

BURNIE CITY COUNCIL

Annual Report 2021 – 2022



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 over 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.

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 1,000 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 became 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.

Today, Burnie is a more culturally diverse and attractive city that celebrates its industrial past while embracing a positive and creative future. The Council continues to focus on renewing significant city infrastructure and on enhancing the liveability of the city to attract growth in residents, tourism and business investment. With the real prospect of attracting significant new development to Burnie over the coming years, such as development of the renewable energy industry, Burnie has a bright and prosperous future ahead.

Acknowledgement of Country

We acknowledge the palawa people as the traditional custodians of the land on which we live, and pay our respects to their elders past and present.

OUR VISION, VALUES AND PURPOSE

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

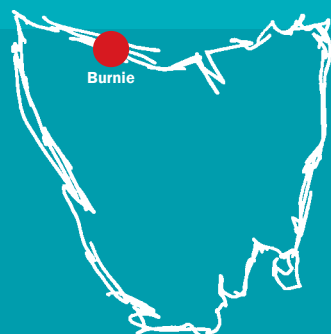
Balancing urban and rural needs, work and life, industry and environment

Council's Purpose

To represent and make informed decisions in the best interests of our community over the long term.

Council Officers' Purpose

To provide frank, fearless and evidence based advice and to implement the decisions and functions of Council efficiently and effectively.



Submissions invited

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 Tuesday 13 December 2022. Submissions should be addressed to the General Manager and received by 4pm, Thursday 8 December 2022 for inclusion in the agenda of the meeting.



INTRODUCTION by the Mayor

I have the pleasure of presenting the Burnie City Council's Annual Report for 2021-22. A year that saw the return to some form of normality for our state, following several challenging years impacted by COVID-19. The outlook for Burnie has remained positive during this time, evidenced by the growth of existing industries and the emergence of new opportunities for the future.

Completion of the University of Tasmania Cradle Coast Campus was a highlight of 2021-22, providing a place of learning as well as cultural and recreational activities right in the heart of our City. This new precinct connects education and interactive learning more broadly with the Burnie community through vibrant social spaces, meeting places and library facilities, and is absolutely vital for our region's future.

On the back of the Project Marinus renewable energy project, north-west Tasmania is emerging as a hub for clean energy. These potential business opportunities are exciting for our region and Burnie in particular, especially with the benefit of the port at our doorstep.

In addition to private ventures and developments, 2021-22 has seen construction commence for a new residential care facility, a new educational facility for TasTAFE, and planning approval confirmed for a new assisted housing facility, representing a combined total of \$24M. In addition, residential subdivisions and construction of new homes continues to expand in Burnie.

This year the Council adopted its new Council Plan 2022-25 setting the vision and priorities over the next four-year period, which serves to focus our resourcing and efforts over the coming years to achieve these clear goals for our City.

Arts continues to be strongly supported in Burnie evidenced by the highly successful Intersection pop-up gallery established this year. We were privileged to host the National Portraiture Gallery exhibition – Living Memory at Intersection, a coup for Burnie in that the exhibition does not often leave Canberra – and Burnie was the only Tasmanian venue selected to exhibit this world renowned exhibition.

Re-emerging from the impacts of Covid, the Burnie Arts & Function Centre has returned to a high level of attendance and delivered a broad range of events, from expositions to awards dinners, in addition to its annual live performing arts season.

During the year, Council adopted the vision for a new vibrant, contemporary and ever-changing Cultural Centre and Precinct with the Burnie Arts & Function Centre refurbishment. Inspired by an injection of an additional \$13M allocation from the recent Federal Government election commitments, we are now forging ahead with this project. Council remains committed to consulting fully with the community regarding the draft architectural designs, to be completed in the first part of the 2022-23 financial year.

Council delivered a capital works program for 2021-22 valued at \$9.375M and implemented many notable projects throughout the year which are highlighted in this report. Our two major projects, the Coastal Pathway from Cooe to Wynyard and the new Cultural Centre will continue into the new financial year and beyond.

The financial performance of the Council has finished positively with an operating (underlying) \$131,000 surplus as Councils generally plan for balanced budgets and not large surpluses. While on the surface we are proud of our efforts in achieving this – we must remain on our current disciplined financial trajectory in order to have a prosperous and sustainable future. The current Financial Management Strategy adopted by Council forecasts Council to have a balanced operating position next financial year. Information on this year's financial performance is outlined later in the report.

Council has ended the financial year with a new focused direction and several strategic initiatives underway. I would like to take the opportunity to thank management and employees for their dedication and ongoing commitment over the past year.

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

We must always remember to talk our City up. So when you arise in the morning, think of what a precious privilege it is to be alive, to breathe, to think, to enjoy and to live in our City.

Steven Kons

MAYOR

Nov 2018 to Oct 2022

LEADERSHIP

Your elected representatives



Mayor Steven Kons



Deputy Mayor Giovanna Simpson



Cr Alwyn Boyd



Cr Teeny Brumby



Cr Themba Bulle



Cr Ken Dorsey



Cr Amina Keygan



Cr Chris Lynch



Cr David Pease

YOUR ELECTED REPRESENTATIVES

Mayor Steven Kons	Mayor and Councillor term expires October 2022
Deputy Mayor Giovanna Simpson	Deputy Mayor and Councillor term expires October 2022
Cr Alwyn Boyd	Councillor term expires October 2022
Cr Teeny Brumby	Councillor term expires October 2022
Cr Themba Bulle	Councillor term expires October 2022
Cr Ken Dorsey	Councillor term expires October 2022
Cr Amina Keygan	Councillor term expires October 2022
Cr Chris Lynch	Councillor term expires October 2022
Cr David Pease	Councillor term expires October 2022



Under the *Local Government Act 1993*, all-in, all-out elections occur every four years, with four year terms for Mayors and Deputy Mayors.

Elections will be held in October 2022. The next elections will be due in October 2026.



Councillor attendance at council meetings and workshops 2021-22

COUNCILLOR	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				
BOYD	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	18/18
BRUMBY	√	√	√	√	◦	√	√	√	√	√	√	√	11/12	√	12/13	17/18
BULLE	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	17/18
DORSEY	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	18/18
KEYGAN	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	12/13	23/23
KONS	√	√	√	√	√	√	√	√	LOA	√	√	√	11/12	√	12/13	15/18
LYNCH	√	√	√	√	√	◦	√	√	√	LOA	√	√	10/12	◦	10/13	14/18
PEASE	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	18/18
SIMPSON	√	√	√	√	√	√	√	√	√	√	√	√	12/12	√	13/13	18/18

◦ Absent
LOA Leave of Absence granted by Council

Council meetings

Ordinary meetings of the Council are generally held on the fourth Tuesday of each month, commencing at 7pm in the Council Chambers, City Offices, 80 Wilson Street.

Members of the public are invited to attend these meetings in person, or watch the livestream online.

Agendas and minutes are available online at www.burnie.tas.gov.au together with the livestream recordings of the meeting available for a period.

Further information about public question time and Council meetings is available on Council's website or from the Council offices.

ORGANISATIONAL STRUCTURE



MANAGEMENT Executive Management Team



SIMON OVERLAND
GENERAL MANAGER

RESPONSIBLE FOR:

- Legislative compliance
- Strategic and corporate planning
- Policy advice to Council
- Oversight of operational activities
- Performance management
- Organisational development
- Controlled entities
- Legal matters



PATRICK EARLE
DIRECTOR LAND AND ENVIRONMENTAL SERVICES

RESPONSIBLE FOR:

- Regulatory compliance
- Planning
- Land use
- Wildlife
- Subdivisions
- Parking
- Environmental and public health
- Cemeteries
- Animal control
- Litter control
- Municipal inspections
- Environmental management
- Plumbing/drainage
- Food/hygiene inspections
- Natural resource management



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 reserves management
- Roads maintenance and construction
- Design and construction
- Civil construction



BELINDA LYNCH
DIRECTOR CORPORATE AND COMMERCIAL SERVICES

RESPONSIBLE FOR:

- Customer services
- Financial management
- Budgets
- Rates
- Statutory functions
- Leases and licences
- Policy and administration
- People and safety
- Information technology services
- Information management
- Corporate governance
- Community consultation and communications
- Events management
- Community grants and programs
- Burnie Regional Museum
- Burnie Regional Art Gallery
- Burnie Arts and Function Centre
- Visitor information services

INTEGRATED PLANNING FRAMEWORK

Making Burnie 2030 has been the community's plan for our future since 2011.

The success of Making Burnie 2030 has hinged 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 will commence preparing a new long term Strategic Plan in 2022-23.

During this past year, the new Council Plan was developed which focuses on Council's key deliverables for the next four years (medium term).

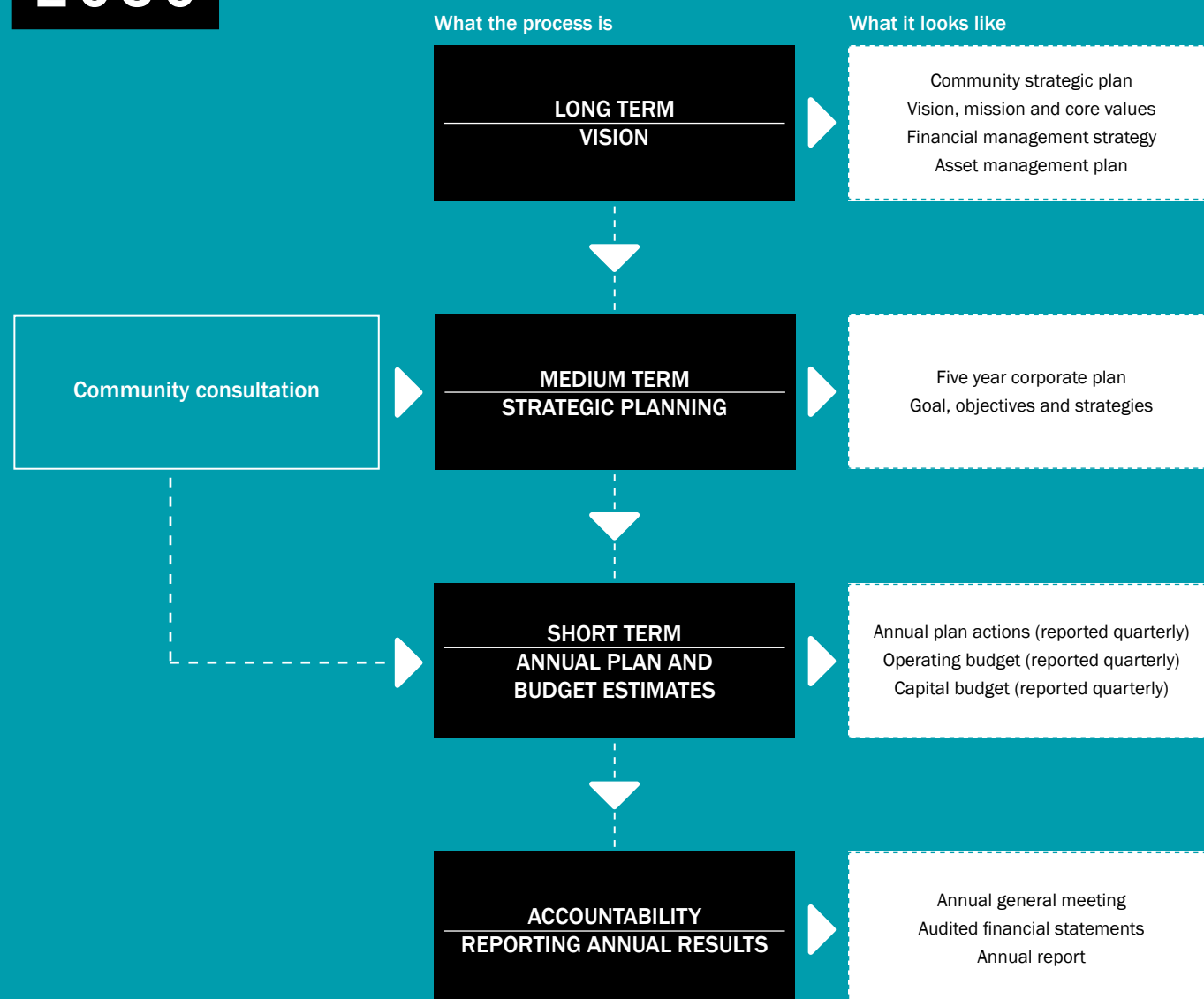
Each year, the Annual Plan identifies the relevant actions for the coming twelve months that will contribute to delivering the objectives of the Council Plan.

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.

**MAKING
BURNIE
2030**



COUNCIL PLAN 2022-2025

The new Council Plan, focused on deliverables for the next four years, was developed and adopted in 2021-22. It identifies three clear goals to be delivered in that time.



VIBRANT TOWN CENTER

The Council is committed to delivering a town centre that is clean, well maintained and attractive; ensuring that recreational and public space is activated and that entertainment and leisure events are facilitated with key partners, and that the town centre is multi-functional, well connected and lived in.



COMMUNITY FACILITIES TO SUPPORT LIVEABILITY

The Council is committed to ensuring that the building and maintenance of Council facilities aligns with Council's strategic priorities and community needs and that facilities are maximized for community benefit, are well managed and are used safely.



ENVIRONMENTALLY RESPONSIBLE

The Council is committed to being environmentally responsible by protecting and improving our environment as a whole, to minimising Council's negative impact on our environment, mitigating the impacts of climate change, and reducing Burnie's waste stream to landfill while also supporting our community to improve our environment for future generations.

What will help us achieve this?

The Council Plan also includes six Enablers which will underpin the successful delivery of the Council Plan by ensuring an effective and efficient operating environment that is focused on

**FINANCIAL
MANAGEMENT**

OUR PEOPLE

COMMUNITY CONSULTATION

**DATA TO INFORM EVIDENCED
BASED DECISION MAKING**

DIGITAL TRANSFORMATION

AGILITY

ANNUAL PLAN OUTCOMES

Vibrant Town Centre



Commence refurbishing the Burnie Arts and Functions Centre to create a new integrated cultural centre that delivers an engaging and vibrant cultural hub for the Burnie community.

IN PROGRESS

An additional \$13M support was secured through the Federal Labor Government as part of the 2022 election result. These funds will enable multiple phases of the overall Cultural Precinct Plan to be developed concurrently.

Xsquared have been appointed as the architectural firm for the project. The architectural design response report will be delivered later in 2022 for the next stage of community consultation.

Digital Transformation



Commence a Digital Transformation Strategy to enable Council to deliver services more effectively to the community.

IN PROGRESS

Stages One and Two are complete relating to discovery that informs the present state assessment.

Four pop up community sessions along with an online survey enabled the Council to learn what services and delivery methods the community want to be improved through the use of technology.

Importantly, stakeholder consultation included the Council's workforce, to understand what works well now, and what could be improved into the future.

Community Engagement



Prepare and implement a Community Consultation Framework to guide future engagement with the community of Burnie.

IN PROGRESS

A Community Engagement Framework is being drafted for Council which outlines how and when consultation will be undertaken with the community.

It addresses methods of consultation to be used depending upon the subject matter, and how this information will inform decision making. Public consultation is planned for the first quarter of 2022-23.

Coastal Pathway



Complete the design and tender process for the Cooe to Wynyard Coastal Pathway Project and commence construction.

IN PROGRESS

Project management consultant Pitt & Sherry continues to progress planning and permit processes including environmental planning and landowner consultation.

A management plan for penguins has been prepared for the works. The design for erosion control, including detailed site investigations are progressing well, with a contamination assessment nearing completion. These are key reports for the development approval process.

Consultation has occurred with the Department of State Growth in regard to the coastal pathway and its interactions with the Bass Highway upgrade project near Doctors Rocks, and the new Cam River bridge, for which works are underway.

ANNUAL PLAN OUTCOMES

Waste Management



Review our service delivery model for Burnie Waste Management Centre in preparation for 2022-23 services.

IN PROGRESS

Information has been collated for evaluation of delivery options for all of Council's waste services, including the transfer and disposal arrangements at the Burnie Waste Management Centre. A position paper will be considered by Council later in 2022.

FOGO



Investigate the feasibility of a Food Organic and Green Organic service for 2022-23.

IN PROGRESS

Council has considered investigations into the provision of a regional FOGO collection and processing service over the last five years. Councillors will consider a further report later in 2022.

Dulverton Waste Management seeks a decision by Council and neighbouring councils regarding a regional FOGO collection and processing service by February 2023.

Strategic Planning



Develop the Council Plan setting the strategic priorities of Council for the next four years.

COMPLETED

A four year Council Plan 2022-25 was approved by the Council.

This plan outlines three key drivers to underpin the direction and focus of the Council's efforts and resources. The Plan outlines six key enablers that are imperative to the success of realising the Council's strategic objectives.

Urban Infrastructure Renewal

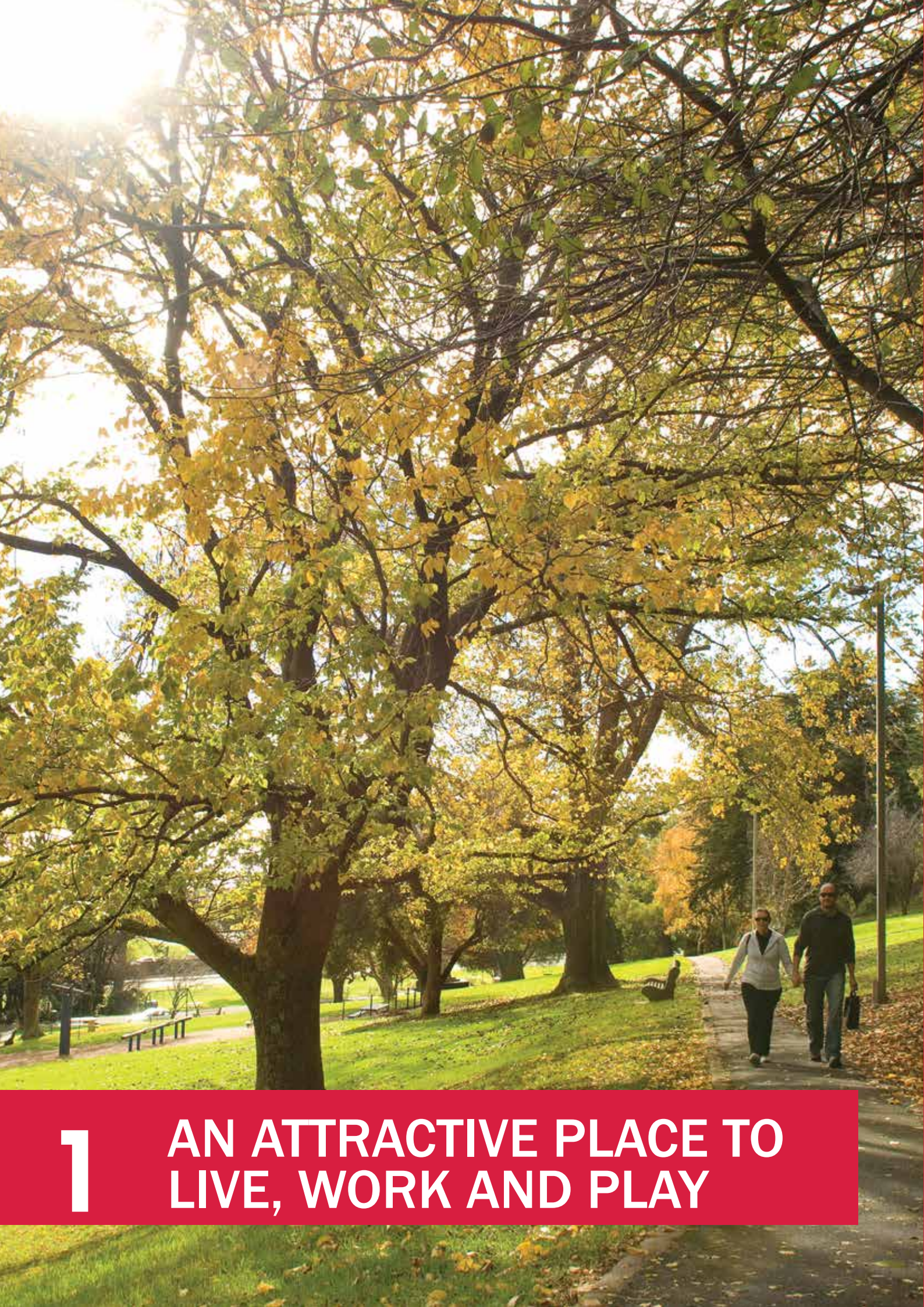


Quantify, detail and highlight the ongoing works to renew and upgrade infrastructure within the urban areas.

COMPLETED

Each year the capital works program includes annual renewal programs such as re-seals of the urban road network, footpath replacement program, kerb and channel replacements and safety upgrades to gully pits.

Transport projects completed in 2021-22 include upgrades to the western end of Bay Street, Linton Street from Mount to Cabot Street and completion of the car park with new change room and toilets at the South Burnie Beach Precinct. Other notable works include a new DDA compliant car park near the RSL building, reconstruction of a Glance Creek Road section, widening and seal works on West Mooreville Road.



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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 road transport system that meets the needs of the community and supports the wider region

Cultural precinct

Last year the Burnie City Council took a new direction with its cultural precinct project, to divert significant grant funds into the existing Burnie Arts & Function Centre, from what would have otherwise been a new North West Museum and Art Gallery facility.

Last year the Burnie City Council took a new direction with its cultural precinct project, to divert significant grant funds into the existing Burnie Arts & Function Centre, from what would have otherwise been a new North West Museum and Art Gallery facility.

