

# Annual Report

2022-2023



Mildura Rural City Council

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# Acknowledgement of Country

Mildura Rural City Council acknowledges the Traditional Custodians of the land, which now comprises the Mildura Rural City municipality. We pay our respects to Elders past and present and celebrate and respect their continuing cultures and acknowledge the memories of their ancestors.

## Part 1: Report of Operations



# Introduction

## Welcome to the Report of Operations 2022-2023

As a Council, we are committed to transparent reporting and accountability to our community. The Report of Operations 2022-2023 is the primary means of advising the Mildura Rural City Council community about our operations and performance during the financial year.

## Snapshot of Mildura Rural City Council

Demographic profile\*:

- Land area: 22,082km<sup>2</sup>
- Major townships: Mildura, Irymple, Red Cliffs and Merbein
- Other rural townships: Ouyen, Meringur, Werrimull, Cullulleraine, Cardross, Nangiloc, Colignan, Murrayville, Nichols Point, Cowangie, Underbool and Walpeup
- Estimated resident population: 57,156
- Estimated Mildura population: 33,919
- Aboriginal and Torres Strait Islander population: 2,621
- The majority of the Mildura region's population were born in Australia (78 per cent). 1.9 per cent were born in Malaysia, 1.2 per cent in England, 1.1 per cent in India, 0.9 per cent in Italy and 0.8 per cent in New Zealand.
- Location above sea level: 50m
- Climate: Dry summers and mild winters
- Key industries: Dryland farming, irrigated horticulture (table grapes, wine grapes, dried grapes, citrus, vegetables and nuts), tourism, food and beverage manufacturing, transport and logistics, retail, health and community services
- Emerging industries: Renewable energy generation, aquaculture, mineral sands mining and recycling

*\* Source: Figures based on 2023 update to Australian Bureau of Statistics data.*

## Purpose

Our Vision – Making this the most liveable, people-friendly community in Australia.

- Values:
  1. Respect - We will be respectful towards others and value differences.
  2. Honesty - We will be ethical and open.
  3. Integrity - We will be reliable and trustworthy in all that we do.
  4. Transparency - We will be objective and fair in our communications and decisions.

5. Accountability - We will be consistent and responsible for our actions.
- Business Excellence Principles:
    1. Leadership - Clear direction and mutually agreed plans enable organisational alignment and a focus on the achievement of goals.
    2. Customers – Understanding what customers and other stakeholders value, now and in the future, enables organisational direction, strategy and action.
    3. Systems Thinking - All people work *in* a system. Outcomes are improved when people work *on* the system and its associated processes.
    4. People - Engaging people's enthusiasm, resourcefulness and participation improves organisational performance.
    5. Continuous Improvement - Innovation and learning influence the agility and responsiveness of the organisation.
    6. Information and Knowledge - Effective use of facts, data and knowledge leads to improved decisions.
    7. Variation - Variation impacts predictability, profitability and performance.
    8. Corporate and Social Responsibility – Sustainable performance is determined by an organisation's ability to deliver value for all stakeholders in an ethically, socially and environmentally responsible manner.
    9. Sustainable Results - Leaders determine the culture and value system of the organisation through their decisions and behaviour.

## Fast Facts

- 72 groups assisted by annual community grants totalling \$716,939 (GST exclusive)
- 1,063 km of local sealed roads maintained
- 4,109 km of unsealed local roads maintained
- 30,745 rateable properties comprised of 24,813 residential, 2,507 business, 1,544 dryland farming, 1,782 irrigated farming and 83 cultural and recreation properties
- 1,355 applications received for 180 recruitment processes
- 51,940 hours of aged and disability care support services provided
- 339,281 attendees at aquatic facilities
- 34 recreation reserves maintained
- 256,342 library items borrowed
- 60,813 calls answered and 26,602 outgoing calls made by the customer service call centre
- 523 planning applications received
- 901 building permits issued for building works totalling \$232,619,561

- 26 school crossings supervised
- 27,717 rubbish bins collected each fortnight
- 27,095 recycling bins collected each fortnight
- 26,848 organic bins collected each week
- 761kW solar PV panels installed on Mildura Rural City Council buildings
- 281kW solar PV panels installed on seven commercial properties through Environmental Upgrade Agreements
- 193,594 aeroplane passengers

## Highlights of the Year

See section on Our Performance for more details.

### Strategic Objective: Environment

We will sustain and enhance our natural environment and resources for current and future generations.

Achievements:

- Together with Sunraysia Mallee Ethnic Communities Council (SMECC), hosted a Waste Information Session on 7 August 2022 to provide interested community members with advice and tips on how best to manage household waste, including how to sort waste correctly.
- Partnered with Sustainability Victoria (SV) to complete a combination of renewable energy and energy audit projects that will see six local community facilities potentially slash more than \$26,000 from their energy bills and 135 tonnes of greenhouse gas emissions each year. Funded through SV's Community Climate Change and Energy Action program, the following projects were completed: Mildura and Workers Bowls Clubs – Solar PV installation; Mildura Football Netball Club – Solar PV installation; DeGaris Kindergarten – Level 2 Energy Audit; Ouyen Pre-School; Level 2 Energy Audit; Underbool Pre-School – Level 2 Energy Audit; Murrayville Pre-School – Energy Audit.
- As part of Sustainability Victoria's Detox Your Home (Program) 2022, invited residents to drop off approved common, highly toxic chemicals free of charge, without impacting their health or the environment, at the Mildura Landfill and Transfer Station on 1 October 2022.
- Following strong advocacy at state and Australian Government level as part of the Murray River Group of Councils, hailed the announcement on 18 October 2022 of a fully-funded VNI-West KerangLink as a game-changer for large-scale solar generation in our region, unlocking 4,000 MW of new power generation and creating more than 3,200 jobs in northern Victoria.
- In line with new state government legislation, which requires all Victorian councils to provide households with a standardised four-bin waste and recycling system by 2030, Council approved the introduction of a monthly glass recycling bin collection from July 2024 to complement the existing Mildura Rural City Council kerbside bin service.
- Celebrated the completion of the new \$1 million AroundAgain receivals station at Mildura Landfill with the Christie Centre on 27 October 2022. Funded by Council, the Australian Government and the Victorian Government, the new facility will provide a safer, more convenient area for locals to donate second hand goods for resale, ultimately diverting dozens of tonnes of waste from landfill and create accessible work opportunities for people of all abilities.
- Funded by Council, the Australian Federal Government and the Victorian Government, on 27 October 2022

- Following Council support for Evie Networks' successful funding bid for \$2.9 million through the Victorian Government's Destination Charging Across Victoria Program, announced a fourth public EV fast charger to be installed in our region (in the Pine Avenue car park between Eighth and Ninth Streets) by July 2023.
- In partnership with AroundAgain, hosted a free Community Day at Mildura Eco Village on 10 December 2022 featuring a range of fun and entertaining activities focused on sustainable living.
- Following a successful partnership between Mildura Rural City Council and the Sunraysia Sustainability Network, and funded by Sustainability Victoria's Community Power Hubs program, installed 94 500-watt solar panels on the Mildura Transfer Station roof, generating 47kW of electricity, which will be utilised across the entire Mildura Landfill precinct.
- Released our annual Environmental Sustainability Report 2021-2022 showing Mildura Rural City Council has cut its public lighting electricity consumption by more than 95 megawatts (6.4 per cent), water usage by 131 megalitres (9 per cent) and slashed the amount of waste going to the landfill, diverting and recycling more than 2,893 tonnes of green waste at the Mildura Landfill.
- Following the Sacred Heart and St Andrews Tennis Club's successful application through Sustainability Victoria's Community Climate Change and Energy Action Program, announced a partnership with the club that will see a 7.47kW solar PV system installed on the clubrooms with the potential to slash more than \$1,300 from the club's energy bills and 13 tonnes of greenhouse gas emissions each year.
- Celebrated National Tree Day on 28 May 2023 with a community event that saw 250 local native species planted to beautify areas of Apex Park affected by the Murray River flood event.
- Commenced a 12-month trial of a new method to cover the Mildura Landfill tip face with bentonite clay instead of soil, which promises to save thousands of dollars in annual waste levy fees and be more efficient by reducing the need to transport soil to and within the landfill site.
- Upgraded more than 1,700 public streetlights in the Mildura region to energy-efficient LED technology, slashing Mildura Rural City Council's annual street lighting electricity consumption by a third. This was made possible through our inclusion in the Lighting the Regions Stage 2 project, which is a partnership between 11 Victorian Councils, the Central Victorian Greenhouse Alliance, the Victorian Government and Ironbark Sustainability.
- Adopted a new Water Management Policy to provide a strategic framework for the management and security of Mildura Rural City Council's water resources.
- Adopted a new Electric Vehicle Charging Infrastructure Policy to provide clearer direction for the continued expansion of EV charging infrastructure in our region.
- Adopted the Kerbside Bin Services Policy and supporting guidelines, updated to include minor changes.

## Strategic Objective: Community

We will be a healthy, respectful and connected community.

Achievements:

- Opera Australia made a popular return to the Mildura Arts Centre stage for the first time in four years in July 2022 as part of its 26th annual National Tour.
- Held the region's second ever Mildura Zine Fair at Mildura Arts Centre on 29 and 30 July 2022, providing the opportunity for those interested in embracing the Zine culture to peruse a huge collection of zines – short for magazines or fanzines – as well as participate in a range of activities on offer.
- Successfully achieved White Ribbon Australia workplace reaccreditation for a third consecutive time, demonstrating our commitment both internally and in the community to raising awareness about violence against women, family and gendered violence and how to prevent it.
- Launched a new online Community Directory, providing a free, easy-to-access service to connect residents with local community groups, organisations and other services across our region.
- Mildura Library partnered with the award-winning Mallee Living Histories project to provide local residents with a series of book chats offering first-hand accounts of our region's unique history from some of our district's long-term residents and pioneers.
- Mildura Arts Centre hosted the *JW Lindt in Sunraysia* exhibition, showcasing to the public what is arguably one of the most comprehensive photographic recordings of Mildura's iconic formative years when the Chaffey Brothers were establishing the district as an irrigation colony.
- Together with local providers of services and programs that support aged care, people with a disability, carers and volunteers, hosted the Mildura Be Connected Expo on 14 October 2022. The Expo provided the opportunity for community members to learn more about services and programs available locally to support ageing community members, people with a disability and their carers.
- Took another major step forward in our ongoing push to ensure both staff and the community are treated with dignity and respect following the development and endorsement by the Victorian Public Sector Gender Equality Commissioner of our organisation's first Gender Equality Action Plan.
- Encouraged local residents aged over 55 to embrace the month-long Victorian Seniors' Festival in October 2022 with the local program of events planned to celebrate ageing positively while recognising the important contribution older people make to our community.
- Recognising the achievements and contributions young people make to our community, announced the winners of Mildura Rural City Council's 2022 Youth Awards at a special celebratory dinner on 15 September 2022 (Youth Worker of the Year – Dominic Eggmolesse-Smith; Community Participation Award – Caitlin Vine; Endurance and Persistence – Georgia Phillips).

- Coinciding with White Ribbon Day, Council's annual Community Walk Against Family Violence was held on 18 November 2022, taking participants from the Langtree Mall to Jaycee Park. The event included a message prior to the walk from Public Sector Gender Equality Commissioner Dr Niki Vincent.
- Mildura Rural City Council Libraries offered Sunraysia residents, both young and old, the chance to combine reading, gentle exercise and the joy of sharing stories in a unique and fun event called StoryWalk® on 28 October 2022 that allowed participants to follow a series of story boards around Barclay Square, completing actions and activities as they went.
- Celebrating this year's National Carers Week, held a special luncheon to thank and celebrate the crucial role the hundreds of unpaid carers in our region play in our community every day.
- Partnered with the *Sunraysia Daily* to run the 2022 Christmas Lights Map and Competition - an initiative aimed at sparking joy and celebrating all that is great about our community.
- Approved grant funding applications totalling \$116,488 through the Community Grant Program 2022-2023. This provided opportunities for 18 not-for-profit community groups to deliver innovative local projects and programs that will provide the community with opportunities for participation, inclusion and development in the arts, environment and sustainability.
- Approval for Mildura Rural City Council to become a member of "Welcoming Cities", a national network of cities, shires, towns and municipalities that are committed to an Australia where everyone can belong and participate in social, cultural, economic and civic life, and a supporter of the Australian Human Rights Commission's national anti-racism campaign "Racism. It Stops With Me".
- Announced Mildura Rural City Council's 2023 Australia Day Award recipients: Citizen of the Year, Peter 'Sam' Saunders; Young Citizen of the Year, Conor Pall; Community Event or Project of the Year joint winners, Red Cliffs Centenary Committee for the 2022 Red Cliffs Centenary Celebrations and Northwest Victorian Motorcycle Club for the 2022 Hattah Desert Race.
- Bestowed one of our highest honours, the Key to the City, upon locally-born and trained performing artist, Siobhan Stagg, who is now one of the most sought after classical singers on the international stage.
- Marked Harmony Week in March 2023 with a community dinner and Cultural Diversity in the Mildura local government area webinar providing local residents with the opportunity to celebrate and increase their understanding of our region's rich cultural diversity.
- Ran two birthday-themed Storytime sessions and an Afterschool Makerspace program in March 2023 to mark the Merbein Community Hub's 10th birthday on 22 March 2023.
- Mildura Arts Centre hosted the Melbourne International Comedy Festival Roadshow on 12 May 2023, featuring performances from a mix of Australian comedy stars and talented newcomers.

- Launched the Multiples Support Group, a free initiative led by a qualified Maternal and Child Health Nurse and Lactation Consultant, on 1 May 2023. This enabled parents and carers of twins and triplets to connect and learn from each other's experiences of raising multiples.
- Featured Corinne Fenton, best known for her heart-warming picture books including her latest work *Lionel and Me*, at Mildura Library for a special weekend Storytime presentation on the importance of picture books and the inspiration behind the creation and production of her books.
- In collaboration with the Bendigo Volunteer Resource Centre, Cultivator Inc, Be Collective and Sunraysia Mallee Ethnic Communities Council, hosted a free two-day workshop in May 2023 aimed at helping local groups and organisations attract and retain volunteers.
- Marked National Reconciliation Week by flying flags designed by local school students along Deakin Avenue and the Langtree Mall. Also partnered with local community groups to develop a series of children's books in English and other languages active in our community, which will be launched publicly at an event on Indigenous Literacy Day on 6 September 2023.
- Featured Mildura-born international artist Belinda Fox's *Add it Up* exhibition at the Mildura Arts Centre on 3 June 2023, providing local art-lovers with an insight into the creative talent that has earned Belinda a string of prestigious awards, both in Australia and across the globe.
- Partnered with Sunraysia Mallee Ethnic Communities Council (SMECC), Welcoming Clubs and Aligned Leisure to host a free Sports Inclusion Workshop on 14 June 2023 covering how clubs can better understand and embrace diversity to increase membership and reinforce their role in the community as safe, welcoming and inclusive places.
- Proudly joined several local agencies as part of the Rainbow Ready Roadmap Practical Workshop series designed to build LGBTIQ+ inclusion in our local community's services and facilities.
- Under three different categories (Events Funding and Support, Community Partnership and Recreation Assistance Grant Programs), awarded 60 individual grants, totalling more than \$700,000, to assist local community groups, sporting clubs and event organisers to deliver projects and initiatives aimed at making our community a vibrant, active and inclusive place to live and visit.
- Following a Mildura Rural City Council decision in May 2022 to transition out of Aged and Disability Services in the wake of significant Aged Care Industry reforms introduced by the Australian Government, completed a 12-month process to ensure a smooth transition by 1 July 2023 to new providers for the more than 1,500 customers cared for by Council staff.
- Adopted the Recreation Assistance Grant Scheme Policy, updated to provide guidance on how the reserve could be used to fund eligible recreation grant applications should the funding program be oversubscribed.



- Adopted the Sport and Recreation Facilities Funding and Capital Contributions Policy, updated to include minor changes aimed at providing further guidance on the process and purpose for utilising the reserve funds.
- Adopted the Road Safety Strategy 2023-2030.
- Adopted the CCTV Governance Framework 2022-2026.
- Adopted the Millewa Community Plan 2023-2027.
- Adopted the Merbein Community Plan 2023-2027

## Strategic Objective: Place

We will be a place to live, belong and visit with infrastructure and development that enhances our lifestyle.

### Achievements:

- Following more than 12 months of advocacy work by Council and the Council's endorsement of a motion on 28 July 2021 calling for a comprehensive review of the region's bus network, welcomed the Victorian Government's announcement that the Department of Transport will undertake a major review of Mildura's bus network. The review was aimed at helping to provide an understanding of how people currently use our bus services, what would encourage them to use buses more, and inform future planning for bus reform in our region.
- In October 2022, announced works to commence on five projects totalling \$2.6 million as part of the Mallee Back on Track initiative, which was established to support the recovery of smaller communities from the impacts of the COVID-19 pandemic. Projects include: Murrayville Recreation Reserve Community Complex and Change Rooms - \$2 million; Murrayville Wetlands and Walking Trails - \$150,000; Stage 2 of the Ouyen Fitness, Health and Wellbeing Centre - \$150,000; Underbool Bowls Artificial Turf Project - \$265,716; Walpeup Hall Restoration Final Stage - \$25,125.
- In February 2023, Council endorsed a recommendation to establish the Mildura Social and Affordable Housing Taskforce (MSAHT), comprised of key agencies including the: Mallee Accommodation and Support Program; Haven; Home, Safe; Mallee District Aboriginal services; Aboriginal Housing Victoria; Mallee Family Care; Sunraysia Mallee Ethnic Communities Council; Department of Families, Fairness and Housing; Homes Victoria. The taskforce is to develop clear targets and strategies and advocate on behalf of the region to increase access to affordable housing in the Sunraysia region.
- Thanks to a \$952,500 grant from the Victorian Department of Education's Building Blocks Program and following the completion of work to extend and upgrade the Irymple Kindergarten, officially opened the new-look kindergarten on 22 March 2023 inclusive of new playrooms, bathroom facilities and an administration area, along with updated air-conditioning and heating units.
- Adopted the Northwest Victoria Regional Passenger Transport Study, which identifies eight priority actions to address factors impacting on northwest Victorian communities' ability to connect to capital cities.
- Adopted the Mildura East Growth Area Strategic Framework Vision and Key Directions report.
- Council endorsed the Mildura Airport Pty Ltd Annual Business Plan 2023-2024.
- Adopted the Old Aerodrome Sporting Complex Masterplan 2022.
- Adopted the Chaffey Park Masterplan Review 2022.
- Adopted the Geographic Naming Policy, updated to include minor changes.
- Adopted the Asset Management Policy, updated to include minor changes.

- Mildura Airport Pty Ltd achievements:
  - Commencement of new airline, Bonza, in March 2023, offering the Mildura Airport's first direct route to Queensland (Sunshine Coast) and additional flight options to Melbourne
  - Resealing and remarking of the Mildura Airport's road network, and Runway 18/36 and associated taxiways
  - Through the Airfield Lighting project, started the replacement of all lighting and conversion to LED
  - Installation of new car parking equipment to make parking easier to access and control.

## Strategic Objective: Economy

We will have a thriving economy that harnesses our strengths and capitalises on opportunity.

### Achievements:

- Announced the installation of the new Flag Trax system, allowing residents, community groups and organisations to display banners along Deakin Avenue between Seventh and Tenth Streets to advertise their next major event or activity.
- Launched the new Mildura Powerhouse Interactive Touch Wall, providing locals and visitors to Sunraysia with the opportunity to immerse themselves in our region's rich history, destinations and attractions from one central location.
- After a COVID-imposed hiatus and supported through Mildura Rural City Council's Events Funding and Support Grants program, welcomed the return of the Great Australian Vanilla Slice Triumph in Merbein.
- Secured a multi-year agreement with the national Red Hot Summer Tour, which will see some of Australia's biggest music acts perform in the region for the next three years, commencing with the 2023 Red Hot Summer Tour, which is expected to inject up to \$1.5 million into the region alone.
- Mildura Sporting Precinct hosted one of its biggest events - the region's longest-running and most popular annual sporting event, the Sunraysia Football Netball League Grand Final in September 2022 – the first in a series of major events in the following weeks, which included the Bendigo Spirit pre-season game on 8 October 2022, AFLW game on 23 October 2022 and Kings of Leon performance on 29 October 2022.
- Supported with \$50,000 from our Event Funding and Support Grant Program, welcomed the return after two COVID-interrupted years of the (revamped) Mildura Wentworth Country Music Festival from 23 September to 1 October 2022.
- Having met a set of guidelines to ensure the availability of a certain amount and standard of services to support RV travellers, welcomed the announcement of Mildura as the Campervan and Motorhome Club of Australia's 366th RV Friendly Town.
- Following an extensive consultation process, Council endorsed concept designs as part of the broader Mildura CBD Plan 2020-2035 to transform Mildura's popular Feast Street into an even more vibrant, entertaining precinct that will attract more visitors to our region and provide a stronger drawcard for new businesses to establish themselves in our CBD.
- Partnered with Better Building Finance and Mildura Regional Development to provide a free information and networking event in May 2023 to help local businesses future-proof themselves against rising energy costs.
- Council endorsed the Mildura Regional Development Annual Business Plan 2023-2024.
- Council endorsed the Mildura City Heart Incorporated Half-Yearly Report on the Annual Business Plan 2022-2023 and Annual Business Plan 2023-2024.
- Adopted the Chaffey Trail Strategic Plan 2023-2026.

- Adopted the Tourism Signage Audit, Review and Strategy.
- Adopted the Recreational Vehicle, Caravan and Camping Strategy.
- Mildura Regional Development key highlights/achievements:
  - Successful in securing \$4.9 million from the NSW Government for Regional Tourism Activation Fund for Light/State Fibre Optic Symphonic Orchestra
  - Completion of the Graincorp Walpeup Silo project
  - In conjunction with Sunshine Coast Council and Bonza, promotion of Mildura and the launch of Bonza Airline's first flight to Mildura
  - Assisted Mildura Rural City Council to secure Recreational Vehicle (RV) Friendly Town status as part of RV Strategy
  - 'Today Show' weekend weather supporting Hattah Desert Race
  - Hosted two successful tourism industry networking events
  - Continued support and advocacy for additional freight rail service to our region
  - Business Events Victoria – Regional Victoria Showcase
  - Funding from LaunchVic to run GetUp StartUp program providing 10 training/workshop events
  - Wine Cluster session with AusIndustry
  - Agricultural Summit 2022
  - Through local Federal MP Anne Webster's office, assisted with the coordination of the Magnificent Mallee Event at Parliament House and attended the event with four other businesses

## Strategic Objective: Leadership

We will have responsible, collaborative leadership that puts community wellbeing at the heart of decision-making.

