



# MINUTES

## GENERAL MEETING

**Tuesday 22 October 2019**

commencing at 10.35am

Strathpine Chambers  
220 Gympie Road, Strathpine

**ENDORSED GM20191029**

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**4. A) CONFIRMATION OF MINUTES FROM PREVIOUS GENERAL MEETING**

**General Meeting - 22 October 2019 (Pages 19/2233 to 19/2256)**

**RESOLUTION**

Moved by Cr Koliana Winchester

Seconded by Cr Mike Charlton (Deputy Mayor)

**CARRIED 11/0**

**That the minutes of the General Meeting held 22 October 2019, be confirmed.**

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# Moreton Bay Regional Council

GENERAL MEETING - 491  
22 October 2019

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## 1. OPENING PRAYER

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The Mayor recited the Opening Prayer and invited Councillors to join him in the recitation of the Lord's Prayer.

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## 2. ATTENDANCE & APOLOGIES

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### Attendance:

Cr Allan Sutherland (Mayor) (Chairperson)  
Cr Brooke Savige  
Cr Peter Flannery  
Cr Adam Hain  
Cr Julie Greer  
Cr James Houghton  
Cr Koliana Winchester  
Cr Denise Sims  
Cr Mick Gillam  
Cr Mike Charlton (Deputy Mayor)  
Cr Darren Grimwade

Acting Chief Executive Officer	(Mr Graeme Kanofski)
Director Engineering, Construction & Maintenance	(Mr Tony Martini)
Director Community & Environmental Services	(Mr Bill Halpin)
Director Infrastructure Planning	(Mr Andrew Ryan)
Director Planning	(Mr Mike Pickering)
Interim Director Finance & Corporate Services	(Mr Bruce Davidson)
Manager Strategy and Engagement	(Mr Joshua O'Keefe)
Accounting Services Manager	(Mr Denis Crowe)
Meeting Support	(Larissa Kerrisk)

### Apologies:

Cr Matt Constance

### Suspended:

Under section 182A of the *Local Government Act 2009* Cr Adrian Raedel is currently suspended from office.

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## 3. MEMORIALS OR CONDOLENCES

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Cr James Houghton made special mention of the late **Mr Barry Bolton OAM**, former Redcliffe City Council Mayor, who passed away suddenly on Monday 21 October 2019. A full condolence will be provided at next week's General Meeting

Council observed a moment's silence for residents who had passed away.

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#### 4. CONFIRMATION OF MINUTES FROM PREVIOUS GENERAL MEETING

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##### **General Meeting - 8 October 2019 (Pages 19/2139 - 19/2232)**

<b>RESOLUTION</b>
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Moved by Cr Koliانا Winchester

Seconded by Cr Peter Flannery

CARRIED 11/0

That the minutes of the General Meeting held 8 October 2019, be confirmed.

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#### 5. PRESENTATION OF PETITIONS

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*(Addressed to the Council and tabled by Councillors)*

##### **5.1. Petition - A.J. and Ann Nielsen - Objection to changes to the parking permit area for Kallangur Train Station (A19246451)**

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Cr Denise Sims tabled a petition containing 54 signatures, received from AJ and Ann Nielsen reading as follows:

*"On behalf of the home owners in Brigalow Court, we hereby submit our objection petition regards the changes to the Parking Permit area - Kallangur Train Station.*

*We in Brigalow Court want to keep the No Parking signs from 6am - 6pm Monday to Friday as they are working."*

Council received the petition, referring it to the Director Infrastructure Planning for investigation and report to Council, if required.

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#### 6. CORRESPONDENCE

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There was no correspondence to be tabled.

## **ITEM 7 - DECLARATION OF INTEREST**

### **Conflict of Interest - Declaration - Cr Allan Sutherland (Mayor)**

Pursuant to s175E of the *Local Government Act 2009*, Cr Allan Sutherland (Mayor) declared a perceived conflict of interest in Item 7 as while no decision of Council is required in relation to Lakeside, Queensland Raceway donated \$22,195 to Moreton Futures Trust on 6 October 2011 and a further \$24,500 on 13 April 2012.