The reason for this decision has been cited on many occasions, in that largely it was a financial decision based upon the ongoing sustainability of the Council and its community. A new building would have added approximately \$600,000 cost to Council's operational budget each year, from depreciation alone. The community of Burnie and its ratepayers can simply not afford this sort of cost into the future.

Instead by investing these funds into an existing, much loved facility, this will mean that the largest majority of the depreciation cost will be saved as it is already accounted for in Council's budget.

In July 2021 Council took its vision for the new Cultural Centre to the people of Burnie and invited feedback on what was proposed. There were 35 formal submissions received from across our municipal area and our broader region.

Those submissions were invaluable and assisted us in shaping our vision to more appropriately align with the expectations of the community. Following changes to the vision which occurred as a direct result of that public feedback, the Council ultimately approved the Cultural Centre vision at their meeting of 24 August 2021.

Since then we have engaged Xsquared Architects who are a leading Tasmanian based architectural firm that delivers world class projects locally, nationally and internationally. In particular we were drawn to working with Xsquared as they are passionate about sustainable practices which very much aligns

with the Council's commitment to be environmentally responsible. We are close to completing this architectural work and are excited to be able to present these draft plans to our community to invite their feedback and input. At this time it is expected this will occur in September 2022.

We are fortunate also to have been the benefactor of an additional \$13 million from the Federal Labor Government as part of their election to government in early 2022. On the basis that the former Federal Liberal Government had already contributed \$5 million to this project, and the Council \$2 million, this now equates to a \$20 million project. This means that the Council will be able to fund multiple stages of our Cultural Centre, along with some broader works to the surrounding Precinct, in one stage.

Arts, culture and events

Burnie Arts

Arts and culture in Burnie had a big boost as Burnie, and Tasmania as a whole, reemerged following 18 months of pandemic restrictions.

In 2021-22 we welcomed back over 100,000 visitors to our combined cultural facilities as we progressively reawakened venues such as the Burnie Regional Museum and the Burnie Regional Art Gallery, established a new pop-up CBD contemporary gallery Intersection Art Space, reinvigorated the Arts & Function Centre to act as the hub for so much community activity and built a new website and branding to promote our activities.



burniearts.net

Events

Workshops, artist talks and discussions accompanied exhibitions at the Intersection Art Space. Two ceramic workshops accompanied the JamFactory exhibition in the Burnie Regional Art Gallery.

Our Easter Eggstravaganza was a free day of fun family activities for over 1,000 visitors including an animal nursery, Easter movies in our cinema theatre, arts and crafts, storytelling, giant carrots, bunny arches, a giant photo booth Easter basket and of course the Easter bunny on hand causing mischief! There were so many pleasing stories of people who attended this event – even some long standing residents who hadn't been to the Burnie Arts & Function Centre before!

Art and wine classes were a new weekly initiative that activated our learning space for budding artists to experience tuition in a range of art mediums in a social environment with like-minded people celebrating ceramic and mixed media artists.

Exhibitions

In a unique collaboration between Council, Ten Days on the Island and Business North West the Intersection Art Space was created in the former Dick Smith building in Wilmot Street to stage the 'National Portrait Gallery Photographic Prize' touring exhibition, the only Tasmanian venue for this important national touring project

Two more exhibitions followed at Intersection showcasing Tasmanian artists – 'Steel and Water' – an exhibition of new work by Burnie artist Michael Muruste and 'Nature Nurture' – an exhibition of graphic work by Launceston based artists Anna Van Stralen and Lex Palmer Bull.

These were tremendously successful events and the model, which was originally to be only in place for the three shows, will be continued moving forward while our new Cultural Centre takes shape. So expect Intersection exhibitions to pop up from time to time.

In June we redecorated and reopened the Burnie Regional Art Gallery space to stage the national touring exhibition 'JamFactory Icon – Angela Valamanesh' showcasing the work and career of one of Australia's most celebrated ceramic and mixed media artists.



Civic Events

Council conducts a number of civic events throughout the year.

Australia Day celebrations were held on 26 January 2022 at the Burnie Arts & Function Centre. The Australia Day ceremony was attended by approximately 150 people with special guest speaker Her Excellency The Honourable Barbara Baker AC, Governor of Tasmania providing the Australia Day address. 2022 Tasmanian of the Year, Craig Leeson sent a video message and the City of Burnie Brass Band performed musical items for attendees. As part of the ceremony, Mayor Kons formally announced twenty three conferees as new Australian citizens. Citizen of the Year was awarded to Ian Jones. Senior Citizen of the Year was awarded to Viktor Zappner OAM. Community Event of the Year was awarded to the Burnie Surf Life Saving Club Centenary Celebrations.

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 2021-22, Council conducted six ceremonies with a total of 57 new citizens.

Council works closely with the RSL Burnie Sub-Branch to conduct the ANZAC Day services held on 25 April each year. 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 as well as peace-keeping missions.

On 23 May 2022, Council hosted a Civic Reception for Her Excellency the Honourable Barbara Baker AC, Governor of Tasmania. This reception formally welcomed the Governor to Burnie as she toured the region visiting local business, industry, schools and community groups.

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. Wreaths are laid at the cenotaph in memory of the fallen.



Burnie Regional Museum

After the success of the 50th Anniversary celebration of the display in November 2021, Federation Street at the Burnie Regional Museum reopened to the public on 9 March 2022. The work and support that The Friends of the Burnie Regional Museum and our behind the scenes volunteers continue to provide are crucial to the operation of our museum.

In a temporary exhibition Tara Palmer, a student from Burnie's Hellyer College displayed her photographic work in the 'Burnie Identities' exhibition. The photographs won Tara the Helen Denise Jones OAM Memorial Arts Bursary in 2021.

A Children's Play Space was installed with equipment purchased from a grant through the Australian Museums and Galleries Association Culture, Heritage and Arts Regional Tourism (CHART) program. The space has been popular with our young visitors to Federation Street. A Children's University day was held at Federation Street in the April and July school holidays.

Staff and volunteers have remained working behind the scenes cataloguing, digitising and conservation cleaning the backlog of objects in our collections.

The Council remains grateful and appreciative of all the volunteers who dedicate their time and effort to assisting within the Museum, Gallery and more widely across the community.

In 2021-22 it is estimated that volunteers have contributed 3,334 hours at the Museum alone, with a further 220 hours at the Intersection Portrait Prize exhibition.

Without this generous support, Council would not be able to deliver a range of valued services to the community.

Performing Arts

The Burnie Arts & Function Centre came alive with activity as COVID-19 restrictions eased and we welcomed the return of so many of our annual community events as well as new shows.

An incredibly diverse range of activities takes place in this busy centre including eisteddfods, dance and drama, a vast range of musical genres, conferences, fairs, dinners, live performances and much, much more.

In 2022 we were pleased to welcome back school graduations and celebrate important anniversary dinners such as the Burnie Surf Lifesaving Club 100th Anniversary and a special celebratory lunch for all our Burnie City Council volunteers.

In November 2021 we launched a new live performance program for 2022 kicking it off with a free concert by our City of Burnie Brass Band. Our patrons have been entertained by a vast range of both professional and community performances including musicals from our own Burnie High School and Burnie Musical Society.

There have also been opportunities to experience contemporary drama from Domaar productions as well as popular touring shows such as Human Nature, classical concerts from Van Diemen's Band and Virtuosi Tasmania, circus shows, The Sapphires musical and shows for children including Erth's Prehistoric World and Trinket the Robot.

Open House

Open House provides disadvantaged young people in the region the ability to experience the theatre. This is made possible through generous donations from patrons.

In 2021-22 many schools and groups have had limited chance to undertake excursions due to Covid-19. The Burnie Arts & Function Centre was able to help provide a theatre experience to another 70 students.

Since its inception in late 2014, Open House has provided over 1,400 children with tickets to see 20 different performances ranging from puppet theatre to Shakespeare.

Major projects

South Burnie Foreshore – toilets, change rooms and car park facilities

Over the past two years, the South Burnie Beach area has received a major facelift with the installation of new public toilet and change room facilities and an upgrade and changes to the car and boat trailer parking area. The project included realignment of the Coastal Pathway and new lighting to make the precinct safer and more user friendly.

The colourful 'Beach Hut' upgrade includes four toilet and change room cubicles, an outdoor beach shower, foot washers, bike racks, drinking fountains (for humans and our beloved pets), landscaping, footpaths and a re-designed and re-sealed car park to increase parking spaces, fix the pot-holes and reduce anti-social behaviour.

To support different aspects of the project, Council received \$22,000 from the Australian Government, and \$50,000 from the Tasmanian Government.

Aquatic Centre

A windbreak was constructed around the outdoor splash pad at the Burnie Aquatic Centre to provide relief from cool winds for children and their families enjoying the splash pad. The project was completed and ready for re-opening of the outdoor area on 1 October 2021.

Easier after-hours access to the disability access toilet for PCYC patrons was provided by relocating the airlock glass sliding doors at the entrance to the Aquatic Centre reception area.

New bicycle pump track and mountain bike trails for Burnie

Recreational cycling for fitness and wellbeing received an exciting boost in Burnie, as Council progressed a new bicycle pump track and mountain bike trails at the View Road Reserve.

The project has resulted in one of the largest pump tracks in Tasmania, complemented by three mountain bike trails on the hillside above the pump track and a family friendly extension to the existing pathway within the reserve to provide a loop.

The pump track was opened for use in early June and despite the winter weather the facility has been heavily patronised. Later in the year Council will be asking the community to get their thinking caps on to propose a name for the facility, to be announced at an official opening during October 2022.

McKenna Park – J League facilities

The J League (junior) soccer groups identified the need for a building to improve amenity and facilities for its players and supporters.

The facility, completed in late June 2022, provides a range of amenities for players, managers, coaches, parents and supporters, and includes clean-up areas to wash those dirty boots, toilets, storage facilities and a sheltered spectator area. The existing ticket box building at the entrance to the McKenna Park facility and associated landscaping was also upgraded as part of the project. This project received grant funding of \$64,230 from the Tasmanian Government.

Upper Burnie Lookout

The Upper Burnie lookout area was given a big makeover to improve the visitor experience for both locals and tourists visiting this unique vantage spot.

The redevelopment includes taking advantage of the wonderful vista to tell a story about Burnie's past, present and future and includes amenity improvements, additional parking including a bus zone, new seating, interpretation pathway and landscaping.

Interpretation panels telling the story of our Aboriginal people and European history through land, park, port, pulp and wood themes are placed along the pathway with panel content linked to the vista. The interpretation works and amenity upgrade is a fantastic outcome for the community.

Capital works

Each year Council delivers an extensive capital works program focusing on asset renewal and upgrade, using a range of internal and external resources. The 2021-22 program included the following key projects.

Guard rail upgrade program

Guard rail safety improvements were carried out midway along Mooreville Road. A section of rail was extended and a new terminal installed.

Various locations along Stowport Road from Main Road, Wivenhoe to Letteene Road, Round Hill saw the guard rail extended to fill in existing gaps and improve safety.

The Boulevard – pedestrian safety and traffic management improvement

A range of treatments were developed to address safety concerns for pedestrians and to improve overall traffic management along The Boulevard between the Montello Primary School car park and the Burnie Aquatic Centre.

The measures have reduced the speed environment and the potential for crashes and pedestrian conflict. This project received grant funding of \$187,169 from the Tasmanian Government.

River Road surface restoration

Segmental concrete pavers form most of the River Road surface, however recent major floods have impacted the paver sand base and jointing system.

During the year, as a trial, Council replaced 30m of pavers with asphalt, which has been successful.

The trial provides a response model for future treatment and Council will consider within future budget processes, the progressive replacement of low lying sections of River Road with a deep asphalt layer.

Glance Creek Road upgrade

A major upgrade of a 450m section of Glance Creek Road between Glance Creek and Menaire Road was also undertaken this year.

Works included widening the road to 3.2m wide travel lanes, providing extra shoulder and verge width and a new two coat spray seal.

The work improved pavement strength, ride quality and roadside drainage for overall safety benefit.

Rural road major patching and resealing program

Council has an ongoing program to upgrade the rural road network with a focus on road width and safety.

The objective of the rural road major patching and resealing program is to repair and reconstruct (patch) gravel pavement and seal failures. This year the segments of Upper Natone Road, Natone Road and West Mooreville Road were renewed, assisted by grant funding of \$623,915 from the Tasmanian Government.

Some of the detail included placing extra top course gravel and resealing sections of Upper Natone Road, and a reseal of Natone Road between Stowport and Iron Mine Road. Prior to resealing works Council staff prepared drainage elements and gravel shoulders.

The works on West Mooreville Road included installing drainage blankets under the gravel pavement to collect ground water and increasing the existing gravel pavement thickness to improve structural capacity, and then sealing tight corners with asphalt to provide a longer life and a safer surface for motorists.

Parks, reserves and open spaces

Council manages a large portfolio of parks, reserves, open spaces and sporting facilities, well used by the community for a broad range of outdoor activities and pursuits. To complement maintenance and care of existing open space, sporting and recreational assets, a range of renewal and upgrade projects are undertaken each year to maintain contemporary and safe facilities to meet community need.

Some of the projects completed during the financial year include the following:

Acton Softball and Cricket Clubrooms toilet upgrade

Changes to the toilet facility within the Acton Softball and Cricket Clubroom were made to provide improved access for wheelchair bound users of the facility.

Wivenhoe Cemetery arbour refurbishment

The Wivenhoe Cemetery arbour, a covered area at the main entry to the cemetery was originally constructed some 70 years ago, and with the passage of time had begun to deteriorate and was in need of refurbishment. The structure was repaired, stabilised and re-roofed to retain its heritage architecture and give it many more years of life.

Burnie Cemetery niche walls

Two new columbarium walls were constructed at the Burnie Lawn Cemetery to provide additional above-ground burial space, in which an urn, containing cremated remains is placed.

The niche walls complement the existing wall architecture and environment, to provide space for future years.

The project also included development of footprint space to facilitate construction of future walls.



Dog control

In accordance with the requirement under the *Dog Control Act 2000*, 1,671 dogs were registered for the 2021-22 financial year. In addition to registering and microchipping a dog to assist its safe return if found to be at large, responsible dog ownership also requires owners to ensure their dog does not become a threat or nuisance to the safety and welfare of any other person or animal.

Council investigated several alleged dog attacks and nuisance complaints during the year. If proven, offences under the Act can attract significant penalties.

Extra protection for sensitive wildlife

Council implemented extra measures to assist the protection of sensitive wildlife in particular to Burnie's coastline areas. After-hours patrolling and enforcement was increased and written communication was sent to all registered dog owners requesting their support in reporting any roaming or uncontrolled dogs. Signage showing sensitive wildlife, prohibited, restricted and dog friendly exercise areas was installed. Council also conducted remediation work to the existing penguin fence along West Beach.

Car parking

Council installed a further ten new parking voucher machines during the 2021-22 financial year, that help to build consistency and ease of use for parkers in the CBD.

Payment of parking using the Easypark app continues to grow with 494,919 transactions made for the 2021-22 financial year, which was an increase of over 144,000 transactions from the previous year.

Council continued to provide the first hour free at the Marine Terrace Car Park and the Reserved Parking Scheme still proves to be a popular and convenient arrangement for parkers that require a secure and long term parking option. There was no increase to fees within the ground level car parks or on-street metered parking in the 2021-22 financial year.

E-scooters arrive

With recent changes to the *Traffic Act 1925* in Tasmania, electric scooters are now able to be used in approved zones within a municipality. The emergence of scooters as a mode of transport in Burnie has been received well overall, with providers establishing key pick up and drop off zones, easy payment and clear rules for operation.

Plant and equipment

In early 2022 Council purchase the first fully Battery Electric Vehicle (BEV), as well as a Plug in Hybrid Electric Vehicle (PHEV) for the corporate fleet.

The ongoing replacement of the commuter pool with these vehicles is consistent with Council's strategic goal of being environmentally responsible. In addition to cost savings, lower carbon emissions and better environmental benefits are also expected.





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

Community Consultation

The Burnie City Council acknowledges that there is an opportunity to improve the way we undertake consultation with our community, and the importance of doing this to ensure we have a good understanding of our community's view on a matter to help us make more informed decisions.

To recognise how important this is we have now highlighted community consultation as one of the key enablers of our *Council Plan 2022-25*.

To start us on the path of increased community consultation – a key deliverable in 2021-22 has been the development of a Community Engagement Framework as means of outlining when we will engage with the community, how we will do this, and how we will use what we learn to shape decision making.

The draft Community Engagement Framework has been developed and will be released in late 2022 following local

government elections, for community consultation. We will invite feedback to ensure that what we propose, is in keeping with our community's expectations.

In addition to the development of this Framework, we have spent 2021-22 increasing our effort in genuinely consulting with our community on a range of issues:

We sought feedback on the vision the Council has for the new Cultural Centre development and gained insight into the community's feeling and connectedness to this venue.

We sought feedback from the community on ways the Council might improve our services using digital technology, as a foundation for the development of our new Digital Transformation Strategy.

For the first time, we put our Annual Plan and Budget Estimates on public exhibition for the community to see firsthand what the Council were proposing to undertake for the 2022-23 financial year, and to enable the community to provide input and feedback on this process.

We urge everyone in our community to get involved in community consultation – to shape decision making for our City.

Burnie Farmers Market

Council continued to operate the Burnie Farmers Market in 2021-22 at Wivenhoe with markets held on the first and third Saturday of every month from 8am to 12 noon.

The market is a great place to buy fresh, local produce and chat with the maker who made or grew it for you.



Burnie Works

The Burnie City Council continues to partner with Burnie Works to deliver a range of work to support community-led responses to identified social issues in the Burnie region.

Burnie Works is funded by all three levels of government, with support from the Council provided to address the following specific areas.

Youth

In the 2021 calendar year, *Dream Big* was offered to all Grade 5 and 6 students in public schools in the Burnie High and Parklands High catchment areas.

Dream Big introduces students to career and education pathways and encourages them to dream big about their future.

Dream Big includes three linked activities:

- Higher education visits
- Job brainstorming sessions
- Business visits

The dream continues back in the classroom where students reflect on their visits, share what they learned with their peers and create an A3 display about their visit.

These are brought together from across the schools and exhibited at the Burnie Library.

Schools report that the program is a valuable opportunity for students to see and learn about future education pathways.

The visits provide important reference points in conversations throughout the year about future jobs and pathways and fits in well with later Grade 6 transition programs, career learning, Children's University and other programs running in schools.

In 2021, 444 Grade 5 and 6 students participated in higher education visits and 110 students participated in 38 business visits.

Up Close and BIG events have been running since 2016. They are held each term and bring speakers from different careers in to talk to young students about their own experiences with education and career achievements. Speakers often have a connection with the local area. *Up Close and BIG* events are about young people and their aspirations, supporting young people to imagine the possibilities.

Speakers in the last 12 months included:

- Johanna Roca, Jason Little and Kimberly Luo, Design and Branding, For the People
- Professor Mohamad Abdalla (AM), Islamic Studies
- Mathew Young, Exercise Physio and Senior Business Development Manager for Catapult Sport

Schools report that *Up Close and BIG* is a valuable opportunity for students to hear from speakers in specific fields and they can target students who are showing an interest and skills in that area. It also provides important opportunities for students to develop confidence and practice asking questions, particularly for primary school students.

In 2021 approximately 180 students participated in *Up Close and Big* sessions.

Youth Making Changes Around Burnie has assisted in the development of several community activities including IDAHOBIT Day (International Day Against Homophobia, Biphobia, Intersexism and Transphobia – Australia) and provided input to the Premier's *Child Youth Wellbeing Strategy*.

Burnie Works also continued to provide administrative support to *North West Action for Youth*. The key focus this year has been around aligning youth strategies, activities and events for young people across the coast.

Local Drug Action Team

With funding provided by the Australian Drug Foundation, the Local Drug Action Team supported the production of a Second Edition of the *Know the Risks* booklet. The booklet was developed by Burnie residents associated with the Burnie Community House. Residents reviewed the original book and made changes based on what was happening in the community, and a local artist provided illustrations. The booklet outlines the risks and side effects of addictive substances and provides information and support available to Burnie residents.

Social Recovery

Over the twelve months, Burnie Works has assisted in the social recovery of Burnie residents through the dissemination of packs of 'Survival Cards' developed by a local artist and published by Burnie Works.

The Survival Packs are very popular and highly valued by community organisations and residents.

The Survival Cards were created based on feedback from residents on self-care strategies during difficult times.

Board members from Burnie Works have also participated in the North West Regional Recovery Committee and provided advice to the State Government regarding recovery efforts.

Connections to the local Aboriginal community

Burnie Works is developing a close relationship with the local Aboriginal community through many different avenues including through the Tasmanian Aboriginal Centre, University of Tasmania and Child Family and Learning Centre.

Burnie Works is also supporting the establishment of the Connected Beginnings initiative in Burnie. *Connected Beginnings* is a Commonwealth Government program aimed at supporting community-led activities and events to promote and help prepare Aboriginal children aged 0 to 5 to be healthy and ready for school.

Through this close engagement, we continue to look for opportunities to promote reconciliation, and to support closing the gap for Aboriginal children and families in Burnie.



Sporting events

Burnie Ten

After a virtual race in 2020, the Burnie City Council announced that the Burnie Athletic Club (BAC) and EPIC Events and Marketing would run the Burnie Ten event for the next three years. This was the first partnership brought about under the new events model which sees Council move to being a funder and enabler of events, with the delivery of events being conducted through partnerships with community organisations, event and other organisations.

Physical 10km and 5km race events were held on Sunday 24 October 2021 in the heart of Burnie. In an event of 'firsts' as part of the official opening, a RAAF fighter jet flew overhead the crowd, and the 10km road race was live-streamed with over 6,600 views.