### Achievements:

- Represented Mildura Rural City Council at the launch of Regional Cities Victoria's State Election platform themed *The time is now – Embracing our regions* at Parliament House on 4 August 2022, calling for a fairer share of state government funding to address infrastructure and service priorities across Victorian regional cities.
- Council endorsed a list of priority advocacy projects at the September 2022 Council meeting, which will form the basis of the Council's work to lobby both State and Federal governments for greater financial and policy-based support to achieve the aspirations of the Community Vision and Council Plan. These priorities include the introduction of a 20 per cent Regional Spend Guarantee to ensure at least 20 per cent of all public and government entity investments are regionally based, continuing to request the Victorian Government allocate more of the Federal Financial Assistance Grants it receives to regional areas and continuing to lobby for a further review of the Rating System to provide a fairer system for disadvantaged regional communities.
- In recognition of his dedication and service to local government, long-standing Mildura Rural City Councillor Mark Eckel was presented with one of the Municipal Association of Victoria's (MAV) highest accolades, the MAV Victorian Councillor Service Award for 20 Years' Service, at a ceremony in Melbourne in October 2022.
- Together with the Victorian State Emergency Service, hosted a community meeting on 6 November 2022 to update residents on the Murray River flood event in our region and continued regular communication with the community via social media and other platforms throughout the flood emergency.
- Agreed to support in principle the advocacy campaign to work with the Municipal Association of Victoria and City of Monash regarding the service model, future viability and structure of the School Crossing Program.
- Endorsed entering into a Collaborative Charter to enable Mildura Rural City Council to work more closely with Wentworth Shire Council on opportunities for the betterment of the entire region including advocating for and attracting investment to strengthen the local economy and lifestyle.
- Council endorsed the \$148.88 million Mildura Rural City Council Annual Budget 2023-2024, inclusive of an average rate increase of three per cent, and a \$41.50 million capital works program to improve and upgrade facilities.
- Following an organisational sustainability review, in February 2023 announced our intention to restructure our organisation post-30 June 2023 to provide a more responsive customer-focused service to our community. Key changes to the structure will include reducing the staff to manager ratio in line with the management structures of similar sized Victorian councils and introducing a fourth department, Strategy and Growth, focused on attracting more people to and increasing investment in our region.

- Adopted the Governance Rules, updated in accordance with changes to the *Local Government Act 2020* to include adequate provision for Council Meetings to occur by virtual means.
- Adopted the Council Expenses Policy, updated to reflect an adjustment to Councillor allowances that took effect on 18 December 2022 as per the Victorian Independent Remuneration Tribunal's determination.
- Adopted the Use of Council Logo Policy, updated to include minor changes.
- Adopted the Investment Policy, updated to align with updated principles for Financial Risk under the *Local Government Act*, and include environmentally sustainable considerations for investments plus changes to the approval process for investments.
- Adopted the City Recognition Policy, updated to include changes stemming from Councillors' feedback.
- Adopted the Use of Common Seal Policy, updated to include minor changes.
- Adopted the Refunds Policy, updated to include minor changes.
- Adopted the Public Interest Disclosure Policy, updated to include minor changes.
- Adopted the Conflict of Interest Policy, updated to include minor changes.
- Adopt the Raffles, Door Knocks & Community Events Signboard Policy, updated to include minor changes.
- Adopted the Revenue and Rating Plan 2023-2025.
- Adopted the Underbool and District Community Plan 2023-2028.
- Adopted the Walpeup and District Community Plan 2023-2028.
- Adopted the Murrayville and District Community Plan 2023-2028.

## Challenges and Future Outlook

### Challenges

In general:

- Geographical size and remoteness of our municipality presents ongoing challenges to the cost of providing services and infrastructure
- Ageing infrastructure that requires significant maintenance and re-investment
- Ageing population placing increased demands on services
- Level of social disadvantage
- Legislative change from other levels of government
- Cost shifting from other levels of government
- Impact of severe weather events (drought and flood) on roads infrastructure, requiring additional capital works
- Constrained capacity to provide matching funding for major project development

### The Future

- Work within the Victorian Government Rate Capping Framework
- Continued implementation of the new Community Vision and Council Plan
- Implementation of a long-term strategy for the management of waste
- Continue to roll out organisational sustainability reviews
- Implementation of a new organisational structure post-30 June 2023
- Asset renewal
- Increase community awareness of our services
- Continue to roll out the Mildura Riverfront Precinct Redevelopment and Mildura Sporting Precinct projects
- Realignment of policy direction towards future investment in age-friendly or positive-ageing initiatives following our exit of direct aged care service delivery by 30 June 2023



# The Year in Review

## Mayor's Message

This Annual Report details Mildura Rural City Council's achievement of the Council Plan strategic objectives. The role of council includes:

- Acting as a representative government by taking into account the diverse needs of the local community in decision making
- Providing leadership by establishing strategic objectives and monitoring their achievement
- Maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Acting as a responsible partner in government by taking into account the needs of other communities
- Fostering community cohesion and encouraging active participation in civic life.

## Highlights

There's been so much to celebrate in our community over the past financial year, which has been great to see after a tough few years framed by the pandemic, droughts and other challenges.

For me, it's been about our community starting to enjoy the fruits of our labours in terms of major projects coming to fruition, community members being celebrated and our municipality continuing to progress.

Over the past 12 months, we've seen probably one of the biggest live shows ever staged in Mildura – the Kings of Leon performance in October 2023 – go off without a hitch at our brand-new Mildura Sporting Precinct (MSP).

The Kings of Leon performance was among a series of major events made possible by the MSP around this time, including Mildura's first ever AFLW and WNBL games. It was a clear illustration of the precinct delivering on its promise of attracting major events to our region, and all the social and economic benefits that flow from that. It's about our community reaping the rewards of all the hard work of the past few years.

A few months later the Red-Hot Summer Tour descended on our region for the first of three stops in our municipality.

These major events and exposure for our region provide a massive boost to our community in a whole host of ways, but also tell the rest of the country we're here, we're open for business and we're pushing forward.

We've seen a similarly successful conclusion to yet another major project, the Powerhouse Precinct, which again looks set to deliver on everything it promised for our community and is already a hive of activity.

While these and many other successes over the past 12 months are milestones to be celebrated, we're far from resting on our laurels, continuing to drive forward for the benefit of our community, with more major projects and initiatives soon to be announced and realised.

It's also important to celebrate our community and take pride in who we are, which is something I think we've done better over the past 12 months. We bestowed one of our highest honours – Mildura's Key to the City - on locally-born and trained classical singer Siobhan Stagg. It was heart-warming to see not only the massive outpouring of support, but the pride our community took in one of our own doing well. We have a lot to be proud of in our region and we need to puff our chests out and celebrate it more often.

It would be remiss of me not to cover off on the Murray River flood event, which was among the biggest challenges our community faced over the past 12 months. While the river levels may have receded, the economic impacts of the flood event are still very real for many in our region, particularly our business and tourism sectors. We're continuing to work hard in this space for more support from all levels of government to aid in our recovery.

### **Advocacy and Engagement**

I'm proud of the ongoing work we've continued to do over the past 12 months to advocate on behalf of our community, and to better engage with residents.

In terms of engagement, our Community Conversations, which are held in townships across our municipality, continue to be an effective way for our residents to meet face-to-face with Councillors and senior staff to discuss what's important to them. It's a valuable way for us to ensure we're in touch with issues important to each of our respective local communities.

Advocacy is also vitally important, as it ensures the voices and interests of our community are heard at the highest levels of government.

We've been more active than ever in this space over the past 12 months, particularly in the first half of 2023.

An example is the Murray River Group of Councils (MRGC) conference in Canberra in June this year, where I used the opportunity as a MRGC member to press home the point that the Australian Government needs to do more to support our region's recovery from the Murray River flood event.

Another prime example is our plan for an events-led recovery from the flood event, which we've pitched directly to Victorian Minister for Events Steve Dimopoulos and a host of other government Ministers.

Other issues we've advocated strongly on for our region included major upgrades to power grid infrastructure to realise the \$1.5 billion in renewable energy projects ready to go in our region, and for a large share of the expected demand for new housing in Victoria over the next decade.

Our active representation on groups including the Municipal Association of Victoria, Regional Cities Victoria and MRGC on issues important to our community is another example of our advocacy work, as are our strong relationships and regular conversations with our local state and Federal government representatives.

### **Thank you**

Finally, I would like to extend my gratitude to my fellow Councillors for their support and commitment over the past 12 months. At times we may differ in our opinions, but we are all united in our passion for this community and the best outcomes for our residents.

Cr Liam Wood  
Mayor

## Chief Executive Officer's Message

On behalf of Mildura Rural City Council, it is my great pleasure to present our Annual Report for the year 2022–2023. The Chief Executive's Office is responsible for:

- Establishing and maintaining an appropriate organisational structure for the Council
- Ensuring that the decisions of the Council are implemented without undue delay
- The day-to-day management of the Council's operations in accordance with the Community Vision and Council Plan
- Developing, adopting and disseminating a code of conduct for Council staff
- Providing timely advice to the Council
- Carrying out the Council's responsibilities as a deemed employer with respect to Councillors, as deemed workers, which arise under or with respect to the *Accident Compensation Act 1985* or the *Workplace Injury Rehabilitation and Compensation Act 2013*.

### Highlights

It's been pleasing to see the progress we've made both as an organisation and as a community during the 2022-2023 financial year.

We've seen the completion of a host of major strategies and plans that are critical to our region's future.

These include the CBD Revitalisation Project, which proposes some of the biggest enhancements to our city's central business district in decades.

The Mildura East Growth Area Strategic Framework is another key piece of work that has been completed over the past 12 months which is vital to our region's future. It helps set the direction for our region's next major growth corridor, taking in a 1,050-hectare area of land east of Mildura.

It's also been great to see major progress for our region's outlying towns, which are not only a key part of our identity as a municipality but serve as critical contributors to our region's economic output across the numerous farming sectors.

The Mallee Back on Track initiative is a prime example of this progress. This was a Council project aimed at helping towns along the Mallee Track recover from the impacts of COVID-19. It was successful in attracting well over \$1 million in government funding for five key projects taking in Murrayville, Ouyen, Underbool and Walpeup, most of which are nearing completion.

On the topic of our valuable outlying towns, our teams have continued to work closely with these communities, supporting them in development of new community plans for Merbein, the Millewa, Underbool, Walpeup and Murrayville.

Other positive progress over the past 12 months includes masterplan reviews for some of our municipality's major sporting reserves, including the Old Aerodrome Sporting Complex and Merbein's Chaffey Park.

Another highlight of the past year has been the strong partnerships we continue to maintain within our community, which are vital to achieving the objectives of our Council Plan and Community Vision. Examples include our Ngiwa Yarna Committee, which aims to improve and enhance the wellbeing of our region's Aboriginal community, and Gender Equity Action Sunraysia, which is a grassroots movement to progress gender equality in our community.

We also enjoy strong partnerships with local organisations, such as Sunraysia Community Health Services, which has provided invaluable input and expertise into a number of welling outcomes our teams have worked on.

The past 12 months have also been a period of great change for our organisation.

We completed one of the biggest internal restructures for our organisation in decades, aimed at helping us provide an even more customer-focused service to our community. Guided by feedback from our community, staff and benchmarking against other councils, the Organisational Sustainability Review has been completed and the majority of changes are now in place. These changes bring us into line with similar-sized Councils and will allow us to provide better and quicker services for our community.

While it's been a year of great progress, it hasn't been without its challenges - most obviously the Murray River flood event towards the end of 2022. This required a huge undertaking by Council staff working closely with a host of organisations to ensure we were not only well prepared, but able to respond quickly to the needs of our community as river levels rose. These efforts have continued well after river levels receded as we continue to support our community's recovery from the flood event.

Amidst the various challenges and major milestones of the past 12 months, our teams have continued to deliver the essential everyday services our community rightly expects and deserves. This includes providing 51,940 hours of aged and disability care support services, taking more than 60,810 customer service calls and maintaining more than 5,100 kilometres of sealed and unsealed roads. We also issued 907 building permits for works totalling \$232,619,561 over the past 12 months.

### **Organisational Performance**

At the end of June 2023, Council's financial position remains strong with more than \$1.04 billion of community assets under Council's stewardship.

Operating expenditure for 2022-2023 was just under the Annual Budget adopted on 23 June 2022. Council's comprehensive income was 12 per cent above the Annual Budget, largely due to grant funding.

### **Thankyou**

I would like to take this opportunity to acknowledge the dedication and leadership shown by our Councillors over the past 12 months, and the numerous Council staff who are the foundation of our organisation, constantly going above and beyond to provide the services and facilities our community deserves.

I would also like to thank the numerous community groups, businesses and residents our staff and Councillors continually collaborate with to make our region the wonderful place it is.

Martin Hawson  
Chief Executive Officer

## Financial Summary

The 2022-2023 financial year has seen many challenges. While we have largely emerged from the COVID-19 pandemic, other events including rising inflation, interest rates, supply constraints, and labour shortages have continued to impact on Council's income, expenditure and operations.

While the economic conditions have been challenging, Council's financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to financial performance is included within the Financial Statements and Performance Statement sections of this report.

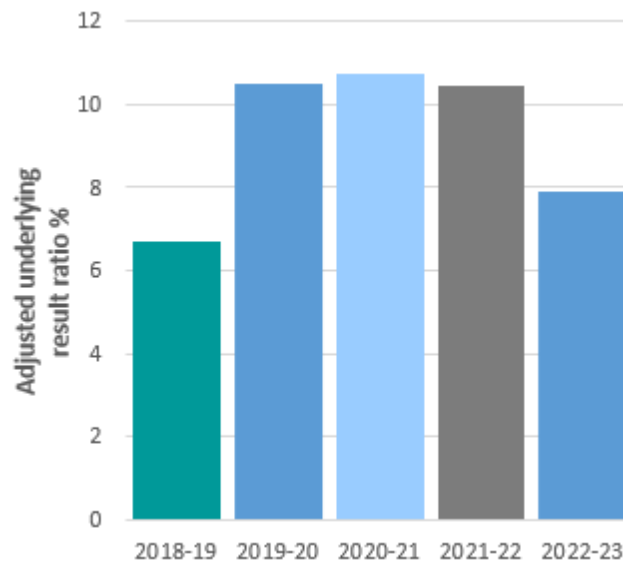
### Operating Position

Council achieved a surplus of \$19.89 million in 2022–2023. This compares with a surplus of \$29.10 million in 2021–2022.

The surplus includes capital funding sources in which Council received \$8.16 million in capital grants for major projects, including Mildura Sporting Precinct Stage 2 and Mildura Riverfront Powerhouse Precinct. Capital contributions of \$3.02 million and asset recognition also accounted for \$3.88 million.

In June 2023, the Victorian Grants Commission increased the forward payment of the financial assistance grant from 75 per cent to 100 per cent of the 2023-2024 allocation. This equates to \$5.79 million, which contributes to our surplus result and will be carried forward to the 2023-2024 financial year for operational expenditure and carried forward capital works.

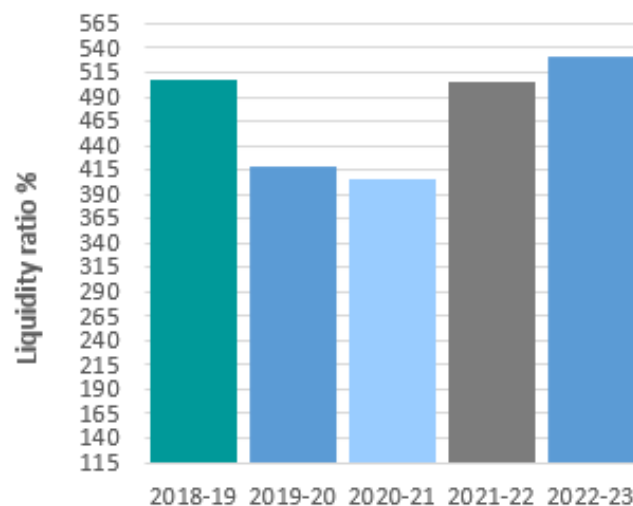
Surplus funds are important to ensure Council remains in a sound financial position. It must also be noted that Council requires such funds to cover both statutory and discretionary reserves. Typically, these reserves are required to fund things that are difficult to predict or time. For example, strategic land acquisitions or developer contribution plans. Mildura Rural City Council also covers an area approximately 10 per cent of Victoria in size and has many assets and services to provide to our community.



### Liquidity

Cash and financial assets have increased by \$5.47 million from the prior financial year. The increase is due to the additional forward payment from the Victorian Grants Commission of \$5.79 million. Capital funding also contributes as capital works projects and related expenditure can span over multiple financial years. For 2022-2023, this funding includes funds for local roads, Mildura Sporting Precinct - Stage 2 and the Riverfront Powerhouse Precinct. These all contribute to an increase in our cash and financial assets.

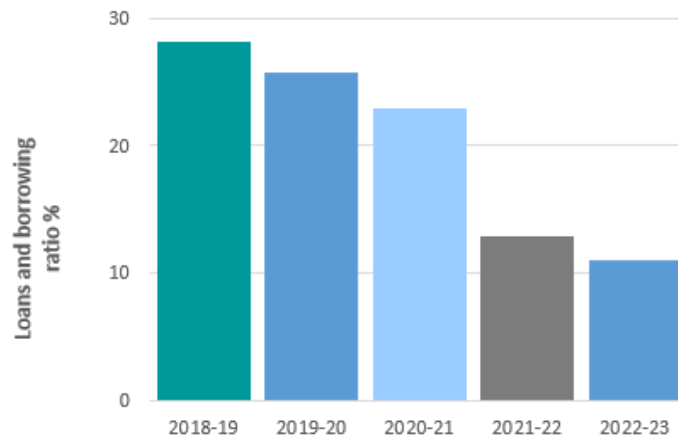
The working capital ratio, which assesses our ability to meet current commitments, is calculated by measuring our current assets as a percentage of current liabilities. Our result of 530.97 per cent shows we are in a strong financial position enabling us to make provision for known future obligations such as landfill rehabilitation and site aftercare requirements.



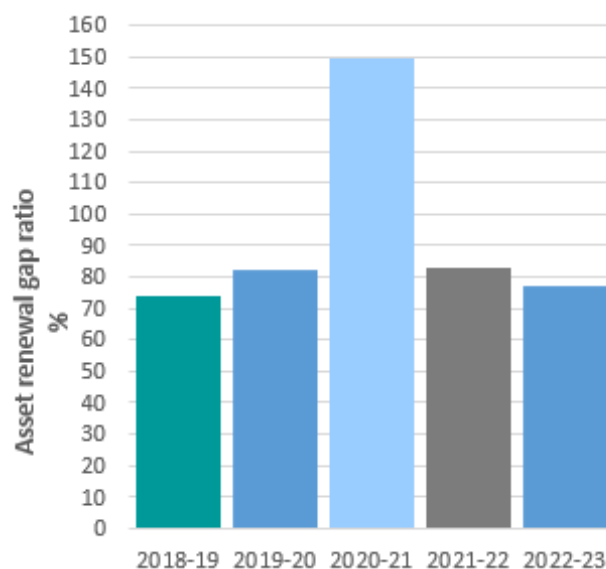


## Obligations

At the end of the 2022-2023 year, our debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 10.97 per cent, which is well below the target band of below 40 per cent.

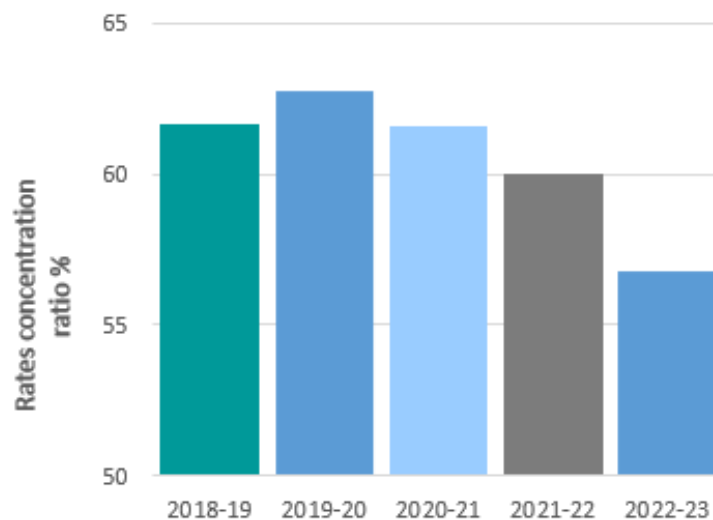


We aim to ensure we can maintain our infrastructure assets at the expected levels while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, Council invested \$36.16 million in capital works during the 2022-2023 year. This included \$20.27 million for the renewal, expansion, and upgrade of assets. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 77 per cent for the 2022-2023 financial year.



### Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants, and contributions. Despite this, our rates concentration, which compares rate revenue to adjusted underlying revenue, was 56.80 per cent for the 2022-23 year, which is within the expected target band of 40 per cent to 80 per cent. This figure is influenced by the forward payment of the Financial Assistance Grant funding. This year, Council has been able to keep its rate rise to within the rate cap and still maintain services at similar levels. This has been achieved through sustainability reviews and other initiatives to ensure services are being delivered as efficiently as possible.



### Description of Council's Operations

As a Council, we are responsible for more than 100 services, from family and children's services, traffic regulation, open space, youth services, waste management and community development, to roads and drainage, planning for appropriate development and ensuring accountability for our Budget. This broad range of community services and infrastructure for residents supports the wellbeing and prosperity of our community. Refer to the Our Performance section of this Annual Report for more information about Council services.

To achieve key result areas relating to *Strategic Objective: Economy (Refer to Council Plan 2021 to 2025)*, a memorandum of understanding (MoU) has been established with funded local entity Mildura City Heart Inc. A service agreement has also been established with funded local entity Mildura Regional Development.

As sole shareholder, we also established an Airport Operations and Management Deed with Mildura Airport Pty Ltd to ensure the air transport needs of the Mildura community and broader region are efficiently serviced into the future.

Our vision, strategic objectives and strategies to further improve services and facilities are described in our Community Vision and Council Plan 2021 to 2025 and the associated Budget 2022–2023. These are reported on in this document. Refer to the section on Our Performance for more information about our services.

The delivery of services, facilities, support and advocacy to achieve the strategic objectives of the Council Plan is assessed against a set of performance indicators and measures. We also have a wide range of responsibilities under Victorian and Australian legislation.

### **Economic Factors - General**

Council is still facing a financial challenge following the freezing of indexation of Federal Assistance Grants (FAGs) from 2014-2017.

The FAGs are provided under the *Local Government (Financial Assistance) Act 1995*, and consist of two components:

- A general-purpose component that is distributed between the states and territories according to population (ie on a per capita basis)
- An identified local road component that is distributed between the states and territories according to fixed historical shares.

These grants play a significant role in relieving pressure on raising revenue through rates. The ongoing impacts of any reduction to indexation on FAGs has the effect of significantly reducing our revenue into the future. This is causing a greater reliance on rating revenue.

