,477	21,027
<b>Summarised statement of financial position</b>		
Current assets	945,179	779,829
Non-current assets	7,093,232	7,424,746
Current liabilities	170,396	126,804
Non-current liabilities	1,340,945	1,537,523
<b>Net assets</b>	<b>6,527,071</b>	<b>6,540,248</b>
<b>Summarised statement of comprehensive income</b>		
Income	1,299,092	1,423,233
Expenditure	(1,115,782)	(1,420,402)
<b>Net profit</b>	<b>183,310</b>	<b>2,831</b>
<b>Summarised statement of cashflows</b>		
Cashflows from operating activities	345,899	124,862
Cashflows from investing activities	(43,830)	(42,186)
Cashflows from financing activities	(200,000)	(220,000)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>102,069</b>	<b>(137,324)</b>

#### Burnie Airport Corporation

Burnie Airport Corporation (the Trust) acquired the Burnie Airport from the Burnie Port Corporation in 2001. The purpose of the Trust is to provide sustainable infrastructure for a regular, reliable carrier servicing the greater Burnie region.

The Trust recorded an operating profit of \$183,310 for the year compared the budgeted forecast of \$45,290. The Trust had net assets of \$6,527,071 as at 30 June 2018 compared with \$6,540,248 in 2017. The Trust employed three full time equivalent employees as at 30 June 2018 (three in 2017).

#### Other Information

#### Note 47 Related party transactions

A party is related to an entity if directly or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under common control with the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or
- has joint control over the entity

Tas Communications Pty Ltd and Burnie Airport Corporation are identified as related parties.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Transactions with related parties

The following transactions occurred with related parties:

	2018 \$'000	2017 \$'000
<b>Payments/receipts for goods and services:</b>		
Payment for goods and services from:		
Tas Communications Pty Ltd	851	1,048
Burnie Airport Corporation	-	-
Receipts for sale of goods and services to:		
Tas Communications Pty Ltd	110	219
Burnie Airport Corporation	38	35

#### Receivable from and payable to related parties

The following balances are outstanding as at 30 June 2018 in relation to transactions with related parties:

<b>Payables to:</b>		
Tas Communications Pty Ltd	7	7
<b>Receivables from:</b>		
Tas Communications Pty Ltd	2	4
Burnie Airport Corporation	-	-

#### Loans to/from related parties

There were no loans to/from related parties at the reporting date.

#### Transactions with other Councils and regional bodies

Council has shared service arrangements with some neighbouring Councils, income received under these agreements is shown below:

	2018 \$'000	2017 \$'000
West Coast Council - Planning Services	6	16
West Coast Council - Environmental Health Services	9	24
Waratah Wynyard Council - Environmental Health Services	5	6
Circular Head Council - Environmental Health Services	11	15
	<b>31</b>	<b>61</b>

Billing to Councils for services provided was on a cost recovery basis.

During 2017-18, Council made membership contributions of \$168,577 to Cradle Coast Authority. Cradle Coast Authority is deemed to be a related party due to Council's General Manager being a board member.

#### Transactions with Key Management Personnel

Council's Key Management personnel are defined as being the Mayor, Aldermen and Council's Executive Management Team.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Executive Management Remuneration

2018

Remuneration Band	Short term employee benefits				Post employment benefits			Total
	No of Employees	Salary	Vehicles	Other Allowances and Benefits	Superannuation	Other long term benefits	Termination Benefits	
\$0 - \$20,000	3*	40,627	4,215	230	5,078	32,432	30,348	48,066
\$120,001 - \$140,000	2	206,075	10,761	-	25,759	18,418	-	261,013
\$160,001 - \$180,000	1	149,442	13,076	580	18,680	2,511	-	179,267
\$180,001 - \$200,000	1	154,118	15,978	-	19,265	4,111	-	193,472
\$200,001 - \$220,000	1	166,471	13,833	302	20,434	8,875	-	209,914
\$260,001 - \$280,000	1	215,927	15,118	194	26,466	19,695	-	277,399
<b>Total</b>		<b>932,660</b>	<b>72,980</b>	<b>1,306</b>	<b>115,681</b>	<b>16,156</b>	<b>30,348</b>	<b>1,169,131</b>