With the impacts of COVID still providing some challenges, participants were also given the option to participate in one of Australia's most famous 10km road races virtually.

The new partnership paved the way for more people to engage with the Burnie Ten than ever before.

- Overall facebook page views increased by 8,635
- Event posts reached 90,348 people; and
- Post-event engagement increased by 496%

321 Go Kids' Race

In addition to taking on the Burnie Ten, the Burnie Athletic Club (BAC) also took on the delivery of the annual 321 Go Kids' Race in 2021. The BAC worked together with the long-established 321 Go committee to maintain the event continuity, and to retain the strong volunteer base to run this successful family-friendly event.

On 7 November 2021, 700 competitors participated in the annual race competing in 1, 2 and 3km events at West Park Oval with just under 100 littlies participating in the annual Lap for Littlies event. Eighteen competitors ran their ninth and final 321-Go Kids' Race participating every year since they were five years old.

The operation of this event provided great synergies for the BAC, enabling them to connect with young people and families and to build on that pathway for continued athletic and sporting participation across our community.

The Council would like to acknowledge the Burnie Athletic Club and EPIC Events and Marketing, and all the sponsors who contributed to the delivery of these high-quality events under the new model.

Grants and Benefits

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.

Discounts and waivers to charitable and not-for-profit organisations

The following benefits were given in accordance with Council’s Financial Assistance Policy.

\$52,059	Parking discounts and waivers
\$49,781	Community discounts on venue hire as per the below table

Discount	Community Group
\$600	Autism Tasmania
\$9,628	Burnie High School - Sleeping Beauty
\$624	Burnie High School Presentation Evening
\$2,293	Burnie Musical Society
\$576	Burnie Athletic Club
\$927	Burnie Concert Band
\$1,059	Burnie Highland Pipe Band
\$906	Burnie Historical Society
\$7,150	Burnie Musical Society - Moana
\$1,583	Burnie Orchid Society
\$759	Burnie School of Irish Dance
\$204	Burnie Swim Club
\$590	Catholic Education Tasmania
\$153	City Mission
\$129	Council on the Ageing (COTA)
\$786	Cradle Coast Orchestra - Sounds Fantastic
\$159	Department of Education - Learning Services
\$376	Diabetes Tasmania
\$101	Dulverton Waste Management
\$9,379	Eisteddfod 2021
\$1,002	Emusicians
\$668	Encore Performing Arts
\$159	Family Based Care
\$501	Hellyer College - Evening of Excellence
\$560	Leighland Christian School
\$1,034	Marist Regional College
\$492	Mental Health Council
\$1,344	National Disability Services
\$2,341	NW Liliums
\$315	NW Service Providers
\$422	NWTAS for Clean Oceans
\$562	Parklands High School
\$624	Speakout
\$1,062	Stella Maris Primary
\$199	Wellways
\$514	YFCC Inspiring Youth Awards
\$49,781	Total Community Discounts

Financial Assistance Grants

The following benefits were given in accordance Council’s Financial Assistance Policy, and resolutions of Council.

\$3,000	Burnie Amateur Swimming Club
\$2,500	Burnie Concert Band
\$1,980	Burnie Harness Racing Club Inc.
\$2,500	Burnie Highland Pipe Band
\$2,500	Burnie Men’s Shed
\$2,500	Burnie Youth Choir
\$2,500	Burnie Stringalong Music Program
\$2,273	City of Burnie Brass Band
\$2,470	Cooee to Camdale Coastcare
\$2,500	Emusicians
\$10,000	Emu Valley Rhododendron Gardens

Other grants and sponsorships

The following benefits were given by Council’s Financial Assistance Policy, Educational Bursaries and Awards Policy, and resolutions of Council.

\$40,000	Business North West (Promotions Agreement)
\$30,000	Business North West (Renew Burnie Project)
\$57,000	Burnie Works (Social Services Agreement)
\$3,429	Burnie Works (Youth Making Changes Around Burnie)
\$6,650	Support to State Representatives (various)
\$12,300	Educational Bursaries
\$2,000	Marillie House

Event support and in-kind benefits

The following benefits were given in accordance with resolutions of Council, and through the provision of equipment to charitable and not-for-profit organisations.

\$34,030	Ten Days on the Island (in-kind support)
\$1,192	Burnie Lifesaving Club (100th Anniversary)
\$39,313	Business North West (in-kind administrative support)
\$16,384	Business North West (Light up the Tree Street Party 2021)
\$655	Burnie Works (IDAHOBIT Breakfast)
\$359	Council on the Ageing (COTA) (Walk Against Elder Abuse)
\$10,000	Paper on Skin
\$4,500	Burnie Carols by Candlelight
\$1,364	Tasmanian Special Children’s Christmas Party
\$900	Koori Kids (NAIDOC Week)
\$30,000	Burnie Ten
\$6,000	321 GO
\$5,000	2021 TASART Uptown Exhibition
\$2,146	One Agency (Easter Egg Hunt in Burnie Park)
\$2,963	Tasmanian Open Disc Golf Tournament
\$5,000	Youth Week Rock Challenge
\$2,727	Survival in the Kitchen (Youth & Family Connections Inc)
\$1,022	Rotary Club of Burnie (Slime Challenge)

Public health

Activity overview

- To provide a capacity to monitor health and safety standards of the environment and in facilities providing food and personal services
- To deliver programs and services to facilitate an environment free from risk of environmental harm or nuisance
- To facilitate compliance with statutory requirements including licensing, registration, inspection, and enforcement actions as required
- To assist in the promotion of consistent public health services across the region through resource sharing programs such as the School Based Immunisation Program with neighbouring councils

Aims

- To protect the health and safety of the community by having proper regard to:
 - The control and monitoring of effluent and waste discharge on-site
 - Health and hygiene standards of food premises
 - Pest control
 - Provision of immunisation and environmental health awareness programs
 - Administration and enforcement of relevant legislative and regulatory requirements
- To enhance community awareness of environmental health and management issues
- To maintain a regular program of inspections and actions

Resources

The Burnie City Council allocates two full time equivalent Environmental Health Officers to carry out its public health responsibilities, to ensure that the needs of all people within our municipality are met.

Public health risk activities

(body piercing, tattooing and other skin penetration procedures)

Objective

To ensure there are adequate systems 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 to ensure those premises and their operators comply with the Tattooing Guidelines for Public Health Risk Activities. These activities include ear piercing, tattooing and body piercing.

There are seven registered businesses covering ear piercing, tattooing, cosmetic tattooing, cosmetic therapies and body piercing activities.

Aquatic Centre

The Burnie Aquatic Centre is a significant community asset valued at over \$8.5M. The modern facility re-opened in July 2016 following major upgrades, and comprises a 25 metre eight lane indoor pool, an outdoor splash pad area for children, together with the original 50 metre outdoor pool. Change room amenities, kiosk, retail, and a barbecue area complement the facilities.

During 2021-22, the facility has been operated by Sea Lyons Aquatics, and has included programs conducted by the Sea Lyons Swim School. These have been focused on teaching a varied range of water safety skills and how to stay safe in the aquatic environment, with classes available for adults as well as children.

The Burnie Aquatic Centre website www.burnieaquatic.com.au highlights a number of Short Stories which highlight the achievements and local stories of those associated with the aquatic centre community over the years.

The Centre sees well in excess of 100,000 attendances through the door each year.



Food hygiene

Objective

To ensure food for human consumption is safe, wholesome, properly described and compliant with the *Australian Food Standards Code* and the *Tasmanian 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.
- Continuation of food handler training sessions with food businesses and groups of food handlers

The number of inspections carried out per year on a premises depends on its risk factor. Higher risk premises (such as hospitals and aged-care facilities) are subject to a food audit by independent auditors as well as inspection by council staff, whilst lower risk premises are inspected less frequently.

This year a total of 93 inspections of fixed premises and six inspections of mobile businesses were conducted. These numbers are down on previous years due to the cancellation of many community events where food is sold, primarily due to COVID restrictions.

There are currently **159** fixed food businesses and **33** statewide mobile food businesses. There were **69** one-off mobile food business registrations issued.



Regulated systems (cooling towers)

Objective

- To ensure all cooling towers are operated and maintained in such a manner that they do not cause Legionella.

Actions

- Register all cooling towers in accordance with the Department of Health *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
 - System maintenance

Cooling towers are operating at four separate sites, with all cooling towers subject to risk assessment prior to licensing.

Recreational water quality

Objective

To ensure water used for primary contact activities such as swimming and other direct water sports are 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
- The monitoring of these waters has been carried out in accordance with the *Recreational Water Quality Guidelines 2007* over the summer period for the presence of faecal coliforms

All samples taken this year were in compliance with the limit of 140 enterococci/100ml set by the *Recreational Water Quality Guidelines 2007*, with the exception of a November sample taken in the first week of sampling. The point was re-tested with subsequent compliance. The high level of compliance among the 41 samples taken, demonstrates the municipality's excellent water quality.

WATER SAMPLING DETAILS					
Date	Cooee Beach (West End)	Cooee Beach (East End)	West Beach (West End)	West Beach (East End)	South Burnie
16/11/2021	<10	<10	146	<10	<10
22/11/2021			10		
30/11/2021	<10	<10	<10	10	<10
14/12/2021	<10	<10	31	<10	20
11/01/2022	<10	<10	<10	70	30
01/02/2022	<10	<10	<10	<10	20
08/02/2022	<10	<10	10	10	50
22/02/2022	<10	<10	10	10	<10
22/03/2022	<10	<10	30	<10	20
Total Samples	8	8	9	8	8

Public swimming pools and spa pools

Objective

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

Actions

- Take regular water samples to ensure compliance with the Microbiological Criteria for swimming pools

There are five public swimming pools and one spa of various sizes located in Burnie. All are sampled every month whilst operational for heterotrophic colony count, thermotolerant coliforms and *Pseudomonas Aeruginosa*.

There have not been any pools closed during the year due to non-compliance; however occasional readings above the guideline recommendation required re-sampling. Corrective action was taken followed by re-sampling which showed the corrective action had been effective.

Immunisations

Objective

To provide a program to immunise all children and at risk persons, including staff flu vaccinations, 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

- As part of a shared services agreement, visit all secondary schools across the Burnie, West Coast, Waratah Wynyard and Circular Head municipalities and immunise students for Human Papilloma Virus (HPV), Diphtheria, Tetanus, and Pertussis (DtPa) and Meningococcal (ACWY)
- The Immunisation program is rolled-out to all Grade 7 cohorts (HPV and DtPa) and Grade 10 cohorts (Meningococcal ACWY)
- Provide the Australian Immunisation Register with timely reports of all vaccinations given
- Provide the Department of Health with timely reports of all vaccinations given

COVID-19 Vaccination Clinic

In addition to the annual immunisation programs, Council supported the Australian Government's rollout of the COVID-19 vaccinations program with the provision of premises for Burnie's COVID Clinic at the Burnie Regional Art Gallery. The clinic operated continuously for several months throughout 2021-22, staffed by Department of Health personnel, delivering round one and two vaccinations.

In February 2022, Tasmania as a whole achieved a milestone of 96% Tasmanians aged 12 and above having at least two doses of a COVID-19 vaccine.

3

A CENTRE FOR INFORMATION, KNOWLEDGE AND LEARNING

Strategic objectives

- Education is valued and invested in
- 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

UTAS at West Park

The University of Tasmania's redeveloped Cradle Coast campus opened on 10 September 2021 at Burnie's West Park, creating new opportunities for students who live in Burnie and across the coast to gain a tertiary education.

Burnie City Council recognises the importance of and supports life-long learning within the Burnie community. Council is proud to have partnered with UTAS in developing the purpose-built campus in Burnie which will deliver enhanced higher educational opportunities for our region.

New courses now offered at the Cradle Coast campus include:

- Bachelor of Nursing
- Bachelor of Psychological Science
- Bachelor of Medicine
- Bachelor of Engineering Technology
- Accelerated Bachelor of Business
- Graduate Certificate in Business Studies
- Master of Business Administration
- Bachelor of Laws

This is exactly the outcome Council had intended when entering into the strategic partnership with UTAS to make this new campus a reality.

In addition, the new campus will provide economic benefits to Burnie and its surrounds both now and into the future.

UTAS enrolment data indicates that 78% of students enrolled at the new Cradle Coast campus are the first in their families to undertake tertiary studies.

Bursaries and awards

The Education Bursaries and Awards Policy has been developed to invest in young people within the Burnie community by encouraging their educational development. This policy aims to support young people with their studies at the University of Tasmania (UTAS) and encourages 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 in the 2021-22 financial year under this policy.

Youth Voice

In the 2021-22 year, Burnie City Council funded Burnie Works to facilitate the Burnie City Youth Council and Youth Making Changes Around Burnie.

The 2022 Burnie City Youth Council is made up of 27 students from 11 schools, nominated in 2021. Schools can now nominate four students per high school and two students per primary school. Youth Councillors commenced their roles in February 2022 and appointed Youth Mayor Abbey Granger, Deputy Youth Mayor (Senior) Taleah Smith and Deputy Youth Mayor (Junior) Taya Wells.

The Youth Council worked together to learn about the needs of their community and advocate for young people in Burnie while learning about civics and leadership. This included visits to organisations in Burnie and hearing from guest speakers on key topics. The Youth Council assisted with the planning for a Movie and Pizza Night at Burnie Library, the Burnie Works response to the Premier's Child and Youth Wellbeing Strategy, and in advocating for the inclusion of Library Tasmania membership forms in book lists and youth concerts in Burnie. The Youth Council also provided input into changes to the Youth Council structure and Youth Making Changes Around Burnie for 2022.

This year's Youth Council met with the Governor of Tasmania, supported the development of an IDAHOBIT Day Breakfast (International Day Against Homophobia, Biphobia, Intersexism and Transphobia), worked on ideas for youth events, and provided feedback to the Burnie City Council on priority matters. In February Youth Councillors and young people interested in being part of Youth Making Changes Around Burnie participated in a Youth Leadership Course with JCP Youth.

Burnie Works has been working with young people aged 16 -25 who are interested in coming together to create a Youth Making Changes Around Burnie Group, and to identify areas they would like to work on together since early 2022.



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 welcoming and memorable 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
- There are increased opportunities for people to participate in paid and/or unpaid work

Digital transformation

One of our key deliverables in 2021-22 has been the development of a *Digital Transformation Strategy* for our City.

Digital transformation is the process of using digital technologies to create new, or modify existing, business processes, culture and customer experiences to meet changing needs and expectations.

We acknowledge in doing this that we have a significant amount of work ahead of us – but we are making a start. Importantly we have consulted with our community and asked for input into how we might shape the services we deliver now, in new and creative ways that more align with the community's needs and expectations. Some excellent suggestions have been received and are now being considered.

We have also consulted our Council staff who are all passionate advocates for making our Council processes and services as easy and efficient as they possibly can be.

The Strategy will be delivered in late 2022 following the local government election, and will set the roadmap for the next ten years of investment of funds and resources.

Stay tuned as there is much more to come in this space!



Cyber event

In November 2021, the Burnie City Council experienced a cyber event which impacted services ordinarily delivered by the Council, for in excess of three weeks.

The issue arose from malware that exploited vulnerabilities in our technical environment.

The Council experienced a period where there were no emails, business systems or any capacity to undertake our regular functions within the Council.

To the credit of our amazing staff however, they kept us moving forward and diligently found ways of responding to our community's needs as best they could, until our management team were able to navigate us through the event.

The councillors and management team of the Burnie City Council would like to take the opportunity to thank our community for their considerable patience and support during this unprecedented time. It truly was appreciated.

Burnie courthouse

One of the important roles that councils play is to advocate on behalf of their communities on issues of significance when the decision on a matter is within the remit of another form of government or organisation.

This arose during 2021-22 when the State Government announced it would build a new courthouse to replace the one located presently within the CBD, to a residential area well outside the City.

The Council and community came together to voice their concerns regarding the proposal, both on the basis that the courthouse should not be located within a residential setting, and due to the economic loss that would result given how much benefit the courthouse presently brings to our CBD.

Pleasingly, the State Government took these concerns on board and have since provided an Expression of Interest opportunity for landowners within the CBD to express their interest in their land being used for this important development, which is said to be a \$40M project for our City.

While there is more to come on this matter, given the State Government are now considering three additional potential sites which were put forward, the Council remains committed to advocating for the courthouse to continue to be located within our CBD in the future.

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

Weed management

Council has continued control of declared and environmental weeds throughout the municipality with the following works undertaken in 2021-22:

A drone was used to manage pampas grass and boneseed in the Round Hill area and Burnie Park was targeted for forget-me-nots, three-cornered garlic, sweet pittosporum and elderberry.

TasTAFE students gained practical experience in controlling these weeds by helping manage radiata pine, boneseed, bluebell creeper, gorse and sea spurge at Blythe River Reserve and Shorewell Creek.

Council has also targeted larger trees on road reserves including, willows, sycamore, Cape Leeuwin wattle and sweet pittosporum.

Council received a Weed Action Fund (WAF) grant for gorse and English broom works on the Ridgley Highway. Council coordinated stakeholders to fulfil the first year requirements which saw 5km of the highway at Hampshire mulched in April, with eight hectares of surrounding land owned by Forico also mulched. TasRail and TasNetworks also contributed to works in the area as well as some private landowners nearby. A total of 233ha of gorse and English broom were controlled with follow-up works planned over the course of the next ten years under the grant.

Weed Action Fund *Spanish Heath Blitz* is also currently distributing herbicide control kits including personal protective equipment to help landowners control the declared Spanish heath on their property. Council has partnered with five councils and various stakeholders to target infestations along the north-west coast.

Waste Management

Council provides a range of waste management services to the Burnie community including:

- a kerbside waste collection
- a kerbside recycling collection
- commercial, public place recycling and litter bin collections in commercial and CBD areas
- operation of the Burnie Waste Management Centre in Mooreville Road, which includes a tip shop, resource recovery loop and a waste disposal and transfer shed

Waste is disposed to the waste transfer shed for sorting to recover as much re-use and recyclable product as possible before being loaded and transferred to the Dulverton Regional Landfill. The site is arranged to provide customers the best opportunity to recycle and consider re-use before disposal to landfill.

Waste disposed to landfill in 2021-22 was 13,285 tonnes, almost identical to the previous year. The overall recyclables and recovered products diverted from landfill as a percentage of the total municipal waste stream was down slightly to 39% compared to 41% the previous year.

In May 2022 Council held a free hard waste drop-off week. The free drop-off service offered Burnie residents one free load of bulky items per household, to be dropped off at the Burnie Waste Management Centre. 234 households utilised the free drop-off service that week and 120 tonnes of material were brought in. 20% of these products were recovered for reuse or recycling.

Council partnered with City Mission to provide a service that catered for residents of genuine need who did not have the capacity to drop materials off themselves. We are grateful to City Mission for their significant effort to help our community members in need.

The Tip Shop operated by City Mission continues to provide a great avenue for disposing of unwanted items in good condition, allowing them to be reused or repurposed. Proceeds from City Mission sales are directed back into supporting their charitable and social needs services within our community.

Planning permits

The *Tasmanian Planning Scheme – Burnie* came into effect on 22 July 2020. The scheme applies to all use and development of land in the Burnie municipal area.

In 2021-22 Council received 171 applications for permits required under the planning scheme, comprising 159 use or development applications and 12 applications for subdivision of land.

42 applications lodged in 2020-21 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.

141 permit applications were determined in the period from 1 July 2021 until 30 June 2022.

139 permits were granted and 2 refused. 15 permit applications were withdrawn.

57 applications remain undetermined at 30 June 2022. There were three appeals on planning application determinations.

The average determination time was 34 days for a discretionary permit application and 10 days for a permitted permit application against the statutory maximum of 42 day and 28 days respectively.

Council made a number of submissions to State Government during the year providing comment on draft proposals for change to land use planning systems.

Building and plumbing activity

Burnie’s building and plumbing approval and notified work activity for 2021-22 involved a combined value of \$51.8M.

The building and plumbing values reported do not represent the total value of building and plumbing work in the Burnie municipal area because the *Building Act 2016* does not require permits and notification for all forms of building and plumbing work.

Residential building work in Burnie for new dwellings, alterations and extensions to existing houses had a total value of \$36.8M.

Burnie’s commercial and industrial building work had a value of \$10.6M.

The remaining \$4.4M was made up of non-habitable structures such as sheds, retaining walls and other miscellaneous structures.

192 building permits and notified works were received from 1 July 2021 until 30 June 2022.

131 plumbing permits, certificates of likely compliance and notified works were received from 1 July 2021 until 30 June 2022.

Tree planting and creek rehabilitation

Through the *Urban Waterways Renewal Project* Council has been clearing invasive weeds and revegetating Alexander, Shorewell, Romaine and Cooee Creeks.

This is the third year of the program with noticeable changes happening to our local creeks.

Council continued its work on the following weeds: willows, Poa aquatica, balm of gilead, gorse, french broom and fuchsia.

The natural flow of the upper sections of Shorewell Creek has now returned after the removal of Poa aquatic in the upper reaches, as the creek is now visible in the slower moving sections adjacent to Three Mile Line Road.

In 2021-22 works continued in the middle sections of Shorewell Creek where extensive blackberries were removed and native tube stock planted.

Care was needed in this section due to Giant Freshwater Crayfish inhabiting the area and stream shade is required to prevent an increase in the water temperature.

Willows were removed in this area with further works occurring downstream adjacent to the dog park at View Road where blackberry, willow gorse and vinca major were treated.

Alexander Creek has also had Poa aquatica removed and native plants revegetated over three years. Romaine Creek was rejuvenated from the excesses of balm of gilead and blackberries as well as some garden escapees which included fuchsia.

Gorse and French broom were also removed from areas within the vicinity.