The Victorian Government also introduced a cap on rate increases from the 2016-2017 financial year onwards. The cap for 2022-2023 was set at 1.75 per cent, and the cap for the 2023-2024 financial year is set at 3.50 per cent. However, Council's adopted budget has set the maximum rate cap at 3 per cent.

### **Economic Factors - COVID-19**

While we have largely emerged from the COVID-19 event, the effects continue to have some impact on the community and Council's operations. These impacts have included additional cleaning costs and increased staff leave as the virus is still active in the community.

During 2022-2023, the Mildura region also experienced a significant flood event with the second highest Murray River level ever recorded in the district. Resources were diverted for flood preparation including the construction of levee banks and asset protection measures. Post-flood has required significant recovery and restoration for Council and community assets including playgrounds, parks, roads and footpaths.

A major impact during the 2022-2023 financial year has been rising inflation, with significant price increases in a relative short period of time. Supply constraints and delays have also impacted delivery timeframes for both operational and capital works projects.

Due to the above events and economic uncertainty, the Victorian Grants Commission forward paid 100 per cent of the 2023-2024 financial assistance grants. The payment was made in June 2023. The result was \$5.79 million being recorded in the 2022-2023 financial year, which was not included in the original adopted budget. These funds are not additional grants but are simply paid in advance as they are required to fund the operational expenditure for the 2023-2024 financial year.

In accordance with financial sustainability and sound financial management principles, we will continue to monitor the economic conditions closely including financial reporting through our monthly management reports, quarterly budget review process, long-term financial planning, service reviews and analysis of financial ratios.

### **Major Capital Works**

During 2022-2023, major capital works included the following:

#### ***Lighting the Regions***

The Lighting the Regions project was delivered over two financial years.

The project involved replacement of inefficient streetlight bulbs with energy efficient LEDs on both major and minor roads.

#### ***Upgrade of Intersection at Mildura Sporting Precinct and Deakin Avenue***

This is a significant road reconstruction project that aims to create a safe access point on Deakin Avenue to the new Mildura Sporting Precinct. Works include turning lanes, public street lighting, line marking, signage, and provision of shared path for pedestrians and cyclists.

This project is being undertaken over multiple financial years. Works have continued during 2022-2023 and are to be completed in 2023-2024.

#### ***Road resealing***

The upgrade of 43km of road resealing was undertaken during the 2022-2023 financial year. Works involved bitumen spray sealing to renew existing seal, extend the life of the wearing surface and improve road safety.

#### ***Blackspot treatment of Seventeenth Street between Benetook Avenue and Deakin Avenue***

Seventeenth Street between Benetook Avenue and Deakin Avenue was identified as a blackspot with seven accidents having been recorded on this section of road.

Improvements are being made to the road over two financial years with lighting works continuing and expected to be completed in 2023-2024.

#### ***Expansions of Sandilong Basin and landscaping works***

The expansion of the Sandilong Basin is required to accommodate additional stormwater from an adjacent subdivision. This project is being delivered in two stages. The first stage involves engineering and drainage works, and the second stage is landscaping to create a useable public open space.

These works are continuing and will be completed in 2023-2024.

### ***Road shoulder works***

Listed below are several road shoulder work projects that involved reconstruction of pavement to the edge of the existing roadway:

- Brownport Road from 4.6km east of the Calder Highway to Mondall Road
- Benetook Avenue from Koorlong Avenue to Nineteenth Street
- Shoulder works on Fifth Street from the Calder Highway to Paschendale Avenue

These works create a stable and trafficable edge to the roadway, which will protect the existing road pavement from edge breaks and premature failure. Road shoulders also allow for errant vehicles to recover and travel back onto the road pavement in a safe manner.

### ***Upgrade of Meridian Road south of Sturt Highway construction - Stages 2 and 3***

The upgrade of Meridian Road south of Sturt Highway construction project (stages 2 and 3) is being undertaken over multiple financial years.

Project works have involved upgrading 12.6km of unsealed gravel road to a sealed road, installation of four culverts and culvert pipes, tree trimming, preparation of subgrade, base installation, line-marking, guideposts and signage.

Final sealing works are to be completed in the warmer months of the 2023-2024 financial year.

### ***Replacement of the Mildura Waves wave pool machine***

The replacement of the Mildura Waves wave pool machine involved the replacement of generation pumps and control equipment at The Alfred Deakin Centre.

Works were undertaken over two financial years.

### ***Installation of competition standard lights at Old Aerodrome Sporting Complex Oval No. 2***

Works included the supply and installation of four new light towers to Cricket Australia standards. This allows for the use of cricket and Aussie Rules football night matches and training at the Old Aerodrome Sporting Complex Oval No. 2, which is also known as John Hall Oval.

Works were undertaken over two financial years.

### ***Mildura Sporting Precinct construction - Stage 2***

The construction of stage 2 of the Mildura Sporting Precinct has commenced and will be undertaken over two financial years.

This project will deliver a second multi-purpose oval with 150 lux lighting, four outdoor beach volleyball courts, four indoor squash courts, electronic scoreboard, indoor seating, ground floor multi-purpose function room, additional change rooms, external seating to ovals, shade improvements, full perimeter fencing and additional car parking.

These works are continuing and will be completed in 2023-2024.

### ***Mildura Sporting Precinct - Construction of oval lighting, eight-lane turf and synthetic cricket nets***

The construction of oval lighting and an eight-lane turf and synthetic cricket nets has commenced.

Works are continuing and will be completed in 2023-2024.

### ***Village Square Riverfront Precinct - Stage 2***

This project will deliver an iconic tourist destination and community asset with a food and beverage structure, tourism offering, village square area, additional car parking, additional amenities building and community and retail spaces. Further details are included below:

- ***Powerhouse precinct activation***  
This project will deliver the Boiler House shade structure, basement space under the main powerhouse building and interactive components of the visitor information space including multimedia interpretive panels with interactive content.
- ***Upgrade Powerhouse building***  
This project will deliver structural repairs, refurbishment, and upgrades to the 430m<sup>2</sup> powerhouse building to become a multi-use, flexible and expressive arts, cultural, tourism and community space.
- ***Construction riverfront carpark***  
Works included an extension to the Jaycee Park carpark, creating 24 additional carparks. A further 25 parking spaces were also created through line-marking and other works along Hugh King Drive.
- ***Mildura Riverfront Powerhouse - Changing Places - amenities block***  
Works included the construction of a changing places toilet, a larger than standard accessible toilet that provides people with a disability and high support needs access to suitable, safe, and private bathroom facilities.
- ***Shade for Powerhouse outdoor eating***  
Works include the construction of an outdoor shade structure to encourage the activation of outdoor dining.

Works are continuing and will be completed in 2023-2024.

***Irymple Kindergarten extension***

Works include the construction of an additional classroom with associated toilets, office, and storage space. The additional classroom will cater for the provision of a three-year-old kindergarten program with these works being completed over two financial years.

***Renewal and expansion of Barclay Square BBQ and pergola at Red Cliffs***

Works included the extension of the Barclay Square rotunda shelter and installation of a double electric BBQ, two picnic settings (tables and seats) and lighting.

These works were undertaken over two financial years.

***Relocation of receivable area at AroundAgain upgrade***

This project involved construction of a new facility to provide easy access for potential donations to be dropped off prior to entering the Mildura Landfill to reduce waiting times at the landfill's weighbridge. The new building encompasses a drive-through drop-off area, a large sorting, storage and restoration section, a new office and staff room.

The expansion of AroundAgain is set to benefit both the Christie Centre and the community. For the Christie Centre, it will provide expanded employment opportunities for members, while complementing the organisation's status as a leading recycler of waste materials.

These works were completed over two financial years.

***Footpath - new and upgrade - Seventeenth Street (McEdward Street to school crossing)***

Works include the construction of a crushed rock footpath from McEdward Street to the school crossing at The Lake Primary School.

These works are continuing and will be completed in 2023.

***Renewal of kerb and channel at 37 Guava Street, Red Cliffs***

Works included the renewal of 106m of kerb and channelling in Guava Street, Red Cliffs. These works were designed to address renewal of the existing kerb and channel network, which was identified as hazardous and a risk to pavement quality and safe driving conditions.

Works commenced in January 2023 and were completed in March 2023.

***Renewal of footpath, kerb and channel, and road widening in Karadoc Avenue, Irymple***

Works included the renewal of kerb and channelling in Karadoc Avenue, Irymple. These works aimed to connect the missing footpath and kerb and channel links in Karadoc Avenue.

The project delivered 136m of kerb, 295m<sup>2</sup> of pavement replacement, and 138m of concrete footpath.

This project has allowed better access and connection to the existing footpath network.

***Replacement of Merbein Bowls Club No. 2 green surface***

Works included the replacement of the green surface with a Pro-Master Ultra Cool Plus 1000 (Sand Filled) surface, providing the Merbein Bowling Club with two compliant greens and the ability to resume play within the district competition.

***Asphalt Program - Excelsior Drive, Gem Place and Rodney Court***

This project aims to correct ageing and damaged roads by replacing the road pavement and surface, which reduces ongoing maintenance costs.

Works have involved reconstructing existing road pavement and installing a more durable sealed driving surface. The project has delivered 2,720m<sup>2</sup> of asphalt paving in Excelsior Drive, 501m<sup>2</sup> in Gem Place, and 488m<sup>2</sup> in Rodney Court.

Works commenced in February 2023 and will be completed early in the 2023-2024 financial year.

***Upgrade of Rio Vista Park space activation - Lock 11 amenities***

This project has been developed with the aim of preventing crime through environmental initiatives and more safely designed toilet facilities.

Works will include CCTV cameras, specialised coloured ambient sensor lighting for trees and additional solar path lighting for walkways. Trimming of the existing vegetation to enhance visibility and added supplementary planting to complement the existing greenery will also be completed.

These works are ongoing and will be completed in 2023-2024.

***Renewal of Apex River Beach Holiday Park main switchboard***

This project aimed to provide a safe and compliant switchboard for caravan park tenants. The project involved the demolition of the existing non-compliant structure and switchboard and replacing it with a new main switchboard, outdoor cabinet and raised platform to prevent future disruptions from flood events.

These works were completed in February 2023 as part of flood recovery efforts.

***Lake Cullulleraine foreshore amenities project***

This project aims to enhance the appeal of the area for visitors by incorporating various improvements. These improvements include lifting the rotunda's roof, power upgrades, lighting, informative signage, new playground and landscaping works.



The community deemed this project a top priority and it has been delivered using federal drought grant funding.

Most of the scope of this project has been delivered, with the remaining to be delivered in 2023-2024 alongside the community-delivered Ninja Course and Pump Track projects.

#### ***Green Pines Park play equipment replacement***

This project included the replacement of play equipment at Green Pines Park, which had reached the end of its useful life. Works included the installation of a combination unit with climbing walls, swings and shade sails for shelter.

#### ***Urban Regener8 CBD Revitalisation project***

This project aims to transform the Mildura CBD shopping experience to drive economic growth and stimulate spending while providing an enhanced and connected streetscape environment in keeping with our natural riverfront, Mediterranean climate and lifestyle themes.

A significant proportion of the funding is being provided through Regional Development Victoria with the balance of project funding being provided by Council.

These works are continuing and will be completed in 2023-2024.

#### ***Merle Court and Tarella Court reconstruction and Tarella Court drainage upgrade***

The Merle Court and Tarella Court project involved a full reconstruction of Merle Court and Tarella Court and the upgrade of the drainage network in Tarella Court.

The project included removal of 200mm of the existing wearing course and stabilising the existing base, reconstructing the pavement and improving the drainage system.

The pavement reconstruction works were designed to increase the Council asset's lifetime and to also reduce maintenance costs. This project will provide a better life to residents, reduce safety issues, and reduce accidents that may occur during rain events. The project delivered 1,696m<sup>2</sup> of asphalt paving in Tarella Court and 637m<sup>2</sup> in Merle Court.

Works commenced in May 2023 and were completed in July 2023.

#### ***Nichols Point drainage upgrade***

The upgrade of the Nichols Point drainage involves constructing two new drainage outfalls that will allow the Nichols Point development and growth area to drain to the wetlands at Karadoc Avenue and First Street. As part of this project, trunk mains and other drainage infrastructure will be installed around the Nichols Point township.

These works are continuing with designs to be completed and construction works commencing in 2023-2024.

### ***Calder Basin to Cowra Avenue drainage works***

This project involves constructing a new drainage outfall for future subdivisions from Cowra Avenue to the Calder Basin near the corner of Fifteenth Street and Benetook Avenue.

Works have included the installation of new pipes and pits including connection of the new drainage infrastructure into the existing drainage network.

These works are nearing completion after commencing in April 2023.

### ***Etiwanda Spur line - Fifteenth Street to Sixteenth Street***

This project involves construction of a drainage spur line in Etiwanda Avenue between Fifteenth Street and Sixteenth Street, allowing for future land development to occur. Works will also include road crossings to future proof kerb alignment and pits.

There has been a high level of interest in developing the infill land between Fifteenth and Sixteenth streets, which will require drainage infrastructure to be installed along Etiwanda Avenue.

These works commenced in June 2023 and are to be completed before the end of 2023.

### **Major Changes**

In 2022–2023, we made the following major changes to the organisation's structure and contracts:

- Continued the secondment of the General Manager Development, Mandy Whelan, to the temporary role of Director Organisational Projects. Mandy acted in this role from 26 April 2022 until her resignation took effect on 30 June 2023.

The temporary role was created to lead current, as well as commencing new, key cross-functional projects within the Corporate Department that needed to be delivered in accordance with the *Local Government Act 2020*, as well as other important organisational projects.

- In the wake of significant Aged Care Industry reforms introduced by the Australian Government, and following our decision in May 2022 to transition out of Aged and Disability Services, completed a 12-month process to ensure a smooth transition by 1 July 2023 to new providers for the more than 1,500 customers cared for by Council staff.
- Approved a temporary structure change to the Community Department, which included the creation a temporary Manager Strategic Projects role.

Kate Henschke commenced in the temporary role of Manager Strategic Projects (and Thomas Stevenson commenced in the role of Acting Manager Leisure and Cultural Services) on 3 August 2022.

The temporary Manager Strategic Projects role was created to provide additional support to strategic planning and due to the high number of major projects and major events being held in the near future.

The temporary role is responsible for oversight of strategic planning, events and projects, and major project delivery (ie Powerhouse, Mildura Sporting Precinct – Stage 2).

### **Major Achievements**

- Completion of the new \$1 million AroundAgain receivals station at Mildura Landfill
- Upgrade through the Lighting the Regions Stage 2 project of more than 1,700 public streetlights in the Mildura region to energy-efficient LED technology
- White Ribbon Australia workplace reaccreditation for a third consecutive time
- Endorsement by the Victorian Public Sector Gender Equality Commissioner of our organisation's first Gender Equality Action Plan
- Adoption of the Road Safety Strategy 2023-2030
- Official opening of the new-look Irymple Kindergarten on 22 March 2023, inclusive of new playrooms, bathroom facilities and an administration area, along with updated air-conditioning and heating units
- Through the Mildura Airport Pty Ltd, commencement of new airline, Bonza, in March 2023, offering Mildura's first direct route to Queensland (Sunshine Coast)
- Launch of the new Mildura Powerhouse Interactive Touch Wall, providing locals and visitors to Sunraysia with the opportunity to immerse themselves in our region's rich history, destinations and attractions from one central location
- Announcement of Mildura as the Campervan and Motorhome Club of Australia's 366th RV Friendly Town

## City Profile



Mildura Rural City Council covers an area of 22,082 square kilometres, making it the largest municipality in Victoria.

The municipality has an estimated resident population of 57,156 which includes 2,621 Aboriginal and Torres Strait Islander people. The structure of the region's economy and a significant transient population for employment purposes sees Mildura serve a regional population across three states – Victoria, New South Wales and South Australia.

Major townships within Mildura Rural City's urban area include Mildura, Irymple, Red Cliffs and Merbein. These irrigation areas formed part of the first irrigation colony established in Australia. Townships within Council's rural area include Ouyen, Meringur, Werrimull, Cullulleraine, Cardross, Nangiloc, Colignan, Murrayville, Cowangie, Underbool and Walpeup.

Key economic advantages for the Mildura Rural City include its proximity to the Murray River, its diverse agricultural sector, a vibrant community, its location at the apex of three Australian states, and vocation and tertiary education institutions.

While renowned for quality horticultural production, the Mildura region's economy has diversified and expanded over many years to include a variety of industries. Value adding industries such as manufacturing (predominantly wine, fruit and vegetable processing) have become well established in the region and benefit from the area's tri-state location and transport infrastructure. Tourism is also a strong element within the local economy and the Mildura region has become a popular tourist destination. With excellent infrastructure and a Mediterranean style climate creating an abundance of sunshine hours and clear days, Mildura has more recently become an area of great interest to the renewable energy sector and is viewed as a preferred solar location.

Mildura also boasts the largest and busiest regional airport in Victoria with 193,594 passenger movements each year to Melbourne, Sydney and Adelaide.

*\* Source: Figures based on 2023 update to Australian Bureau of Statistics data.*

## Council Offices

### **Mildura**

Madden Avenue Service Centre

108 Madden Avenue, Mildura

Ph: (03) 5018 8100

Fax: (03) 5021 1899

Deakin Avenue Service Centre

76 Deakin Avenue, Mildura

Ph: (03) 5018 8100

Fax: (03) 5021 1899

### **Ouyen**

Ouyen Service Centre

79 Oke Street, Ouyen

Ph: (03) 5018 8600

Fax: (03) 5092 1017

Email: [mrcc@mildura.vic.gov.au](mailto:mrcc@mildura.vic.gov.au)

Website: [www.mildura.vic.gov.au](http://www.mildura.vic.gov.au)

Postal address:

PO Box 105

Mildura Victoria 3502

## Councillors

A Council is elected to provide leadership for the good governance of the municipal district and the local community. In 2020, our community elected this Council for a four-year term. The nine Councillors listed below are the elected representatives of all residents and ratepayers across the Mildura Rural City, with their term ending in October 2024. Councillors are responsible for setting the strategic direction of the municipality, policy development, identifying service standards and monitoring performance across the organisation. To allow focus on strategic matters relating to specific areas of Council, Councillors are also allocated a portfolio aligned with the Council Plan 2021 to 2025.



### **Cr Liam Wood, Mayor**

Term: 2020-2024

Portfolio: Governance, Performance, Risk and Audit

Cr Liam Wood was born and bred in Mildura and grew up on the banks of Kings Billabong.

After graduating from the Red Cliffs High School, Cr Wood went on to study landscape architecture at RMIT University. He moved back to Mildura 14 years ago and now runs three businesses.

Cr Wood has a keen interest in events/tourism and the small business sector which he says are vital drivers for the local economy, and has dedicated significant resources and time into events and hospitality in Sunraysia for over a decade.

Cr Wood is involved in many annual charity events, such as Ladies Day, which raises money for Sunraysia cancer research, as well as the 'our walk' event, which has raised money for several charities. He said these and other similar events raise much needed funds for local organisations which often get forgotten at State and Federal level.

Cr Wood has committed to do as much as he can for the Sunraysia community during his term, stressing the region and its people have so much to offer and deserve strong representation from their elected leaders.

He believes Council should always conduct its business with integrity, fairness, honesty and transparency for all.

Cr Wood was elected Mildura Mayor at the 2022 Annual General Meeting.



**Cr Jason Modica**

Terms: 2016-2020, 2020-2024

Portfolio: Environment and Sustainability

Cr Jason Modica became a Councillor for the first time in 2016. Cr Modica lives in Nichols Point and is passionate about the region he calls home.

During his first term, Cr Modica served as Deputy Mayor twice. Cr Modica was Mayor in the first year of the current term and

served as Deputy Mayor for the third time last year.

Cr Modica represented Council at the South Australian Royal Commission into the Murray-Darling Basin Plan, Municipal Association of Victoria annual general meeting and on the Central Victorian Greenhouse Alliance Board. Councillor Modica is Chair of Region 4 of the Murray-Darling Association and was elected to the executive of Climate Emergency Australia in June.

Cr Modica is passionate about social and regional economic development, energy transition, water literacy, service access and social justice.

He is keen to shape the local community's future, putting honesty, integrity and authenticity at the centre of representation, as well as fighting for transparency and good governance.



**Cr Troy Bailey**

Term: 2020-2024 (replaced Cyndi Power in March 2022)

Portfolio: Community Health and Wellbeing

Cr Troy Bailey grew up on a dried fruit property in Coomealla with his seven brothers and three sisters. Working the block with his family created a strength and determination to finish the job no matter what.

Cr Bailey started his career in 1989 at the Mildura Base Hospital at the age of 17 years, teaching nurses to use technology they had never seen before. His passion for health services in the Mallee continued to direct his efforts, working with GPs and specialists to improve communication and service delivery. Assisting Sunraysia Community Health Services to implement innovative healthcare solutions, Cr Bailey is now continuing that work at the Mildura Base Public Hospital.

Cr Bailey has great pride in the strength of communities in Northwest Victoria who continue to be dealt a raw deal by state and federal governments, seeing firsthand the limited resources that flow past Bendigo.

In his current term, he is focused on working with the Council to make Sunraysia more affordable, to encourage and support business development and reignite our tourism industry.

Cr Bailey was elected to replace Cyndi Power whose resignation from her role as a Councillor took effect on 21 March 2022.



**Cr Helen Healy, Deputy Mayor**

Terms: 2019-2020 (replaced Ali Cupper in February 2019), 2020-2024

Portfolios: Community Development and Gender Equity; Arts, Culture and Heritage; Governance, Performance, Risk and Audit

Cr Helen Healy grew up in Ouyen, is one of 73 first cousins and her family have been in the Mallee for over 100 years.

She is an Arts and Cultural Engagement consultant, having produced over 300 events across Australia, including major events in the Mildura region and a major cultural program for the Centenary of Canberra.

She has twice been a finalist for the Australian Event Manager of the Year and is a former Victorian Government Small Business Regional Hero. Cr Healy recently completed a Masters in Cultural Leadership and the Australian Institute of Company Directors course, and belongs to many local groups including President of Sunrased Voices Choir.

In her current term, she is focussing on gender equity benefits for men, women and children; future proofing with sustainable practices and renewable energies; arts and cultural tourism-driven economies; civic pride and supporting diverse candidates to stand for the next Council election.

Cr Healy was elected Deputy Mayor at the 2022 Annual General Meeting.



**Cr Mark Eckel**

Terms: 2000-2003, 2005-2008, 2008-2012, 2012-2016, 2016-2020, 2020-2024

Portfolio: Recreation and Events

This is Cr Mark Eckel's sixth term on Council. He said every new term on Council brings with it great expectation.

Within this term, the South Mildura Sporting Complex was realised. It has revolutionised sport in the municipality for non-competitive and mixed gender sportspeople, as well as social connection through activity. I look forward to assisting Council in the development of the second stage of the Mildura Sporting Complex, together with the Powerhouse precinct on the Mildura Riverfront – two significant projects that are creating a diversity rare in regional Australia.