2017

Remuneration Band	Short term employee benefits				Post employment benefits			Total
	No of Employees	Salary	Vehicles	Other Allowances and Benefits	Superannuation	Other long term benefits	Termination Benefits	
\$0 - \$20,000	2*	19,979	-	-	2,497	1,537	-	24,013
\$120,001 - \$140,000	2	223,828	13,548	980	27,979	3,100	-	263,235
\$160,001 - \$180,000	2	296,821	30,193	581	37,103	18,450	-	346,248
\$200,001 - \$220,000	1	164,308	14,375	401	20,164	5,387	-	204,635
\$240,001 - \$260,000	1	214,933	15,711	249	26,342	7,310	-	249,925
<b>Total</b>		<b>919,869</b>	<b>73,827</b>	<b>2,211</b>	<b>114,084</b>	<b>21,936</b>	<b>-</b>	<b>1,088,054</b>

\* This remuneration relates to employees who are acting in executive management positions during periods of leave for more than 4 weeks during the year.

#### Aldermen Emoluments

##### 2017-18 Aldermen Expenses

	Allowance as per AASB 124	Direct Expenses	Total allowances & expenses section 72
Alderman Bentley	21,604	3,008	24,612
Alderman Blake	21,604	2,807	24,412
Mayor Boyd	64,199	2,168	66,367
Alderman Brumby	21,604	1,862	23,466
Alderman Dorsey	21,604	2,505	24,109
Mayor Dow	23,253	557	23,810
Deputy Mayor French	30,700	2,835	33,534
Alderman Kons	21,604	2,126	23,730
Alderman Lynch	21,604	2,574	24,178
Alderman Keygan	12,339	1,794	14,133
<b>Total</b>	<b>260,116</b>	<b>22,235</b>	<b>282,352</b>



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### 2016-17 Aldermen Expenses

	Allowance as per AASB 124	Direct Expenses	Total allowances & expenses section 72
Alderman Bentley	21,152	1,603	22,755
Alderman Blake	21,152	2,696	23,848
Deputy Mayor Boyd	37,684	1,983	39,667
Alderman Brumby	21,152	2,729	23,881
Alderman Dorsey	21,152	2,957	24,109
Mayor Dow	74,034	11,881	85,915
Alderman French	21,152	3,578	24,730
Alderman Kons	21,152	1,883	23,035
Alderman Lynch	21,152	1,881	23,033
	<b>259,782</b>	<b>31,191</b>	<b>290,973</b>

#### Note 48 Register of interests

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

#### Managing our financial risks

#### Note 49 Fair value measurements

Council measures and recognises the following assets at fair value on a recurring basis:

Property, infrastructure plant and equipment

- Land
- Buildings
- Roads and footpaths
- Parks and recreation
- Bridges and culverts
- Drainage
- Investment in water corporation
- Investment in joint venture

Council does not measure any liabilities at fair value on a recurring basis.

#### (a) Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2018.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

<b>As at 30 June 2018</b>					
	<b>Note</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Recurring fair value measurements</b>					
Land	31	-	47,408	-	47,408
Buildings	31	-	50,103	-	50,103
Roads and footpaths	31	-	-	130,884	130,884
Parks and recreation	31	-	-	31,704	31,704
Bridges and culverts	31	-	-	8,954	8,954
Drainage	31	-	-	48,765	48,765
Investment in water corporation	44	-	-	66,151	66,151
Investment in joint venture	46	-	-	3,329	3,329
		-	<b>97,511</b>	<b>289,787</b>	<b>387,298</b>
<b>As at 30 June 2017</b>					
	<b>Note</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Recurring fair value measurements</b>					
Land	31	-	47,408	-	47,408
Buildings	31	-	49,386	-	49,386
Roads and footpaths	31	-	-	122,760	122,760
Parks and recreation	31	-	-	30,122	30,122
Bridges and culverts	31	-	-	8,742	8,742
Drainage	31	-	-	45,509	45,509
Investment in water corporation	44	-	-	65,304	65,304
Investment in joint venture	46	-	-	3,335	3,335
		-	<b>96,794</b>	<b>275,772</b>	<b>372,566</b>

#### **Transfers between levels of the hierarchy**

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. The following assets/liabilities that are measured at fair value on a recurring basis have been subject to a transfer between levels of the hierarchy.