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

Burnie Airport Corporation

The Burnie Airport Corporation (the 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 2022 were:

- Steven Pickering
(Chair, BCC Independent Director)
- Kenneth Clarke
(BCC Independent Director)
- Steven Pickering
(BCC Independent Director)
- John Nissen (ARA Director)
- Rod Sullivan (ARA Director)

Financial performance and position

The Trust recorded an operating profit of \$513,865 for the year compared to an operating profit of \$649,285 in 2021. Loan principal was reduced by \$350,000 (net) during the period. The Trust had net assets of \$6,550,478 as at 30 June 2022 compared with \$6,384,760 in 2021.

The Trust employed 3 full time equivalent employees as at 30 June 2022 (2021: 3.25 full time equivalents).



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

Our people

Burnie City Council successfully gained the *Employer of Choice* status in November 2011, was re-accredited in 2015 and again in 2020. This award recognises specific programs and policies that Council has put in place to help create an accountable and equitable work environment and a positive and supportive organisational culture.

**employer
of choice**

Employee engagement

In March 2022, Council conducted a workplace survey for the purpose of gaining a better understanding of how employees think, feel and act when working for Council. Employees who are happier in their workplace deliver better customer service and are more likely to remain working for Council in the longer term. This means it is important for Council to actively measure this (known as engagement) so that Council can remain a great place to work for all of our people.

To gain this insight the workplace survey focused on categories such as training, leadership, culture,

recognition, and safety and wellbeing. Participating in the survey was voluntary and open to all full-time, part-time and casual employees.

In prior surveys, there had been quite low employee numbers taking the opportunity to participate. This year emphasis was placed on how to increase the participation rate of employees. To assist in achieving this target, Council switched to a predominantly online survey format which positively impacted the effectiveness and timeliness of survey completion, compilation and reporting of results.

Council set a target participation rate of 50% across the whole workforce. An actual participation rate of 65% was achieved, far exceeding expectations.

Survey results reflected an engagement score of 50%. This means that half of all participants responded positively ('Agree' or 'Strongly Agree') to eight questions related specifically to how they think, feel and act about their job, and Council as a whole.

Using insights obtained from the survey Council will develop and implement action plans in consultation with employees in order to continue to improve engagement with our staff.

Asset management and service delivery

Council manages an extensive portfolio of assets to support service delivery and use by the community. The portfolio of assets includes:

Transport
Management systems for the road and bridge network include service level documents, inspection regimes, asset management plans and a forward capital works program.

A range of operational tasks to maintain the assets includes but is not limited to: pothole and pavement repairs, road seal renewals, kerb, channel and footpath maintenance, rural road shoulder and unsealed road grading, signs and street furniture maintenance and installation, and verge maintenance.

Stormwater
Council's Stormwater System Management Plan provides a strategic framework to enact stormwater management objectives to comply with the *Urban Drainage Act 2013*, the *Local Government Act 1993* and other policy and regulatory obligations. The plan identifies risks, issues and opportunities together with actions that are incorporated into the forward works program.

Council undertakes operational maintenance to clear potential flood hot spots, where debris collects from trees and other sources. These areas and assets include gully pits, pipe networks, creeks, culverts and bridges.

Buildings
Council owns and operates a large building portfolio to support community and operational activities.

Council facilities and buildings are used for a range of activities including doing business, playing sports or attending events.

The focus of building management is to maintain the facilities in a fit-for-purpose condition. Improvement programs relate to energy management, equal access and renewing of infrastructure, which is spread across the operational and capital works budget.

Parks, reserves, sports grounds and cemeteries
Our municipality has over 200 parks, reserves and sporting grounds that provide an opportunity for a range of outdoor experiences and recreational activities for the community. The total area of parks, reserves and sports grounds, including native or undeveloped bushland, is 452 hectares.

A network of walking and cycling tracks is a feature of the city, developed to take advantage of sea views, bush environments and urban landscapes. These tracks provide opportunities for a range of passive recreation activities.

Council maintains three cemeteries, two of which, located at Ridgley and Wivenhoe, are traditional memorial cemeteries now closed to new reservations. The Burnie Lawn Cemetery, located on East Cam Road, including columbarium walls and family plots for ashes internments is the main focus of Council's operational and forward capital expenditure.

Plant and equipment
An extensive fleet of plant and equipment is owned and maintained to deliver services. These assets represent a significant investment by the Burnie community and our aim continues to be on making provision for ongoing funding for asset renewal and services activities to support community needs.

Council has a mature asset management policy and subsequent practices in place to provide an appropriate framework for operations, renewal and disposal of assets. Ongoing review of the plant and equipment asset portfolio and financial commitments occurs within this policy and practice setting.

With the Council's strategic goal of becoming more environmentally responsible, Council has commenced in 2021-22 acquiring hybrid and EV vehicles into the Council fleet.

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 the donation, and the value of the land. In 2021-22 there were no donations of land made by Council.

Public Interest Disclosures

In accordance with section 86 of the *Public Interest Disclosures Act 2002*, Council is required to report the number and types of public interest disclosures. There were no disclosures reported during 2021-22. Council's Public Interest Disclosure Procedures are available at www.burnie.tas.gov.au

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. During 2021-22, eight complaints were received relating to standards of service under the Charter:

- Four complaints related to a failure to adhere to Council's service standards
- Two complaints related to the use of information
- Two complaints related to a lack of community consultation

Code of Conduct complaints

In accordance with section 72(1)(ba) (bb) of the *Local Government Act 1993*, Council is required to report the number of Code of Conduct complaints that were received, and the number that were upheld or partially upheld throughout the financial year, and the total costs met by the council during the financial year in respect of all code of conduct complaints dealt with.

2021-22	
Number of complaints received	2
Number of complaints upheld or partially upheld	0
Council's expenses in dealing with code of conduct complaints	Nil

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. Council has an Emergency Management Coordinator and a Deputy Coordinator, which are ministerial appointments whose roles are to manage the planning, preparation and response to an emergency situation, in conjunction with key stakeholders. Additionally the Council has a Community Recovery Coordinator appointed by the General Manager, whose role is to support the community and those residents impacted, in times of emergency.

The Western Municipal Emergency Management Committee (WEMC) is a combined area committee incorporating Burnie City Council, Circular Head Council and Waratah Wynyard Council. The committee supports the effective delivery of emergency management in partnership with key agencies and stakeholders.

During the year, the WEMC contributed to a review of the state's emergency risk register, plus commenced work on updating the combined area Municipal Plan with a view to a new plan being endorsed in late 2022.

COVID-19 continued to be an ongoing focus for emergency management stakeholders. Regionally the development of plans were progressed to support the operation of evacuation and recovery centres under a coincident event scenario (for example COVID-19 and bushfire).

Council contributed to ongoing planning and preparedness activities with training and maintaining an active focus on the action plan to ensure it can respond to its responsibilities in the event of an outbreak.

Presentations delivered from guest speakers included:

- New Australian fire danger rating system
- Emergency response within mountain bike park developments.
- Dam safety program

Council continues to support social recovery needs in the community and participates in regional social recovery planning. A senior officer of Council was appointed to the recovery role in mid-2022 and attended a three day course with respect to initiating Community Recovery Centres in times of need. Fortunately, outside of some heavy storms, there have been no significant impacts on the community associated with weather event and bushfires during the financial year.

Council was fortunate to secure grant funding to progress with the design of a flood warning system for the Emu River, an action noted in the flood study prepared following the 2016 flooding. A consultant will be engaged with a report to be received by end of December 2022, after which the next phase will be implementation.

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.

TasWater

As at 30 June 2022, Council held a 3.90% (2021: 3.99%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution, reflecting the Council's voting rights.

Throughout 2021-22 Council received \$993,600 in distributions from TasWater (2021: \$414,000) which included a special dividend of \$165,600. Council will continue to derive returns in the form of dividends, guarantee fees and tax equivalents from the entity and uses those funds to minimise 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 and:
 - Operate its activities in accordance with good commercial practice and
 - Deliver sustainable returns to its Council members and
 - To deliver water and sewerage services to customers in the most cost-efficient manner

Special committees

BURNIE AUSTRALIA DAY SPECIAL COMMITTEE

Council Representative
Deputy Mayor Giovanna Simpson and Cr Teeny Brumby

Contact Officer
PA to Mayor and General Manager

The Committee organises and hosts the Burnie Australia Day Ceremony.

BURNIE CITY YOUTH COUNCIL SPECIAL COMMITTEE

Council Representative
Deputy Mayor Giovanna Simpson
(Proxy: Cr Themba Bulle)

Contact Officer
Director Corporate and Commercial Services

The Burnie Youth Council advises Council on matters of importance to Burnie's young people and represents Burnie at state-wide 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.

GENERAL MANAGER'S PERFORMANCE REVIEW SPECIAL COMMITTEE

Council Representative
All Councillors

Contact Officer
Mayor Steven Kons

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.

UPPER NATONE RESERVE SPECIAL COMMITTEE

Council Representative
Cr Ken Dorsey
(Proxy: Deputy Mayor Giovanna Simpson)

Contact Officer
Director Works and Services

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

The following Special Committees were wound up on 28 September 2021. Council would like to thank those who dedicated their time to these committees over the previous years.

BURNIE REGIONAL ART GALLERY SPECIAL ADVISORY COMMITTEE

Council Representative:
Cr Amina Keygan and Cr Teeny Brumby

Contact Officer
Director Corporate and Commercial Services

BURNIE REGIONAL MUSEUM SPECIAL COMMITTEE

Council Representative
Cr Chris Lynch (Proxy: Cr David Pease)

Contact Officer
Executive Manager
Burnie Arts & Functions Centre

BURNIE SPORTS CENTRE SPECIAL COMMITTEE

Council Representative
Cr Amina Keygan and Cr David Pease

Contact Officer
Community Facilities Coordinator

Council officers continue to support the Burnie Sports Centre as a working group.

PUBLIC ART PROJECTS SPECIAL ADVISORY COMMITTEE

Council Representative
Mayor Steven Kons (Proxy: Cr David Pease)

Contact Officer
Director Corporate and Commercial Services

Contracts and awards over \$100,000

CONTRACT NUMBER	CONTRACT TITLE	CONTRACTOR REGISTERED BUSINESS NAME AND ADDRESS	DURATION	EXTENSION OPTIONS	VALUE OF CONTRACT (EX GST)
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Contracts >100,000 – 250,000

2690	Supply and Delivery of One (1) Suction Street Sweeper	Bucher Municipal Pty Ltd 65-73 Nantilla Road Clayton North VIC 3168		not applicable	\$169,700.76
2689	Fire, Essential Health and Safety Inspection Services	Contact Group Pty Ltd 17 Federal Street North Hobart TAS 7000	4 years	1 year	\$29,667.00 (per annum indexed)
2686	Cleaning Services for City Offices	Lazaro Pty Ltd 111 Macquarie Street Hobart TAS 7000	3 years	2 years	\$69,523.61 (per annum indexed)
n/a	Supply of Natural Gas Burnie Aquatic Centre	Aurora Energy Pty Ltd GPO Box 191 Hobart TAS 7001	12 months	not applicable	Schedule of Rates
2677	Supply and Delivery of One (1) Rear Loading Garbage Truck	Bucher Municipal Pty Ltd 65-73 Nantilla Road Clayton North VIC 3168		not applicable	\$219,057.79
2676	McKenna Park – J League Facilities	AJR Construct Pty Ltd 11 Luck Street Spreyton TAS 7310	3 months	not applicable	\$237,586.55
2662	Stormwater Main 1-17 Old Surrey Road	Hardings Hotmix Pty Ltd 30 Industrial Drive Ulverstone TAS 7315	7 weeks	not applicable	\$165,268.55

Contracts >250,000

2682	Management of Burnie Aquatic Centre	Sea-Lyons Aquatics 29 View Road Burnie TAS 7320	8 years	2 years	\$434,620.00 (per annum indexed)
2681	Security and/or Cash Collection Services	Advanced Protection Solutions10 Laird Road East Cam, Burnie TAS 7321	3 years	1 year`	\$125,789.12 (per annum indexed)
Brief 204	Architect Services Burnie Cultural Precinct (BAFC Redevelopment)	Xsquared Architects Pty Ltd 125 Collins Street Hobart TAS 7000	10 months	not applicable	\$407,517.00
Brief 201	Consultant Services Coastal Erosion Control and Revetment Design - Coastal Pathway - Red Rock, Cooee to Port Creek, Wynyard	Burbury Consulting Pty Ltd 287 Macquarie Street Hobart TAS 7000	9 months	not applicable	\$294,112.00
2675	Linton Street Reconstruction (Cabot Street to Mount Street)	Civilscape Contracting Tasmania 1419 Ridgley Highway Ridgley TAS 7321	10 weeks	not applicable	\$391,390.00
2674	Bitumen Surfacing Services 2021-2022 (Parts A, B and C)	Roadways Pty Ltd 3 Ormsby Street Wivenhoe TAS 7320	12 months	not applicable	Schedule of Rates

Tender Exemptions > \$250,000

There were no tender exemptions >\$250,000 approved by Council in the 2021-22 year.

Audit Panel

In addition to Special Committees, Council has an Audit Panel as required under the *Local Government Act 1993*:

BURNIE CITY COUNCIL AUDIT PANEL

Council Representative: Cr Alwyn Boyd and Cr Chris Lynch (Proxy: Deputy Mayor Giovanna Simpson)
Contact Officer: Director Corporate and Commercial Services

The objective of the Audit Panel 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 Cr Boyd and Cr Lynch, the Committee consists of independent Chairman Ken Clarke and independent members Lisa Dixon and Bill Hutcheson.

LGAT

Council is currently a member of the Local Government Association of Tasmania (LGAT). LGAT is the voice of Local Government in Tasmania and represents all Tasmanian councils.

LGAT provides support to councils so that they are well placed to serve their communities. This support comes in the form of providing specialist services to 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 2021-22 was \$52,234 (2020-21: \$51,882).

Financial performance overview

Operating performance

On the back of some bold decisions made by the Council in 2021 to decrease costs and provide sustainability for our community over the long term, the Council turned around its operating financial performance (by \$2.052M), achieving a small operating (underlying) surplus of \$131,000 for the 2021-22 financial year. This is compared with operating (underlying) deficits in prior years as outlined in the table below. Council uses its operating (underlying) performance as it's measure of success as this metric provides a realistic and true reflection of the normal operations of Council over the course of a financial year, by excluding one off capital revenue and expenditure, and other transactions such as the Financial Assistance Grant being paid in advance each year by the Australian Government.

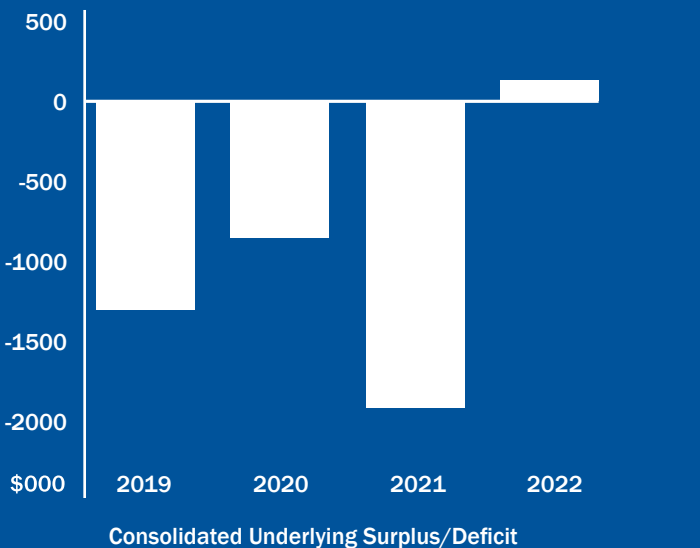
While Council had reduced costs prior to 30 June 2020 this had not been sufficient to offset the reduction in income that the Council had provided to the community through many years of rate reductions provided under the former rates reduction strategy.

Combined with reduced revenues due to the impacts of COVID-19, this left Council with significantly reduced cash reserves and a need to borrow funds (\$10.4M in June 2020) to support its operations. This further leading to the decisions taken to change the way services were delivered to the community, and a series of staff redundancies in 2020-21.

Post these decisions Council has been able to return a positive operating (underlying) result, earlier than anticipated. In 2021-22 there has been a noted improvement in the Council's cash balance which is consistent with the Auditor-General's advice

regarding what is considered a 'reasonable' amount of cash to have on hand, and the capital works program delivery has improved, delivering an asset sustainability ratio of 69%, which previously was 42% being the lowest in the State.

These changes provide a more stable foundation for Council to engage with its community regarding levels of activity within our City and the quality of services provided, along with enabling a sustainable asset renewal program, and the ability to start to consider new community assets such as the reimagined Cultural Centre.



Cash position and liquidity

As at 30 June 2022, the cash balance was \$10.580M with an additional \$7.512M held in short term investments.

The Tasmanian Audit Office (TAO) provides guidance on the levels of cash that Councils should hold, in order to sustain operational needs and withstand unforeseen events. As part of its long term Financial Management Strategy, the Council targets a cash buffer in line with the TAO advice, of between 3 to 6 months cash for operational purposes.

As at 30 June 2022 Council held 4 months coverage of operational expenses, within the TAO benchmark for adequate cash cover. Council invests surplus funds not required for daily operations in short term investments to generate returns in accordance with its Treasury Policy.

Another measure of liquidity is the current ratio, measured as current assets divided by current liabilities. As at 30 June 2022 Council has a current ratio of 2.84, exceeding its benchmark of 1.10, meaning that the Council has more than sufficient capacity to pay its short term liabilities when they fall due.

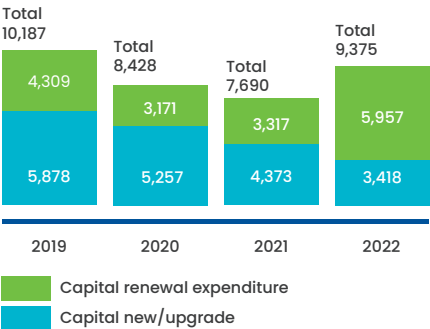
Capital investment

Council aims to maintain its infrastructure assets at a level which supports the delivery of services across the community. During 2021-22 Council invested \$9.375M through its capital works program across multiple areas and asset categories, including but not limited to roads, bridges, buildings, parks and reserves, plant and equipment, stormwater and technology.

Council's long term Asset Management Strategy prioritises Council's funds towards the renewal of existing assets, as opposed to building new facilities, as a means of reducing additional depreciation expense over the long term. This rationale is evidenced by the Council's recent decision to move away from building a new North West Museum and Art Gallery (NWMAG) to instead invest \$18M of grant funding from the Australian Government, and \$2M of Council funds into the existing Burnie Arts & Function Centre in order to create a reimagined Cultural Centre.

This decision alone has saved the Council's future operating position, in excess of \$500,000 depreciation each year, simply by investing these funds into an existing asset.

Capital Investment

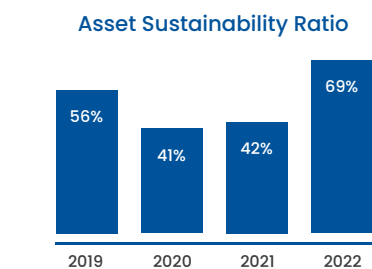


Assets

The Council's total property, plant and equipment portfolio is in excess of \$390M. In accordance with the *Local Government (Management Indicators) Order 2014*, the Council provides an outline of performance against the following indicators in the annual Financial Statements.

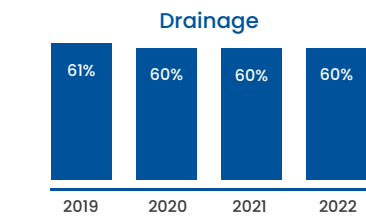
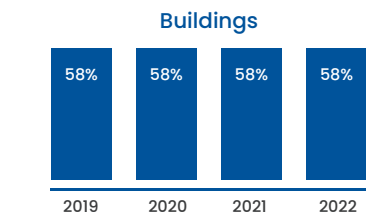
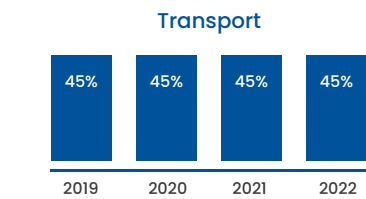
Asset sustainability ratio

Council achieved an asset sustainability ratio of 69%, a significant improvement from 42% in 2020-21. This is against a benchmark of 100%. While this is an uplift of 27% in one year, to achieve our goal of 100% requires additional effort to align our annual depreciation expense (\$8.619M in the 2021-22 financial year) towards the renewal and replacement of existing assets, as opposed the creation of new assets.



Asset consumption ratio

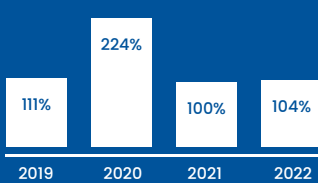
The asset consumption ratio indicates the level of service potential available in Council's existing asset base and seeks to highlight the age and condition of the assets. Council has maintained the service potential of assets over time. Council will be undertaking a review of its asset base during the 2022-23 financial year, assessing the current condition of its assets, the useful life remaining in the assets and updating replacement costs. The outcome of this review will impact the asset consumption ratio for future years.



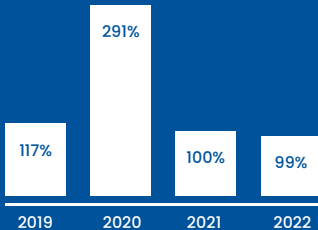
Asset renewal ratio

This ratio measures the ability of the Council to fund its planned asset replacement and renewal as identified in its Strategic Asset Management Plan over the next 10 years. Council meets the benchmark level (90 – 100%) across the majority of its asset classes, with additional resources required to uplift our buildings and plant and equipment assets in future years.