Cr Eckel has been a White Ribbon Ambassador and believes that violence is a cultural issue that needs to be addressed commencing with our youth. He is proud to be associated with a White Ribbon Accredited Council.

With wife Denise, they share six children, 17 grandchildren and are great grandparents of 11.

The couple list Mildura's geographical location, lifestyle and multicultural community as highlights.

In addition to working as a radio presenter, Cr Eckel is a keen sportsman.



**Cr Glenn Milne**

Terms: 2005-2008, 2008-2012, 2012-2016, 2016-2020, 2020-2024

Portfolio: Infrastructure and Assets

Cr Glenn Milne is serving his fifth consecutive term on Mildura Rural City Council. He has previously served seven terms as Mayor.

Born and bred in the region, Cr Milne grew up on a dried fruit and citrus property at Cardross while completing school and further education pursuits locally. He has also been employed as a press photographer and worked in community development and welfare.

A father of eight, including two foster children, Cr Milne is a Board member of Sunraysia Residential Services and a Board member of Sunraysia Community Radio.



**Cr Stefano De Pieri**

Term: 2020-2024

Portfolio: Economic Development

Cr Stefano De Pieri migrated to Australia in 1974 from Italy, before attending Sydney Road Community School and completing a Politics degree at Melbourne University. He worked as a ministerial advisor in the state government for some years prior to coming to Mildura in 1991.

Cr De Pieri established Stefano's Restaurant and published a book (*Gondola on the Murray*) which became a TV series. He helped establish Arts Mildura, La Trobe University and the Australian Alternative Varieties Wine Show. He recently featured in the SBS TV program *Australia's Food Bowl*, which highlights food production and innovation in the wider Mildura district.

Cr De Pieri is keen to develop the practice of participatory democracy in decision-making as required by the new *Local Government Act*, review the rates formula with relevant bodies such as the Municipal Association of Victoria, support economic development, tourism and events and reinvigorate the arts industry.

He is currently the patron of the Melbourne-based Institute of Post-Colonial Studies, looking among other things at the future of food and regional economies. Cr De Pieri is also on the Committee for the Mildura Writers Festival, the Alternative Varieties Wine Show and was previously a member of the Mildura Regional Development Board.

Outside of his Council and professional duties Cr De Pieri is interested in literature, music and food and a modicum of exercise.



**Cr Ian Arney**

Term: 2020-2024

Portfolio: Agriculture

Cr Ian Arney farms at Werrimull. He has three children. Cr Arney has lived in the municipality for more than 50 years and has been farming for over 30 of those years. He has actively played sport with many clubs and is currently associated with Sunraysia Volleyball. He is interested in improving mental, community/social and environmental health and is actively involved in revegetation and sustainable farming.

Cr Arney has been involved with Landcare for more than 25 years and is currently the Millewa/Carwarp Landcare Group President. In the past, Ian has been a board member of Landcare Victoria Incorporated, the Victorian Farmers Federation Livestock Group and of the Mallee Catchment Management Authority.

Cr Arney aims, as a Councillor, to work towards everyone in the community being well represented. This particularly includes people involved in agriculture and living in rural and remote areas, ensuring they are being represented by someone who is interested in and understands many of the challenges they face.

Cr Arney encourages community engagement, inclusion and good governance and aims to ensure the entire municipality is represented.



**Cr Jodi Reynolds**

Term: 2020-2024

Cr Jodi Reynolds has been a resident of Mildura since 2014. She has raised two daughters in the region and become an active member of the Mildura community.

Cr Reynolds has been a member of numerous groups promoting sustainability in the region, including 350.org, the Mildura Australian Conservation Foundation group and Sunraysia

Sustainability Network.

She has worked as a geologist specialising in Mineralogy for over 20 years after completing a Bachelor of Science at the University of Newcastle.

After moving to Mildura, Cr Reynolds completed a post-graduate Certificate in Nutrition and is currently studying a post-graduate Certificate in Environmental Management at the Australian National University.

During her time in Mildura, Cr Reynolds has worked for Crystal Mining (now Tronox), Mildura City Heart, Northern Mallee Leaders Inc. and Mallee Catchment Management Authority. She currently works at the Department of Climate Change, Environment, Energy and Water in the Water division.

# Our People

## Organisational Structure

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Council Plan 2021-2025. Three general managers and the CEO form the Executive Leadership Team (ELT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.



### **Chief Executive Officer**

Martin Hawson

Martin has well over 20 years' experience at senior executive level in Local Government, establishing a proven record for innovative leadership and creating close, outcome-driven partnerships with the community. Born and raised in Red Cliffs and a Sunraysia resident his entire life, key themes throughout his extensive local government career have been improving community well-being, particularly for disadvantaged groups, and creating strategies for the region to grow and prosper.

Council's Mildura Future Ready advocacy and funding strategy is a shining example of Martin's ground-breaking approach to improving outcomes for the Sunraysia region. Since it was launched in 2017, it has attracted \$42 million in government funding for the region, making projects including the Mildura Sporting Precinct and continued development of Mildura's iconic riverfront a reality.

Throughout his career, Martin has demonstrated an ability to develop successful relationships at all levels of government and with key stakeholders, which is critical to achieving outcomes that make a real difference to the community.

Martin has also played pivotal leadership roles supporting the community through some of the region's biggest crisis events over more than a decade as Municipal Recovery Manager. Most recently, through several COVID-19 outbreaks, he was a key member of the Northern Mallee Incident Management Committee, which successfully navigated the Sunraysia community through some of the most difficult stages of the pandemic.

Martin is an Australian Institute of Company Directors graduate and also has qualifications in the health and education sectors, including a Masters in Health Administration and a Graduate Diploma in Health Science.

### **Responsibilities:**

- Executive support for Mayor and Councillors, including approving Council reports and providing strategic advice to Councillors

- Implementation of Council's policies and decisions
- Liaison with other levels of government and major stakeholders
- Working with other local government representatives on sector-wide and regional issues
- Supporting all areas of the municipality
- City development and investment attraction
- Leadership of the Strategic Management Team (ie Council's Executive Leadership Team and branch managers).

### **Senior Officers Reporting Directly to the Chief Executive Officer**



#### **Acting General Manager Corporate**

Mark McMillan

Following Chris Parham's resignation and departure on 14 October 2022, Mark McMillan was appointed to and commenced in the role of Acting General Manager Corporate on 15 October 2022.

Mark was born and raised in the Mildura area, having grown up in Merbein South on a sultana vineyard. He has mostly lived and worked in the Mildura area his whole life.

Mark has over 25 years' experience working in finance-related fields, including 14 years working in public practice. Mark has worked in local government since 2011 and has extensive experience in areas such as financial management, procurement and fleet management.

Mark holds a Bachelor of Business with a major in accounting and has been a member of CPA Australia for over 20 years. He is also on the board of the local Sunraysia CPA branch and is a qualified Tax Agent.

Areas of responsibility:

- Organisational Development
- Human Resources
- Financial Services
- Information Systems
- Governance and Performance
- Risk and Emergency Management
- Fruit Fly Murray Valley
- Mildura Cemeteries Trust.



### **Acting General Manager Development**

Daryl Morgan

Daryl has almost 30 years' experience in Local Government working within the engineering and development field.

Daryl was born and raised in Red Cliffs and returned to the area in November 2019 to work for Mildura Rural City Council.

As a senior manager with extensive local government experience specialising in the areas of civil construction and design, contract management, waste management, traffic management and drainage, Daryl has worked on numerous projects involving landfill capping and construction, seven-storey hospital demolition, railway lands remediation and development, as well as various road and drainage construction works.

Daryl holds a degree in Civil Engineering, a Graduate Diploma in Local Government Engineering and Management, and graduate certificates in Environmental and Water Engineering. He is a Chartered Professional Engineer and a Member of the Institute of Engineers.

#### **Areas of responsibility:**

- Parks Services
- Waste Management Services
- Road maintenance and construction
- Asset Management Services
- Engineering Services
- Statutory Planning
- Building Services
- Environmental Health
- Civic Compliance
- Facility Services.

*Note: Daryl Morgan was appointed to and commenced in the role of Acting General Manager Development on 26 April 2022 following the secondment of General Manager Development, Mandy Whelan, to the temporary role of Director Organisational Projects on 26 April 2022.*



### **Acting General Manager Community**

Mark Jenkins

Mark has over 40 years' experience in local government working across the environmental, planning, sustainability and community areas.

Mark has managed various areas within Council including Parks and Gardens, Waste Management, Community Development, Strategic Planning, Arts, and Environmental Sustainability. Mark has had an ongoing involvement in the delivery of key Council initiatives including the Mildura Riverfront and Powerhouse redevelopment, renewable and energy efficiency projects and supporting rural communities and small towns throughout the municipality.

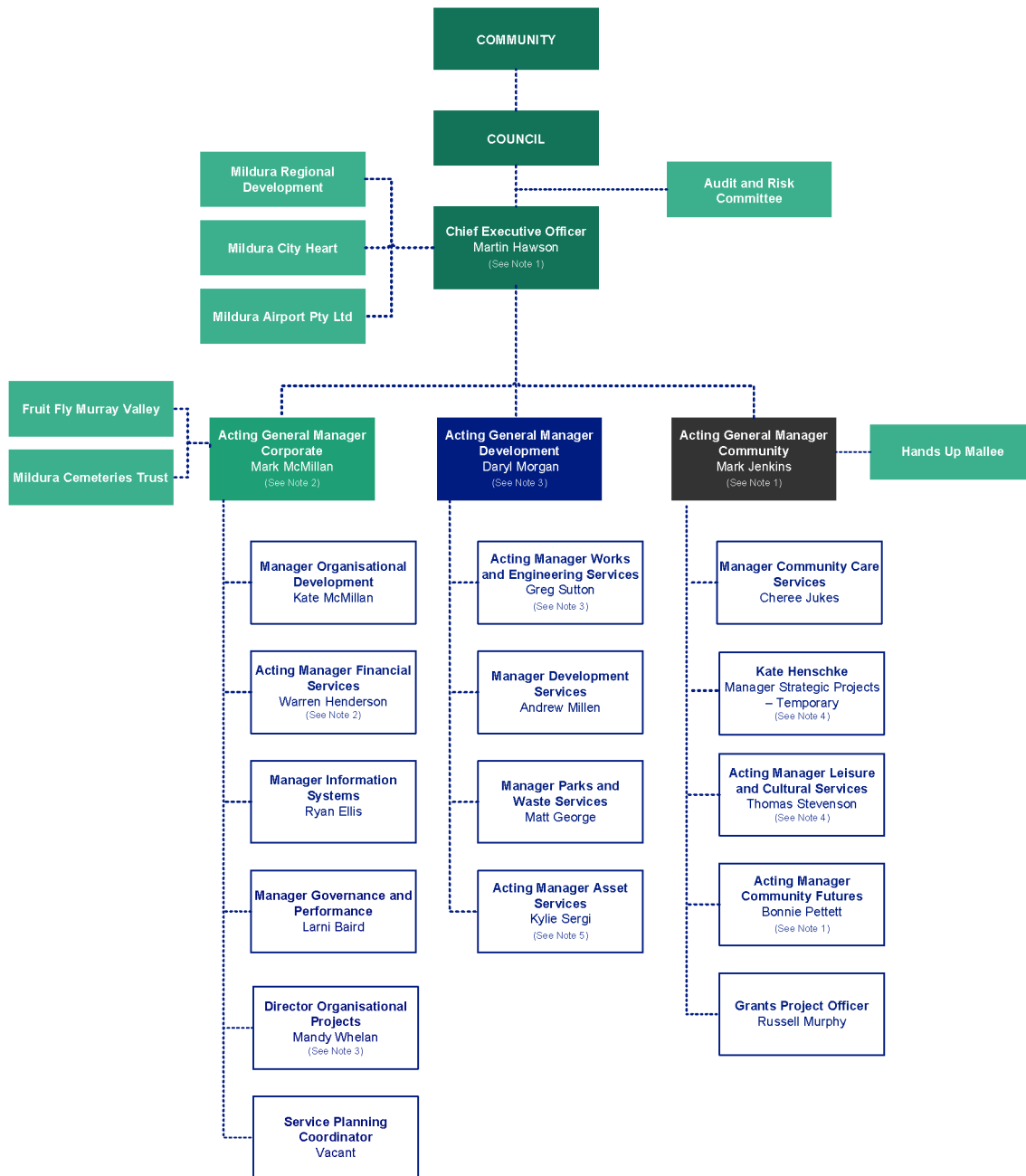
Mark holds a Bachelor of Management (Rural Resources) and an Advanced Diploma in Land Management.

#### **Areas of responsibility:**

- Arts and Culture
- Strategic Planning
- Environmental Sustainability
- Community Development
- Recreation
- Maternal and Child Health
- Aged Care Services
- Early Years
- Family Day Care
- Libraries
- Events and Visitor Services
- Major Projects
- Youth Engagement Services

*Note: Mark Jenkins was appointed to and commenced in the role of Acting General Manager Community on 6 August 2021 following the appointment of Martin Hawson to the role of Acting Chief Executive Officer.*

The organisational structure of Council is shown below.



**Note:**

1. Prior to his appointment to the role of Chief Executive Officer on 14 April 2022, Martin Hawson acted in the role of Chief Executive Officer from 6 August 2021.

Mark Jenkins was appointed to the role of Acting General Manager Community and Antonette Zema was appointed to the role of Acting Manager Community Futures, effective on 6 August 2021. Bonnie Pettett commenced in the role of Acting Manager Community Futures on 1 February 2023.



2. Following Chris Parham's resignation and departure on 14 October 2022, Mark McMillan was appointed to the role of Acting General Manager Corporate Services and Warren Henderson was appointed to the role of Acting Manager Financial Services. Both appointments took effect on 17 October 2022.
3. Mandy Whelan, General Manager Development, was appointed to a temporary secondment role, Director Organisational Projects, reporting to the General Manager Corporate Services, commencing on 26 April 2022. Mandy acted in this role until her resignation, which took effect on 30 June 2023.

The Director Organisational Projects role is responsible for leading, as well as commencing, a number of cross-functional projects currently sitting within the Corporate Department that need to be delivered in accordance with the *Local Government Act 2020*, as well as other projects for the organisation and their associated ongoing delivery model.

Following Mandy Whelan's appointment to the role of Director Organisational Projects, Daryl Morgan was appointed to the role of Acting General Manager Development and Michael Vaughan was appointed to the role of Acting Manager Works and Engineering Services, commencing on 26 April 2022. Greg Sutton was appointed Acting Manager Works and Engineering Services on 27 January 2023.

4. Following the Executive Leadership Team's approval of a temporary structure change to the Community Department, Kate Henschke was appointed to and commenced in the temporary role of Manager Strategic Projects on 3 August 2022. Thomas Stevenson was appointed to and commenced in the role of Acting Manager Leisure and Cultural Services on 3 August 2022.

The temporary Manager Strategic Projects role is responsible for oversight of strategic planning, events and projects, and major project delivery (ie Powerhouse, Mildura Sporting Precinct – Stage 2). The role was created to provide additional support to strategic planning and due to the high number of major projects and major events being held in the near future.

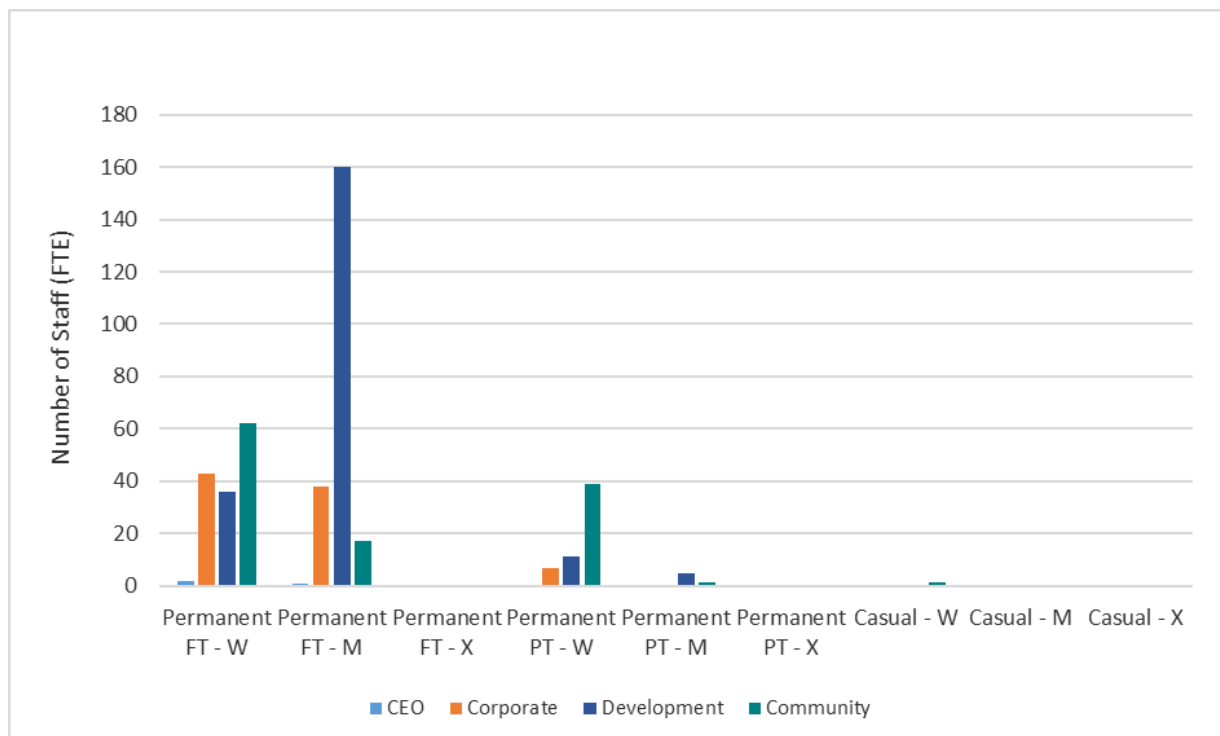
5. Mike Mooney, Manager Asset Services, commenced leave from 13 February 2023 until his resignation, which took effect on 7 July 2023. Kylie Sergi was appointed to and commenced in the role of Acting Manager Asset Services on the 13 February 2023.

## Council Staff

A summary of the number of full-time equivalent (FTE) staff by organisational structure, employment type and gender is set out below.

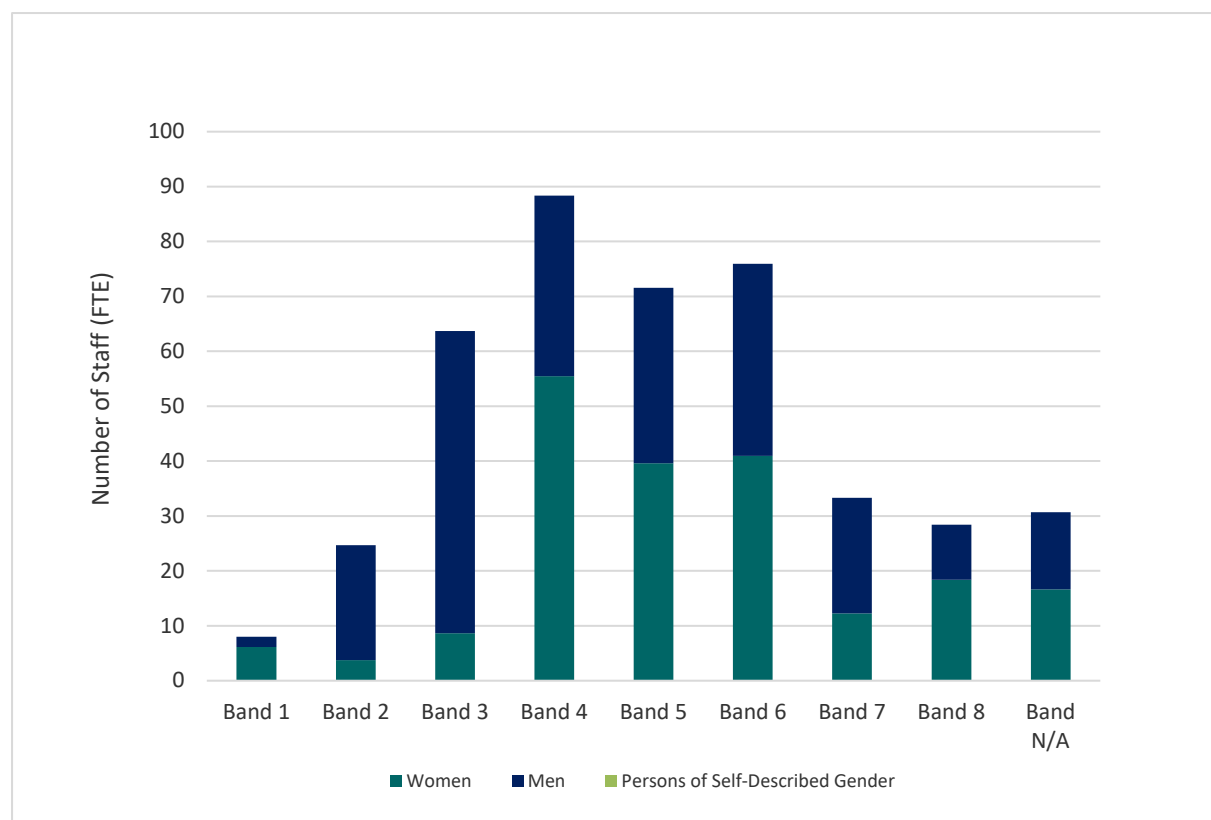
Employee type/gender	CEO FTE	Corporate FTE	Development FTE	Community FTE	Total FTE
Permanent FT - W	2	43	36	62	143
Permanent FT - M	1	38	160	17	216
Permanent FT - X	0	0	0	0	0
Permanent PT - W	0	7.05	11.27	38.87	57.19
Permanent PT - M	0	0	4.86	1.59	6.45
Permanent PT - X	0	0	0	0	0
Casual - F	0	.08	.16	1.44	1.68
Casual - M	0	.04	.04	.2	.28
Casual - X	0	0	0	0	0
<b>Total</b>	<b>3</b>	<b>88.17</b>	<b>212.33</b>	<b>121.10</b>	<b>424.60</b>

*FT-Full-time PT-Part-time W-Women M-Men X-Persons of self-described gender*



A summary of the number of full-time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Women FTE	Men FTE	Persons of Self-described Gender	Total FTE
Band 1	6.14	1.84	0	7.98
Band 2	3.78	20.91	0	24.69
Band 3	8.62	55.06	0	63.68
Band 4	55.48	32.85	0	88.33
Band 5	39.59	32	0	71.59
Band 6	40.94	35.02	0	75.96
Band 7	12.26	21.05	0	33.31
Band 8	18.4	10	0	28.4
Band not applicable	16.66	14	0	30.66
<b>Total</b>	<b>201.87</b>	<b>222.73</b>	<b>0</b>	<b>424.60</b>



## Overview of Senior Positions by Gender\*

Level	Men	Women	Self-Described Gender
Executive Leadership	4	0	0
Management	7	6	0
Coordinator and Team Leader	35	42	0

\* Note: The above figures provide an overview of senior positions at 30 June 2023. The figures do not take into account staff changes at senior management level that occurred during the 2022-2023 financial year and are explained in other sections of this Annual Report.