There were no transfers of assets between hierarchy level in 2017-18.

#### **(b) Highest and best use**

All assets valued at fair value in this note are being used for their highest and best use.

#### **(c) Valuation techniques and significant inputs used to derive fair values**

Council adopted AASB 13 *Fair Value Measurement* for the first time in 2013-14 and has reviewed each valuation to ensure compliance with the requirements of the standard. There have been no changes in valuation techniques as a result of this review.

#### **Investment in TasWater**

Refer to note 44 for valuation and significant inputs, including sensitivities.

#### **Investment in Joint Venture**

Refer to note 46 for valuation and significant inputs, including sensitivities.

#### **Land**

Land fair values were determined by the Valuer-General effective 30 June 2013. The most significant input into this valuation approach is price per square metre derived from the analysis of sales taking into consideration permitted use and locality.

Land under roads has been valued by Council using the rates determined by the Valuer-General effective 30 June 2015.

#### **Buildings**

The fair value of buildings have been determined by an independent valuer, Opteon effective 30 June 2014.

In determining the level of accumulated depreciation, allowance has been made for the typical asset life cycle and the condition of the asset. Condition was assessed taking into account both physical characteristics as well as holistic factors such as functionality, capability, utilisation and obsolescence.

#### **Infrastructure assets**

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost 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.

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects 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.

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on an assumption that the CRC represents the full cost of replacement with a new asset that represents a modern equivalent asset.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives are disclosed in note 19.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation.

The methods for calculating CRC are described under individual asset categories below.

#### **Roads**

A full valuation of roads was undertaken by Council's technical services division effective 30 June 2016. Council categorises its road infrastructure into sealed and unsealed and then further sub-categorises these based on an assessment of vehicle movements and social and economic importance. All road segments are then componentised into pavement, sub-pavement and seal.

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 is based on the road area multiplied by a unit price, the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and Council's labour wage rates. Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

#### **Bridges**

A full valuation of bridges assets was undertaken by independent valuers, AusSpan, effective June, 2016. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area.

#### **Drainage**

A full valuation of drainage infrastructure was undertaken by Council's Engineer effective 30 June 2018. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components.

Consistent with roads, 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. CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

#### **(d) Changes in recurring level 3 fair value measurements**

The changes in level 3 assets with recurring fair value measurements are detailed in note 31.

#### **(e) Valuation processes**

Council's current policy for the valuation of land, buildings and infrastructure assets is set out in note 31.

#### **(f) Assets and liabilities not measured at fair value but for which fair value is disclosed**

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

Council borrowings are recognised at amortised cost with interest recognised in the Consolidated Comprehensive Income Statement when incurred. The fair value of borrowings disclosed in note 23 equates to the carrying amount as the carrying amount approximates fair value (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (level 2).

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### Note 50 Financial instruments and financial risk management

##### (a) Accounting policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
<b>Financial assets</b>			
Cash and cash equivalents	21	Cash on hand and at bank and money market call account are valued at face. Interest is recognised as it accrues.	On call deposits had an interest rate of 1.90% at balance date. Funds returned a weighted average interest rates of 2.44% in 2017-18 (2.62% in 2016-17)
Trade and other receivables Other debtors	27	Receivables are carried at amortised cost using the effective interest method. A provision for impairment is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and arrears do not attract interest. Credit terms are based on 30 days.
<b>Financial Liabilities</b>			
Trade and other payables	40	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	22	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 4.85% (4.78% in 2016-17).