**Cr Allan Sutherland (Mayor) retired from the meeting at 10.41am taking no part in the Community Comment Session.**

### **Conflict of Interest - Declaration - Cr Mike Charlton (Deputy Mayor)**

Pursuant to s175E of the *Local Government Act 2009*, Cr Mike Charlton (Deputy Mayor) declared a perceived conflict of interest in Item 7 as:

- a) Queensland Raceways, was a contributor to Moreton Futures Trust. Moreton Futures Trust made an interest free loan to the Councillor's 2012 election campaign and provided various other gifts as follows:
- b) Because of the receipt of a gift as follows:
  - i) Queensland Raceways (a contributor to Moreton Futures Trust)
  - ii) \$5,000 interest free loan from Moreton Futures Trust received on 2 September 2011 (repaid on 25 January 2012)
  - iii) Moreton Futures Trust was a lender to the Councillor's 2012 election campaign
- c) Because of the receipt of a gift as follows:
  - i) Various gifts from Queensland Raceways
  - ii) VIP event pass, track and motor sport drive days, aerial inspections of Moreton Bay Regional area, and loan of utility vehicle in the 2008 and 2012 election campaigns
- d) The CEO/Owner of Queensland Raceways (Mr John Tetley) who receive the benefit of the works, is a friend of the Councillor.
- e) The Councillor's personal interest arises because of a personal relationship as follows:
  - i) Mr John Tetley is CEO/Owner of Queensland Raceways
  - ii) Mr John Tetley is a friend of the Councillor

**Cr Mike Charlton (Deputy Mayor) retired from the meeting at 10.41am taking no part in the Community Comment Session.**

## **RESOLUTION - APPOINT CHAIR**

Moved by Cr James Houghton

Seconded by Cr Peter Flannery

**CARRIED 9/0**

**That in the absence of the Mayor and the Deputy Mayor, Cr Mick Gillam be appointed as the Chairperson of the General Meeting for Item 7.**



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## 7. COMMUNITY COMMENT

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### 7.1. Community Comment: Mr Rod Ridley - Management of Lakeside Park lease (A19248407)

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Cr Mick Gillam opened the Community Comment session, making the required statement regarding the conduct of the Session, and invited Mr Rod Ridley, to address the Council in respect of the management of Lakeside Park lease; Council of the Shire of Pine Rivers (now MBRC) and Wrexmere Pty Ltd (trading as Queensland Raceways).

Mr Ridley's address contained the following points:

- Issues with Lakeside, particularly related to noise, have been ongoing since its rebirth as a motor racing circuit in 2008.
- Council has the responsibility for regulatory compliance in relation to noise and a duty to protect the community from excessive noise.
- A complaint was lodged with the Queensland Ombudsman in 2012 and a report provided to council in May 2013.
- Council failed to fully implement the Ombudsman's 2013 report recommendations resulting in the Ombudsman launching a follow-up investigation and the release of the 2015 Ombudsman's report.
- Mr Ridley said that the report is a damning indictment of Council's failure to monitor and regulate noise conditions at Lakeside and that failure to implement the Ombudsman's 2013 recommendations is the principal cause of complaints from nearby residents.
- Following the release of the 2015 Ombudsman's report, council commenced the Lakeside Noise and Communication Plan. In August 2017 the Ombudsman advised Council that *"I consider that Council has now implemented all recommendations arising from the Lakeside Noise Report."*
- Despite written warnings in 2016 and 2017 noise levels continued to exceed permitted levels, this resulted in three fines being issued to the Tenant and Mr Ridley has been advised that these fines have not been paid.
- The lease also contained a requirement for the submission of a proposed Business Plan every five years. Right To Information indicates that Business Plans from 2013 to 2016 do not exist. The Tenant's failure to submit a Business Plan in the required timeframe and the numerous occasions where noise levels have been exceeded should be seen as a serious breach of lease conditions.
- On 2 November 2018 a resident submitted an Administrative Action Complaint asking why: (1) Council has not made the Tenant abide by the terms of the Lease (2) Council has not enforced the 17 Special Conditions as contained in the Development Permit.
- A partial response to the Administrative Action Complaint was received on 21 December 2018 stating that the Tenant was operating under an approved Business Plan and that Council had received the appropriate rental payment. A further response was to be provided in January 2019 in relation to compliance with Special Conditions imposed by Development Permit 2008/11618.
- The complainant has not received any further information in relation to the Administrative Action Complaint to date.
- Mr Ridley stated that this blatant disregard of Council's Policy on Administrative Action Complaints, failure to ensure conditions of the Development Permit were met and failure to implement the 2013 Ombudsman's Report begs the question - *why is this so?*

Cr Mick Gillam thanked Mr Ridley for attending the Community Comment Session.

## ATTENDANCE

Cr Allan Sutherland (Mayor) and Cr Mike Charlton (Deputy Mayor) returned to the meeting at the conclusion of the Community Comment Session and the Mayor resumed the Chair at 10.51am.