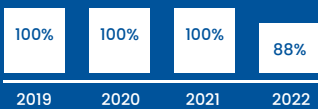
Total Property Plant and Infrastructure



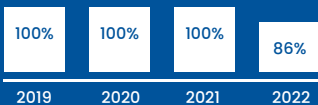
Transport Infrastructure



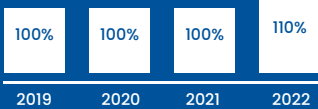
Plant Equipment and Other



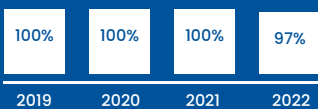
Buildings



Parks and Reserves



Drainage





CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDING 30 JUNE 2022



Independent Auditor's Report
To the Councillors of Burnie City Council
Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Burnie City Council (Council), and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022 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 2022 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 (including Independence Standards)* (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 10.2(f), nor the Significant Business Activities disclosed in note 10.4 to the financial report and accordingly, I express no opinion on them.

CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDING 30 JUNE 2022

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 Council is to be dissolved by an Act of Parliament or the Councillors 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 on the audit evidence obtained up to the

CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDING 30 JUNE 2022

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 represent 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.



David Bond
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

18 October 2022
Hobart

Burnie City Council

Consolidated Statement of Comprehensive Income For the Year Ended 30 June 2022

		Consolidated		Council		Budget
		Actual	Actual	Actual	Actual	
		2022	2021	2022	2021	2022
	Note	\$'000	\$'000	\$'000	\$'000	\$'000
Income from continuing operations						
Recurrent income						
Rates and charges	2.1	23,789	22,926	23,789	22,926	23,780
Statutory fees and fines	2.2	913	907	913	907	988
User fees	2.3	4,321	4,094	4,321	3,569	3,985
Grants	2.4	3,894	3,511	3,894	3,511	1,782
Interest	2.6	229	181	229	180	183
Other income	2.7	657	565	657	535	542
Investment income	2.8	994	414	1,124	449	958
Reimbursements		302	425	302	425	362
Share of profit of joint venture		262	331	262	331	-
		35,361	33,355	35,491	32,833	32,580
Capital Income						
Capital grants received specifically for new or upgraded assets	2.4	2,600	1,920	2,600	1,920	2,118
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.9	(360)	584	(360)	588	-
Non-monetary contributions	2.5	2,621	394	2,621	394	-
		4,861	2,898	4,861	2,902	2,118
Total income from continuing operations		40,222	36,253	40,352	35,735	34,698
Expenses from continuing operations						
Employee benefits expense	3.1	(10,792)	(13,048)	(10,792)	(12,606)	(11,037)
Materials & services	3.2	(10,706)	(10,971)	(10,706)	(11,282)	(10,721)
Depreciation and amortisation expense	3.3	(8,619)	(8,228)	(8,619)	(7,937)	(8,480)
Impairment losses on receivables	3.4	70	150	70	150	(1)
Finance costs	3.5	(192)	(226)	(192)	(226)	(190)
Other operating expenses	3.6	(3,717)	(3,482)	(3,717)	(3,482)	(3,484)
Total expenses from continuing operations		(33,956)	(35,804)	(33,956)	(35,381)	(33,913)
Result from continuing operations		6,266	449	6,396	354	785
Net result for the year		6,266	449	6,396	354	785
Other comprehensive income						
Items that will not be reclassified subsequently to surplus or deficit						
Net asset revaluation increment/(decrement) - Council	9.1	31,074	4,732	31,074	4,732	-
Fair value adjustment on equity investment - investment in Water Corporation	5.1	1,664	8,735	1,664	8,735	-
Total other comprehensive income		32,738	13,468	32,738	13,468	-
Total comprehensive result		39,004	13,917	39,134	13,822	785

The accompanying notes form part of these financial statements.

Burnie City Council

Consolidated Statement of Financial Position As At 30 June 2022

		Consolidated		Council	
		2022	2021	2022	2021
	Note	\$'000	\$'000	\$'000	\$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	10,580	11,340	10,580	10,468
Trade and other receivables	4.3	3,435	3,406	3,435	2,959
Contract assets	4.4	495	658	495	658
Investments	4.2	7,512	-	7,512	-
Inventories		66	122	66	122
Prepayments		439	152	439	152
TOTAL CURRENT ASSETS		22,527	15,678	22,527	14,359
NON-CURRENT ASSETS					
Investment in Water Corporation	5.1	64,551	62,888	64,551	62,888
Investment in joint ventures	5.2	3,341	3,256	3,341	3,256
Investments in subsidiaries	5.3	-	-	-	2,103
Property, infrastructure, plant and equipment	6.1	390,960	356,999	390,960	355,908
Investments	6.2	-	5,000	-	5,000
TOTAL NON-CURRENT ASSETS		458,852	428,143	458,852	429,156
TOTAL ASSETS		481,379	443,821	481,379	443,515
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	7.1	3,447	2,805	3,447	2,767
Trust funds and deposits	7.2	132	132	132	132
Contract liabilities	7.3	986	529	986	529
Provisions	7.4	2,254	3,452	2,254	3,311
Interest bearing loans and borrowings	8.1	1,109	1,333	1,109	1,333
TOTAL CURRENT LIABILITIES		7,928	8,250	7,928	8,072
NON-CURRENT LIABILITIES					
Provisions	7.4	122	134	122	134
Interest bearing loans and borrowings	8.1	7,597	8,706	7,597	8,706
TOTAL NON-CURRENT LIABILITIES		7,719	8,839	7,719	8,840
TOTAL LIABILITIES		15,647	17,089	15,647	16,912
NET ASSETS		465,732	426,732	465,732	426,603
EQUITY					
Reserves	9.1	182,795	150,057	182,795	150,057
Accumulated surplus		282,937	276,674	282,937	276,544
TOTAL EQUITY		465,732	426,732	465,732	426,603

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2022

2022		Consolidated			
	Note	Accumulated surplus \$'000	Asset revaluation reserve \$'000	Fair value reserve \$'000	Total \$'000
Balance at 1 July 2021					
Net result for the year		276,674	145,052	5,006	426,732
		6,266	-	-	6,266
Other comprehensive income					
Fair value adjustments		5.1	-	1,664	1,664
Net asset revaluation increment/(decrement)		9.1	-	31,074	31,074
Balance at 30 June 2022		282,937	176,126	6,669	465,732
Balance at 1 July 2020					
		276,225	136,317	274	412,816
Net result for the year		449	-	-	449
Other comprehensive income					
Fair value adjustments		5.1	-	8,735	8,735
Net asset revaluation increment/(decrement)		9.1	-	4,732	4,732
Balance at 30 June 2021		276,674	145,052	5,006	426,732

2022		Council			
	Note	Accumulated surplus \$'000	Asset revaluation reserve \$'000	Fair value reserve \$'000	Total \$'000
Balance at 1 July 2021					
Net result for the year		276,545	145,052	5,006	426,603
		6,396	-	-	6,396
Other comprehensive income					
Fair value adjustments		5.1	-	1,664	1,664
Net asset revaluation increment/(decrement)		9.1	-	31,074	31,074
Balance at 30 June 2022		282,937	176,126	6,669	465,732
Balance at 1 July 2020					
		276,191	136,316	274	412,781
Net result for the year		354	-	-	354
Other comprehensive income					
Fair value adjustments		-	-	4,732	4,732
Net asset revaluation increment/(decrement)		-	8,735	-	8,735
Balance at 30 June 2021		276,545	145,052	5,006	426,603

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2022

Note	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES:				
Rates	23,433	23,285	23,433	23,285
User charges (inclusive of GST)	4,744	4,833	4,744	3,813
Grants (inclusive of GST)	3,736	3,231	3,736	3,231
Interest received	185	164	185	163
Investment revenue from Water Corporation	2.8	994	994	414
Statutory fees and charges	914	907	914	907
Payments to employees (including redundancies)	(12,004)	(12,285)	(11,863)	(11,842)
Payments to suppliers (inclusive of GST)	(10,474)	(11,895)	(10,432)	(11,849)
Distributions from Joint Ventures	331	484	331	484
Other payments (inclusive of GST)	(3,952)	(3,745)	(3,952)	(3,745)
Other receipts (inclusive of GST)	35	30	35	-
Rents (inclusive of GST)	549	505	549	505
Reimbursements (inclusive of GST)	333	468	333	468
Dividends from controlled entities	-	-	130	35
Finance costs paid	(192)	(226)	(192)	(226)
Net GST refund/payment	797	893	793	982
Net cash provided by/(used in) operating activities	9.3	9,429	7,063	6,625
CASH FLOWS FROM INVESTING ACTIVITIES:				
Payments for property, infrastructure, plant and equipment	(9,942)	(7,698)	(9,986)	(7,691)
Proceeds from sale of property, infrastructure, plant and equipment	219	1,992	219	1,992
Capital grants	3,378	1,576	3,378	1,576
Receipts from maturity of short term investments	5,000	19,004	5,000	19,004
Funds deposited as short term investments	(7,512)	(19,004)	(7,512)	(19,004)
Transfer from subsidiary	-	-	607	-
Net cash provided by/(used in) investing activities	(8,857)	(4,130)	(8,294)	(4,123)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Trust funds and deposits	1	(4)	1	(4)
Repayment of borrowings	(1,333)	(1,298)	(1,333)	(1,298)
Net cash provided by/(used in) financing activities	(1,332)	(1,302)	(1,332)	(1,302)
Net increase/(decrease) in cash and cash equivalents held				
Net increase/(decrease) in cash and cash equivalents held		(760)	1,631	112
Cash and cash equivalents at beginning of year		11,340	9,709	10,468
Cash and cash equivalents at end of financial year		4.1	10,580	11,340
Cash and cash equivalents at end of financial year		10,580	11,340	10,580

The accompanying notes form part of these financial statements.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

1 Overview

1.1 Reporting entity

The Burnie City Council (Council) is a body corporate with perpetual succession and a common seal. Council's main office is located at 80 Wilson Street Burnie, Tasmania.

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

1.2 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, 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 in notes 4.2, 5.1, 6.1, 7.4, 8.1, and 10.4

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 of Management, and material subsidiaries or joint ventures have been included in this financial report. All transactions between these entities and Council have been eliminated in full

1.3 Use of judgements and estimates

In the application of Australian 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 7.4.

Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 9.2.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

1 Overview (cont'd)

1.3 Use of judgements and estimates (cont'd)

Fair value of property, infrastructure, plant and equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, infrastructure, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 6.1.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 5.1.

1.4 Functions/activities of the Council

(a) Consolidated revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants \$'000	Other \$'000	Total revenue \$'000	Total expenditure \$'000	Surplus/ (deficit) \$'000	Assets \$'000
Corporate services						
2021 - 2022	1,953	24,367	26,320	(6,730)	19,590	39,163
2020 - 2021	1,269	20,392	21,661	(9,132)	12,529	62,035
Cultural activities						
2021 - 2022	131	726	857	(3,163)	(2,306)	13,151
2020 - 2021	131	235	366	(3,440)	(3,074)	9,756
Parks and recreation						
2021 - 2022	360	(169)	191	(4,334)	(4,143)	76,197
2020 - 2021	368	-	368	(3,684)	(3,316)	69,340
Public services						
2021 - 2022	-	59	59	(2,568)	(2,509)	25,202
2020 - 2021	800	20	820	(3,584)	5,436	5,626
Regulatory services						
2021 - 2022	48	2,780	2,828	(3,239)	(411)	11,382
2020 - 2021	-	2,624	2,624	(3,227)	(603)	5,699
Roads, streets and bridges						
2021 - 2022	4,002	(587)	3,415	(7,113)	(3,698)	188,010
2020 - 2021	2,857	367	3,224	(6,532)	(3,308)	174,084
Waste management						
2021 - 2022	-	4,631	4,631	(5,563)	(932)	5,375
2020 - 2021	6	685	4,717	(4,628)	89	1,548
Stormwater services						
2021 - 2022	-	1,659	1,659	(1,249)	410	119,297
2020 - 2021	-	-	1,622	(1,156)	466	115,117
Commercial activities						
2021 - 2022	-	262	262	-	262	3,602
2020 - 2021	-	849	849	(423)	426	308
Total						
2021 - 2022	6,494	33,728	40,222	(33,959)	6,266	481,379
2020 - 2021	5,431	25,171	36,253	(35,808)	449	443,515

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

1.4 Functions/activities of the Council (cont'd)

(b) Reconciliation of Assets above with the Statement of Financial Position at 30 June:

	2022 \$'000	2021 \$'000
Current assets	22,527	14,359
Non-current assets	458,852	429,156
Total	481,379	443,515

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

1.4 Functions/activities of the Council (cont'd)

(c) Component functions/activities

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, Burnie Regional Art Gallery, Burnie Regional Museum, and promotions and marketing activities.

Parks and Reserves

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

Public Services

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

Regulatory Services

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

Roads, Streets and Bridges

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

Waste Management

Collection, handling, processing and disposal of waste materials.

Stormwater Services

Construction, operation and maintenance of drainage and stormwater works.

Commercial Activities

Council's controlled entities including Burnie Airport Corporation Unit Trust, Tas Communications Unit Trust and Tas Communications Pty Ltd.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Revenue

2.1 Rate 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 2021-22 was \$174,751,260 (2020-21 \$173,547,502). Government funds received in relation to pensioner rates rebates of \$748,939 were accounted for as rates and charges revenue (2020-21 \$737,406). The rate in the dollar for general rates varies depending on property type. A table of the relevant rates in the dollar is below

	2020-21	2021-22		
General/Vacant	10.4000	10.7063		
Residential	8.0415	8.2764		
Primary Production	10.0226	10.3164		
Commercial (CBD)/Industrial	11.9776	12.3273		
	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
General rate	15,814	15,232	15,814	15,232
Waste service charge	4,148	4,029	4,148	4,029
Fire levy	2,158	2,043	2,158	2,043
Stormwater service charges	1,669	1,622	1,669	1,622
	23,789	22,926	23,789	22,926

The date of the latest general revaluation of land for rating purposes within the municipality was 30 June 2019. New values were applied in the rating year commencing 1 July 2019.

Accounting Policy

Council recognises revenue from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate.

2.2 Statutory fees and fines

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Infringements	399	425	399	425
Planning fees	233	261	233	261
Section 132 & 337 certificates	206	168	206	168
Licence fees	75	53	75	53
	913	907	913	907

Accounting Policy

Fees and fines (including parking fees and fines) are recognised when or as the performance obligation is completed, or when the taxable event has been applied and Council has an unconditional right to receive payment.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2022

2.3 User charges

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Parking revenue	1,755	1,497	1,755	1,497
Sales	683	196	683	196
Other fees and charges	1,883	2,401	1,883	1,876
	4,321	4,094	4,321	3,569

Accounting Policy

Council recognises revenue from user fees and charges when or as the performance obligation is completed and the customer receives the benefit of the goods/services being provided. Licences granted by Council are all either short-term or low value and all revenue is recognised at the time that the licence is granted rather than over the term of the licence.

2.4 Grants

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Summary of grants				
Federally funded grants	5,679	4,379	5,679	4,379
State funded grants	763	977	763	977
Others	53	75	53	75
	6,495	5,431	6,495	5,431

Grants - recurrent

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Federally funded grants				
Commonwealth Government Financial Assistance Grants General Purpose (Untied)	1,954	1,269	1,954	1,269
Commonwealth Government Financial Assistance Grants Roads (Untied)	1,705	1,255	1,705	1,255
Building Bridges	-	68	-	68
Stronger Places Stronger People	-	732	-	732
	3,659	3,324	3,659	3,324
State funded recurrent grants				
Cultural Heritage "Arts Tasmania"	131	110	131	110
Transport services	56	56	56	56
Youth services	-	4	-	4
Australia Day	-	1	-	1
Play for Life	-	15	-	15
	187	187	187	187
Other grants				
Ridgley Highway - Gorse and English Broom Control - NRM	48	-	48	-

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
	48	-	48	-
Total grants - recurrent	3,894	3,511	3,894	3,511

Grants - capital

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Federally funded capital grants received specifically for new or upgraded assets				
Roads to recovery	484	484	484	484
Montello Soccer Ground Upgrade	500	-	500	-
Eastern Promenade	-	136	-	136
West Park Facilities Upgrade	-	150	-	150
Local Roads and Community Infrastructure	1,035	286	1,035	286
	2,019	1,056	2,019	1,056
State funded capital grants received specifically for new or upgraded assets				
Black Spot Funding - Mooreville R	-	50	-	50
RFCFP - South Burnie Toilets, Changeooms and Car	39	11	39	11
Bridges Renewal - Circular Road Bridge	-	113	-	113
McKenna Park J League Soccer Facilities	61	3	61	3
Vulnerable Road User Program - The Boulevard	89	98	89	98
Safe Rural Roads Program - Upper Natone Road	109	515	109	515
Safer Rural Roads Program - West Mooreville Road	278	-	278	-
	576	789	576	789
Other contributions	5	75	5	75
Total grants - capital	2,600	1,920	2,600	1,920

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Unspent grants and contributions

Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Operating				
Balance of unspent funds at 1 July	151	416	151	416
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	-	-	-	-
Add: Funds received and not recognised as revenue in the current year	17	57	17	57
Less: Funds received in prior year but funds repaid to grantor in current year	(145)	-	(145)	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	(7)	(322)	(7)	(322)
Balance of unspent funds at 30 June	16	151	16	151
Capital				
Balance of unspent funds at 1 July	378	64	378	64
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	-	-	-	-
Add: Funds received and not recognised as revenue in the current year	969	317	969	317
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	-	-	-	-
Less: Funds received in prior year but revenue recognised and funds spent in current year	(377)	(3)	(377)	(3)
Balance of unspent funds at 30 June	970	378	970	378
Total unspent funds	986	529	986	529

Accounting Policy

Council recognises untied grant revenue and those without performance obligations when received. In cases where there is an enforceable agreement which contains sufficiently specific performance obligations, revenue is recognised as or when control of each performance obligation is satisfied. (i.e. when it transfers control of a product or provides a service.) A contract liability is recognised for unspent funds received in advance and then recognised as income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include obligations to complete capital works projects or complete programs of work which benefit the community. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Unspent grants and contributions (cont'd)

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), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and revenue as the unspent funds are expended at the point in time at which required performance obligations are completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred, since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

In both years the Commonwealth has made early payment of the first two quarterly instalments of untied Financial Assistance Grants for the following year. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being above that budgeted (revised budget adopted in January 2022) in 2021-22 by \$2,219,476 (2020-21 above by \$1,305,115). This has impacted on the Statement of Comprehensive Income, resulting in the net result for the year being higher in 2021-22 by \$914,361 (2020-21 higher by \$56,180).

2.5 Contributions

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-monetary assets				
Roads	1,587	367	1,587	367
Drainage	1,034	27	1,034	27
	2,621	394	2,621	394

Accounting Policy

Council recognises contributions without performance obligations when received. In cases where the contributions is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

2.6 Interest

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest on investments	97	100	97	99
Interest on outstanding rates	132	81	132	81
	229	181	229	180

Accounting Policy

Interest is recognised progressively as it is earned.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

2.7 Other income

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Volunteer services	126	76	126	76
Covid-19 cash flow boost	-	30	-	-
Rent received	499	459	499	459
Income from assets not owned by Council	32	-	32	-
	657	565	657	535

Accounting Policy

Volunteer services

Council recognises the inflow of resources in the form of volunteer services where the fair value of those services can be reliably measured and Council would have purchased those services if they had not been donated.

Rent

Rents are recognised as revenue when the payment is due. Rental payments received in advance are recognised as a payable until they are due.

2.8 Investment revenue

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Distributions from Tas Communications Unit Trust	-	-	130	35
Distribution from Water Corporation - dividend	994	414	994	414
	994	414	1,124	449

Accounting Policy

Dividend revenue is recognised when Council's right to receive payment is established and it can be reliably measured.

2.9 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Proceeds on sale of assets	217	1,993	217	1,993
Less: written down value of assets disposed	(577)	(1,409)	(577)	(1,405)
	(360)	584	(360)	588

Accounting Policy

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

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

3 Expenses

3.1 Employee benefits

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Wages & salaries	8,586	10,419	8,586	10,076
Annual, sick, long service & other leave paid	953	1,086	953	1,044
Other employee costs	1,057	1,071	1,057	1,057
Superannuation	1,162	1,236	1,162	1,193
	11,758	13,812	11,758	13,370
Less capitalised wages	(966)	(764)	(966)	(764)
	10,792	13,048	10,792	12,606

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.

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

3.2 Materials and services

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Advertising and marketing	44	64	44	64
Levies and contributions	178	335	178	335
Contracts	4,553	5,075	4,553	5,075
Cruise ship expenses	-	5	-	5
Electricity	667	711	667	705
Insurance	443	417	443	404
Legal expenses	109	131	109	131
Materials and services	4,313	2,696	4,313	4,193
Memberships and subscriptions	306	258	306	258
Printing, stationery and office supplies	55	106	55	106
Cost of goods sold	38	1,173	38	6
	10,706	10,971	10,706	11,282

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.

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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

3.3 Depreciation and amortisation expense

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property				
Buildings	1,305	1,221	1,305	1,221
Plant and equipment				
Plant, machinery and equipment	1,034	1,002	1,034	740
Motor vehicles	180	173	180	173
Fixtures, fittings and furniture	125	128	125	128
Infrastructure				
Roads and footpaths	3,747	3,600	3,747	3,600
Infrastructure	-	22	-	22
Bridges and culverts	188	182	188	182
Drainage	861	838	861	838
Telecommunications	29	29	29	-
Parks and recreation	1,105	991	1,105	991
Revaluations	45	42	45	42
	8,619	8,228	8,619	7,937

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.