## Other Staff Matters

### Gender Equity Program

The objective of our Gender Equity Program (GEP) is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

The indicators that measure the effectiveness of the GEP and the results for the year are:

- Indicator: Percentage of new employees receiving equal opportunity training within six months of commencement. Target: 100%. Result: 97%
- Indicator: Percentage of existing employees receiving refresher equal opportunity training at least every two years. Target: 100%. Result: 84%
- Indicator: Number of contact officers per number of Council employees. Target: 1:50. Result: 1:29

The indicators are monitored on an ongoing basis by the Equal Employment Opportunity Committee that meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice. Council's assessment of the achievement of the program's objectives are that there were no breaches of the *Equal Opportunity Act 2010*.

The actions taken to implement the GEP over the past 12 months include the provision of Equal Opportunity Awareness sessions for all new employees and managers to ensure they are fully aware of their responsibilities in maintaining a workplace free of bullying and harassment. We also had all staff review the Equal Opportunity and Workplace Behaviours Policy and the Prevention of Bullying Policy through our policy review process.

All staff have also completed an online learning module on Sexual Harassment Awareness over the last year.

### **Enterprise bargaining agreement**

In May 2022, an Enterprise Bargaining Committee comprising management representatives, nominated workplace union delegates and union industrial officers was established to negotiate a new Enterprise Agreement. A new three-year Enterprise Agreement has been agreed to and registered with the Fair Work Commission.

### **Training/Professional Development**

Study assistance is offered for staff undertaking relevant undergraduate or postgraduate studies. In the past year, 17 staff have accessed this form of support. A comprehensive corporate learning program that supports a broad range of staff development needs is provided. This is developed in alignment with strategic priorities, as well as in response to needs identified through staff performance and development plans. A variety of learning methodologies are used, including online training, e-learning, facilitated workshops and personal coaching.

### **Preventing Violence against Women**

The Prevention of Violence against Women initiative aims to promote gender equity, build respectful and safe relationships, and break down stereotypes of women.

Over the past 12 months, we have:

- Been successful with our White Ribbon Workplace Accreditation program, for the third time
- Continued our internal White Ribbon Accreditation Committee with the inclusion of new members to better represent all areas of the organisation
- Continued our internal White Ribbon Events Committee to plan, coordinate and manage Council's White Ribbon events
- Conducted awareness-raising activities as part of White Ribbon Day
- Included material about the White Ribbon program in our Corporate Induction program
- Continued to provide training to staff on domestic and family violence awareness
- Continued to provide information to staff on the prevention of family violence
- Reviewed policies to ensure they support the prevention of violence against women and people in this situation
- Implemented actions from Council's first Gender Equality Action Plan

### **Health and Safety**

Our aim is to maintain a safety culture that supports an incident- and injury-free workplace for all employees, Councillors, contractors, visitors and the public.

Over the past 12 months, we have continued to review and update our Health and Safety Management System. We have worked with branches to document risk assessments and reviewed safe work procedures and safe work method statements to ensure employees continue working in a safe environment. Emerging from the COVID-19 pandemic and with

staff returning to the workplace, we have focused on our workplace inspection program, reviewing our emergency procedures and occupational health and safety training for staff.

### **Commitment to Children – Mildura Rural City Council as a Child Safe Organisation**

Mildura Rural City Council is committed to the safety and wellbeing of children and the prevention of child abuse. Reducing and removing the risk of child abuse will be at the centre of our decision-making concerning children in our organisation.

Council has zero tolerance for child abuse and all allegations and safety concerns will be treated seriously and acted upon. As a child safe organisation, we are committed to providing a child safe environment where children feel safe, are empowered, valued and protected. Council will actively listen to children, ensuring their voices are heard and considered in decisions that affect their lives.

Council's approach to children will be consistent with our commitment to strive to ensure our services are accessible and the people we deal with are treated with dignity and respect, regardless of gender identity, sexual orientation, age, disability, ethnicity and cultural and socio-economic background.

Council will ensure our staff are equipped with the training, skills and knowledge to support children in our community.

# Our Performance

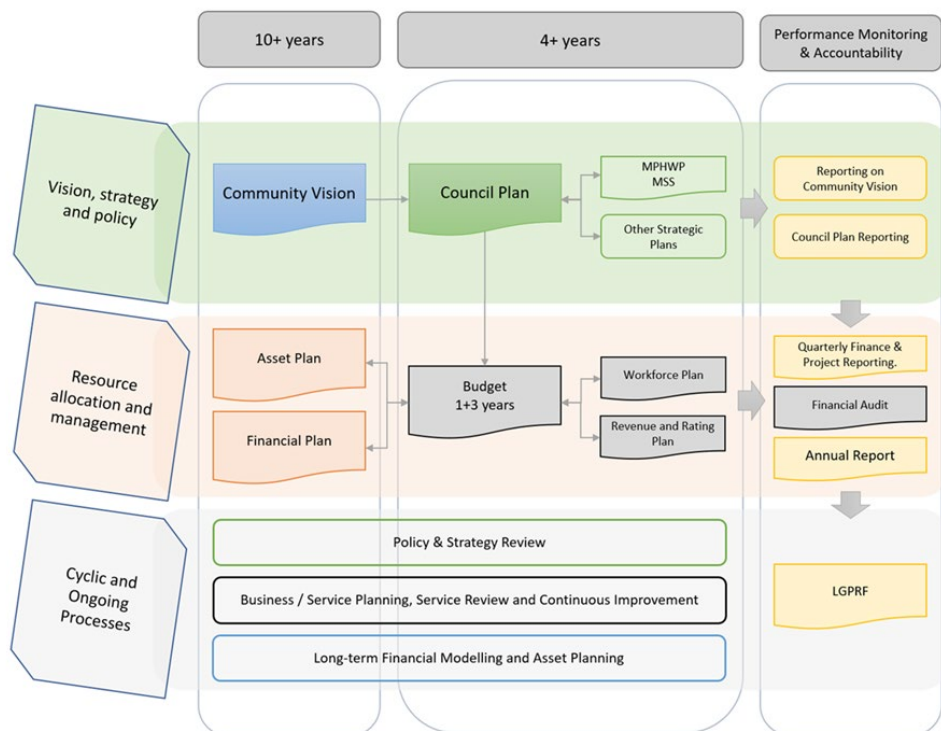
## Integrated Strategic Planning and Reporting Framework

Part 4 of the *Local Government Act 2020* requires councils to prepare the following:

- A Community Vision (for at least the next 10 financial years)
- A Council Plan (for at least the next four financial years)
- A Financial Plan (for at least the next 10 financial years)
- An Asset Plan (for at least the next 10 financial years)
- A Revenue and Rating Plan (for at least the next four financial years)
- An Annual Budget (for the next four financial years)
- A Quarterly Budget Report
- An Annual Report (for each financial year)
- Financial policies.

The Act also requires councils to prepare a Workforce Plan (including projected staffing requirements for at least four years).

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback.



## Council Plan

The Council Plan 2021-2025 includes strategic objectives, strategies for achieving these for the four-year period and strategic indicators for monitoring the achievement of the strategic objectives. The following are the five strategic objectives as detailed in the Council Plan.



## Performance

Council's performance for the 2022-2023 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the Council Plan 2021-2025.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures.



## Strategic Objective 1



### Environment

*We will sustain our natural environment and resources for current and future generations*

## Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/Measure	Result
Community satisfaction with protection of natural bushland	65
Community satisfaction with management of wetlands	62
Net increase in trees	1317
Community satisfaction with waste management	52
Waste diverted from landfill (recycled)	53.62%
Community satisfaction with environmental sustainability	60

## Services

The following statement provides information in relation to the services funded in the 2022-2023 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Environmental sustainability</b>	This service develops, coordinates and implements environmental policy, plans, strategies and initiatives and works with other services to improve Council's environmental performance. Reducing energy and water usage within Council operations, protecting and enhancing Council managed natural areas and roadsides, and educating the community are key priority areas for environmental sustainability.	595 <u>736</u> 141

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Waste management</b>	This service provides <b>waste collection</b> and waste management services including kerbside collection services, the operation of three landfills and eight rural transfer stations, litter bin collection, street sweeping, bin maintenance and event bins.	15,585 <u>10,764</u> (4,821)

## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service Indicator/Measure	Results - Financial Year Ending			
	2020	2021	2022	2023
<b>Waste collection</b>				
<b>Satisfaction</b>				
<i>WC1 - Kerbside bin collection requests</i>	115.26	210.54	94.62	94.46
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1,000				
<b>Service standard</b>				
<i>WC2 - Kerbside collection bins missed</i>	4.38	10.82	3.84	4.74
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000				

Service Indicator/Measure	Results - Financial Year Ending			
	2020	2021	2022	2023
<b>Service cost</b>				
<i>WC3 - Cost of kerbside garbage bin collection service</i>	\$71.21	\$40.16	\$49.08	\$50.65
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]				
<b>Service cost</b>				
<i>WC4 - Cost of kerbside recyclables collection service</i>	\$73.76	\$91.77	\$94.42	\$102.06
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]				
<b>Waste diversion</b>				
<i>WC5 - Kerbside collection waste diverted from landfill</i>	17.83%	72.19%	74.02%	73.84%
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100				
<b>Comments</b>				
WC1	There has been no significant change to kerbside bin requests for garbage and recycling.			
WC2	There has been an increase in missed bins due to new drivers and changes to collection days in areas such as Mildura South.			
WC3	Increase is in line with normal CPI, Environment Protection Authority levy increases and growth in the number of households.			
WC4	The increase is due to normal annual contract cost increases.			
WC5	Diversion rate has dropped slightly due to the increase in contamination rates from the 2022 kerbside audit report.			

## Strategic Objective 2



### Community

*We will be a healthy, respectful  
and connected community*

### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/Measure	Result
Community perception of personal safety	75
Community satisfaction with emergency and disaster management	61
Community satisfaction with community and cultural activities	63
Active library borrowers in the municipality	7.19%
Community satisfaction with arts and cultural facilities	67
Community satisfaction with arts and cultural programs	66
Community satisfaction with council support to arts and cultural groups	65
Percentage of Community Health and Wellbeing Plan actions completed	83%
Participation in the Maternal and Child Health Service	80.69%
Level of participation in sport and physical recreation activities	61%
Percentage of Reconciliation Action Plan actions completed	Not Available

## Services

The following statement provides information in relation to the services funded in the 2022-2023 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
<b>Aged and disability services</b>	This service provides a range of home and community care services for the aged and people with a disability including home care, personal care, respite care, home maintenance and planned activity groups.	1,389 <u>1,838</u> 449
<b>Arts and culture</b>	This service provides arts and culture activities throughout the municipality, with the delivery of visual and performing arts programs and services at Mildura Arts Centre across gallery and heritage, community cultural development, marketing and development (including customer service/box office ticketing, café and theatre) and technical services. The service includes the presentation of an entrepreneur program in both the visual and performing arts through funding from Arts Victoria, as well as the venue hires of the theatre auditorium and foyer spaces for local and commercial organisation. This service also includes overseeing Mildura's most important heritage building Rio Vista Historic House, as well as Mildura Station Homestead and venue hires of woolshed and cottage.	1,270 <u>1,677</u> 407
<b>Civic compliance</b>	This service provides staff at school crossings throughout the municipality to ensure that all pedestrians, but mainly school aged children, can cross the road safely. It maintains and improves the health and safety of people, animals and the environment providing <b>animal management</b> services including a cat trapping program, a dog and cat collection service, a lost and found notification service, a pound service, a registration and administration service, an afterhours service and an emergency service. It also provides education, regulation and enforcement of the general local law and relevant state legislation.	627 <u>921</u> 294
<b>Community health</b>	This service provides family-oriented support services including universal and enhanced <b>maternal and child health</b> and immunisation.	801 <u>1,125</u> 324

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Early years</b>	Provides family day care, centre-based childcare and other early years planning and programs such as Best Start and supported playgroups.	(95) <u>335</u> 430
<b>Environmental health</b>	This service protects the community's health and wellbeing by coordination of regulatory services of premises for <b>food safety</b> , accommodation, hair and beauty, skin penetration businesses, tobacco retailers, smoke free legislation and wastewater disposal. The service also works to rectify any public health concerns relating to unreasonable noise emissions, air quality issues and smells etc.	464 <u>700</u> 236
<b>Libraries</b>	This service provides public <b>libraries</b> at five locations plus outreach library services to four remote locations. It provides a customer-focused service that caters for the cultural, educational and recreational needs of residents and visitors. The service also provides a focal point for the community where they can meet, relax and enjoy the facilities, programs and services offered.	1,965 <u>2,103</u> 138
<b>Youth engagement</b>	This service provides youth-oriented services including education programs, personal development programs, and health and safety programs.	258 <u>482</u> 224

## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Animal Management</b>				
<b>Timeliness</b>				
<i>AM1 - Time taken to action animal management requests</i>	1.00	1.00	1.00	1.00
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]				
<b>Service standard</b>				
<i>AM2 - Animals reclaimed</i>	37.28%	44.37%	34.81%	40.51%
[Number of animals reclaimed / Number of animals collected] x100				
<i>AM5 - Animals rehomed</i>				
[Number of animals rehomed / Number of animals collected] x100	44.64%	43.15%	42.08%	32.92%
<b>Service cost</b>				
<i>AM6 - Cost of animal management service per population</i>	\$10.26	\$10.93	\$11.64	\$11.43
[Direct cost of the animal management service / Population]				

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Health and safety</b>				
<i>AM7 - Animal management prosecutions</i>	0.00%	100.00%	100.00%	100.00%
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100				
<b>Comments</b>				
AM1	All animal management requests are actioned within 24 hours of being received.			
AM2	The proactive work on animal registration and microchipping has had a positive impact on owners being able to reclaim their animals.			
AM5	The proactive work on animal registration and microchipping has also resulted in a reduction in animals needing to be rehomed.			
AM6	This is reflective of the direct costs to provide the animal management service.			
AM7	One successful animal management prosecution during 2022-2023.			



Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Food Safety</b>				
<b>Timeliness</b>				
<i>FS1 - Time taken to action food complaints</i>	2.06	3.89	1.94	2.34
[Number of days between receipt and first response action for all food complaints / Number of food complaints]				
<b>Service standard</b>				
<i>FS2 - Food safety assessments</i>	39.58%	27.55%	58.44%	40.57%
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i> ] x 100				
<b>Service cost</b>				
<i>FS3 - Cost of food safety service</i>	\$416.62	\$449.46	\$776.25*	\$876.06
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i> ]				

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Health and safety</b>				
<i>FS4 - Critical and major non-compliance outcome notifications</i>	74.55%	80.49%	83.33%	85.71%
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100				
<b>Comments</b>				
FS1	Timeframes to action food complaints has increased due to staff vacancies and subsequent availability. There has also been additional inspections undertaken in regards to wastewater management, planning referrals and other nuisance matters, which has reduced staff availability for food complaint action.			
FS2	Staff vacancies have impacted food safety assessment inspections.			
FS3	Cost to deliver the service has increased due to price escalation in a number of areas.			
FS4	Council has prioritised its response to critical and major non-compliance outcome notifications over food safety assessments.			

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Libraries</b>				
<b>Utilisation</b>				
<i>LB1 - Physical library collection usage</i>	2.41	1.68	1.84	2.04
[Number of physical library collection item loans / Number of physical library collection items]				
<b>Resource standard</b>				
<i>LB2 - Recently purchased library collection</i>	55.30%	56.13%	56.74%	57.59%
[Number of library collection items purchased in the last five years / Number of library collection items] x100				
<b>Participation</b>				
<i>LB4 - Active library borrowers in municipality</i>	11.09%	9.38%	7.96%	7.19%
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100				
<b>Service cost</b>				
<i>LB5 - Cost of library service per population</i>	\$51.29	\$49.20	\$50.57	\$51.20
[Direct cost of the library service / Population]				

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## Comments

- LB1      The increase in the use of the physical collection indicates the recovery from the previous two years of COVID-19 restrictions where libraries were closed or had restricted use.
- LB2      Council is committed to the renewal of its library collection. In 2022-2023, the focus was again purchasing of digital material including e-Books and e-Audiobooks.
- LB4      A reduction in active library borrowers over the past four years can be attributed to social distancing restrictions and library closures due to the COVID-19 pandemic.
- LB5      Council provides a wide range of library services, including five branch libraries, one library agency and a rural outreach library service delivering services to three remote, sparsely populated small townships. The breadth of this service impacts on the cost effectiveness, combined with the Mildura branch opening seven days per week and servicing interstate customers.
-

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Maternal and Child Health (MCH)</b>				
<b>Service standard</b>				
<i>MC2 - Infant enrolments in the MCH service</i>	104.48%	101.65%	101.15%	100.90%
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100				
<b>Service cost</b>				
<i>MC3 - Cost of the MCH service</i>	\$61.44	\$66.62	\$69.02	\$73.54
[Cost of the MCH service / Hours worked by MCH nurses]				
<b>Participation</b>				
<i>MC4 - Participation in the MCH service</i>	73.05%	74.66%	78.45%	80.69%
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100				
<b>Participation</b>				
<i>MC5 - Participation in the MCH service by Aboriginal children</i>	68.94%	77.21%	82.84%	85.66%
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100				
<b>Satisfaction</b>				
<i>MC6 - Participation in four-week Key Age and Stage visit</i>	100.46%	96.40%	104.89%	101.20%
[Number of four-week key age and stage visits / Number of birth notifications received] x100				

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## Comments

- MC2 Mildura Rural City Council's Maternal and Child Health service continues to receive out-of-state births accessing the service. (Some infants that are born or live outside of Victoria, who we do not receive birth notices for, are enrolled in our service.)
- MC3 The Maternal and Child Health Service is currently fully staffed for the first time in over 10 years. Reactive maintenance due to storm damage to infrastructure has impacted expenditure.
- MC4 Mildura Rural City Council's Maternal and Child Health Service continues to support timely and flexible delivery of the service.
- MC5 An increase of Aboriginal and Torres Strait Islander children accessing Maternal and Child Health Services at Mildura Rural City Council.
- MC6 Mildura Rural City Council's Maternal and Child Health Service has seen 100% of these clients, plus additional families from outside the municipality who choose to use our service.
-

## Strategic Objective 3



### Place

*We will be a place to live, belong and visit with infrastructure and development that enhances our lifestyle*

### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/Measure	Result
Number of strategic land use projects completed	7
Percentage of Asset Management Strategy and Plan actions implemented	70%
Percentage of Capital Works program delivered	73%
Community satisfaction with the condition of sealed local roads in your area	52
Community satisfaction with maintenance of unsealed roads in your area	46
Community satisfaction with the condition of local streets and footpaths in your area	53
Community satisfaction with recreation facilities	64
Activation of the Mildura Riverfront Precinct	Not available
Activation of Mildura Sporting Precinct	Not available
Number of Community Plans developed and reviewed	6

## Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2022-2023 budget for the year.

Major Initiative	Progress
Meridian Road stage 2 and 3 reconstruction	Project completed and opened to traffic. Final seal to be placed in six months' time.
Deakin Avenue median redevelopment from Seventh to Eighth Street	Landscape designs are complete. Other supporting infrastructure designs are nearing completion.
Mildura CBD urban regener8 project	Regener8 project is underway and is on schedule. Stage 2 tree planting is currently out to market which will bring the trees planted during this project to over 400. Final draft designs for Eighth Street have been completed of which aspects will be delivered over the next 12 months contingent on remaining grant funding available.
Develop integrated transport study	Integrated Transport Study is in draft form and scheduled to be taken to Council in September 2023.
Mildura Sporting Precinct project including the construction of eight lane turf and synthetic cricket nets and four outdoor netball courts with competition standard lighting	Netball courts constructed, cricket nets on track to be completed in September 2023.
Delivery of Mildura Riverfront Powerhouse Precinct redevelopment project	Opening is set for September 2023.



## Services

The following statement provides information in relation to the services funded in the 2022-2023 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Buildings and enforcement</b>	This service provides statutory building services to the Council community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.	309 <u>231</u> (78)
<b>Community development</b>	This service has the responsibility to support and develop community initiatives listed in individualised, township-based community plans and to strengthen the local community's capacity to drive its own growth, economic, social and physical development. The service is a conduit between Council services and the wider community.	2,093 <u>3,336</u> 1,243
<b>Engineering services</b>	This service undertakes design, tendering, contract, project management and supervision of various infrastructure works within Council's capital works program. The service also approves and supervises private development activities such as subdivisions and infrastructure associated with unit developments.	2,213 <u>2,390</u> 177
<b>Facility services</b>	This service is responsible for the maintenance, management and strategic planning for Council's building, land, property leases and licenses.	7,261 <u>7,549</u> 288
<b>Parks</b>	This service is divided into several operational units including tree pruning, planting, removal of vegetation, planning and street tree strategies. It maintains public spaces including parks and gardens, as well as ovals and recreational spaces. It provides for the management of conservation and parkland areas, and other areas of environmental significance.	6,668 <u>6,426</u> (242)
<b>Recreation development</b>	This service includes management of recreation facilities (wet and dry) including <b>aquatic facilities</b> , facility redevelopment, provision of grant funding for grass roots participation.	3,069 <u>3,323</u> 254

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Statutory planning</b>	The <b>statutory planning</b> service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal (VCAT) where necessary.	729 <u>877</u> 148
<b>Strategic planning</b>	Strategic planning monitors Council's planning scheme as well as consulting and preparing major policy documents shaping the future of the city. It also prepares and processes amendments to the Council planning scheme and carries out research on demographic, urban development, economic and social issues affecting Council.	802 <u>1,379</u> 577
<b>Works and infrastructure services</b>	This service inspects and maintains Council's main civil infrastructure assets in a sustainable and prioritised manner to a defined service level. These include <b>roads</b> , laneways, car parks, footpaths, shared/bike paths and Council's drainage network. The service also includes delivery of civil capital works projects, plus inspection and maintenance of VicRoads arterial roads located within the municipality.	8,319 <u>7,935</u> (384)

## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Aquatic Facilities</b>				
<b>Service standard</b>				
AF2 <i>Health inspections of aquatic facilities</i>	6.56	0.89	1.00	1.00
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]				
<b>Utilisation</b>				
AF6 <i>Utilisation of aquatic facilities</i>	5.55	3.81	4.48	6.13
[Number of visits to aquatic facilities / Municipal population]				
<b>Service cost</b>				
AF7 <i>Cost of aquatic facilities</i>	\$7.88	\$9.66	\$10.49	\$7.30
[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]				
<b>Comments</b>				
AF2	All aquatic facilities received an inspection by an authorised officer in 2022-2023 in line with the Public Health and Wellbeing Regulations. In addition to this, the aquatic facilities operator undertakes regular water quality sampling in accordance with the water quality risk management plan.			
AF6	The increase in utilisation of aquatic facilities is a result of no closures for the financial year due to COVID-19. This is the first year since 2020 this has occurred.			
AF7	The overall cost reduction is a result of flood impacts to the Water Play Park. The floods forced the closure of this facility and reduced operational costs.			