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## 8. NOTIFIED MOTIONS

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There were no notified motions.

## 9. NOTICES OF MOTION (Repeal or amendment of resolutions)

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*(s262 of the Local Government Regulation 2012)*

There were no notices of motion.

## 10. OFFICERS' REPORTS TO COUNCIL (conducted in Sessions)

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*(as referred by the Chief Executive Officer)*

Consideration of officers' reports as referred by the Chief Executive Officer, to be conducted in Sessions.

The Session Chairperson and designated Spokesperson for the respective portfolio, is as follows:

Session	Spokesperson
1 Governance	Cr Allan Sutherland (Mayor)
2 Planning & Development	Cr Mick Gillam
3 Corporate Services	Cr Matt Constance
4 Asset Construction & Maintenance	Cr Adam Hain
5 Parks, Recreation & Sport	Cr Koliana Winchester
6 Lifestyle & Amenity	Cr Denise Sims
7 Economic Development, Events & Tourism	Cr Peter Flannery
8 Regional Innovation	Cr Darren Grimwade

## ATTENDANCE

Mr Joshua O'Keefe attended the meeting at 10.52am for discussion on Item 1.1.

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**1 GOVERNANCE SESSION**

(Cr A Sutherland, Mayor)

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**ITEM 1.1**

**ADOPTION OF COUNCIL POLICY - CORPORATE SOCIAL MEDIA - REGIONAL**

*Meeting / Session:* GOVERNANCE

*Reference:* A19199276 : 10 October 2019 **Refer Supporting Information A19068036**

*Responsible Officer:* MH, Principal Strategy & Engagement Officer (CEO, Strategy & Engagement)

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**Executive Summary**

Council regularly reviews its Policies for applicability, effectiveness, and consistency with relevant legislation, Council resolutions, and other Council documents.

The purpose of this report is to seek Council's consideration of the following policy, as appearing in the supporting information to this report:

- Corporate Social Media - Policy 2150-110

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**RESOLUTION**

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**Moved by Cr Julie Greer**

**Seconded by Cr Koliana Winchester**

**CARRIED 11/0**

**That the following policy be adopted, as appearing in the supporting information to this report:**

- **Corporate Social Media - Policy 2150-110**

*ITEM 1.1 ADOPTION OF COUNCIL POLICY - CORPORATE SOCIAL MEDIA - REGIONAL - A19199276 (Cont.)*

## **OFFICER'S RECOMMENDATION**

That the following policy be adopted, as appearing in the supporting information to this report:

- Corporate Social Media - Policy 2150-110

## ***REPORT DETAIL***

### **1. Background**

In accordance with the review triggers, Council reviews its Policies for applicability, effectiveness, and consistency with relevant legislation, Council resolutions, and other Council documents.

### **2. Explanation of Item**

An explanation of the objective, policy summary, and any amendments made to the identified policies is outlined below:

#### Corporate Social Media - Policy 2150-110

**Objective:** The objective of this policy is to establish parameters for the appropriate use and management of council's Corporate Social Media.

**Policy Summary:** Council is committed to providing relevant, accurate and timely information to residents about council business, services, facilities, events, projects and disaster management.

Council supports the use of Corporate Social Media as part of an integrated approach to communication that aims to enhance the Moreton Bay Regional Council brand; build positive community sentiment; and inform and educate residents.

Corporate Social Media will be managed by Council's Communications department in accordance with guidelines outlined in Council's Social Media Handbook. No other Social Media should be used for Council business.

Content will be positive and newsworthy, generally relevant to residents on a regional level and consistent with Council's Corporate Plan and other relevant Council policies.

### **3. Strategic Implications**

#### **3.1 Legislative/Legal Implications**

These policies have been developed in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

#### **3.2 Corporate Plan / Operational Plan**

Strengthening Communities: Strong local governance - strong leadership and governance.

#### **3.3 Policy Implications**

Council regularly reviews its Policies for applicability, effectiveness, and consistency with relevant legislation, Council resolutions, and other Council documents.

#### **3.4 Risk Management Implications**

There are no risk management implications arising as a direct result of this report.

#### **3.5 Delegated Authority Implications**

There are no delegated authority implications arising as a direct result of this report.

#### **3.6 Financial Implications**

There are costs associated with the ongoing use and management of corporate social media.

*ITEM 1.1 ADOPTION OF COUNCIL POLICY - CORPORATE SOCIAL MEDIA - REGIONAL - A19199276 (Cont.)*

3.7 Economic Benefit

There are no economic benefit implications arising as a direct result of this report.