Land improvements, buildings, infrastructure, plant and equipment 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. Right-of-use assets are amortised over the lease term. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation and amortisation rates and methods are reviewed annually.

Where 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 plant and equipment, artwork and road 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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

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

Fixed asset class	Useful life
Property	
Land	Unlimited
Land under roads	Unlimited
Buildings	20 - 100 years
Plant and equipment	
Plant, machinery and equipment	3 - 20 years
Motor vehicles	5 - 10 years
Fixtures, fittings and furniture	5 - 50 years
Heritage plant and equipment	Not depreciated
Infrastructure	
Roads and footpaths	10 - 100 years
Other assets	10 - 75 years
Bridges and culverts	20 - 80 years
Drainage	20 - 100 years
Telecommunications	3 - 10 years
Parks and recreation	10 - 100 years
Municipal revaluations	6 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

3.4 Impairment of receivables

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade debtors	(70)	(150)	(70)	(150)
	(70)	(150)	(70)	(150)

Accounting Policy

Expenses are recognised when Council has determined there to be an increase in the credit risk of a financial asset since initial recognition. Council's policy and events giving rise to impairment losses are disclosed in note 4.3.

3.5 Finance costs

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest - borrowings	192	226	192	226
	192	226	192	226

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.

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

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

3.6 Other expenses

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
External auditor's remuneration - Council and grant acquittals	68	63	68	63
External auditor's remuneration - Burnie Airport Corporation & Tas Communications Unit Trust	-	4	-	4
Councillor allowances	289	285	289	285
Direct Councillor expenses	11	14	11	14
Indirect Councillor expenses	16	16	16	16
Volunteer services	126	76	126	76
Election costs	8	8	8	8
Fire levies	2,141	2,024	2,141	2,024
Land tax	246	237	246	237
Water and sewer rates	438	369	438	369
Remissions and discounts	365	367	365	367
Audit Committee costs	9	19	9	19
	3,717	3,482	3,717	3,482

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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

4 Current assets

4.1 Cash and cash equivalents

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash on hand	26	26	26	26
Cash at bank	10,554	11,314	10,554	10,442
	10,580	11,340	10,580	10,468

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:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trust funds and deposits	132	132	132	132
Unspent grant with conditions	986	529	986	529
Total restricted funds	1,118	661	1,118	661

Total unrestricted funds	9,462	9,807	9,462	9,807
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Accounting Policy

Cash and cash equivalents

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 three months or less, net of outstanding bank overdrafts.

Restricted funds

- i. Includes refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.
- ii. Represents grant funding received in advance until specific performance obligations required under funding arrangements are completed.

2022 grants shown as restricted assets relate to \$0.986 million for unspent grant funds for planning, design and construction of the coastal pathway and erosion revetments from Cooee to Wynyard, installation of electric vehicle charging station within the multi storey car park, construction of fishing platform for the Burnie breakwater, construction of boat trailer parking area near boat ramp, fire protection facilities for telecommunications infrastructure at round hill, upgrade of weighbridge systems at waste transfer station and equipment, furnishings for a creative learning space at the new cultural centre, to deliver the emu river flood warning implementation study and creation of a play and relax space at the Burnie Regional Museum.

2021 grants shown as restricted assets relate to \$0.529 million for unspent grant funds for regional employment trial, local drug action team, building bridges, stronger places stronger people, McKenna Park junior soccer, safer rural roads program – West Mooreville Road and South Burnie toilets, change rooms and car park.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

4.2 Investments

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Term deposits	7,512	-	7,512	-
	7,512	-	7,512	-

4.3 Trade and Other Receivables

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Rates debtors	1,939	1,517	1,939	1,517
Accrued interest	77	33	77	33
Other accrued income	97	73	97	67
Sundry debtors	2,189	2,720	2,189	2,280
Provision for expected credit loss	(867)	(938)	(867)	(938)
	3,435	3,406	3,435	2,959

Reconciliation of changes in the provision for impairment of receivables is as follows:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the year	938	1,091	938	1,088
Impairment loss recognised	(70)	(150)	(70)	(150)
Amounts written off as uncollectible	-	-	-	-
Balance at end of the year	867	938	867	938

Accounting Policy

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating ECL, Council considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Council has established a provision matrix to facilitate the impairment assessment.

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

4.4 Contract assets

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
CURRENT				
Contractual assets for work in progress	495	658	495	658
	495	658	495	658

Accounting Policy

Council recognises a contractual asset for work in progress where a performance obligation is satisfied by transferring a promised good or service to the customer, before the customer pays consideration or the payment is due. Contractual assets are transferred to receivables when the right to receive payment becomes unconditional.

Council reviews contractual assets for impairment. All of the projects below are expected to be completed and funds received within the next 12 months. There is no impairment.

Council recognised the following contract assets with customers:

- i. Road projects funded under the local roads and community infrastructure program phase
- ii. Weed management project funded by NRM

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

5 Other investments

5.1 Investments in water corporation

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Opening balance	62,888	58,156	62,888	58,156
Fair value adjustments on equity investment assets	1,663	4,732	1,663	4,732
	64,551	62,888	64,551	62,888

Council has derived returns from the Water Corporation as disclosed at note 2.8 in the form of dividends, tax equivalent payments and guarantee fees.

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under *AASB 9: Financial Instruments* to irrevocably classify this equity investment as designated as fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer note 9.1) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date.

At 30 June 2022, Council holds a 3.90% ownership interest in TasWater which is based on schedule 2 of the Corporation's Constitution which reflects the Council's voting rights.

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2022

5.2 Investment in joint venture

(a) Joint venture investment

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Investment in joint ventures	3,341	3,256	3,341	3,256
	3,341	3,256	3,341	3,256

(b) Composition of joint ventures

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2022	Percentage Owned (%)* 2021
Joint arrangements:			
Burnie Airport Corporation	Australia	51	51

(c) Joint venture with joint venture partner

	2022	2021
	\$'000	\$'000
Burnie Airport Corporation		
% ownership held by joint venture partner	49	49
Profit/(loss) allocated to joint venture partner	252	318
Accumulated equity of joint venture partner	3,210	3,129
Dividends paid to joint venture partner	318	465

Summarised statement of financial position

Current assets	1,194	1,753
Non-current assets	6,262	6,353
Current liabilities	376	774
Non-current liabilities	530	947
Net assets	6,550	6,385

Summarised statement of comprehensive income

Income	1,413	1,557
Expenditure	(899)	(908)
Net profit	514	649

Summarised statement of cashflows

Cashflows from operating activities	(47)	(307)
Cashflows from investing activities	2,035	1,386
Cashflows from financing activities	(1,294)	(1,104)
	694	(25)

Consolidated Notes to the Financial Statements

For the Year Ended 30 June 2022

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 a net profit of \$513,864 for the year compared with a net profit of \$649,285 in 2021.

The Trust had net assets of \$6,550,478 as at 30 June 2022.

The Trust employed 3 full time equivalent employees as at 30 June 2022 (2021: 3.25 full time equivalents).

5.3 Investments in subsidiaries

(a) Investment

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Investments in subsidiaries	-	-	-	2,103
	-	-	-	2,103

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

Council's 2021 investment in subsidiaries is accounted for at cost. Subsidiaries included in the 2021 consolidated accounts are:

- Tas Communications Unit Trust (100% ownership)
- Tas Communications Pty Ltd (100% ownership)

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

Tas Communications Unit Trust (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.

Burnie City Council, as the parent entity of Tas Communications Unit Trust, acquired the net assets and business operations of the entity on 1 July 2021. All items of property, plant and equipment were included as part of the transfer, and have been recognised at the value at which they have been acquired as part of the executed sales agreement. No profit or loss arose on this transaction.

Following the decision of the Council to wind up the Tas Communications Pty Ltd company, Deloitte were commissioned to manage this process. All activities have been completed with the exception of the closure of the bank account which needed to occur after 30 June 2022. Once this is completed Deloitte will enact the Members Voluntary Liquidation (MVL) process

(b) Disposal of a subsidiary

The carrying amount of the net assets of Tas Communications Unit Trust at the date of disposal (1 July 2021) was \$1,091,441

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

6 Non-current assets

6.1 Property, plant and equipment and infrastructure

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
PROPERTY				
Land				
At fair value	33,505	26,769	33,505	26,769
	33,505	26,769	33,505	26,769
Land under roads				
At fair value	26,838	26,838	26,838	26,838
	26,838	26,838	26,838	26,838
Buildings				
At fair value	115,960	100,284	115,960	100,284
Less accumulated depreciation	(49,108)	(42,012)	(49,108)	(42,012)
	66,852	58,272	66,852	58,272
Total Property	127,195	111,879	127,195	111,879
PLANT AND EQUIPMENT				
Plant and equipment				
At cost	14,517	14,057	14,517	11,313
Accumulated depreciation	(9,652)	(9,207)	(9,652)	(7,216)
	4,865	4,850	4,865	4,097
Furniture, fixtures and fittings				
At cost	4,962	4,942	4,962	4,942
Less accumulated depreciation	(3,851)	(3,740)	(3,851)	(3,740)
	1,111	1,202	1,111	1,202
Motor vehicles				
At cost	2,129	2,116	2,129	2,116
Less accumulated depreciation	(947)	(1,009)	(947)	(1,009)
	1,182	1,107	1,182	1,107
Heritage plant and equipment				
At cost	1,708	1,708	1,708	1,708
Less accumulated depreciation	(546)	(546)	(546)	(546)
	1,162	1,162	1,162	1,162
Total Plant and Equipment	8,320	8,321	8,320	7,568

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
INFRASTRUCTURE				
Roads and footpaths				
At fair value	333,894	305,734	333,894	305,734
Less accumulated depreciation	(183,851)	(169,054)	(183,851)	(169,054)
	150,043	136,680	150,043	136,680
Bridges and culverts				
At fair value	16,567	15,378	16,567	15,378
Less accumulated depreciation	(7,284)	(6,595)	(7,284)	(6,595)
	9,283	8,783	9,283	8,783
Drainage				
At fair value	93,724	87,018	93,724	87,018
Less accumulated depreciation	(37,793)	(34,876)	(37,793)	(34,876)
	55,931	52,142	55,931	52,142
Telecommunications				
At cost	878	952	878	-
Less accumulated depreciation	(568)	(613)	(568)	-
	310	339	310	-
Parks and recreation				
At fair value	61,029	55,551	61,029	55,551
Less accumulated depreciation	(22,550)	(19,088)	(22,550)	(19,088)
	38,479	36,463	38,479	36,463
Municipal revaluation				
At cost	245	245	245	245
Less accumulated depreciation	(91)	(46)	(91)	(46)
	154	199	154	199
Total Infrastructure	254,200	234,605	254,200	234,267
CAPITAL WORK PROGRESS				
At cost	1,245	2,194	1,245	2,194
Total capital work in progress	1,245	2,194	1,245	2,194
Total property, plant and equipment	390,960	356,999	390,960	355,908

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Council	Balance at beginning of year \$'000	Acquisition of assets and transfers from work in progress \$'000	Revaluation increments (decrements) \$'000	Depreciation and amortisation \$'000	Written down value of disposals \$'000	Impairment losses recognised in profit or loss \$'000	Balance at the end of the year \$'000
Year ended 30 June 2022							
Property							
Land	26,769	-	6,736	-	-	-	33,505
Land under roads	26,838	-	-	-	-	-	26,838
Buildings	58,272	1,388	8,497	(1,305)	-	-	66,852
Total property	111,879	1,388	15,233	(1,305)	-	-	127,195
Plant and equipment							
Plant, machinery and equipment	4,097	1,802	-	(1,034)	-	-	4,865
Motor vehicles	1,106	333	-	(180)	(78)	-	1,181
Fixtures, fittings and furniture	1,202	37	-	(125)	(3)	-	1,111
Heritage plant and equipment	1,163	-	-	-	-	-	1,163
Total plant and equipment	7,568	2,172	-	(1,339)	(81)	-	8,320
Infrastructure							
Roads and footpaths	136,680	6,544	10,833	(3,748)	(266)	-	150,043
Bridges and culverts	8,782	51	638	(188)	-	-	9,283
Drainage	52,141	1,582	3,076	(861)	(7)	-	55,931
Telecommunications	-	339	-	(29)	-	-	310
Parks and recreation	36,464	2,136	1,209	(1,105)	(225)	-	38,479
Municipal revaluations	199	-	-	(45)	-	-	154
Total infrastructure	234,266	10,652	15,756	(5,976)	(498)	-	254,200
Works in progress							
Works in progress	2,194	(949)	-	-	-	-	1,245
Total works in progress	2,194	(949)	-	-	-	-	1,245
Total property, plant and equipment and infrastructure	355,908	13,261	30,989	(8,619)	(579)	-	390,960

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Movements in carrying amounts of property, plant and equipment (cont'd)

Council	Balance at beginning of year \$'000	Acquisition of assets and transfers from work in progress \$'000	Revaluation increments (decrements) \$'000	Depreciation and amortisation \$'000	Written down value of disposals \$'000	Impairment losses recognised in profit or loss \$'000	Balance at the end of the year \$'000
Year ended 30 June 2021							
Property							
Land (incl land under roads)	52,041	-	2,496	-	(930)	-	53,607
Buildings	52,218	3,945	3,330	(1,221)	-	-	58,272
Total property	104,259	3,945	5,826	(1,221)	(930)	-	111,879
Plant and equipment							
Plant, machinery and equipment	3,705	1,205	-	(742)	(71)	-	4,097
Motor vehicles	1,116	201	-	(173)	(38)	-	1,106
Fixtures, fittings and furniture	775	555	-	(128)	-	-	1,202
Heritage plant and equipment	1,075	88	-	-	-	-	1,163
Total plant and equipment	6,671	2,049	-	(1,043)	(109)	-	7,568
Infrastructure							
Roads and footpaths	136,504	3,346	559	(3,600)	(129)	-	136,680
Other assets	4,632	(4,462)	-	(22)	(148)	-	-
Bridges and culverts	9,000	211	(196)	(182)	(50)	-	8,783
Drainage	51,270	1,139	572	(838)	(2)	-	52,141
Parks and recreation	33,718	1,802	1,975	(991)	(40)	-	38,464
Municipal revaluations	219	22	-	(42)	-	-	199
Total infrastructure	235,343	2,058	2,910	(5,675)	(369)	-	234,267
Works in progress							
Works in progress	2,767	(573)	-	-	-	-	2,194
Total works in progress	2,767	(573)	-	-	-	-	2,194
Total property, plant and equipment and infrastructure	349,040	7,479	8,736	(7,939)	(1,408)	-	355,908

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Movements in carrying amounts of property, plant and equipment (cont'd)

Consolidated	Balance at beginning of year \$'000	Acquisition of assets and transfers from work in progress \$'000	Revaluation increments (decrements) \$'000	Depreciation and amortisation \$'000	Written down value of disposals \$'000	Impairment losses recognised in profit or loss \$'000	Balance at the end of the year \$'000
Year ended 30 June 2022							
Property							
Land	26,769	-	6,736	-	-	-	33,505
Land under roads	26,838	-	-	-	-	-	26,838
Buildings	58,272	1,388	8,497	(1,305)	-	-	66,852
Total property	111,879	1,388	15,233	(1,305)	-	-	127,195
Plant and equipment							
Plant, machinery and equipment	4,850	1,049	-	(1,034)	-	-	4,865
Motor vehicles	1,106	333	-	(180)	(78)	-	1,181
Fixtures, fittings and furniture	1,202	37	-	(125)	(3)	-	1,111
Heritage plant and equipment	1,163	-	-	-	-	-	1,163
Total plant and equipment	8,321	1,419	-	(1,339)	(81)	-	8,320
Infrastructure							
Roads and footpaths	136,680	6,543	10,833	(3,747)	(266)	-	150,043
Bridges and culverts	8,782	51	638	(188)	-	-	9,283
Drainage	52,141	1,582	3,076	(861)	(7)	-	55,931
Telecommunications	339	-	-	(29)	-	-	310
Parks and recreation	36,464	2,136	1,209	(1,105)	(225)	-	38,479
Municipal revaluation	199	-	-	(45)	-	-	154
Total infrastructure	234,605	10,312	15,756	(5,975)	(498)	-	254,200
Works in progress							
Works in progress	2,194	(949)	-	-	-	-	1,245
Total works in progress	2,194	(949)	-	-	-	-	1,245
Balance at the end of the year	356,999	12,170	30,989	(8,619)	(579)	-	390,960

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Movements in carrying amounts of property, plant and equipment (cont'd)

Consolidated	Balance at beginning of year \$'000	Acquisition of assets and transfers from work in progress \$'000	Revaluation increments (decrements) \$'000	Depreciation and amortisation \$'000	Written down value of disposals \$'000	Impairment losses recognised in profit or loss \$'000	Balance at the end of the year \$'000
Year ended 30 June 2021							
Property							
Land (inc land under roads)	52,041	-	2,496	-	(930)	-	53,607
Buildings	52,218	3,945	3,330	(1,221)	-	-	58,272
Total property	104,259	3,945	5,826	(1,221)	(930)	-	111,879
Plant and equipment							
Plant, machinery and equipment	4,668	1,257	-	(1,001)	(74)	-	4,850
Motor vehicles	1,116	201	-	(173)	(38)	-	1,106
Fixtures, fittings and furniture	775	555	-	(128)	-	-	1,202
Heritage plant and equipment	1,075	88	-	-	-	-	1,163
Total plant and equipment	7,634	2,101	-	(1,302)	(112)	-	8,321
Infrastructure							
Roads and footpaths	136,504	3,346	559	(3,600)	(129)	-	136,680
Other assets	4,632	(4,463)	-	(22)	(147)	-	-
Bridges and culverts	8,999	211	(196)	(182)	(50)	-	8,782
Drainage	51,270	1,139	572	(838)	(2)	-	52,141
Telecommunications	368	-	-	(29)	-	-	339
Parks and recreation	33,718	1,802	1,975	(991)	(40)	-	36,464
Municipal revaluations	219	22	-	(42)	-	-	199
Total infrastructure	235,710	2,057	2,910	(5,704)	(368)	-	234,605
Work in progress							
Work in progress	2,810	(616)	-	-	-	-	2,194
Total works in progress	2,810	(616)	-	-	-	-	2,194
Balance at the end of the year	350,413	7,487	8,736	(8,227)	(1,410)	-	356,999

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Movements in carrying amounts of property, plant and equipment (cont'd)	
Accounting Policy	
Recognition and measurement of assets	
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, plant and equipment and infrastructure 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
Property	
Land	\$1
Land under roads	\$1
Buildings	\$5,000
Plant and equipment	
Plant, machinery and equipment	\$500
Motor vehicles	\$5,000
Fixtures, fittings and furniture	\$500
Heritage plant and equipment	\$1
Infrastructure	
Roads and footpaths	\$5,000
Other assets	\$500
Bridges and culverts	\$5,000
Drainage	\$5,000
Telecommunications	\$500
Parks and recreation	\$5,000
Municipal revaluation	\$1

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

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

	Valuation basis
Property	
Land	Fair value
Land under roads	Fair value
Buildings	Fair value
Plant and equipment	
Plant, machinery and equipment	Cost
Motor vehicles	Cost
Fixtures, fittings and furniture	Cost
Heritage plant and equipment	Cost
Infrastructure	
Roads and footpaths	Fair value
Other assets	Cost
Bridges and culverts	Fair value
Drainage	Fair value
Telecommunications	Cost
Parks and recreation	Fair value
Municipal revaluation	Cost
Subsequent to the initial recognition of assets, non-current physical assets, other than plant, machinery and equipment, motor vehicles, fixtures, fittings and furniture, heritage plant and equipment, other assets, telecommunications equipment and municipal revaluation, are measured at their fair value in accordance with <i>AASB 116 Property, Plant & Equipment</i> and <i>AASB 13 Fair Value Measurement</i> . 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 (excluding municipal revaluation), on a regular basis to ensure valuations represent fair value. Infrastructure assets comprise roads and footpaths, bridges and culverts, parks and recreation and drainage assets. 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 of an asset result in changes to the permissible or practical highest and best use of the asset.	
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 Non-financial assets	
Impairment losses are recognised in the statement of comprehensive income under other expenses.	
Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.	
Land under roads	
Council recognises the value of land under roads that it controls at fair value.	

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

6.2 Investments

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Term deposits	-	5,000	-	5,000
	-	5,000	-	5,000

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

7 Current liabilities

7.1 Trade and other payables

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
CURRENT				
Trade payables	1,936	1,498	1,936	1,568
Rates and charges in advance	970	905	970	905
Accrued expenses	440	312	440	291
Revenue received in advance	103	90	103	3
	3,447	2,805	3,447	2,767

Accounting policy

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.

Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payments relates.