##### (b) Interest rate risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Consolidated	Weighted Average Interest Rate %		Less than 1 Year \$'000		1 to 5 Years \$'000		More than 5 Years \$'000		Non Interest \$'000		Total \$'000	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Financial assets</b>												
Cash and cash equivalents	2.44%	2.62%	\$ 7,551	\$ 8,327	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,551	\$ 8,327
Trade and other receivables												
Loans	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rates	8.81%	8.72%	\$ 540	\$ 591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 540	\$ 591
Other	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,241	\$ 1,430	\$ 1,241	\$ 1,430
Investment in Water Corporation	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,151	\$ 65,304	\$ 66,151	\$ 65,304
Investment in Joint Venture	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,329	\$ 3,335	\$ 3,329	\$ 3,335
<b>Total</b>			\$ 8,091	\$ 8,918	\$ -	\$ -	\$ -	\$ -	\$ 70,721	\$ 70,069	\$ 78,812	\$ 78,987
<b>Interest bearing liabilities</b>												
Payables	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,670	\$ 2,613	\$ 2,670	\$ 2,613
Trust funds and deposits	0.00%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135	\$ 134	\$ 135	\$ 134
Interest bearing liabilities	4.85%	4.86%	\$ 310	\$ 296	\$ 1,142	\$ 1,336	\$ 121	\$ 238	\$ -	\$ -	\$ 1,573	\$ 1,870
<b>Total</b>			\$ 310	\$ 296	\$ 1,142	\$ 1,336	\$ 121	\$ 238	\$ 2,805	\$ 2,747	\$ 4,378	\$ 4,617
<b>Net financial assets/(liabilities)</b>			\$ 7,781	\$ 8,622	\$ (1,142)	\$ (1,336)	\$ (121)	\$ (238)	\$ 67,916	\$ 67,322	\$ 74,434	\$ 74,370



# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

#### (c) Fair value

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount		Aggregate net fair value	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	\$ 7,551	\$ 8,327	\$ 7,551	\$ 8,327
Other financial assets	\$ -	\$ -	\$ -	\$ -
Trade and other receivables	\$ 1,781	\$ 2,021	\$ 1,781	\$ 2,021
Investment in Water Corporation	\$ 66,151	\$ 65,304	\$ 66,151	\$ 65,304
Investment in Joint Venture	\$ 3,329	\$ 3,335	\$ 3,329	\$ 3,335
Total financial assets	<b>\$ 78,812</b>	<b>\$ 78,987</b>	<b>\$ 78,812</b>	<b>\$ 78,987</b>
<i>Financial liabilities</i>				
Trade and other payables	\$ 2,670	\$ 2,613	\$ 2,670	\$ 2,613
Trust funds and deposits	\$ 135	\$ 134	\$ 135	\$ 134
Interest-bearing loans and borrowings	\$ 1,573	\$ 1,870	\$ 1,573	\$ 1,870
Total financial liabilities	<b>\$ 4,378</b>	<b>\$ 4,617</b>	<b>\$ 4,378</b>	<b>\$ 4,617</b>

#### (d) Credit risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets indicated in the Statement of Financial Position.

for borrowings from the Department of Treasury and Finance each year.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. We manage interest rate risk by adopting a Treasury Policy that ensures:

#### (e) Risks and mitigation

##### Market risk

Market risk is the risk that the fair value or future cashflows of our financial instrument will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

##### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

##### Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in our Consolidated Statement of Financial Position. To help manage this risk:

Our loan borrowings are sourced from Tascorp. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio as per Councils Treasury Policy.

- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our Investment policy.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval

# BURNIE CITY COUNCIL

## CONSOLIDATED NOTES TO THE FINANCIAL REPORT

### FOR THE YEAR ENDED 30 JUNE 2018

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties and as such, collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation. In addition, receivables balances are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

	Financial Institutions (min A2 short term )	Government agencies	Other	Total
<b>2018</b>				
Cash and cash equivalents	\$ 7,551	\$ -	\$ -	\$ 7,551
Trade and other receivables	\$ -	\$ -	\$ 1,781	\$ 1,781
<b>Total contractual financial assets</b>	<b>\$ 7,551</b>	<b>\$ -</b>	<b>\$ 1,781</b>	<b>\$ 9,332</b>
<b>2017</b>				
Cash and cash equivalents	\$ 8,327	\$ -	\$ -	\$ 8,327
Trade and other receivables	\$ -	\$ -	\$ 2,021	\$ 2,021
<b>Total contractual financial assets</b>	<b>\$ 8,327</b>	<b>\$ -</b>	<b>\$ 2,021</b>	<b>\$ 10,348</b>

Movement in provisions for impairment of trade and other receivables	2018 \$'000	2017 \$'000
Balance at the beginning of the year	\$ 1,076	\$ 1,089
New provisions recognised during the year	\$ -	\$ -
Amounts already provided for and written off as uncollectable	\$ -	\$ -
Amounts provided for but recovered during the year	-\$ 11	-\$ 13
<b>Balance at end of year</b>	<b>\$ 1,065</b>	<b>\$ 1,076</b>

#### Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

- have a treasury policy which targets a minimum and average level of cash and cash equivalents to be maintained;

- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

Councils exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. The table below lists the contractual maturities for financial liabilities. These amounts represent the discounted cash flow payments (i.e. principal only).