3.8 Environmental Implications

There are no environmental implications arising as a direct result of this report.

3.9 Social Implications

There are no social implications arising as a direct result of this report.

3.10 Consultation / Communication

Councillors, the Executive Management team and relevant Council officers have been consulted in the preparation of this report.

## **ATTENDANCE**

Mr Joshua O'Keefe left the meeting at 10.53am after consideration of Item 1.1.

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**2 PLANNING & DEVELOPMENT SESSION**

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**(Cr M Gillam)**

No items for consideration.

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**3 CORPORATE SERVICES SESSION**

**(Cr M Constance)**

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**ITEM 3.1**

**MONTHLY REPORTING PACKAGE - SEPTEMBER 2019 - REGIONAL**

*Meeting / Session:* 3 CORPORATE SERVICES  
*Reference:* A19183529 : 8 October 2019 - **Refer Supporting Information A19184109**  
*Responsible Officer:* AD, Management Accountant (CORP Accounting Services)

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**Executive Summary**

The purpose of this report is to present the Financial Reporting Package for the year to date period ending 30 September 2019.

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**RESOLUTION**

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**Moved by Cr Mick Gillam**

**Seconded by Cr Mike Charlton (Deputy Mayor)**

**CARRIED 11/0**

**That the Financial Reporting Package for the year to date period ending 30 September 2019 be received.**

ITEM 3.1 MONTHLY REPORTING PACKAGE - SEPTEMBER 2019 - REGIONAL - A19183529 (Cont.)

**OFFICER'S RECOMMENDATION**

That the Financial Reporting Package for the year to date period ending 30 September 2019 be received.

**REPORT DETAIL**

**1. Background**

The Financial Reporting Package for the month ending 30 September 2019 is contained within the supporting information to this report.

This package contains a number of financial statements with relevant commentary to provide a breakdown of key financial data and includes:

- ✓ Financial Statements
  - Statement of Comprehensive Income shows all income and expenditure as at the end of the September period.
  - The Statement of Financial Position highlights Council's position at the end of September and itemises assets, liabilities and community equity.
  - Statement of Cash Flows which represents the cash inflows and outflows during the month.
  - Statement of sources and applications of capital funding.
- ✓ Treasury Report
  - The Treasury Report highlights key areas of performance relating to Council's investments and borrowings.

**2. Explanation of Item**

The financial results for the month of September are complete. A commentary is provided on significant matters that occurred during the month.

**3. Strategic Implications**

**3.1 Legislative/Legal Implications**

Part 9, section 204 of the Local Government Regulation 2012, (regulation) states the following:

- (1) The local government must prepare a financial report.
- (2) The chief executive officer must present the financial report—
  - (a) if the local government meets less frequently than monthly—at each meeting of the local government; or
  - (b) otherwise—at a meeting of the local government once a month.
- (3) The financial report must state the progress that has been made in relation to the local government's budget for the period of the financial year up to a day as near as practicable to the end of the month before the meeting is held.

**3.2 Corporate Plan / Operational Plan**

Strengthening Communities: Strong local governance - strong leadership and governance.

**3.3 Policy Implications**

Compliance to the Council's Investment Policy is confirmed for the month of September.

**3.4 Risk Management Implications**

The Council is subject to numerous risks associated with revenue and expenses that can impact upon Council's financial performance and position. Risks are documented and evaluated as part of the operational plan preparation in conjunction with the annual budget cycle and are monitored throughout the year.



*ITEM 3.1 MONTHLY REPORTING PACKAGE - SEPTEMBER 2019 - REGIONAL - A19183529 (Cont.)*

3.5 Delegated Authority Implications

There are no delegated authority implications arising as a direct result of this report.

3.6 Financial Implications

As at the end of September 2019, Council's operating result is \$114.55 million and the capital expenditure incurred amounted to \$25.86 million (excluding the University Project).

3.7 Economic Benefit

There are no economic benefit implications arising as a direct result of this report.

3.8 Environmental Implications

There are no environmental implications arising as a direct result of this report.

3.9 Social Implications

There are no social implications arising as a direct result of this report.

3.10 Consultation / Communication

Acting Chief Executive Officer, Interim Director Finance and Corporate Services, Accounting Services Manager.

**ATTENDANCE**

Mr Denis Crowe attended the meeting at 10.53am for discussion on Items 3.2 and 3.3.