7.2 Trust funds and deposits

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Refundable deposits, bonds and retentions	132	132	132	132
	132	132	132	132

Accounting policy

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

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

7.3 Contract liabilities

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
CURRENT				
Funds received to acquire or construct an asset controlled by Council	969	378	969	378
Funds received prior to performance obligation being satisfied (upfront payments)	17	151	17	151
	986	529	986	529

Accounting Policy

Council recognised the following contract liabilities:

- i. Grant funds received in advance includes funding for planning, design and construction of the coastal pathway and erosion revetments from Cooe to Wynyard, installation of electric vehicle charging station within the multi storey car park, construction of fishing platform for the Burnie breakwater, construction of boat trailer parking area near boat ramp, fire protection facilities for telecommunications infrastructure at round hill, upgrade of weighbridge systems at waste transfer station and equipment and furnishings for a creative learning space at the new cultural centre. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. Revenue is expected to be recognised in the next 12 months.
- ii. Funds received prior to performance obligations being satisfied (upfront payments) includes funds received to deliver the emu river flood warning implementation study and creation of a play and relax space at the Burnie Regional Museum. Revenue is recognised as the performance obligations are satisfied with the corresponding contract liability being reduced.
- iii. Upfront payments of funds from contracts with customers are recognised as a contract liability until performance obligations are satisfied. Revenue is recognised as performance obligations are progressively fulfilled.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

7.4 Provisions

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
CURRENT				
Annual leave	912	935	912	882
Long service leave	1,164	1,477	1,164	1,389
Redundancy	97	1,000	97	1,000
Rostered day off	81	40	81	40
	2,254	3,452	2,254	3,311
NON-CURRENT				
Long service leave	122	134	122	134
	122	134	122	134
Current	2,254	3,452	2,254	3,311
Non-current	122	134	122	134
Total	2,376	3,586	2,376	3,445

Council

	Annual leave	Long service leave	Other	Total
	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 July 2021	953	1,438	1,054	3,445
Additional provisions	784	97	197	1,078
Provisions used	(825)	(235)	(1,073)	(2,133)
Unwinding of discount	-	(14)	-	(14)
Balance at 30 June 2022	912	1,286	178	2,376

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

7.4 Provisions (cont'd)

	Consolidated		Council	
	2022	2021	2022	2021
The following assumptions were adopted in measuring the present value of employee benefits				
Weighted average increase in employee costs	2.30%	2.30%	2.30%	2.30%
Weighted average discount rate	3.10%	0.40%	3.10%	0.40%
Weighted average settlement period (days)	12	12	12	12
Employee numbers	123	140	123	136

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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

8 Non-current liabilities

8.1 Interest bearing loans and borrowings

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
CURRENT				
Borrowings - secured	1,109	1,333	1,109	1,333
	1,109	1,333	1,109	1,333
NON-CURRENT				
Borrowings - secured	7,597	8,706	7,597	8,706
	7,597	8,706	7,597	8,706
Total borrowings	8,706	10,039	8,706	10,039

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
BORROWINGS				
The maturity profile of Council's borrowings is:				
Not later than one year	1,109	1,333	1,109	1,333
Later than one year and not later than five years	4,276	4,318	4,276	4,318
Later than five years	3,321	4,388	3,321	4,388
Total	8,706	10,039	8,706	10,039

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.

Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan during the period. Borrowings are secured by way of mortgages over the general rates of the Council.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9 Other financial information

9.1 Reserves

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Asset revaluation reserves	176,127	145,052	176,127	145,052
Fair value reserves	6,668	5,005	6,668	5,005
	182,795	150,057	182,795	150,057

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
(a) Asset revaluation reserve			
Property			
Land	17,506	6,736	24,242
Buildings	5,188	8,497	13,685
	22,694	15,233	37,927
Infrastructure			
Roads and footpaths	70,580	10,833	81,413
Car parks	2,500	-	2,500
Bridges and culverts	4,654	638	5,292
Drainage	28,045	3,076	31,121
Parks and recreation	14,137	1,209	15,346
	119,916	15,756	135,672
Associate			
Investment in Joint Venture	2,442	85	2,527
	2,442	85	2,527
Total asset revaluation reserve	145,052	31,074	176,126
(b) Fair value reserve			
Investment in Water Corporation	5,005	1,664	6,669
Total fair value reserve	5,005	1,664	6,669
Total reserves	150,057	32,738	182,795

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.1 Reserves (cont'd)

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
Consolidated 2021			
(a) Asset revaluation reserve			
Property			
Land	15,010	2,496	17,506
Buildings	1,858	3,330	5,188
	16,868	5,826	22,694
Infrastructure			
Roads and footpaths	70,021	559	70,580
Car parks	2,500	-	2,500
Bridges and culverts	4,850	(196)	4,654
Drainage	27,473	572	28,045
Parks and recreation	12,162	1,975	14,137
	117,006	2,910	119,916
Associate			
Investment in Joint Venture	2,442	-	2,442
	2,442	-	2,442
Total asset revaluation reserve	136,316	8,736	145,052
(b) Fair value reserve			
Investment in Water Corporation	273	4,732	5,005
Total fair value reserve	273	4,732	5,005
Total reserves	136,589	13,468	150,057

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.1 Reserves (cont'd)

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
Council 2022			
(a) Asset revaluation			
Property			
Land	17,506	6,736	24,242
Buildings	5,188	8,497	13,685
	22,694	15,233	37,927
Infrastructure			
Roads and footpaths	70,580	10,833	81,413
Car parks	2,500	-	2,500
Bridges and culverts	4,654	638	5,292
Drainage	28,045	3,076	31,121
Parks and recreation	14,137	1,209	15,346
	119,916	15,756	135,672
Associate			
Investment in Joint Venture	2,442	85	2,527
	2,442	85	2,527
Total asset revaluation reserve	145,052	31,074	176,126
(b) Fair value reserve			
Investment in Water Corporation	5,005	1,664	6,669
Total fair value reserve	5,005	1,664	6,669
Total reserves	150,057	32,738	182,795

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.1 Reserves (cont'd)

	Balance at beginning of reporting year \$'000	Increment/ (decrement) \$'000	Balance at end of reporting year \$'000
Council 2021			
(a) Asset revaluation			
Property			
Land	15,010	2,496	17,506
Buildings	1,858	3,330	5,188
	16,868	5,826	22,694
Infrastructure			
Roads and footpaths	70,021	559	70,580
Car parks	2,500	-	2,500
Bridges an culverts	4,850	(196)	4,654
Drainage	27,473	572	28,045
Parks and recreation	12,162	1,975	14,137
	117,006	2,910	119,916
Associate			
Investment in Joint Venture	2,442	-	2,442
	2,442	-	2,442
Total asset revaluation reserve	136,316	8,736	145,052
(b) Fair value reserve			
Investment in Water Corporation	273	4,732	5,005
Total fair value reserve	273	4,732	5,005
Total reserves	136,589	13,468	150,057

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.2 Superannuation

Council makes superannuation contributions for one of its employees to the Quadrant Defined Benefits Fund (the Fund). The fund was a sub-fund of the Tasplan Superannuation Fund up to 31 March 2021. On 1 April 2021, the Tasplan Superannuation Fund merged (via a Successor Fund Transfer) into the MTAA Superannuation Fund to become Spirit Super. 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 2021 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 2020. The review disclosed that at that time the net market value of assets available for funding member benefits was \$51,939,000, the value of vested benefits was \$43,411,000, the surplus over vested benefits was \$8,528,000, the value of total accrued benefits was \$43,562,000, and the number of members was 95. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in Spirit Super's financial statements for Council employees.

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

- Net Investment Return 3.75% pa
- Salary Inflation 2.75% 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 2020.
- 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 2020.
- 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 2020.

Given the strong financial position of the Fund, the Actuary recommended that the Council consider a contribution holiday and contribute 0% of salaries from 1 July 2021 to 30 June 2024.

The Actuary will continue to undertake a brief review of the financial position of 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 2023 and is expected to be completed in late 2023.

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 2020 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 2017. 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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.2 Superannuation (cont'd)

- 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 Dependants 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 AASB119 defined benefit reporting.
- During the reporting period the amount of superannuation contributions paid to defined benefits schemes was Consolidated Entity \$196 (2020-21, \$9,000), Council \$196 (2021-21, \$9,000), and the amount paid to accumulation schemes was Consolidated Entity \$1,161,000 (2020-21, \$1,228,000), Council \$1,161,000 (2020-21, \$1,185,000).
- During the next reporting period the expected amount of superannuation contributions to be paid to defined benefits schemes is \$0 , and the amount to be paid to accumulation schemes is \$1,340,712.
- As reported above, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2020. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2023.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Deloitte Consulting Pty Ltd as at 30 June 2021, showed that the Fund had assets of \$54.52 million and members' Vested Benefits were \$45.12 million. These amounts represented 0.21% and 0.18% respectively of the corresponding total amounts for Spirit Super.
- As at 30 June 2021 the Fund had 87 members and the total employer contributions and member contributions for the year ending 30 June 2021 were \$879,254 and \$229,820 respectively.

	2022 \$'000	2021 \$'000
Fund		
Defined benefits fund	-	9
Accumulation funds	1,161	1,185

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.3 Reconciliation of cashflows from operating activities to surplus/(deficit)

Reconciliation of net income to net cash provided by operating activities:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Result from continuing operations	6,266	449	6,396	354
Non-cash flows in surplus:				
Depreciation/amortisation	8,619	8,228	8,619	7,937
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	360	(585)	360	(588)
Non-monetary contributions	(2,621)	(394)	(2,621)	(394)
Impairment losses on receivables	(70)	(150)	(70)	(150)
Share of profit of joint venture	69	152	69	152
Capital grants received specifically for new or upgraded assets	(2,600)	(1,920)	(2,600)	(1,920)
Changes in assets and liabilities:				
- (increase)/decrease in trade and other receivables	(475)	113	(475)	114
- (increase)/decrease in other assets	(310)	(117)	(310)	(117)
- (increase)/decrease in inventories	56	(34)	56	(34)
- increase/(decrease) in trade and other payables	1,480	822	1,518	770
- increase/(decrease) in other liabilities	(134)	(277)	(134)	(265)
- increase/(decrease) in provisions	(1,211)	776	(1,070)	764
Cashflows from operations	9,429	7,063	9,738	6,625

9.4 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Consolidated Statement Cash Flows as cash flows from financing activities.

Consolidated	2022	2021
	\$'000	\$'000
Interest-bearing loans and borrowings	10,038	11,336
Balance at the beginning of the year		
Changes from financing cash flows		
Cash received	-	-
Cash repayments	(1,332)	(1,298)
Balance at the end of the year	8,706	10,038
Council	2022	2021
	\$'000	\$'000
Interest-bearing loans and borrowings	10,038	11,336
Balance at the beginning of the year		
Changes from financing cash flows		
Cash received	-	-
Cash paid	(1,332)	(1,298)
Balance at the end of the year	8,706	10,038

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.5 Commitments

Contractual commitments at end of financial year but not recognised in the financial report are as follows (inclusive of GST):

	Council	
	2022	2021
	\$'000	\$'000
Capital expenditure commitments		
Aquatic Centre Wind Break	-	50
Guardrail Upgrade Program	-	85
Mount Street Taxi Rank Cover	-	26
Oakleigh Park - Public Art Work	-	21
Plant and equipment	-	684
South Burnie Beach Upgrade	-	706
Upper Burnie Lookout development	-	42
View Road Reserve Pump Track	-	245
Buildings	424	-
Parks and Reserves	405	-
Plant and Equipment	156	-
Waste	56	-
	1,041	1,859
Contractual commitments		
Air conditioner maintenance	69	128
Annual week spraying services	92	27
Aquatic Centre - gas supply	223	136
Bridge management	51	69
Burnie Works Grant Funding	121	-
Business North West Promotion Funding	80	-
Cleaning contracts for Council buildings	223	235
Fire system management	128	14
Lift maintenance	28	69
Management - Aquatic Centre	3,833	434
Other	22	-
Performances and events	33	-
Security services	415	100
Supply of electricity	2,935	2,637
Waste management	1,947	5,521
	10,200	9,370

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.6 Operating leases as lessor

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).

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 current 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 investment 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 reliably measured at balance date.

Maturity analysis of operating lease payments to be received		
	2022 \$'000	2021 \$'000
Year 1	447	302
Year 2	243	281
Year 3	211	196
Year 4	216	169
Year 5	133	104
Later than 5 years	250	127
	1,500	1,179

The following table presents the amounts reported in the profit or loss

Lease income on operating leases	499	482
Therein lease income relating to variable lease payments that do not depend on an index or rate	-	-

9.7 Contingent liabilities and contingent assets

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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

9.8 Financial instruments

(a) Interest rate risk

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

Financial instrument composition and maturity analysis

The Group's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate %		Floating Interest Rate		Maturing within 1 Year		Maturing 1 to 5 Years		Maturing Over 5 Years		Non-interest Bearing		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents			1,879	-	5,000	11,340	-	-	-	-	3,701	-	10,580	11,340
Investments			0.74	0.55	-	7,512	-	5,000	-	-	-	-	7,512	5,000
Receivables														
- rates	7.87	6.81	-	-	1,939	1,516	-	-	-	-	-	-	1,939	1,516
- other	-	-	-	-	-	-	-	-	-	-	1,496	1,890	1,496	1,890
Investment in Water Corporation	-	-	-	-	-	-	-	-	-	-	64,551	62,888	64,551	62,888
Investment in Joint Venture	-	-	-	-	-	-	-	-	-	-	3,341	3,256	3,341	3,256
Total Financial Assets			1,879	-	14,451	12,856	-	5,000	-	-	73,089	68,034	89,419	85,890
Financial Liabilities:														
Payables	-	-	-	-	-	-	-	-	-	-	(3,447)	(2,805)	(3,447)	(2,805)
Trust funds and deposits	-	-	-	-	-	-	-	-	-	-	(132)	(132)	(132)	(132)
Interest bearing liabilities	1.91	2.01	-	-	(1,109)	(1,339)	(4,276)	(4,316)	(3,321)	(4,383)	-	-	(8,706)	(10,038)
Total Financial Liabilities			-	-	(1,109)	(1,339)	(4,276)	(4,316)	(3,321)	(4,383)	(3,579)	(2,937)	(12,285)	(12,975)
			1,879	-	13,342	11,517	(4,276)	684	(3,321)	(4,383)	69,510	65,097	77,134	72,915

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(b) Fair value

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

	Total carrying amount as per the Statement of financial position		Aggregate net fair value	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assets				
Cash and cash equivalents	10,580	11,340	10,580	11,340
Other financial assets	7,512	5,000	7,512	5,000
Trade and other receivables	3,435	3,406	3,435	3,406
Investment in Water Corporation	64,551	62,888	64,551	62,888
Investment in Joint Venture	3,341	3,256	3,341	3,256
	89,419	85,890	89,419	85,890
Financial liabilities				
Trade and other payables	(3,447)	(2,805)	(3,447)	(2,805)
Trust funds and deposits	(132)	(132)	(132)	(132)
Interest bearing loans and borrowings	(8,706)	(10,038)	(8,706)	(10,038)
	(12,285)	(12,975)	(12,285)	(12,975)

(c) 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 as indicated in the Statement of Financial Position.

(d) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments 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.

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.

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 Council's Treasury Policy.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval 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 (as amended).

We manage interest rate risk by adopting a Treasury Policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,

Consolidated Notes to the Financial Statements
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- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

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:

- 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.

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.

Credit quality of contractual financial assets that are neither past due nor impaired

	Financial institutions (min A2 short term) \$'000	Government agencies \$'000	Other \$'000	Total \$'000
2022				
Cash and cash equivalents	10,580	-	-	10,580
Trade and other receivables	-	-	3,435	3,435
Investments and other financial assets	7,512	-	-	7,512
Total contractual financial assets	18,092	-	3,435	21,527
2021				
Cash and cash equivalents	11,340	-	-	11,340
Trade and other receivables	-	-	3,406	3,406
Investments and other financial assets	5,000	-	-	5,000
Total contractual financial assets	16,340	-	3,406	19,746

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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 assets at all.

To help reduce these risks we:

- have a liquidity 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. The Council's 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 non-lease Financial Liabilities.

These amounts represent the discounted cash flow payments (ie principal only).

	6 mnths or less \$'000	6 - 12 months \$'000	1 - 2 years \$'000	2 - 5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carryin g amount \$'000
2022							
Trade and other payables	3,447	-	-	-	-	3,447	3,447
Trust funds and deposits	132	-	-	-	-	132	132
Interest-bearing loan and borrowings	551	557	1,132	3,144	3,321	8,706	8,706
	4,130	557	1,132	3,144	3,321	12,285	12,285
2021							
Trade and other payables	2,805	-	-	-	-	2,805	2,805
Trust funds and deposits	132	-	-	-	-	132	132
Interest-bearing loans and borrowings	670	670	1,109	3,208	4,383	10,038	10,038
	3,607	670	1,109	3,208	4,383	12,975	12,975

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(e) Sensitivity analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the 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 -1% in market interest rates (AUD) from year-end rates of 4.4%.

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.

	Interest rate risk -1%			Interest rate risk +1%	
		Profit	Equity	Profit	Equity
2022	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	10,580	(106)	(106)	106	106
Investments	7,512	(75)	(75)	75	75
Rate debtors	1,939	(19)	(19)	19	19
Financial liabilities					
Interest-bearing loans and borrowings	8,706	87	87	(87)	(87)
	Interest rate risk -1%			Interest rate risk +1%	
		Profit	Equity	Profit	Equity
2021	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets					
Cash and cash equivalents	11,340	(113)	(113)	113	113
Investments	5,000	(50)	(50)	50	50
Rate debtors	1,516	(15)	(15)	15	15
Financial liabilities					
Interest-bearing loans and borrowings	10,038	100	100	(100)	(100)

9.9 Fair Value Measurements

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

- Investment in Water Corporation
- Investment in Joint Venture
- Property, infrastructure plant and equipment
 - Land
 - Land under roads
 - Buildings
 - Roads and footpaths
 - Parks and recreation
 - Bridges and culverts
 - Drainage

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

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(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
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either
- 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 2022.

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.

30 June 2022	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements					
Land	6.1	-	33,505	-	33,505
Land under roads	6.1	-	26,838	-	26,838
Buildings	6.1	-	18,694	48,158	66,852
Roads and footpaths	6.1	-	-	150,043	150,043
Parks and recreation	6.1	-	-	38,479	38,479
Bridges and culverts	6.1	-	-	9,283	9,283
Drainage	6.1	-	-	55,931	55,931
Investment in Water Corporation	5.1	-	-	64,551	64,551
Investment in Joint Venture	5.2	-	-	3,341	3,341
		-	79,037	369,786	448,823

30 June 2021	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements					
Land	6.1	-	26,769	-	26,769
Land under roads	6.1	-	26,839	-	26,839
Buildings	6.1	-	14,922	43,349	58,271
Roads and footpaths	6.1	-	-	136,680	136,680
Parks and recreation	6.1	-	-	36,464	36,464
Bridges and culverts	6.1	-	-	8,782	8,782
Drainage	6.1	-	-	52,141	52,141
Investment in Water Corporation	5.1	-	-	62,888	62,888
Investment in Joint Venture	5.2	-	-	3,256	3,256
		-	68,530	343,560	412,090

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 between levels of the fair value hierarchy.

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(b) Highest and best use

AASB 13 requires the fair value of non-financial assets to be calculated based on their "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 5.1 for valuation and significant inputs.

Investment in Joint Venture

Refer to note 5.2 for valuation and significant inputs.

Land

Land fair values were determined by the Valuer-General. The land has been indexed effective 30 June 2022 by applying the Valuer-General's Land Value Adjustment Factors 28 February 2022. 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

Land under roads is based on valuations determined by the Valuer-General effective 1 July 2019, using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights, private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation.

Buildings

The fair value of buildings have been determined by an independent valuer, Liquid Pacific, effective 30 June 2019. The level 3 assets have been indexed by applying the Residential Building Construction Tasmania Index applied at 30 June 2022 using the 31 March 2022 ABS index rates. The level 2 assets have been indexed by applying the Residential Property Price Hobart Index applied at 30 June 2022 using 31 December 2021 ABS index rates. 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

Council infrastructure assets (excluding municipal revaluation) comprising of roads and footpaths, bridges and culverts, parks and recreation and drainage 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. 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 3.3.

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.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

Roads and footpaths

A full valuation of Transport was undertaken by Council's technical services division effective 30 June 2021 using replacement rates determined by Council's technical services division. The assets have been indexed this year by applying the Road and Bridge Construction Index with indexation applied at 30 June 2022 using the 31 March 2022 ABS index rates.

Parks and recreation

A full valuation of parks and recreation assets was undertaken by Council's technical services division effective 30 June 2021. The assets have been indexed each year by applying the Consumer Price Index, All Groups for Hobart. The indexation has been applied at 30 June 2022 using the 31 March 2022 ABS index rates.

Bridges and culverts

A full valuation of bridges assets was undertaken by independent valuers, AusSpan, effective June 2021. The assets have been indexed this year by applying the Road and Bridge Construction Index with indexation applied at 30 June 2022 using the 31 March 2022 ABS index rates.

Drainage

A full valuation of drainage infrastructure was undertaken by Council's Engineer effective 30 June 2018. The assets have been indexed each year by applying the Consumer Price Index, All Groups for Hobart. The indexation has been applied at 30 June 2022 using the 31 March 2022 ABS index rates. 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 6.1.
Investment in Water Corporation, which is classified as level 3, has been separately disclosed in note 5.1
Investment in Joint Venture, which is classified as level 3, has been separately disclosed in note 5.2

(e) Valuation processes

Council's current policy for the valuation of land, buildings and infrastructure assets is set out in notes 6.1 and 6.2. Valuation policy for Investment in Water Corporation is disclosed in note 5.1. Valuation policy for Investment in Joint Venture is disclosed in note 5.2.

(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 8.1 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).

Events occurring after balance date

There are no events after balance date.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters

10.1 Other significant accounting policies and pending accounting standards

(a) Taxation

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the 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 Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(b) Impairment of non-financial 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 Statement of Other 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 deprival 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 twelve 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) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(e) Contingent assets, contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget

The estimated revenue and expense amounts in the Statement of Other Comprehensive Income represent revised budget amounts and are not audited.

(g) Adoption of new and amended accounting standards

In the current year, Council has reviewed and assessed all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board, and determined that none would have a material effect on Council's operations or financial reporting.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.1 Other significant accounting policies and pending accounting standards (cont'd)

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Correction, applicable to annual reporting periods beginning on or after 1 January 2022.