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Roads</b>				
<b>Satisfaction of use</b>				
R1 <i>Sealed local road requests</i>	11.60	9.04	13.73	11.10
[Number of sealed local road requests / Kilometres of sealed local roads] x100				
<b>Condition</b>				
R2 Sealed local roads maintained to condition standards	86.48%	86.39%	91.63%	92.25%
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100				
<b>Service cost</b>				
R3 <i>Cost of sealed local road reconstruction</i>	\$135.60	\$56.92	\$102.17	\$136.56
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]				
<b>Service Cost</b>				
R4 <i>Cost of sealed local road resealing</i>	\$4.85	\$7.03	\$6.58	\$5.11
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]				

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Satisfaction</b>				
R5 <i>Satisfaction with sealed local roads</i>	55.00	59.00	54.00	52.00
[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]				
<b>Comments</b>				
R1	There has been a significant decrease in the amount of requests compared to the previous year, which was higher due to major storm events that caused road damage across parts of the municipality.			
R2	Similar trend to previous years that reflects consistent maintenance efforts.			
R3	Increase in costs reflects material price increase and labour cost escalations.			
R4	More efficiencies in the sealing of large rural road versus urban roads in this reporting period.			
R5	The reduction in satisfaction over the past two years can be attributed partly to the major storm and flooding impacts and the associated damage to the road network.			

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Statutory Planning</b>				
<b>Timeliness</b>				
SP1 <i>Time taken to decide planning applications</i>	50.00	57.00	52.00	77.00
[The median number of days between receipt of a planning application and a decision on the application]				
<b>Service standard</b>				
SP2 <i>Planning applications decided within required timeframes</i>	86.76%	77.42%	84.75%	49.48%
[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100				
<b>Service cost</b>				
SP3 <i>Cost of statutory planning service</i>	\$2,221.22	\$2,249.98	\$2,207.70	\$2,255.78
[Direct cost of the statutory planning service / Number of planning applications received]				
<b>Decision making</b>				
SP4 <i>Council planning decisions upheld at VCAT</i>	85.71%	100.00%	66.67%	70.00%
[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x 100				

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**Comments**

- |     |  |
|-----|--|
| SP1 | Staff vacancies in the Statutory Planning department has negatively impacted on Councils ability to process applications within the required timeframe.  |
| SP2 | Staff vacancies in the Statutory Planning department has negatively impacted on Councils ability to make a determination within the required timeframes. |
| SP3 | Cost to deliver the Statutory Planning service reflects direct costs.  |
| SP4 | Council had 10 permit applications determined at VCAT in 2022-2023. Seven of the decisions were upheld (not set aside).                                  |
-

## Strategic Objective 4



### Economy

*We will have a thriving economy that harnesses our strengths and capitalises on opportunity*

## Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/Measure	Result
Community satisfaction with tourism development	60
Visitor satisfaction with visitor information servicing	92.5%
Yield of tourism	\$240M
Building activity	\$232M
Community satisfaction with business and community development	55
Gross regional product	\$3.516B



## Services

The following statement provides information in relation to the services funded in the 2022-2023 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Events</b>	The business conferencing and event services are responsible for assistance and facilitation of business enquiries, events and conferencing. Services are specialised and tailored to meet customer and client needs.	1,517 <u>1,287</u> (230)
<b>Economic development and tourism</b>	<p>The economic development and tourism service assists the organisation to:</p> <ul style="list-style-type: none"> <li>• facilitate growth within Council by working with industry and business to grow/sustain existing business and develop new investment opportunities</li> <li>• encourage and form strategic alliances with key stakeholders in industry and government to help build a vibrant and sustainable community</li> <li>• commit to working in partnership with Mildura Regional Development to maximise economic development within the Council region through specialised projects and initiatives</li> <li>• provide specialised services tailored to meet customer and client needs through facilitation of tourism</li> <li>• enquiries and accommodation bookings administered by the Visitor Information Centre (VIC)</li> </ul>	2,538 <u>2,655</u> 117

## Strategic Objective 5



### Leadership

*We will have responsible, collaborative leadership that puts community wellbeing at the heart of decision-making*

### Strategic Indicators

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/Measure	Result
Community satisfaction with community consultation and engagement	50
Community satisfaction with decisions made in the interest of the community	49
Community satisfaction with informing the community	57
Percentage of Gender Equality Action Plan actions implemented	48%
Community satisfaction with value for money in services and infrastructure	44
Community satisfaction with overall Council direction	49
Community satisfaction with the overall performance of Council	54
Community satisfaction with customer service	69
Community satisfaction with lobbying on behalf of the community	48
Percentage of advocacy plan actions completed / number of representations	Not available

## Services

The following statement provides information in relation to the services funded in the 2022-2023 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Chief executive office</b>	This area of governance includes the Mayor, Councillors, Chief Executive Officer and associated support.	2,292 <u>1,935</u> (357)
<b>Customer support</b>	Customer support is the first point of contact the public has with Council and acts as the interface between the organisation and the community. This service provides face-to face service in three Council service centres and call centre operations. It also processes customer requests and payments, and issues permits and receipts. Customer support staff also provide internal administrative support to the whole organisation.	1,661 <u>1,889</u> 228
<b>Financial services</b>	This service predominantly provides financial-based services to both internal and external customers including the management of Council's finances, raising collection of rates and charges, and valuation of properties throughout the municipality.	1,493 <u>1,912</u> 419
<b>Governance and risk</b>	This area provides a range of governance and statutory services. Services include legislative compliance, maintenance of public registers and coordination of Council meetings, coordination of legal services, insurance, business risk management, business continuity services and property management services. It also provides leadership in emergency management through planning for disaster emergencies and coordinating emergency services and support agencies in their planning and response to emergencies.	4,243 <u>3,058</u> (1,185)
<b>Information systems</b>	This service enables and supports the information and communication technology (ICT) needs of all of Council. This encompasses all mobile and fixed voice, data record management, GIS and software applications across all sites and field operations to all staff enabling the timely and efficient delivery of services to the community.	5,411 <u>6,062</u> 651

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Marketing and communications</b>	This service works with all areas of the organisation to ensure the community is informed about and involved in Council decisions, services, projects and facilities. Key tasks include media liaison, online communications, website management, publication development, graphic design, advertising and marketing.	1,087 <u>1,042</u> (45)
<b>Organisational development</b>	This service provides Council with strategic and operational organisation development support. The service develops and implements strategies, policies and procedures through the provision of human resource, industrial relations, occupational health and safety, corporate planning, reporting and business improvement services. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units. It also includes the payment of salaries and wages to Council employees.	2,478 <u>2,511</u> 33
<b>Procurement and fleet</b>	This service purchases and maintains Council vehicles, plant and equipment to meet functionality and safety needs and to maximise the performance and minimise operational cost of the fleet. In addition, it also provides procurement and contracting of services.	4,675 <u>4,118</u> (557)
<b>Strategic asset management</b>	This service prepares long-term maintenance management programs for Council's infrastructure assets in an integrated and prioritised manner to optimise their strategic value and service potential. These assets include road and drainage networks, municipal buildings, pavilions and other recreational equipment and outdoor spaces.	1,708 <u>1,967</u> 259

## Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Governance</b>				
<b>Transparency</b>				
G1 <i>Council resolutions made at meetings closed to the public</i>	30.28%	25.69%	29.38%	31.13%
[Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x 100				
<b>Consultation and engagement</b>				
G2 <i>Satisfaction with community consultation and engagement</i>	54	50	49	50
[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]				
<b>Attendance</b>				
G3 <i>Councillor attendance at Council meetings</i>	90.74%	97.53%	92.78%	97.92%
[The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) x (Number of Councillors elected at the last Council general election)] x 100				

Service Indicator/Measure	Results – Financial Year Ending			
	2020	2021	2022	2023
<b>Service cost</b>				
G4 <i>Cost of elected representation</i>	\$42,292.00	\$37,771.33	\$40,748.33	\$46,503.19
[Direct cost of the governance service /Number of Councillors elected at the last Council general election]				
<b>Satisfaction</b>				
G5 <i>Satisfaction with Council decisions</i>	50	48	45	49
[Community satisfaction rating out of 100 with the performance of Council in making decisions in the best interests of the community]				
<b>Comments</b>				
G1	The last 12 months included an increase in decisions made containing commercial information. Mildura Rural City Council ensures that all decisions are released to the public as appropriate. Council has recently implemented further training to review decisions made in confidence.			
G2	Community Conversations have recommenced with the reduced restrictions from COVID and Council continues to embed sound consultation and engagement principles.			
G3	Councillor attendance at Ordinary and Special Council Meetings remains strong. One Councillor through investigation was suspended from duties which is reflected in these figures.			
G4	This increase includes an increase in the Councillor Allowances as determined by the Victorian Independent Remuneration Tribunal. There has also been an increase in attendance at Conferences and Seminars as facilitated by the reduced COVID restrictions.			
G5	This increase reflects the continued focus for Mildura Rural City Council with emphasis on informed report writing and debates in Council.			

# Governance, Management and Other Information

## Governance

Mildura Rural City Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

We are committed to effective and sustainable forms of democratic and corporate governance, which are key to ensuring Council and our administration meet the community's priorities. The community has many opportunities to provide input into decision-making processes including community consultation, public forums and information sessions, and the ability to make submissions to key community strategies and plans.

Our formal decision-making processes are conducted through Council meetings and forums. Council delegates the majority of its decision-making to Council staff. These delegations are exercised in accordance with adopted policies.

## Meetings of Council

Council conducts open public meetings on the fourth Thursday of each month. Members of the community are welcome to attend these meetings and observe from the gallery or via the live stream. Council meetings also provide the opportunity for community members to submit questions to Council. For the 2022-2023 year, the following meetings were held:

- 12 Ordinary Council meetings
- 2 Special Council meetings.

The following table provides a summary of Councillor attendance at Council meetings and Special Council meetings for the 2022-2023 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Liam Wood (Mayor)	12	2	14
Cr Ian Arney	9	1	10
Cr Stefano De Pieri	12	2	14
Cr Mark Eckel	12	2	14
Cr Helen Healy	12	2	14
Cr Glenn Milne	11	2	13
Cr Jason Modica	10	2	12
Cr Jodi Reynolds	9	2	11
Cr Troy Bailey	12	2	14

*Note: Councillors were eligible to attend 12 Ordinary and 2 Special Council meetings during 2022-2023.*

### **Delegated Committees**

The Act allows councils to establish one or more delegated committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above.

The Planning Delegated Committee, which was established in the 2021-2022 financial year is Council's only Delegated Committee. It comprises of all nine Councillors and has been established to exercise (limited) Council powers as the Planning Authority under the *Planning and Environment Act 1987*.



### Advisory and Key Strategic Committees

Various Councillors and staff also play a role in the advisory and key strategic committees listed in the following table. This list of committees is not exhaustive.

Committee	Purpose
Ngiwa Yarna (Aboriginal Action) Committee	To improve and enhance the wellbeing of the Aboriginal community in the Mildura Rural City Council municipality.
Rail Freight Alliance	An alliance of Australian local government Councils working together to broadly and actively promote rail freight development across the rail networks with work focused largely in Victoria, New South Wales and South Australia.
Calder Highway Improvement Committee	To advocate for the maintenance and upgrade of this prime transport link for both Bendigo and Mildura, which is critical in terms of the ongoing economic and social development of our region.
Central Murray Regional Transport Forum	The Central Murray Regional Transport Forum is a local government-driven body representing the interests of its member councils and shires across all forms of transport (road, rail and air) with a view to developing an efficient, safe and well-maintained transport network for the region.
Central Victorian Greenhouse Alliance	An alliance of 13 local governments, to drive action on climate change across central and northwest Victoria.
Chaffey Trail Reference Group	To create greater awareness, usage and prestige associated with the Chaffey Trail experience in our region and beyond.
Disability Access Advisory Committee	To enable the community to advise on the priority accessibility needs of people with disabilities within the municipality.
Gender Equity Action Sunraysia	A grassroots movement to progress gender equity in our community and create positive change.
Local Aboriginal Justice Advisory Committee	To improve justice outcomes and reduce contact with the justice system for the Mildura Aboriginal community.
Mildura Arts and Culture Advisory Committee	To engage with the community on arts issues and actively participate in the promotion of arts-related issues.
Mildura Cemeteries Trust	To provide burial facilities and services to the community of Mildura and the surrounding areas.

Committee	Purpose
Mildura Recreation Reserve Reference Group	To advise Council of issues relating to the reserve including joint management policies, major planning and operational issues, development of priority improvement programs and major usage issues.
Municipal Emergency Management Planning Committee	To assess and review hazards facing the municipality using the Community Emergency Risk Assessment process, and to prepare the Municipal Emergency Management Plan, which documents preparedness, response and recovery of operational arrangements.
Murray-Darling Association – Region 4	To provide a focus for local government and community participation in the major natural resource issues of the Murray-Darling Basin.
Murray River Group of Councils	To combine the strategies and efforts of each council for a more effective approach to achieving common goals and providing a stronger and more complete representation of regional issues for each council.
Northern Mallee Local Learning and Education Network	To broker strategic partnerships with community stakeholder groups resulting in better outcomes in education, training and employment for young people.
Northwest Rail Alliance	To advocate for the reinstatement of passenger rail between Maryborough and Mildura.
Old Aerodrome Sporting Complex Advisory Committee	To advise Council of issues relating to the reserve including joint management policies, major planning and operational issues, development of priority improvement programs and major usage issues.
Regional Cities Victoria	To combine the strategies and efforts of Victoria's 10 regional cities for a more effective approach to common goals and addressing shared issues.
Mildura/Upland Sister City Association	To provide an umbrella of support and promote the Mildura/Upland Sister City relationship.
Sunraysia Highway Improvement Committee	To advocate for the maintenance and upgrade of this prime transport link alongside other stakeholder councils.
Sunraysia Sustainability Network	To demonstrate an integrated, practical and positive response for sustainable living in northwest Victoria.

## **Code of Conduct**

The Act requires councils to review and adopt a Councillor Code of Conduct within four months after a general election. On 24 February 2021, Council adopted a revised Councillor Code of Conduct.

The Code of Conduct is designed to:

- Foster good working relationships between Councillors, to enable Councillors to work constructively together in the best interests of the municipal community
- Promote the high standards of behaviours as committed to by Councillors, during Council meetings, Council briefings, Councillor briefings and any other meetings that Councillors participate in from time to time
- Establish benchmarks for Councillor conduct designed to build public confidence in the integrity of local government.

The Code of Conduct also outlines:

- Roles and responsibilities
- Standards of Conduct
- Prohibited conduct
- Good governance
- Interpersonal disputes between Councillors
- Complaints from members of the public
- Allegations of contravention of the Code.

## **Conflict of Interest**

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflicts of interest. During 2022-2023, 31 conflicts of interest were declared at Council meetings and 13 conflicts of interest were declared at Councillor Auspice Meetings.

## Councillor Allowances

In accordance with Section 39 of the Act, Councillors are entitled to receive an allowance while performing their duties.

In June 2021, the Minister for Local Government requested the Victorian Independent Remuneration Tribunal (VIRT) determine the Councillor allowances for Victorian councils. This determination was announced in March 2022 and took effect on 18 December 2021.

On 8 December 2022, the Tribunal made the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Annual Adjustment Determination 2022. The Tribunal determined a 1.5 per cent increase to the values of the base allowances payable to Mayors, Deputy Mayors and Councillors, effective from 18 December 2022.

The following table contains a summary of the total allowances paid to each Councillor during the 2022-2023 financial year.

Councillors	Allowance \$
Cr Liam Wood, Mayor <sup>1</sup>	98,699.17
Cr Jason Modica <sup>2</sup>	31,726.63
Cr Helen Healy <sup>2</sup>	43,132.62
Cr Mark Eckel	30,734.94
Cr Glenn Milne	30,734.94
Cr Stefano De Pieri	30,734.94
Cr Troy Bailey	30,734.94
Cr Jodi Reynolds	30,734.94
Cr Ian Arney	30,734.94

Note:

1. Cr Liam Wood was re-elected Mayor at the Annual Meeting of Council on 3 November 2022.
2. Cr Helen Healy was elected Deputy Mayor at the Annual Meeting of Council on 3 November 2022 (replacing Cr Jason Modica).

## Councillor Expenses

In accordance with Section 40 of the Act, Council is required to reimburse a Councillor for expenses incurred while performing their duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council committee paid by the Council.

The details of the expenses, including reimbursement of expenses paid for each Councillor by the Council for the 2022-2023 year, are set out in the following table. No expenses were paid by Council including reimbursements to members of Council committees during the year.

Councillors	TR \$	CM \$	M/C \$	IC \$	TCE \$	C \$	Total \$
Cr Liam Wood	12,631	0	450	588	1,677	0	15,346
Cr Jason Modica	1,990	1,771	70	744	992	0	5,567
Cr Helen Healy	1,838	347	0	992	1,352	0	4,529
Cr Mark Eckel	721	1,294	40	931	0	0	2,986
Cr Glenn Milne	1,347	2,543	0	924	0	0	4,814
Cr Stefano De Pieri	0	0	0	174	0	0	174
Cr Troy Bailey	0	0	0	174	0	0	174
Cr Jodi Reynolds	0	0	18	174	0	0	192
Cr Ian Arney	0	0	18	379	0	0	397
<b>Legend:</b> TR -Travel and Accommodation CM – Car Mileage M/C – Meals/Catering IC – Information and Communication Expenses TCE – Conferences and Training expenses C – Childcare							

## Management

Council has implemented several statutory and better practice items to strengthen our management framework. Having strong governance and management frameworks leads to better decision-making. The Act requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its report of operations. Our Governance and Management Checklist results are set out in the following section. These items have been highlighted as important components of the management framework.

### Audit and Risk Committee

The Audit and Risk Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit and Risk Committee consists of four independent members:

- Mr Max Folie (Chairperson)
- Min Poole

- Julie Humphrey
- Maria Carrazza (replaced Mary Rydberg on 26 February 2023)

and two Councillors:

- Mayor Cr Liam Wood
- Deputy Mayor Cr Helen Healy (replaced Cr Jason Modica on 3 November 2022)

Independent members are appointed for a three-year term, with a maximum of two terms. The chair is elected from among the independent members.

The Audit and Risk Committee meets six times per year. The Chief Executive Officer, General Manager Corporate Services, Manager Financial Services and Manager Governance & Performance attend all Audit and Risk Committee meetings. Other management representatives attend as required to present reports. A standing invitation to attend all Audit and Risk Committee meetings is extended to the Internal Auditor, who at a minimum attends those meetings where internal audit matters are to be considered. The external auditors attend in March to present the Audit Strategy and in September to present the Independent Audit Report.

Recommendations from each Audit and Risk Committee meeting are subsequently reported to and considered by Council.

### **Internal Audit**

Our internal audit function provides independent and objective assurance that the appropriate processes and controls are in place. A risk-based four-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers our risk framework, the Community and Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit and Risk Committee annually.

The Internal Auditor attends Audit and Risk Committee meetings to report on the status of the SIAP and to present findings of completed reviews. Where required, the responsible general manager and branch manager for each area reviewed attends the Audit and Risk Committee meeting to respond to questions in relation to the review. All audit issues identified are risk rated. Recommendations are assigned to the responsible branch manager and tracked in our performance management system. Bi-monthly status updates on internal audit recommendations are reported to the Executive Leadership Team and reviewed by the Internal Auditor and the Audit and Risk Committee.

Quality assurance is measured through client satisfaction surveys for each review, the annual Audit and Risk Committee self-assessment, completion of the Internal Audit Plan and benchmarking against other internal audit functions.

The following reviews were undertaken as part of the SIAP for 2022-2023:

- Climate Change Framework Review
- Capital Works Review
- Asset Management Review
- Development Contributions Review
- Annual Follow Up Review.

### **External Audit**

Victorian councils are externally audited by the Victorian Auditor-General. For the 2022–2023 year, the annual external audit of our Financial Statements and Performance Statement was conducted by the Victorian Auditor-General’s representative, Crowe Australasia. The external auditors attend the March and September Audit and Risk Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

### **Risk Management**

Risks are defined as “the effect of uncertainty on objectives.” A risk is often specified in terms of an event or circumstance, and the consequences that flow from it. It is measured in terms of a combination of the consequences of an event, and their likelihood. Risks may have a positive or a negative impact. The management of risks is the coordinated activities to direct and control an organisation regarding risk.

Our current Risk Management Strategy and Policy were adopted in 2021 and provide for the management of business enterprise risks in accordance with best practice guidelines and International Standard ISO 31000.

Our Risk Management Strategy 2022–2026 provides a four-year strategy to manage opportunities and risks that may have a measurable impact on Council operations and objectives, in line the Community Vision and Council Plan. The strategy defines principles and broad objectives for the implementation of opportunity and risk management across the organisation, as well as defining roles and responsibilities for the risk management process and Council’s risk appetite. Council recognises prudent decision-making in relation to Council’s limited financial, human and material resources is critical to the achievement of its goals.

Quarterly reviews and reports of Council’s risks are provided to Council’s Executive Leadership Team and the Audit and Risk Committee. This process ensures risks are effectively reported and monitored.

## Governance and Management Checklist

The following are the results in the prescribed form of our assessment against the prescribed Governance and Management Checklist.