**ITEM 3.2**  
**AUDITED FINANCIAL STATEMENTS AND SUSTAINABILITY STATEMENTS FOR**  
**2018/19 - REGIONAL**

*Meeting / Session:* 3 CORPORATE SERVICES  
*Reference:* A19195025 : 10 October 2019 - **Refer Supporting Information A19210013**  
*Responsible Officer:* DC, Accounting Services Manager (CORP Accounting Services)

**Executive Summary**

The purpose of this report is to present the Council's Audited Financial Statements for 2018/19, the audited current year financial sustainability statement and the long term financial sustainability statement.

**RESOLUTION**

**Moved by Cr Mike Charlton (Deputy Mayor)**

**Seconded by Cr Denise Sims**

**CARRIED 11/0**

1. That the 2018/19 audited financial statements, the audited current year financial sustainability statement and the long term financial sustainability statement be received.
2. That Council acknowledge the co-operation of the Queensland Audit Office during the 2018/19 audit.

*ITEM 3.2 AUDITED FINANCIAL STATEMENTS AND SUSTAINABILITY STATEMENTS FOR 2018/19 - REGIONAL - A19195025 (Cont.)*

**OFFICER'S RECOMMENDATION**

1. That the 2018/19 audited financial statements, the audited current year financial sustainability statement and the long term financial sustainability statement be received.
2. That Council acknowledge the co-operation of the Queensland Audit Office during the 2018/19 audit.

***REPORT DETAIL***

**1. Background**

The Financial Statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Local Government Act 2009* and the Local Government Regulation 2012.

The Financial Statements cover the period 1 July 2018 to 30 June 2019.

The current year financial sustainability statement and the long term financial sustainability statement have been prepared in accordance with the Local Government Regulation 2012.

**2. Explanation of Item**

At the Audit Committee meeting held on the 7 August 2019 the Draft Financial Statements, the current year financial sustainability statement and the long term financial sustainability statement were presented for review.

After this meeting the financial statements and sustainability statements were provided to the Queensland Audit Office (QAO) on 13 August 2019 for auditing.

Following the onsite visit by QAO the financial statements and sustainability statements were presented to the Audit committee meeting held on 2 October 2019 for final review prior to management signing.

Management signed the financial statements and sustainability statements on 9 October 2019. QAO certified the financial statements and current year sustainability statement on 14 October 2019.

QAO provided the following opinion regarding the financial statements (exert from Independent Auditor Report),

- a) gives a true and fair view of the Council's financial position as at 30 June 2019, and of its financial performance and cash flows for the year then ended,
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

Additionally, QAO provided the following opinion regarding the current year financial sustainability statement,

- a) the current year financial sustainability statement of Moreton Bay Regional Council for the year ended 30 June 2019 has been accurately calculated.

ITEM 3.2 AUDITED FINANCIAL STATEMENTS AND SUSTAINABILITY STATEMENTS FOR 2018/19 - REGIONAL - A19195025 (Cont.)

**3. Strategic Implications**

**3.1 Legislative/Legal Implications**

There are several legislative requirements regarding the preparation and audit of the financial statements under the *Local Government Act 2009* and the Local Government Regulation 2012.

Specifically, section 212 of the Local Government Regulation states:

- (1) A local government's general purpose financial statement and current-year financial sustainability statement for a financial year must be given to the auditor-general for auditing.
- (2) Also, a local government's long-term financial sustainability statement for the financial year must be given to the auditor-general for information.
- (3) The financial statements mentioned in subsections (1) and (2) must be given to the auditor-general by a date agreed between the chief executive officer and the auditor-general.
- (4) The date agreed under subsection (3) must allow the audit of the financial statements, and the auditor-general's audit report about the statements, to be completed no later than 4 months after the end of the financial year to which the statements relate.
- (5) The financial statements given to the auditor-general must be accompanied by a certificate in the approved form given by the mayor and chief executive officer, certifying whether, in their opinion—
  - (a) in relation to the general purpose financial statement—
    - (i) any requirements prescribed under the Act or another Act for establishing and keeping the local government's accounts have been complied with in all material respects; and
    - (ii) the statement presents a true and fair view, in compliance with the prescribed accounting standards, of the local government's transactions for the financial year and financial position at the end of the year; and
  - (b) in relation to the current-year financial sustainability statement and the long-term financial sustainability statement—the statements have been accurately calculated.

**3.2 Corporate Plan / Operational Plan**

Strengthening Communities: Strong local governance - strong leadership and governance.

**3.3 Policy Implications**

Management are responsible for ensuring the financial statements are prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board and for ensuring its policies outlined in the financial statements are in accordance with those standards.