The amendments address an acknowledge inconsistency between the requirements in AASB10, and those in AASB128 (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.

10.2 Management indicators

(a) Consolidated underlying surplus or deficit

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Net result for the year		6,266	449	2,204	116
Less non-operating income					
Capital grants		(2,600)	(1,920)	(1,220)	(1,320)
Contributions		(2,621)	(394)	(1,885)	(102)
Add non-operational expenditure					
De-recognition of assets		-	-	112	-
Capital works completed on assets not owned by Council		-	-	15	12
Adjustments to timing of Financial Assistance Grants		(914)	(56)	(77)	(2)
Consolidated underlying surplus/(deficit)	0	131	(1,921)	(851)	(1,296)

* 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 intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.

The Commonwealth Government paid 75% of the Financial Assistance Grant for Council in advance of the 2022-23 financial year. This income is recognised in the current financial year 2021-22, but would normally be used to support operations in 2022-23. The underlying surplus has been adjusted to include this effect.

Council achieved a small surplus for the 2022-23 financial year, which is consistent with the benchmark and is a significant improvement from several years of underlying deficits.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.2 Management indicators (cont'd)

(b) Consolidated underlying surplus ratio

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Consolidated underlying surplus or deficit		131	(1,921)	(851)	(1,296)
Recurrent income		34,087	33,299	34,797	33,636
Consolidated underlying surplus ratio %	> 0%	0.38%	-5.77%	-2.44%	-3.85%

This ratio serves as an overall measure of financial operating effectiveness. The benchmark and result achieved reflects Council's goal to breakeven, consistent with its financial management strategy.

(c) Consolidated net financial assets/(liabilities)

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Liquid assets less total liabilities		13,753 (15,648)	14,746 (17,090)	18,094 (17,228)	7,358 (6,559)
Net financial liabilities	0	(1,895)	(2,344)	866	799

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 be needed to fund the shortfall. Council has \$7.512m in term deposits that can be redeemed early if required. Council has sufficient liquid assets to cover total liabilities.

(d) Consolidated net financial assets/(liabilities) ratio

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Net financial liabilities		(1,895)	(2,344)	866	799
Recurrent income		34,087	33,299	34,797	33,636
Net financial assets/(liabilities) ratio %	0% to (50)%	(5.56%)	(7.04%)	2.49%	2.37%

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

Council has had a focus on improving its financial performance and position, reducing debt, which reflects in the resulting ratio. The result is consistent with the benchmark.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.2 Management indicators (cont'd)

(e) Consolidated asset consumption ratio

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Buildings					
Fair value (carrying amount)		66,852	52,272	522,118	50,561
Current replacement cost (gross)		115,960	100,284	90,517	86,771
Asset consumption ratio %	> 60%	58%	58%	58%	58%
Transport infrastructure					
Fair value (carrying amount)		150,043	136,680	136,504	134,299
Current replacement cost (gross)		333,894	305,734	300,997	295,226
Asset consumption ratio %	> 60%	45%	45%	45%	45%
Drainage					
Fair value (carrying amount)		55,931	52,141	51,270	49,375
Current replacement cost (gross)		93,724	87,018	84,926	81,181
Asset consumption ratio %	> 60%	60%	60%	60%	61%

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

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.

Council's asset consumption ratio for all asset classes above has been consistent and at or near benchmark, with the exception of transport which is below benchmark, reflecting the current condition of transport assets.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.2 Management indicators (cont'd)

(f) Consolidated asset renewal funding ratio

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Transport infrastructure					
Projected capital funding outlays**		43,452	42,671	88,581	39,280
Projected capital expenditure funding***		44,058	42,671	30,488	33,713
Asset renewal funding ratio %	90-100%	99%	100%	291%	117%
Plant, equipment and other					
Projected capital funding outlays**		17,701	14,075	7,988	8,150
Projected capital expenditure funding***		15,497	14,075	7,988	8,150
Asset renewal funding ratio %	90-100%	88%	100%	100%	100%
Buildings					
Projected capital funding outlays**		21,968	17,499	4,192	3,824
Projected capital expenditure funding***		18,874	17,499	4,192	3,824
Asset renewal funding ratio %	90-100%	86%	100%	100%	100%
Parks and reserves					
Projected capital funding outlays**		10,124	11,222	1,590	3,024
Projected capital expenditure funding***		11,171	11,222	1,590	3,024
Asset renewal funding ratio %	90-100%	110%	100%	100%	100%
Drainage					
Projected capital funding outlays**		7,602	7,097	2,550	2,586
Projected capital expenditure funding***		7,408	7,097	2,550	2,586
Asset renewal funding ratio %	90-100%	97%	100%	100%	100%

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.

** 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.

This ratio measures Council's capacity to fund future asset replacement requirements. This ratio should be considered over the 10 year life of the Strategic Asset Management plan and Financial Management Plan. Council is planning a review of asset condition and this information will be reflected in future Asset Management Plans.

Overall, the asset renewal ratio for all asset classes across council is 99%. Council funding for the replacement of assets is slightly more than benchmark, but ensures funding for the replacement of assets and a provision for future requirements not yet known.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.2 Management indicators (cont'd)

(g) Consolidated asset sustainability ratio

	Benchmark	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000
Capex on replacement/renewal of existing assets		5,957	3,317	3,171	4,309
Annual depreciation expense		8,619	7,939	7,645	7,708
Asset sustainability ratio %	100%	69%	42%	41%	56%

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

Council has focused on the replacement of existing assets, rather than new and upgraded assets, reflecting in a higher asset sustainability ratio.

2022	Capital renewal expenditure \$'000	Capital new/upgrade expenditure \$'000	Total Capital Expenditure \$'000
Buildings	183	792	975
Property, plant and equipment	1,522	290	1,812
Storm water	330	74	404
Transport	3,660	1,126	4,786
Waste	60	10	70
Parks and recreation	202	1,126	1,328
Total	5,957	3,418	9,375

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions

(i) Councillor remuneration

Name	Position	Period	Allowances	Vehicles	Total compensation AASB 124	Expenses*	Total allowance and expenses section 72
2022							
Mr S Kongs	Mayor	Full year	82,961	-	82,961	844	83,805
Ms G Simpson	Deputy Mayor	Full year	42,229	-	42,229	1,468	43,697
Mr A Boyd	Councillor	Full year	23,703	-	23,703	536	24,239
Ms T Brumby	Councillor	Full year	23,703	-	23,703	1,315	25,018
Mr T Bulle	Councillor	Full year	23,703	-	23,703	1,082	24,785
Mr K Dorsey	Councillor	Full year	23,703	-	23,703	1,799	25,502
Mrs A Keygan	Councillor	Full year	23,703	-	23,703	2,769	26,472
Mr C Lynch	Councillor	Full year	21,713	-	21,713	721	22,434
Mr D Pease	Councillor	Full year	23,703	-	23,703	32	23,735
			289,121	-	289,121	10,566	299,687
2021							
Mr S Kongs	Mayor	Full year	81,110	-	81,110	2,064	83,174
Ms G Simpson	Deputy Mayor	Full year	41,286	-	41,286	1,305	42,591
Mr A Boyd	Councillor	Full year	23,174	-	23,174	962	24,136
Ms T Brumby	Councillor	Full year	23,174	-	23,174	2,090	25,264
Mr T Bulle	Councillor	Full year	23,174	-	23,174	982	24,156
Mr K Dorsey	Councillor	Full year	23,174	-	23,174	3,522	26,696
Mrs A Keygan	Councillor	Full year	23,174	-	23,174	1,497	24,671
Mr C Lynch	Councillor	Full year	23,174	-	23,174	1,324	24,498
Mr D Pease	Councillor	Full year	23,174	-	23,174	269	23,443
			284,614	-	284,614	14,015	298,629

*Section 72 (1)cb of the Local Government Act 1993 requires the disclosure of expenses paid to Councillors. The main category of Councillor expenses directly relates to communications (i.e. telephone, internet costs). Other areas of expenses include seminars, functions and professional development, plus out-of-pocket costs (i.e. meals, travel and accommodation) associated with attending a seminar or function, as well as dependant person care. All costs claimed are in accordance with the Local Government Act 1993 and associated General Regulations.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions (cont'd)

(ii) Key Management Personnel Remuneration

Name	Position	Period	Remuneration band	Salary ¹	Short-term incentive payments ²	Vehicles ³	Other allowances and benefit ⁴	Super -annuation ⁵	Termination benefits ⁶	Non-monetary benefits ⁷	Total
2022											
Mr S Overland	General Manager	Full year	\$260,001 - \$280,000	215,000	-	19,582	1,621	26,875	-	10,517	273,595
Mrs B Lynch	Director - Corporate and Commercial Services	Full year	\$200,001 - \$220,000	164,857	-	17,267	193	21,335	-	13,411	217,063
Mr P Earle	Director - Land and Environmental Services	Full year	\$200,001 - \$220,000	169,785	-	14,758	1,329	21,631	-	3,135	210,638
Mr G Neil	Director - Works and Services	01/07/2021 - 2 0/05/2022	\$160,000 - \$180,000	149,246	-	16,648	4,157	18,933	45,811	(67,841)	166,954
Sub-total				698,888	-	68,255	7,300	88,774	45,811	(40,778)	868,250
Acting arrangements											
Mr R Sharman	Acting Director - Works and Services	27/09/2021 to 30/06/2022	140 000 - 160 000	122,370	-	-	-	15,908	-	9,413	147,691
Sub-total				122,370	-	-	-	15,908	-	9,413	147,691
Total				821,258	-	68,255	7,300	104,682	45,811	(31,365)	1,015,941

Burnie City Council

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions (cont'd)

(ii) Key Management Personnel Remuneration (cont'd)

Name	Position	Period	Remuneration band	Salary ¹	Short-term incentive payments ²	Vehicles ³	Other allowances and benefit ⁴	Super -annuation ⁵	Termination benefits ⁶	Non-monetary benefits ⁷	Total
2021											
Mr A Wardlaw	General Manager	01/07/2020 to 31/07/2020	\$0 - \$20,000	28,046	-	5,181	324	3,404	88,556	(108,207)	17,304
Mrs B Lynch	Director - Corporate Executive	02/03/2021 to 30/06/2021	\$60,001 - \$80,000	51,692	-	946	1,564	6,462	-	6,312	66,976
Mr M Smith	Manager - Corporate Finance Executive	01/07/2020 to 01/01/2021	\$80,001 - \$100,000	77,317	-	-	2,059	9,037	43,051	(44,809)	86,655
Ms M Neasey	Manager - Corporate Governance	01/07/2020 to 26/02/2021	\$100,001 - \$120,000	93,775	-	-	1,533	11,633	-	7,193	114,134
Mr R Greene	Director - Community and Economic Development	01/07/2020 to 26/02/2021	\$100,001 - \$120,000	114,824	-	6,131	432	14,218	53,499	(72,639)	116,465
Mr S Overland	General Manager	03/11/2020 to 30/06/2021	\$160,001 - \$180,000	140,184	-	8,638	382	17,469	-	13,248	179,921
		01/07/2020 to 31/07/2020 and 03/11/2020 to 30/06/2021									
Mr G Neil	Director - Works and Services	03/11/2020 to 30/06/2021	\$160,001 - \$180,000	123,615	7,405	13,429	3,990	16,234	-	11,486	176,159
Mr P Earle	Director - Land and Environmental Services	Full year	\$200,001 - \$220,000	168,915	-	14,758	1,662	20,845	-	7,151	213,331
				798,368	7,405	49,083	11,946	99,302	185,106	(180,265)	970,945

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions (cont'd)

(ii) Key Management Personnel Remuneration (cont'd)

Name	Position	Period	Remuneration band	Salary ¹	Short-term incentive payments ²	Vehicles ³	Other allowances and benefit ⁴	Super -annuation ⁵	Termination benefits ⁶	Non-monetary benefits ⁷	Total
Acting arrangements											
Mr G Neil	Acting General Manager	01/08/2020 to 02/11/2020	\$60,001 - \$80,000	50,554	-	-	-	6,319	-	3,889	60,762
Mr R Sharman	Acting Director - Works and Services	01/08/2020 to 03/11/2020	\$40,001 - \$60,000	38,873	-	-	-	4,859	-	2,990	46,722
Ms M Wyatt	Acting Executive Manager - Corporate Finance	10/12/2020 to 28/02/2021	\$20,001 - \$40,000	16,924	-	-	-	2,116	-	1,309	20,349
Mrs K Evans	Acting Executive Manager - Corporate Finance	10/12/2020 to 28/02/20	\$20,001 - \$40,000	16,824	-	-	-	2,103	-	1,294	20,221
Mrs C Lucas	Director - Community and Economic Development	17/08/2020 to 11/09/2020	\$0 - \$20,000	11,030	-	-	-	1,379	-	844	13,253
				134,205	-	-	-	16,776	-	10,326	161,307
				932,573	7,405	49,083	11,946	116,078	185,106	(169,939)	1,132,252

¹ Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

² Short term incentive payments are non-recurrent payments which depend on achieving specified performance goals within specified timeframes. These payments are capped at 15% of base salary.

³ Includes total cost of providing and maintain vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance costs and parking (including notional value of parking provided at premises that are owned or leased and fringe benefits tax).

⁴ Other allowances and benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

⁵ Superannuation means the contribution to the superannuation fund of the individual.

⁶ Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

⁷ Non-monetary benefits include annual and long service leave movements and non-monetary benefits.

Burnie City Council

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions (cont'd)

(iii) Remuneration principles

Councillors

Councillor allowances are paid in accordance with Section 34(a) of the Local Government Act 1993.

Executives

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the General Manager, contain a termination clause that requires the senior executive or Council to provide a minimum notice period from one to two months prior to termination of the contract.

Short term incentive payments

There were no short term payments awarded during the current year

Termination benefits

Termination payments during the current year included:

- Mr G Neil employment finished on 20 May 2022. The balance of his annual and long service leave was paid out to the value of \$45,811

Acting arrangements

When members of key management personnel are on period of leave, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

In the current year:

- Mr R Sharman was the Acting Director of Works and Services from 27 September 2021 to 30 June 2022, while Mr G Neil managed Council Depot Operations

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions (cont'd)

(iv) Transactions with related parties

	Balance outstanding						
	Purchases	Sales	Other	Owed to Council	Owed by Council	Provision for bad debts	Bad debts expenses
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Transactions with related parties							
2022							
Tas Communications Unit Trust	-	-	129	-	-	-	-
Burnie Airport Corporation	-	-	-	-	-	-	-
2021							
Tas Communications Unit Trust	1,461	130	-	3	94	-	-
Burnie Airport Corporation	-	71	-	-	-	-	-

Transactions with subsidiaries, associates and joint ventures

Transactions with subsidiaries, associates and joint ventures are detailed in note 5.2

Transactions with subsidiaries

There were no transactions with subsidiaries in the 2021-22 financial year.

Transactions with joint ventures

In accordance with s84(2)(b) of the Local Government Act 1993, the General Manager has been notified in respect interests in the following entities with which the Council has major financial dealings:

- Nature of the transaction: *Grant fundings for Burnie Works**
- Amount of the transactions during the year: *\$101,014*
- Outstanding balances, including commitments at year end: *Council owes a further milestone*
- Terms and conditions: *30 day terms*
- Provision for doubtful debts: *\$nil*
- The expense recognised during the period relating to bad or doubtful debts due from related parties: *\$nil*

** Council support Burnie Works with a grant to deliver a range of social activities that improve outcomes and connectedness for the Burnie Community. A Councillor is the Chair of Burnie Works. The contract is the for period of 1 July 2021 to 30 June 2024 (3 Years). Funding for 21-22 financial year was \$57,000 which is indexed based on annual CPI movement for the 12 months to March Quarter of previous year. Prior to 1 July 2021 Council operated Burnie Works.*

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.3 Related party transactions (cont'd)

(v) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of council live and operate within the municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates on a primary residence
- Dog registration

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

Council makes membership contributions to Cradle Coast Authority. Cradle Coast Authority is deemed to be a related party due to the General Manger being a board member for part of the year. Amounts paid are as follows:

	2022	2021
Membership contributions	154,967	162,232

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.4 Significant business activities

Revenue	BAFC Trading		Aquatic Centre		Waste		Parking		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Rates	-	-	-	-	4,148	4,029	-	-	4,148	4,029
Grants	15	18	-	-	-	6	-	-	15	24
Other	247	161	-	-	471	685	2,148	1,915	2,866	2,761
	262	179	-	-	4,619	4,720	2,148	1,915	7,029	6,814
Expenses										
<i>Direct</i>										
Employee costs	169	160	21	22	687	656	594	571	1,471	1,409
Materials and contracts	101	16	696	849	3,381	3,483	302	291	4,480	4,639
Interest	-	-	2	11	-	-	-	-	2	11
Other	-	-	54	44	38	110	40	113	132	267
<i>Indirect</i>										
Overheads	65	-	320	-	1,345	292	261	133	1,991	425
	335	176	1,093	926	5,451	4,541	1,197	1,108	8,076	6,751
Notional Cost of free services received										
<i>Capital costs</i>										
Depreciation	-	32	292	279	99	86	150	144	541	541
Opportunity cost of capital	30	8	255	63	104	9	184	29	573	109
	30	40	547	342	203	95	334	173	1,114	650
Competitive neutrality costs										
	10	10	40	39	5	32	58	255	113	336

Overheads are calculated on a notional basis in accordance with competitive neutrality principles.

Consolidated Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Other matters (cont'd)

10.4 Significant business activities (cont'd)

Accounting Policy

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 above. 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.

Certification of the Consolidated Financial Report

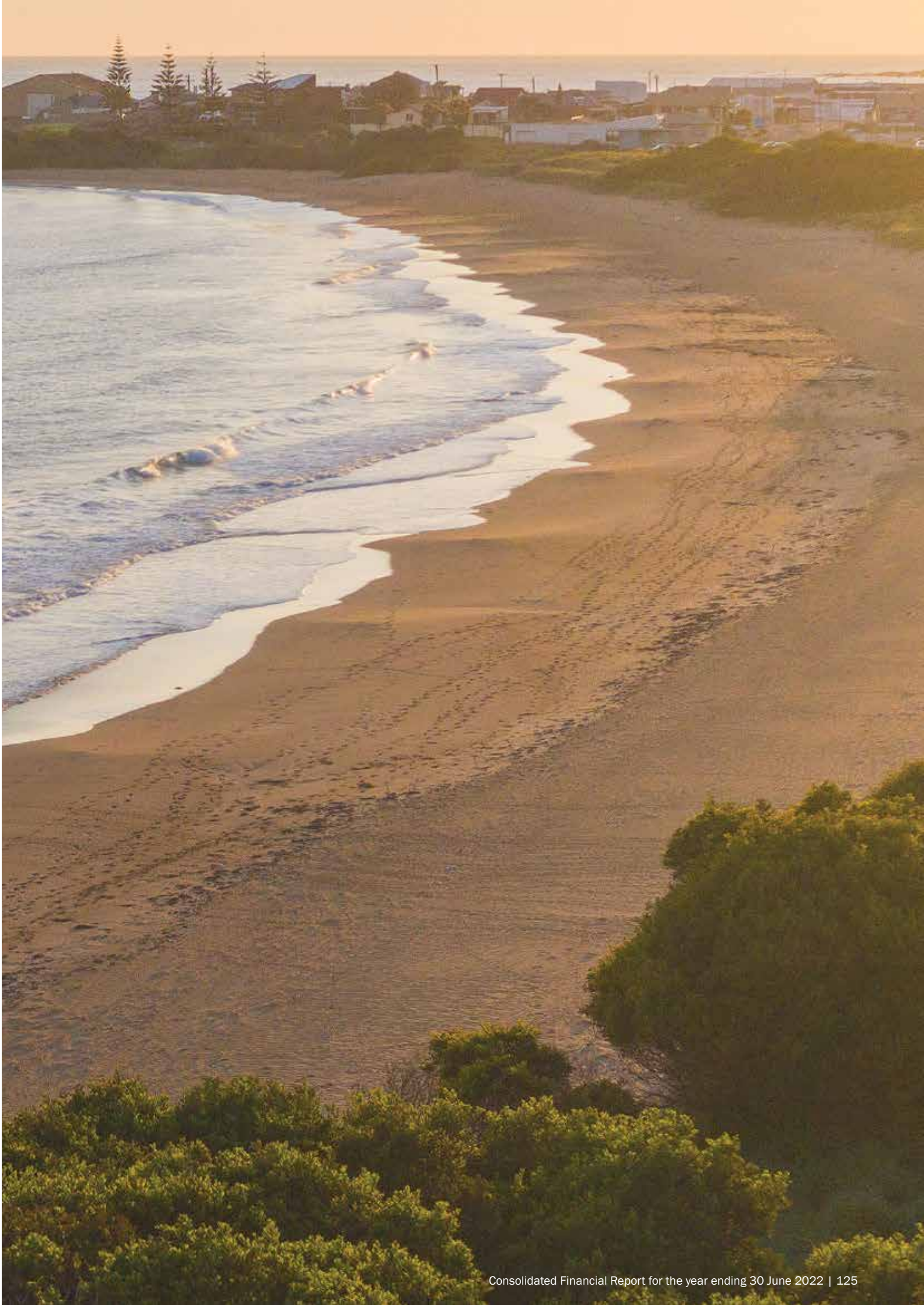
The financial report presents fairly the consolidated financial position of the Burnie City Council as at 30 June 2022, the results of its operation and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Simon Overland

General Manager

Date: 7 October 2022





Our papers have an ISO environmental certification and are milled from responsible forestry practices

Acknowledgements

Burnie City Council acknowledges
the following photographers:
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