Column 1 Governance and Management Items	Column 2 Assessment
1. <b>Community engagement policy</b> (policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act Date of adoption: • 27 January 2021
2. <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of commencement of current guidelines: • 27 January 2021
3. <b>Financial Plan</b> (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act Date of adoption: • 23 June 2022
4. <b>Asset Plan</b> (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act Date of adoption: • 26 May 2022
5. <b>Revenue and Rating Plan</b> (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act Date of adoption: • 27 April 2023
6. <b>Annual budget</b> (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act Date of adoption: • 22 June 2023



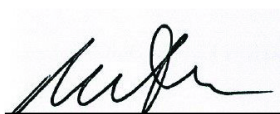
Column 1 Governance and Management Items	Column 2 Assessment
7. <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of commencement of current policy: <ul style="list-style-type: none"> <li>23 November 2021</li> </ul> <input checked="" type="checkbox"/>
8. <b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of commencement of current policy: <ul style="list-style-type: none"> <li>13 July 2021</li> </ul> <input checked="" type="checkbox"/>
9. <b>Municipal emergency management plan</b> (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: <ul style="list-style-type: none"> <li>7 December 2021</li> </ul> <input checked="" type="checkbox"/>
10. <b>Procurement policy</b> (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)	Adopted in accordance with section 108 of the Act Date of adoption: <ul style="list-style-type: none"> <li>22 September 2021</li> </ul> <input checked="" type="checkbox"/>
11. <b>Business continuity plan</b> (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation of current plan: <ul style="list-style-type: none"> <li>8 November 2022</li> </ul> <input checked="" type="checkbox"/>
12. <b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation of current plan: <ul style="list-style-type: none"> <li>16 September 2022</li> </ul> <input checked="" type="checkbox"/>
13. <b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: <ul style="list-style-type: none"> <li>15 June 2021</li> </ul> <input checked="" type="checkbox"/>

Column 1 Governance and Management Items	Column 2 Assessment
14. <b>Audit and Risk Committee</b> (see sections 53 and 54 of the Act)	Established in accordance with section 53 of the Act Date of establishment: <ul style="list-style-type: none"> <li>26 August 2020</li> </ul> <input checked="" type="checkbox"/>
15. <b>Internal audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged Date of engagement of current provider: <ul style="list-style-type: none"> <li>22 July 2020</li> </ul> <input checked="" type="checkbox"/>
16. <b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Framework Date of adoption of current framework: <ul style="list-style-type: none"> <li>1 July 2014</li> </ul> <input checked="" type="checkbox"/>
17. <b>Council Plan report</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first 6 months of the financial year)	Report Date of report: <ul style="list-style-type: none"> <li>13 April 2023</li> </ul> <input checked="" type="checkbox"/>
18. <b>Financial reporting</b> (quarterly statements to the Council under section 97(1) of the Act, comparing actual and budgeted results and an explanation of any material variations)	Reports presented to the Council in accordance with section 97(1) of the Act Date reports presented: <ul style="list-style-type: none"> <li>Annual Financial Statements: 22 September 2022</li> <li>Quarterly Statement 1: 24 November 2022</li> <li>Quarterly Statement 2: 23 March 2023</li> <li>Quarterly Statement 3: 25 May 2023</li> </ul> <input checked="" type="checkbox"/>

Column 1 Governance and Management Items	Column 2 Assessment
<b>19. Risk reporting</b> (Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports <input checked="" type="checkbox"/> Dates of reports: <ul style="list-style-type: none"> <li>• Risk Management Report No 1: 30 September 2022</li> <li>• Risk Management Report No 2: 31 December 2022</li> <li>• Risk Management Report No 3: 31 March 2023</li> <li>• Risk Management Report No 4: 30 June 2023</li> </ul>
<b>20. Performance reporting</b> (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the <i>Local Government Act 2020</i> )	Reports <input checked="" type="checkbox"/> Date of reports: <ul style="list-style-type: none"> <li>• 22 September 2022</li> <li>• 13 April 2023</li> </ul>
<b>21. Annual report</b> (annual report under sections 98, 99 and 100 of the Act containing a report of operations and audited financial and performance statements)	Presented at a meeting of the Council in accordance with section 100 of the Act <input checked="" type="checkbox"/> Date of presentation: <ul style="list-style-type: none"> <li>• 27 October 2022</li> </ul>
<b>22. Councillor Code of Conduct</b> (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with section 139 of the Act <input checked="" type="checkbox"/> Date reviewed: <ul style="list-style-type: none"> <li>• 24 February 2021</li> </ul>
<b>23. Delegations</b> (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff in accordance with sections 11 and 47 of the Act)	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act <input checked="" type="checkbox"/> Date of review under section 11(7): <ul style="list-style-type: none"> <li>• S5 Instrument of Delegation to the Chief Executive Officer: 30 March 2023</li> <li>• S6 Instrument of Delegation Members of Staff: 25 May 2023</li> </ul>

Column 1 Governance and Management Items	Column 2 Assessment
	<ul style="list-style-type: none"> <li>• S7 Instrument of Sub-delegation by CEO: 28 April 2023</li> <li>• S12 Instrument of Delegation and Authorisation by Municipal Building Surveyor: 13 September 2023</li> <li>• S13 Instrument of Delegation of CEO Powers, duties and functions: 11 March 2022</li> <li>• S14 Instrument of Delegation by CEO for VicSmart Applications under the Planning and Environment Act 1987: 26 March 2020</li> <li>• Instrument of Delegation from the Waterway Manager to Members of Council Staff: 26 May 2022</li> <li>• Instrument of Delegation Children's Services Legislation Council to Members of Staff: 26 May 2022</li> <li>• Instrument of Delegation Children's Services Legislation CEO to Members of Staff: 2 September 2020</li> </ul>
<b>24. Meeting procedures</b> (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act <input checked="" type="checkbox"/> Date Governance Rules adopted: <ul style="list-style-type: none"> <li>• 25 August 2022</li> </ul>

I certify that this information presents fairly the status of council's governance and management arrangements.



**Martin Hawson**  
Chief Executive Officer

Dated: 20 October 2023



**Cr Liam Wood**  
Mayor

Dated: 20 October 2023

## Statutory Information

The following information is provided in accordance with legislative and other requirements applying to Council.

### Documents Available for Public Inspection

Council adopted the Public Transparency Policy on 26 August 2020. This policy outlines the type of information that will be made publicly available. This policy complements the information previously required to be available to the public in the *Local Government (General) Regulations 2015*, and it further considers the type of information that would be available in accordance with the Public Transparency Principles as contained in the *Local Government Act 2020* (the Act).

In accordance with the Public Transparency Principles, Council makes a range of information and documents available to the public under a variety of Acts. A full list of the documents and information available under various Acts, which include the following, is contained within Appendix Two of Council's Public Transparency Policy:

- *Building Act 1993*
- *Building Regulations 2018*
- *Catchment and Land Protection Act 1994*
- *Country Fire Authority Act 1958*
- *Development Victoria Act 2003*
- *Domestic Animals Act 1994*
- *Filming Approval Act 2014*
- *Food Act 1984*
- *Freedom of Information Act 1982*
- *Gender Equality Act 2020*
- *Infringements Act 2006*
- *Land Acquisition and Compensation Act 1986*
- *Local Government Act 2020*
- *Local Government Act 1989*
- *Local Government (Electoral) Regulations 2020*
- *Planning and Environment Act 1987*
- *Public Health and Wellbeing Act 2008*
- *Road Management Act 2004*
- *Sex Work Act 1994*
- *Residential Tenancies (Caravan Park and Movable Dwellings Registration and Standards) Regulations 2020*

- *Subdivision (Procedures) Regulations 2011*
- *Water Act 1989*

In addition to the statutory information required to be made available, we have also determined to make the following information available either on request or on our website:

- Council meeting agendas and minutes, unless the information relates to confidential information as defined in the Act
- Community Asset Committee Delegations
- Register of overseas and interstate travel undertaken by Councillors and staff
- Register of conflicts of interest disclosures
- Register of donations and grants made by Council
- Register of leases entered into by Council, as lessor and lessee
- Register of Authorised Officers
- Confidential Report Register
- Council adopted strategies and plans
- Council adopted policies.

### **Carers' Recognition**

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care relationship obligations under Section 11 of that Act. We have taken all practicable measures to comply with our responsibilities as outlined in the *Carers Recognition Act 2012*.

We have also promoted the principles of the Act to people in care relationships who receive our services, to other people in care relationships and to the wider community by:

- Providing information to clients and their carers on the Carer Gateway at the time of assessment
- Providing information to organisations represented in Council/community networks (eg Aged Care Advisory Network Group)
- Working in partnership with the Sunraysia Carers' Group as a sponsor for our monthly Carer Walks
- Providing information about online workshops to assist parents of children with disabilities to understand how they can support their children's mental health
- Providing support to people with a disability and their carers within the community through workshops and online forums regarding the National Disability Insurance Agency and mental health and autism support, teens, student supports
- Working in partnership with the local representative of Carer Support Services (Mildura) to implement local services

- Partner with Association of Children with a Disability to supply information and webinars for families
- Working in partnership with Amaze Australia to provide support for families on the autism spectrum by assistance with sharing of information
- Promoting face-to-face Seniors Festival programs aimed at clients and their carers
- Participating and sharing local community events with a carer focus
- Promoting and celebrating National Carers Week
- Celebratory carers' luncheon held with local carers and the Mayor to thank them for the crucial role they play in our community. Lunch was supported by Banjo's Bakery, Carers Victoria and Chemist Warehouse. Attendees received a certificate and gift bag to acknowledge their dedication.

We have taken all practicable measures to ensure staff, Council agents and volunteers working for Council are informed about the principles and obligations of the Act by including information on the care relationship in Council induction and training programs for staff working in Aged and Disability Services and frontline positions with the general community.

We have taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship and have provided the following additional activities and resources to recognise the care relationship:

- Flexible respite services for carers
- Implementation of the use of the Carers Gateway to support carers to access appropriate services
- An assessment service that is inclusive of the care recipient and carer's needs
- Review of services to meet the changing needs of the care recipient and carer, as set out in the Aged Care Quality Standards
- Referral of people with a disability and their carers to appropriate agencies for support
- Linking people through referral processes into:
  - Carer support groups
  - Dementia Australia
  - Mildura and District Aboriginal Services
  - Rights Information and Advocacy Centre and Access Support Services
  - Sunraysia Mallee Ethnic Communities Council
  - Palliative Care Service
  - Sunraysia Autism Support Group
  - Sunraysia Information and Referral Services
  - Intereach
  - Red Cliffs Resource Centre

- Sunraysia Men's Shed
- Rural Aid Counselling Service
- Development and implementation of individual care plans to meet the care recipient and carer's needs
- Provision of resources regarding support for carers shared with local Disability Action Network for their clients
- Development of an annual calendar to promote carers' support services, Carers' Gateway and National Carers' Week.

### Contracts

Council adopted a new Procurement of Goods, Services and Works Policy in accordance with section 108 of the *Local Government Act 2020* on 22 September 2021.

For the 2022-2023 financial year, Council entered into the following contracts valued at \$250,000 or more for goods, services or works using a competitive process in accordance the requirements of its new Procurement of Goods, Services and Works Policy:

Contract No.	Contract
2223/5	Printing Graphic Design Photography and Media Production Panel
2223/13	Supply and Delivery of Bituminous Products
2223/8	Supply of Road Construction and Granular Materials Panel
2223/10	Supply of Temporary Workers and Trainees
2223/12	Supply and Delivery of Crushed Sealing Aggregate Panel
2223/18	Asphalt Works at Various Locations
2223/16	Design and Construct Nichols Point Reserve Pavilion
2223/31	Supply and Servicing of Tyres
2223/28	Corporate Training Provider Panel
2223/17	Supply of Precast Concrete Pipes
2023/56	Calder Basin to Cowra Avenue
2223/37	Lighting Upgrade at Henshilwood Recreation Reserve
2023/61	Etiwanda Spurline - Fifteenth Street to Sixteenth Street
2023/73	Provision of Outdoor Workwear
2023/52	Synthetic Bowls Green Upgrade at Underbool
2223/7	Bowls Clubhouse Renewal at Mildura and Workingman's Club
2023/84	Mildura Arts Centre Chilled Water Plant System Upgrade



Contract No.	Contract
2223/2	Intersection Upgrade at Ontario Avenue and Sixth Street
2023/50	Provision of Security Services

For the 2022-2023 financial year, Council did not enter any other contracts valued at \$250,000 or more for goods or services without engaging in a competitive process.

### Disability Action Plan

In accordance with section 38 of the *Disability Act 2006*, as Council has prepared a Disability Action Plan, we must report on the implementation of the Disability Action Plan in our annual report. Actions completed in 2022-2023 that align with our Community Health & Wellbeing Plan and Disability Action Plan include:

- The identification of 141 trip hazards via Council's customer response system
- Addressing 57 access items through the Disability Access Advisory Committee
- Promoting and supporting a range of recreational, social and cultural events and activities to ensure accessibility for people with a disability, including Mental Health Awareness Workshops and National Disability Insurance Scheme (NDIS) Planning Workshops
- Supporting workshops run by Carers Victoria, Amaze and Children with a Disability for local families
- Securing funding for a Changing Places site at the new Mildura Sporting Precinct, which will service activities held at the precinct
- Responding to community requests with advice on a wide range of disability support services and facilities
- Promoting further awareness of disability services to the community through the posting of 195 events/information on the Yammer site/emails and facilitation of local NDIS sessions, workshops and online sessions
- Assisting several community members with disabilities to access My Aged Care, Mental Health Services and Carer Gateway
- Raising awareness in the community about the work and successes of the Disability Access Advisory Group through Council's website and social media by highlighting the members of the committee
- Sharing information on Council's Website about Community Safety and providing a list of services available to assist people after hours that support mental health for adults and children, pregnancy support for anxiety/depression, alcohol and drug counselling, Mensline, counselling and support for people impacted by abuse, sexual assault and domestic and family violence and LGBTIQ+ peer support and counselling.
- Sharing information about the Snap Send Solve app for quicker resolution of access issues raised by residents

- Awarding 18 grants to allow community groups to support people with a disability, commence mental health recovery programs, flood recovery, Virtual Reality goggles to assist people visiting places, suicide prevention and barbeques to assist the community to engage, volunteer programs and landcare
- Awarding 48 grants to community groups to assist community programs, such as Lifesaving, automated external defibrillators equipment, refrigerated water, art projects, youth engagement, craft activities and support events such as music production, buddy programs, film festivals, sporting events and programs for our community
- Continuation of support for a walking group with Pathway for Carers - a program that offers carers an opportunity to connect with other carers in a relaxing and supportive environment by taking a walk through nature and enjoying a coffee together at a local café afterwards
- Supported the Disability Action Network to meet with local service providers to discuss local issues and work together on projects for our disability community
- Assisted local groups to support community with Meals on Wheels, Music Festivals, Harmony Day, All Abilities Cricket Carnival and Festivals/Events throughout the municipality
- Liberty Swing repair and refurbishment of mats and locking systems.

### **Domestic Animal Management Plan**

In accordance with the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan (DAMP) at four-yearly intervals and evaluate its implementation in the Annual Report.

The current Mildura Rural City Council DAMP for 2021-2025 was adopted by Council in April 2022. It is a new style of document and was written to be more engaging, informative and to demonstrate the direction of our Animal Management Services over the plan's period (2021-2025).

Current plan actions include the continued commitment to and ongoing success of the Responsible Pet Ownership Program. In accordance with this program, in 2022-2023 a further \$25,000 was used to again provide dog and cat owners within the municipality assistance with desexing, microchipping and vaccination of their animals. It is an ongoing commitment by Council to responsible pet ownership within our municipality. This activity has been very well received.

Our Civic Compliance Department has also taken a proactive approach to dogs off leash and dog litter issues. Daily patrols throughout the municipality have continued with many animal owners unaware of the laws regarding these issues.

Planning/design is in the final stage and funding approved by Council (in the 2023-2024 financial year) to deliver a purpose-built isolation room for the Mildura Animal Pound. The isolation area will ensure ongoing compliance with the Code of Practice for Pounds and Shelters while also delivering on the expectations and needs of our community going forward into the future.

### **Food Act Ministerial Directions**

In accordance with Section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No such Ministerial Directions were received during the financial year.

### **Freedom of Information**

In accordance with Section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, Council is required to publish certain statements in its annual report or separately such as on its website, concerning its functions and information available. We have published these statements separately but provide the following summary of the application and operation of the *Freedom of Information Act 1982*.

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in Section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- It should be in writing.
- It should identify as clearly as possible which document is being requested.
- It should be accompanied by the appropriate application fee. (The fee may be waived in certain circumstances).

Requests for documents in our possession should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (eg photocopying and search and retrieval charges).

More information regarding freedom of information can be found at [www.ovic.vic.gov.au](http://www.ovic.vic.gov.au) and on Council's website.

### **Public Interest Disclosure (formally Protected Disclosure) Procedures**

In accordance with Section 69 of the *Public Interest Disclosure Act 2012*, a council must include in its annual report information about how to access the procedures established by the Council under Part 9 of that Act. We are also required to provide certain information about the number and types of public interest disclosure complaints investigated during the financial year.

The *Public Interest Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available on our website.

There was one public interest disclosure made during the 2022-2023 financial year. This report relates to alleged improper conduct by a staff member. The disclosure was reported to the Independent Broad-based Anti-corruption Commission (IBAC) and investigations remain ongoing.

### **Road Management Act Ministerial Directions**

In accordance with Section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received during the financial year.

### **Infrastructure and Development Contributions**

In accordance with Section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions, including levies and works in kind. The report must be published in Council's annual report.

For the 2022-2023 year, the following information about infrastructure and development contributions is disclosed.

### Infrastructure Contributions

In relation to financial reports for the infrastructure contributions plans (ICPs), to date no funds have been expended on community infrastructure projects. (Note that in the Mildura Development Contributions Plan, these projects are referred to as 'Community Infrastructure' as opposed to 'Development Infrastructure'.)

### Development Contributions

#### ***Total DCP Levies Received in 2022-2023***

DCP Name (Year Approved)	Levies Received in 2022-2023 Financial Year \$
DCP01 (2005)	1,935,086.00
DCP02 (2006)	1,114,031.00
DCP03 (2007)	139,544.00
<b>Total</b>	<b>3,188,661.00</b>

#### ***DCP Land, Works, Services or Facilities Accepted as Works In-Kind in 2022-2023***

DCP Name (Year Approved)	Project ID	Project Description	Item Purpose	Total Project Value \$
DCP01, April 2005	DG001	Mildura South Drainage Scheme DG001	Drainage	263,716.00
DCP02, July 2006	DG006	Irymple Drainage Works	Drainage	29,123.00
DCP02, July 2006	OS006	Stormwater Retention - Irymple	Parks, Open Space and Streetscapes	8,795.00
DCP02, July 2006	OS007	Playgrounds - Irymple	Parks, Open Space and Streetscapes	97,902.00
<b>Total</b>				<b>399,536.00</b>

As Mildura Rural City Council does not have any DCPs that were approved after 1 June 2016, there are no DCP contributions received and expended to date for DCPs approved after 1 June 2016.

***Land, Works, Services or Facilities Delivered in 2022-2023 from DCP Levies Collected***

Project Description	Project ID	DCP Name (Year Approved)	DCP Fund Expended	Works-In-Kind Accepted	Council's Contribution	Other Contributions	Total Project Expenditure	Percentage of Item Delivered
			\$	\$	\$	\$	\$	
Mildura South Drainage Scheme DG001	DG001	DCP01, April 2005	501,688.28	263,716.26	0.00	0.00	588,877.96	1.06%
San Mateo to Benetook near Fifteenth Street Drainage Scheme DG002	DG002	DCP01, April 2005	24,271.60	0.00	30,342.61	0.00	30,342.61	0.31%
Irymple Drainage Works	DG006	DCP02, July 2006	29,123.02	29,123.02	0.00	0.00	29,123.02	0.21%
Mildura/Irymple Transition - Construction	OS050	DCP03, July 2007	177,481.29	0.00	46,943.49	0.00	157,163.62	1.45%
Playgrounds OS001	OS001	DCP01, April 2005	25,488.00	0.00	0.00	0.00	47,723.00	0.11%
Stormwater Retention - Irymple	OS006	DCP02, July 2006	8,795.40	8,795.40	0.00	0.00	8,795.40	0.23%
Playgrounds - Irymple	OS007	DCP02, July 2006	97,902.00	97,902.00	0.00	0.00	97,902.00	3.23%
Fourteenth Street/Cowra Avenue Intersection Treatment	RI032	DCP03, April 2005	8,064.00	0.00	50,957.00	0.00	51,100.00	7.68%
Seventeenth Street – Deakin Avenue to San Mateo Avenue	RR124	DCP02, July 2006	24,962.00	0.00	157,164.00	0.00	157,164.00	26.12%
Irymple Pre-School ED001	ED001	DCP02, April 2005	130,552.00	0.00	1,092,308.00	0.00	1,119,163.00	47.36%
<b>Total</b>			<b>1,028,327.59</b>	<b>399,536.68</b>	<b>1,377,715.10</b>	<b>0.00</b>	<b>2,282,354.61</b>	

## Part 2: Financial Statements





# Mildura Rural City Council

## Financial Report

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## Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



Mark McMillan CPA  
Principal Accounting Officer

Date : 20 October 2023  
Mildura

In our opinion the accompanying financial statements present fairly the financial transactions of the Mildura Rural City Council Group and the Mildura Rural City Council for the year ended 30 June 2023 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.