**3.4 Risk Management Implications**

Management make significant judgements and assumptions in the formulating of certain accounting estimates relating to:

- Measuring fair values of financial assets and liabilities in accordance with relevant accounting standards
- Assessing for indicators of possible impairment of assets.
- Reviewing useful lives and residual values for property, plant and equipment, intangibles and the allocation of depreciation and amortisation on a systematic basis over the estimated useful lives of the assets.
- Measuring accruals and provisions for restoration and employee entitlements.
- Assessing whether material contingent assets and liabilities exist.

*ITEM 3.2 AUDITED FINANCIAL STATEMENTS AND SUSTAINABILITY STATEMENTS FOR 2018/19 - REGIONAL - A19195025 (Cont.)*

Management believe that these judgements and assumptions are reasonable and supportable through extensive work-papers which are compiled and submitted to QAO as part of the audit review process. QAO found no issues with the work papers provided.

3.5 Delegated Authority Implications

There are no delegated authority implications arising as a direct result of this report.

3.6 Financial Implications

The Financial Statements present the Council's financial performance, position, change in equity and cash flow as at 30 June 2019. Comparative amounts are provided for the previous financial year. The current year audited financial sustainability statement indicates that Council is in a strong financial position.

The cost to Council for the 2018/19 external audit will be in the amount of \$280,000 (GST exclusive). The original estimate was \$236,000. The increase has occurred due to additional time spent by QAO analysing and testing data in response to matters arising during the audit, including a councillor being charged by the Crime and Corruption Commission. Fee for the previous year was \$230,000.

3.7 Economic Benefit

There are no economic benefits arising as a direct result of this report.

3.8 Environmental Implications

There are no environmental implications arising as a direct result of this report.

3.9 Social Implications

There are no social implications arising as a direct result of this report.

3.10 Consultation / Communication

Acting Chief Executive Officer, Interim Director Finance and Corporate Services, Queensland Audit Office.

**ITEM 3.3**

**AUDITOR-GENERAL OBSERVATION REPORT 2018/19 - REGIONAL**

*Meeting / Session:* 3 CORPORATE SERVICES  
*Reference:* A19196985 : 10 October 2019 - **Refer Supporting Information A19228276**  
*Responsible Officer:* DC, Accounting Services Manager (CORP Accounting Services)

**Executive Summary**

The purpose of this report is to present the Auditor-General's observation report relating to the audit of Council's Financial Statements for 2018/19.

**RESOLUTION**

**Moved by Cr Peter Flannery**

**Seconded by Cr Koliana Winchester**

**CARRIED 11/0**

**That the Auditor-General's observation report relating to the audit of Council's 2018/19 Financial Statements be received.**

ITEM 3.3 AUDITOR-GENERAL OBSERVATION REPORT 2018/19 - REGIONAL - A19196985 (Cont.)

**OFFICER'S RECOMMENDATION**

That the Auditor-General's observation report relating to the audit of Council's 2018/19 Financial Statements be received.

**REPORT DETAIL**

**1. Background**

The Auditor-General must prepare an observation report about the audit of a local government's financial statements in accordance with section 54 of the *Auditor-General Act 2009*.

In accordance with the Local Government Regulation 2012, the Mayor must present the Auditor-General's observation report about the audit of the Council.

**2. Explanation of Item**

The Council's 2018/19 Financial Statements were signed by the Auditor-General on 14 October 2019 with an unmodified audit opinion.

Section 213(2) of the Local Government Regulation 2012 states:

*An Auditor-General's observation report, about an audit of a local government's financial statements, is a report about the audit prepared under section 54 of the Auditor-General Act 2009 that includes observations and suggestions made by the Auditor-General about anything arising out of the audit.*

In accordance with section 213(3) of the Local Government Regulation 2012 the Mayor must present the Auditor-General's observation report at the next ordinary meeting of the local government.

The supporting information report highlights the following;

- 1 financial reporting issue
- 2 Internal control deficiencies
- 2 other matters

The one high risk financial reporting issue related to the delay in processing contributed asset information. The two internal control deficiencies relate to human resource matters, specifically the recruitment and selection of employees and the lack of an associated policy, whilst of the two other matters, one relates to the independence of the Chair of the audit committee, while the second relates to Council's organisational structure and who the internal audit function should report to.

Queensland Audit Office's (QAO) recommendations on all of these issues and management's responses are contained on those pages indicated in the supporting information.