**BURNIE CITY COUNCIL**  
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**FOR THE YEAR ENDED 30 JUNE 2018**

<b>2018</b>	<b>6 mths or less \$'000</b>	<b>6-12 months \$'000</b>	<b>1-2 years \$'000</b>	<b>2-5 years \$'000</b>	<b>&gt;5 years \$'000</b>	<b>Contracted Cash Flow \$'000</b>	<b>Carrying Amount \$'000</b>
Trade and other payables	\$ 2,670	\$ -	\$ -	\$ -	\$ -	\$ 2,670	\$ 2,670
Trust funds and deposits	\$ 135	\$ -	\$ -	\$ -	\$ -	\$ 135	\$ 135
Interest-bearing loans and borrowings	\$ 155	\$ 155	\$ 326	\$ 817	\$ 121	\$ 1,573	\$ 1,573
<b>Total financial liabilities</b>	<b>\$ 2,960</b>	<b>\$ 155</b>	<b>\$ 326</b>	<b>\$ 817</b>	<b>\$ 121</b>	<b>\$ 4,378</b>	<b>\$ 4,378</b>

<b>2017</b>	<b>6 mths or less \$'000</b>	<b>6-12 months \$'000</b>	<b>1-2 years \$'000</b>	<b>2-5 years \$'000</b>	<b>&gt;5 years \$'000</b>	<b>Contracted Cash Flow \$'000</b>	<b>Carrying Amount \$'000</b>
Trade and other payables	\$ 2,613	\$ -	\$ -	\$ -	\$ -	\$ 2,613	\$ 2,613
Trust funds and deposits	\$ 134	\$ -	\$ -	\$ -	\$ -	\$ 134	\$ 134
Interest-bearing loans and borrowings	\$ 148	\$ 148	\$ 310	\$ 1,026	\$ 238	\$ 1,870	\$ 1,870
<b>Total financial liabilities</b>	<b>\$ 2,895</b>	<b>\$ 148</b>	<b>\$ 310</b>	<b>\$ 1,026</b>	<b>\$ 238</b>	<b>\$ 4,617</b>	<b>\$ 4,617</b>

**(f) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months (base rates are sourced from Reserve Bank of Australia):

- A parallel shift of + 1% and -2% in market interest rates (AUD) from year end rates of 2.62%.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year end, if the above movements were to occur.

		<b>Interest rate risk</b>			
		<b>-2%</b>		<b>+1%</b>	
		<b>-200 Profit \$'000</b>	<b>basis points Equity \$'000</b>	<b>+100 Profit \$'000</b>	<b>basis points Equity \$'000</b>
<b>2018</b>	<b>\$'000</b>				
Financial assets					
Cash and cash equivalents	\$ 7,551	\$ (151)	\$ (151)	\$ 76	\$ 76
Rates Debtors	\$ 536	\$ (11)	\$ (11)	\$ 5	\$ 5
Financial liabilities					
Interest bearing loans and borrowings	\$ 1,573	\$ 31	\$ 31	\$ (16)	\$ (16)

		<b>Interest rate risk</b>			
		<b>-2%</b>		<b>+1%</b>	
		<b>-200 Profit \$'000</b>	<b>basis points Equity \$'000</b>	<b>+100 Profit \$'000</b>	<b>basis points Equity \$'000</b>
<b>2017</b>	<b>\$'000</b>				
Financial assets					
Cash and cash equivalents	\$ 8,327	\$ (167)	\$ (167)	\$ 83	\$ 83
Rates Debtors	\$ 591	\$ (12)	\$ (12)	\$ 6	\$ 6
Financial liabilities					
Interest bearing loans and borrowings	\$ 1,870	\$ 37	\$ 37	\$ (19)	\$ 19





## **Acknowledgements**

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