**3. Strategic Implications**

**3.1 Legislative/Legal Implications**

The observation report is a report prepared by the Auditor-General in accordance with section 54 of the *Auditor-General Act 2009*.

In accordance with section 213(3) of the Local Government Regulation 2012, the Mayor must present the Auditor-General's observation report at the next ordinary meeting of the local government.

**3.2 Corporate Plan / Operational Plan**

Strengthening Communities: Strong local governance - strong leadership and governance.

**3.3 Policy Implications**

There are no policy implications arising as a direct result of this report.

*ITEM 3.3 AUDITOR-GENERAL OBSERVATION REPORT 2018/19 - REGIONAL - A19196985 (Cont.)*

3.4 Risk Management Implications

The Auditor-General's Observation Report assesses the risks and possible implications associated with deficiencies and issues observed during the audit of the financial statements. Observations identified reflect internal control deficiencies, financial reporting issues and other matters. Management provides responses to recommendations suggested in the observation report, assigned to officers with a due date for completion with a view to reducing or eliminating the risk associated with the observations raised.

3.5 Delegated Authority Implications

There are no delegated authority implications arising as a direct result of this report.

3.6 Financial Implications

The Final Audit Fee is estimated to be in the amount of \$280,000 which is \$44,000 above the original estimate of \$236,000. The increase has occurred due to additional time spent by QAO analysing and testing data in response to matters arising during the audit, including a councillor being charged by the Crime and Corruption Commission. The fee for the previous year was \$230,000.

3.7 Economic Benefit

There are no economic benefits arising as a direct result of this report.

3.8 Environmental Implications

There are no environmental implications arising as a direct result of this report.

3.9 Social Implications

There are no social implications arising as a direct result of this report.

3.10 Consultation / Communication

Acting Chief Executive Officer, Interim Director Finance and Corporate Services and Acting Manager Human Resources.

**ATTENDANCE**

Mr Denis Crowe left the meeting at 11.01am after consideration of Items 3.2 and 3.3.



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**4 ASSET CONSTRUCTION & MAINTENANCE SESSION**

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(Cr A Hain)

No items for consideration.

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**5 PARKS, RECREATION & SPORT SESSION**

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(Cr K Winchester)

No items for consideration.

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**6 LIFESTYLE & AMENITY SESSION**

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(Cr D Sims)

No items for consideration.

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**7 ECONOMIC DEVELOPMENT, EVENTS & TOURISM SESSION**

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(Cr P Flannery)

No items for consideration.

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**8 REGIONAL INNOVATION SESSION**

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(Cr D Grimwade)

No items for consideration.

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**11. GENERAL BUSINESS OR RESPONSE TO QUESTIONS TAKEN ON NOTICE**

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**ITEM 11.1****2019 COMBINED EMERGENCY SERVICES EXPO - DIVISION 1**

Cr Peter Flannery made mention of his attendance together with Cr Brooke Savage to the 2019 Combined Emergency Services Expo hosted by Volunteer Marine Rescue Bribie Island on Sunday 13 October 2019. Cr Flannery said that the Expo was well supported by the community, that it was a fantastic day and that such an event showcases the importance of emergency services to the community who in turn can show appreciation to the volunteers' time and efforts.

Cr Brooke Savage concurred with Cr Flannery's comments in relation to the Expo.

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**RESOLUTION**

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Moved by Cr Peter Flannery

Seconded by Cr Brooke Savage

CARRIED 11/0

**That a letter of appreciation be sent to Mr Graham Gibb of the Volunteer Marine Rescue Bribie Island for a well-run 2019 Combined Emergency Services Expo.**

**ITEM 11.2**  
**QUEENSLAND STATE EMERGENCY SERVICES AWARDS CEREMONY - REGIONAL**

Cr Peter Flannery made mention of his attendance to the Queensland State Emergency Services Awards Ceremony held at Kedron on Saturday 19 October 2019. Cr Flannery said that the ceremony included the acknowledgement of SES members from the Moreton Bay Region for long-term recognition of service and that the Operational Response of the Year award went to Redland SES for providing operational support during the North Stradbroke Island bushfires.

**ITEM 11.3**  
**DIWALI FESTIVAL OF LIGHTS - DIVISION 9**

Cr Peter Flannery made mention of his attendance with Cr Mike Charlton (Deputy Mayor) to the **Diwali Festival of Lights** at Pine Rivers Park on Saturday 19 October 2019. Cr Flannery said that the inaugural event for the region received very good attendance with great entertainment which included Bollywood dancing and that it was a wonderful mixture of cultures.

**RESOLUTION**

Moved by Cr Peter Flannery

Seconded by Cr Mike Charlton (Deputy Mayor)

CARRIED 11/0

That a Mayoral letter of congratulation be sent to the Multicultural Association of Caboolture and Surrounds for the successful 2019 Diwali Festival of Lights event.

**ITEM 11.4**  
**MORETON BAY REGIONAL COUNCIL YOUTH ART EXHIBITION - REGIONAL**

Cr Denise Sims made mention of her attendance to the Moreton Bay Regional Council Youth Art Exhibition awards at Strathpine Community Centre on Thursday 17 October 2019. Cr Sims said that the awards evening was a great night, with Chris Girdler, Manager Customer and Cultural Services, officiating as MC. Cr Sims commended the fantastic artists in the region ranging in ages from Prep to 18 years old who had produced amazing artwork.

**RESOLUTION**

Moved by Cr Denise Sims

Seconded by Cr Mike Charlton (Deputy Mayor)

CARRIED 11/0

That congratulations be conveyed to staff for the amazing art display and for the help provided at the Moreton Bay Regional Council Youth Art Exhibition Awards evening.

**ITEM 11.5**

**THE MILL SITE - NAMING OF STREETS, ROADS, OPEN SPACES AND BUILDINGS  
- DIVISION 7**

**Cr Denise Sims moved the following motion:**

That on The Mill site the naming of streets, roads, open spaces and buildings that Council canvass public opinion so to make an informed decision that reflects the Priority Development Area (PDA) consultation, both the heritage and innovation opportunities of the site.

**Seconded by Cr Brooke Savage**

**Procedural Motion**

**Moved by Cr Mick Gillam that the matter be brought to a Council Workshop for further discussion.**

**Seconded by Cr Mike Charlton (Deputy Mayor)**

**CARRIED 9/2**

*Cr Denise Sims and Cr Brooke Savage voted against the procedural motion*

**ITEM 11.6**

**PENINSULA POWER FOOTBALL CLUB - 2019 PRESENTATION - DIVISION 6**

Cr Koliana Winchester made mention of her attendance to the National Premier League Queensland Peninsula Power Football Club 2019 Presentation on Saturday 12 October 2019. Cr Winchester said the team had a very successful season this year and passed on the club's appreciation to Council in relation to the maintenance and standard of the playing fields during the year.

**RESOLUTION**

**Moved by Cr Koliana Winchester**

**Seconded by Cr Peter Flannery**

**CARRIED 11/0**

**That a Mayoral letter of congratulation be sent to the Peninsula Power Football Club for a successful 2019 season.**

## ITEM 11.7 NRL WHEELCHAIR RUGBY LEAGUE - DIVISION 3

Cr Adam Hain made mention of his attendance to the NRL Wheelchair Rugby League game Queensland Wheelchair Maroons versus England held at Morayfield Sports & Events Centre (MSEC) on Friday 18 October 2019.

Cr Hain said that the Council-sponsored event was attended by the Hon Mark Ryan MP and Terry Young MP and noted that the players had raised their own funding to participate in the tour. Cr Hain said that the Queensland team are based out of MSEC and that early signs for future tours was very positive.

### RESOLUTION

Moved by Cr Adam Hain

Seconded by Cr Peter Flannery

CARRIED 11/0

That a Mayoral letter of congratulation be sent to Queensland coach JJ Atuahiva on the successful Wheelchair Rugby League tour.

## 12. CLOSED SESSION

*(s275 of the Local Government Regulation 2012)*

Consideration of confidential officers' reports as referred by the Chief Executive Officer and confidential general business matters as raised at the meeting.

### 12a. CONFIDENTIAL OFFICERS' REPORTS TO COUNCIL

No items for consideration.

### 12b. CONFIDENTIAL GENERAL BUSINESS

No items for consideration.

## 13. CLOSURE

There being no further business the meeting closed at 11.19am.

**ACTING CHIEF EXECUTIVE OFFICER'S CERTIFICATE**

I certify that minute pages numbered 19/2233 to 19/2256 constitute the minutes of the General Meeting of the Moreton Bay Regional Council held 22 October 2019.

\_\_\_\_\_  
Graeme Kanofski  
Acting Chief Executive Officer

**CONFIRMATION CERTIFICATE**

The foregoing minutes were confirmed by resolution of Council at its meeting held Tuesday 29 October 2019.

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Graeme Kanofski  
Acting Chief Executive Officer

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Councillor Allan Sutherland  
Mayor