Liam Wood

Mayor

Date : 20 October 2023  
Mildura



Helen Healy

Deputy Mayor

Date : 20 October 2023  
Mildura



Martin Hawson

Chief Executive Officer

Date : 20 October 2023  
Mildura



## Independent Auditor's Report

### To the Councillors of Mildura Rural City Council

<b>Opinion</b>	<p>I have audited the consolidated financial report of Mildura Rural City Council (the council) and its controlled entities (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"><li>• consolidated entity and council balance sheet as at 30 June 2023</li><li>• consolidated entity and council comprehensive income statement for the year then ended</li><li>• consolidated entity and council statement of changes in equity for the year then ended</li><li>• consolidated entity and council statement of cash flows for the year then ended</li><li>• consolidated entity and council statement of capital works for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• certification of the financial statements.</li></ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the council as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's and the consolidated entity'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 it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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 council's and the consolidated entity's internal control</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li> <li>• conclude on the appropriateness of the Councillors' 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 council's and the consolidated entity'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 conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council and the consolidated entity to cease to continue as a going concern.</li> <li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation</li> <li>• obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the council and the consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the council and the consolidated entity. I remain solely responsible for my audit opinion.</li> </ul>
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<b>Auditor’s responsibilities for the audit of the financial report</b>	I communicate with the Councillors 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.
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MELBOURNE  
24 October 2023



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

## Comprehensive Income Statement For the Year Ended 30 June 2023

	Note	Consolidated		Council	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
<b>Income / revenue</b>					
Rates and charges	3.1	81,836	79,281	81,940	79,405
Statutory fees and fines	3.2	2,187	2,394	2,187	2,394
User fees	3.3	12,630	9,038	7,894	6,404
Grants - operating	3.4	37,163	33,688	33,423	32,249
Grants - capital	3.4	8,157	15,309	8,157	15,809
Contributions - monetary	3.5	2,882	3,502	2,882	3,318
Contributions - non monetary	3.5	400	823	400	823
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	3.6	(955)	(3,685)	(798)	(3,685)
Other income	3.7	13,696	7,272	12,809	6,958
Asset recognition	3.8	3,875	5,762	3,875	3,950
<b>Total income / revenue</b>		<b>161,871</b>	<b>153,384</b>	<b>152,769</b>	<b>147,625</b>
<b>Expenses</b>					
Employee costs	4.1	(58,619)	(55,787)	(55,472)	(52,485)
Materials and services	4.2	(57,549)	(43,760)	(54,955)	(43,146)
Depreciation	4.3	(21,529)	(23,323)	(19,827)	(19,955)
Amortisation - intangible assets	4.4	(200)	(225)	(198)	(225)
Amortisation - right of use assets	4.5	(129)	(130)	(98)	(99)
Bad and doubtful debts - allowance for impairment loss	4.6	(35)	(39)	(35)	(39)
Borrowing costs	4.7	(778)	(843)	(647)	(828)
Finance costs - leases	4.8	(59)	(61)	(50)	(51)
Other expenses	4.9	(1,757)	(1,812)	(1,599)	(1,702)
<b>Total expenses</b>		<b>(140,655)</b>	<b>(125,980)</b>	<b>(132,881)</b>	<b>(118,530)</b>
<b>Surplus for the year</b>		<b>21,216</b>	<b>27,404</b>	<b>19,888</b>	<b>29,095</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods</b>					
Net asset revaluation increment	9.1(a)	117,647	3,688	109,945	3,658
Share of other comprehensive income of associates and joint ventures	9.1(c)	-	-	1,330	(1,661)
<b>Total other comprehensive income</b>		<b>117,647</b>	<b>3,688</b>	<b>111,275</b>	<b>1,997</b>
<b>Total comprehensive result</b>		<b>138,863</b>	<b>31,092</b>	<b>131,163</b>	<b>31,092</b>

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

## Balance Sheet As at 30 June 2023

	Note	Consolidated		Council	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5.1	33,893	25,811	29,993	22,631
Trade and other receivables	5.1	8,025	6,908	7,891	6,758
Other financial assets	5.1	66,767	79,600	66,767	79,600
Inventories	5.2	684	559	668	550
Prepayments	5.2	354	351	312	315
<b>Total current assets</b>		<b>109,723</b>	<b>113,229</b>	<b>105,631</b>	<b>109,854</b>
<b>Non-current assets</b>					
Trade and other receivables	5.1	-	-	6,478	4,863
Other assets	5.2	-	-	51,228	49,897
Property, infrastructure, plant and equipment	6.2	1,111,700	970,364	1,050,992	917,620
Right-of-use assets	5.8	1,115	1,235	943	1,032
Intangible assets	5.2	17,137	14,120	13,882	13,969
<b>Total non-current assets</b>		<b>1,129,952</b>	<b>985,719</b>	<b>1,123,523</b>	<b>987,381</b>
<b>Total assets</b>		<b>1,239,675</b>	<b>1,098,948</b>	<b>1,229,154</b>	<b>1,097,235</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	5.3	3,079	2,767	2,300	2,188
Trust funds and deposits	5.3	2,794	2,523	2,786	2,515
Unearned income/revenue	5.3	2,771	3,050	1,770	2,666
Provisions	5.5	12,558	13,575	12,285	13,363
Interest-bearing liabilities	5.4	778	1,023	653	929
Lease liabilities	5.8	128	136	100	108
<b>Total current liabilities</b>		<b>22,108</b>	<b>23,074</b>	<b>19,894</b>	<b>21,769</b>
<b>Non-current liabilities</b>					
Provisions	5.5	34,620	30,996	34,600	30,958
Interest-bearing liabilities	5.4	8,763	9,439	8,334	9,255
Lease liabilities	5.8	1,423	1,541	1,264	1,354
<b>Total non-current liabilities</b>		<b>44,806</b>	<b>41,976</b>	<b>44,198</b>	<b>41,567</b>
<b>Total liabilities</b>		<b>66,914</b>	<b>65,050</b>	<b>64,092</b>	<b>63,336</b>
<b>Net assets</b>		<b>1,172,761</b>	<b>1,033,898</b>	<b>1,165,062</b>	<b>1,033,899</b>
<b>Equity</b>					
Accumulated surplus		475,003	458,790	441,307	426,422
Reserves	9.1	697,758	575,108	723,755	607,477
<b>Total equity</b>		<b>1,172,761</b>	<b>1,033,898</b>	<b>1,165,062</b>	<b>1,033,899</b>

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



## Statement of Changes in Equity For the Year Ended 30 June 2023

Consolidated	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000	\$'000
<b>2023</b>					
Balance at beginning of the financial year		1,033,898	458,790	524,810	50,298
Surplus/(deficit) for the year		21,216	21,216	-	-
Net asset revaluation increment	6.2, 9.1	117,647	-	117,647	-
Transfers to other reserves	9.1(b)	-	23,901	-	(23,901)
Transfers from other reserves	9.1(b)	-	(28,904)	-	28,904
		138,863	16,213	117,647	5,003
<b>Balance at end of the financial year</b>		<b>1,172,761</b>	<b>475,003</b>	<b>642,457</b>	<b>55,301</b>
<b>2022</b>					
Balance at beginning of the financial year		1,002,806	442,121	521,122	39,563
Surplus/(deficit) for the year		27,404	27,404	-	-
Net asset revaluation increment	6.2	3,688	-	3,688	-
Transfers to other reserves	9.1(b)	-	16,190	-	(16,190)
Transfers from other reserves	9.1(b)	-	(26,925)	-	26,925
		31,092	16,669	3,688	10,735
<b>Balance at end of the financial year</b>		<b>1,033,898</b>	<b>458,790</b>	<b>524,810</b>	<b>50,298</b>

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

## Statement of Changes in Equity For the Year Ended 30 June 2023

Council			Accumulated	Revaluation	Other
	Note	Total	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000	\$'000
<b>2023</b>					
Balance at beginning of the financial year		1,033,899	426,422	524,595	82,882
Surplus/(deficit) for the year		19,888	19,888	-	-
Net asset revaluation increment	6.2, 9.1	111,275	-	109,945	1,330
Transfers to other reserves	9.1(b)	-	23,901	-	(23,901)
Transfers from other reserves	9.1(b)	-	(28,904)	-	28,904
		131,163	14,885	109,945	6,333
<b>Balance at end of the financial year</b>		<b>1,165,062</b>	<b>441,307</b>	<b>634,540</b>	<b>89,215</b>
<b>2022</b>					
Balance at beginning of the financial year		1,002,807	408,062	520,937	73,808
Surplus/(deficit) for the year		29,095	29,095	-	-
Net asset revaluation increment	6.2	1,997	-	3,658	(1,661)
Transfers to other reserves	9.1(b)	-	16,190	-	(16,190)
Transfers from other reserves	9.1(b)	-	(26,925)	-	26,925
		31,092	18,360	3,658	9,074
<b>Balance at end of the financial year</b>		<b>1,033,899</b>	<b>426,422</b>	<b>524,595</b>	<b>82,882</b>

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

### Statement of Cash Flows For the Year Ended 30 June 2023

	Note	Consolidated		Council	
		2023	2022	2023	2022
		Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
Rates and charges		82,261	79,994	82,362	79,994
Statutory fees and fines		2,187	2,394	2,187	2,394
User fees		14,394	11,750	7,894	8,196
Grants - operating		35,958	34,800	35,094	33,861
Grants - capital		10,547	18,111	7,669	18,111
Contributions - monetary		3,026	3,839	3,026	3,484
Interest received		3,230	1,080	3,294	1,202
Trust funds and deposits taken		7,418	8,588	7,418	8,588
Other receipts		7,892	6,459	7,058	6,057
Net GST refund (payment)		2,308	2,960	2,795	2,969
Employee costs		(59,779)	(54,477)	(57,441)	(51,867)
Materials and services		(61,276)	(50,837)	(59,023)	(48,512)
Short-term, low value and variable lease payments		(9)	(113)	(9)	(113)
Trust funds and deposits repaid		(7,147)	(9,248)	(7,147)	(9,248)
Other payments		(3,355)	(2,407)	(3,381)	(2,353)
<b>Net cash provided by/(used in) operating activities</b>	9.2	<b>37,655</b>	<b>52,893</b>	<b>31,796</b>	<b>52,763</b>
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	6.2	(41,381)	(32,691)	(36,157)	(31,150)
Proceeds from sale of property, infrastructure, plant and equipment		862	716	862	714
Proceeds from sale of investments/(Payments for investments)		12,833	(18,500)	12,833	(18,500)
<b>Net cash provided by/(used in) investing activities</b>		<b>(27,686)</b>	<b>(50,475)</b>	<b>(22,462)</b>	<b>(48,936)</b>

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

### Statement of Cash Flows For the Year Ended 30 June 2023

	Note	Consolidated		Council	
		2023	2022	2023	2022
		Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from financing activities</b>					
Finance costs		(778)	(836)	(647)	(828)
Repayment of borrowings		(945)	(7,327)	(1,197)	(7,328)
Interest paid - lease liability		(30)	(51)	(30)	(51)
Repayment of lease liabilities		(134)	(79)	(98)	(43)
<b>Net cash provided by/(used in) financing activities</b>		<b>(1,887)</b>	<b>(8,293)</b>	<b>(1,972)</b>	<b>(8,250)</b>
Net increase/(decrease) in cash and cash equivalents		8,082	(5,875)	7,362	(4,423)
Cash and cash equivalents at the beginning of the financial year		25,811	31,686	22,631	27,054
<b>Cash and cash equivalents at the end of the financial year</b>	5.1	<b>33,893</b>	<b>25,811</b>	<b>29,993</b>	<b>22,631</b>

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

### Statement of Capital Works For the Year Ended 30 June 2023

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>Property</b>				
Land	-	1,905	-	1,905
<b>Total land</b>	<b>-</b>	<b>1,905</b>	<b>-</b>	<b>1,905</b>
Buildings	16,202	5,778	16,170	5,714
<b>Total buildings</b>	<b>16,202</b>	<b>5,778</b>	<b>16,170</b>	<b>5,714</b>
<b>Total property</b>	<b>16,202</b>	<b>7,683</b>	<b>16,170</b>	<b>7,619</b>
<b>Plant and equipment</b>				
Computers and telecommunications	314	1,184	314	1,172
Fixtures, fittings and furniture	722	588	602	525
Library books and art works	309	298	309	298
Plant, machinery and equipment	4,314	2,862	4,221	2,846
<b>Total plant and equipment</b>	<b>5,659</b>	<b>4,932</b>	<b>5,446</b>	<b>4,841</b>
<b>Infrastructure</b>				
Roads	10,093	11,228	10,093	11,228
Footpaths and cycle ways	344	1,779	344	1,779
Drainage	943	492	943	492
Recreational, leisure and community facilities	1,322	1,879	1,322	1,879
Waste management	178	1,435	178	1,435
Parks, open space and streetscapes	853	1,008	850	1,008
Kerb and channel	608	180	608	180
Off street car parks	348	689	6	689
Other infrastructure	1,532	1,386	-	-
<b>Total infrastructure</b>	<b>16,221</b>	<b>20,076</b>	<b>14,344</b>	<b>18,690</b>
<b>Intangible</b>				
Water rights	197	-	197	-
LightState	3,102	-	-	-
<b>Total intangible</b>	<b>3,299</b>	<b>-</b>	<b>197</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>41,381</b>	<b>32,691</b>	<b>36,157</b>	<b>31,150</b>

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

### Statement of Capital Works For the Year Ended 30 June 2023

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>Represented by:</b>				
New asset expenditure	16,197	9,335	15,692	9,243
Asset renewal expenditure	15,816	17,023	15,277	16,540
Asset expansion expenditure	1,992	1,072	1,453	589
Asset upgrade expenditure	4,077	5,261	3,538	4,778
Intangible asset	3,299	-	197	-
<b>Total capital works expenditure</b>	<b>41,381</b>	<b>32,691</b>	<b>36,157</b>	<b>31,150</b>

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

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 1 OVERVIEW

#### Introduction

The Mildura Rural City Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate. These financial statements are the consolidated Group accounts for Mildura Rural City Council ("Council") and its controlled entities. Council's main office is located at 108 - 116 Madden Avenue, Mildura.

#### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

#### Significant accounting policies

##### (a) Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cashflow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

## Notes to the Financial Report For the Year Ended 30 June 2023

### (a) Basis of accounting (cont'd)

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 6.2)
- the determination of employee provisions (refer to note 5.5)
- the determination of landfill provisions (refer to note 5.5)
- the determination of the value as an intangible asset for the LightState project (refer to note 5.2)
- the determination of the useful life for the LightState project (refer to note 6.2)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgments

The consolidated results in the financial report include all entities controlled and all funds through which the Council controls resources to carry on its functions, such as special committees of management. In the process of reporting on the Council as a consolidated unit, all intra and inter entity balances and transactions have been eliminated.

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.

### Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

### (b) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2023, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements. Consolidated entities of Council are currently not using fair value measurement of their land and buildings. The effects are not considered material.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

Entities consolidated into Council include:

- Mildura Airport Pty Ltd - 100% owned
- Mildura Tourism and Economic Development Ltd trading as Mildura Regional Development - 100% owned



## Notes to the Financial Report For the Year Ended 30 June 2023

### (c) Impact of Covid-19

For the 2022-23 financial year the COVID-19 pandemic has not impacted Council's financial operations. Please note the following comments:

- Additional revenue - Council has not received any additional revenue during the financial year relating to COVID-19.
- Revenue foregone - Council has not implemented any measure to support the community recovery from COVID-19 during the financial year.
- Additional cost - Some increase in cleaning and hygiene supplies have continued however this has become a normal process rather than an exception.
- Other - Supply constraints have continued during 2022-23 financial year along with Inflationary impacts which have increased cost to Council. This has increased Council's total carried forward capital works projects into the 2023-24 year. Supply and inflationary impacts have resulted from other worldwide events and not just post COVID-19.

### (d) Impact of the 2022 floods

Heavy rainfall during October 2022 resulted in rising rivers and waterways. Flooding occurring across Victoria with many councils, including Mildura Rural City Council, experiencing damage to property and infrastructure assets.

In 2022-23, Council is;

- able to seek recovery of costs associated with the recovery and clean-up activities via funding from the state government under the Disaster Recovery Funding Arrangements 2018 (DRFA)
- eligible to receive Council Flood Support Fund (the Fund) from State Government. The Fund is aimed to provide recovery support for people and communities affected by the Victorian floods beginning in October 2022. Local Government Victoria has established funding agreements with each eligible council. Upon signing, funds will be paid immediately. However, any unspent funds will need to be returned at the end of the funding period. In 2022-23, the Council has received \$1.0 million to date in government funding.

Currently Council is still in the process of submitting claims for works and capital spend incurred up until 30 June 2023.

Asset impairment assessments have been completed and disclosed in note 6.2.

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 2 Analysis of our results

#### Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent and \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

	Council Budget 2023 \$'000	Council Actual 2023 \$'000	Variance \$'000	Variance %	Ref
<b>2.1.1 Income / revenue and expenditure</b>					
<b>Income / Revenue</b>					
Rates and charges	81,415	81,940	525	1	
Statutory fees and fines	2,542	2,187	(355)	(14)	1
User fees	8,541	7,894	(647)	(8)	
Grants - operating	25,152	33,423	8,271	33	2
Grants - capital	10,859	8,157	(2,702)	(25)	3
Contributions - monetary	1,830	2,882	1,052	57	4
Contributions - non monetary	1,800	400	(1,400)	(78)	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,685)	(798)	887	(53)	6
Other income	5,770	12,809	7,039	122	7
Asset recognition	-	3,875	3,875	100	8
<b>Total income / revenue</b>	<b>136,224</b>	<b>152,769</b>	<b>16,545</b>	<b>12</b>	
<b>Expenses</b>					
Employee costs	(58,186)	(55,472)	2,714	(5)	
Materials and services	(43,339)	(54,955)	(11,616)	27	9
Depreciation	(18,888)	(19,827)	(939)	5	
Amortisation - intangible assets	(177)	(198)	(21)	12	
Amortisation - right of use assets	(72)	(98)	(26)	36	
Bad and doubtful debts - allowance for impairment loss	(133)	(35)	98	(74)	
Borrowing costs	(944)	(647)	297	(31)	10
Finance costs - leases	(51)	(50)	1	(2)	
Other expenses	(1,910)	(1,599)	311	(16)	11
<b>Total expenses</b>	<b>(123,700)</b>	<b>(132,881)</b>	<b>(9,181)</b>	<b>7</b>	
<b>Surplus/(deficit) for the year</b>	<b>12,524</b>	<b>19,888</b>	<b>7,364</b>	<b>59</b>	

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 2 Analysis of our results

#### 2.1 Performance against budget (cont'd)

##### (i) Explanation of material variations

Variance		
Ref	Item	Explanation
1	Statutory fees and fines	Childcare fees and landfill fees were lower compared to budget. Administrative fees were lower than forecast due to Council exiting the aged care sector.
2	Grants - operating	The majority of this increase relates to the 100 percent brought forward payment of next years financial assistance grants. This is reported in current financial year but carried forward through reserves to be spent in the 2023-24 financial year. This was also increased from 75% to 100% in the June 2023 payment. Council also received many community support grants to aid in recovery from COVID-19, and during 2023 received additional grants related to flood preparation and recovery.
3	Grants - capital	These grants were lower compared to budget due to timing of expenditure relating to capital works projects which were due for completion at the end of 2023 financial year, are now scheduled for completion in September 2023.
4	Contributions - monetary	Relates to developer contributions which are difficult to predict the exact timing of. Due to increased activity in building industry during 2022-23 there was an increase in receipt of developer contributions to many projects.
5	Contributions - non monetary	These contributions are due to works completed through residential sub-divisions and the developer contribution plan. Contributions are received in lieu of cash, and are recognised when assets are handed over to Council's control. These are difficult to predict the timing of in which it is common to have variance to budget.
6	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Net losses relate to the disposal of road assets associated with the asset renewal program, and also related to fleet replacement including vehicles, plant and equipment. The net loss was less than budgeted due to supply constraints in current economic conditions.

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 2 Analysis of our results

#### 2.1 Performance against budget (cont'd)

##### (i) Explanation of material variations (cont'd)

Variance		
Ref	Item	Explanation
7	Other income	Due to rising interest rates Council received increased interest earnings from term deposit investments during 2022-23. The recent local flood event and the cost of flood preparation and subsequent recovery cost, are being reimbursed by State Government which has also increased other income.
8	Asset recognition	These are accounting entries only (non-cash), and result from internal asset procedures and audits of fixed assets. These found assets are then valued and included on Council's fixed asset register.
9	Materials and services	With labour shortages in the current economic climate temporary staff employed through agencies has increased. Materials and services increased due to increase in inflation and additional grant funding and related expenditure. A substantial increase in cost was the Environmental Protection Agency (EPA) fees which involved unexpected change in charging method by the EPA.
10	Borrowing costs	Interest on loan borrowings reduced due to Council's decision not to proceed with planned new borrowings due to increasing interest rate climate. Council also repaid loans which completed their fixed rate period during the year due to increasing variable interest rates.
11	Other expenses	Operating leases decreased compared to budget due to contracts ending during financial year.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

2.1.2 Capital works	Council Budget 2023 \$'000	Council Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Buildings	17,173	16,170	(1,003)	(6)	
<b>Total buildings</b>	<b>17,173</b>	<b>16,170</b>	<b>(1,003)</b>	<b>(6)</b>	
<b>Total property</b>	<b>17,173</b>	<b>16,170</b>	<b>(1,003)</b>	<b>(6)</b>	
<b>Plant and equipment</b>					
Computers and telecommunications	513	314	(199)	(39)	
Fixtures, fittings and furniture	304	602	298	98	1
Library books and artworks	356	309	(47)	(13)	
Plant, machinery and equipment	4,842	4,221	(621)	(13)	2
<b>Total plant and equipment</b>	<b>6,015</b>	<b>5,446</b>	<b>(569)</b>	<b>(9)</b>	
<b>Infrastructure</b>					
Roads	11,536	10,093	(1,443)	(13)	3
Footpaths and cycle ways	488	344	(144)	(30)	
Drainage	4,378	943	(3,435)	(78)	4
Recreational, leisure and community facilities	2,406	1,322	(1,084)	(45)	5
Waste management	3,554	178	(3,376)	(95)	6
Parks, open space and streetscapes	3,282	850	(2,432)	(74)	7
Kerb and channel	694	608	(86)	(12)	
Off street car parks	-	6	6	100	
<b>Total infrastructure</b>	<b>26,338</b>	<b>14,344</b>	<b>(11,994)</b>	<b>(46)</b>	
<b>Intangible</b>					
Water rights	200	197	(3)	(2)	
<b>Total intangible</b>	<b>200</b>	<b>197</b>	<b>(3)</b>	<b>(2)</b>	
<b>Total capital works expenditure</b>	<b>49,726</b>	<b>36,157</b>	<b>(13,569)</b>	<b>(27)</b>	
<b>Represented by:</b>					
New asset expenditure	18,690	15,692	(2,998)	(16)	
Asset renewal expenditure	24,043	15,277	(8,766)	(36)	
Asset expansion expenditure	1,619	1,453	(166)	(10)	
Asset upgrade expenditure	5,374	3,538	(1,836)	(34)	
Intangible asset	-	197	197	100	
<b>Total capital works expenditure</b>	<b>49,726</b>	<b>36,157</b>	<b>(13,569)</b>	<b>(27)</b>	

## Notes to the Financial Report For the Year Ended 30 June 2023

### 2.1 Performance against budget (cont'd)

#### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Fixtures, fittings and furniture	Additional funding was received for the Local Councils Outdoor Eating and Entertainment Grant, with expenditure on outdoor alfresco areas and bench seats and tables occurring.
2	Plant, machinery and equipment	Delays in supply have resulted in expenditure being carried forward to next financial year, however this budget has been fully expended pending delivery and final invoices.
3	Roads	Delays due to recent flooding event with all road resources being transferred to flood preparation works. This expenditure will now occur in the 2023-24 financial year.
4	Drainage	Contractor constraints prevented two major drainage contracts from being awarded. This expenditure is to occur during the 2023-24 financial year.
5	Recreational, leisure and community facilities	The Nichols Point Recreation Reserve sporting facility is a large project and will be completed over multiple budget years. Work is currently being done with designs and community consultations.
6	Waste management	The waste management program and specifically landfill capping has been delayed as Council awaits the Environmental Protection Agency (EPA) approval of the capping design. This has been carried forward to the next financial year.
7	Parks, open space and streetscapes	Delays due to a longer than expected community consultation process and contractor availability with expenditure now occurring next financial year.

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### 2.2.1 Community

The Community Department is comprised of three branches; Community Futures, Leisure and Cultural Services and Community Care Services. The Community Futures branch includes teams from Community Development, Strategic Planning, Environmental Sustainability, Arts and Culture Development and Community Futures Projects units. The Leisure and Cultural Services branch is made up of Youth Services, Events and Projects, Recreation Development, Mildura Sporting Precinct and Library Services units. The Community Care Services branch encompasses Aged and Disability, Early Years and Community Health units.

#### Financial Management

Financial Management encompasses functions of Council services such as rates, depreciation, investment income, borrowing costs, and developer contributions. It also includes business units that are non core Council activities such as Mildura Cemetery, Hands up Mallee, Mildura Airport, and Mildura Regional Development.

#### Corporate

The Corporate Department is comprised of four areas; Organisational Development, Governance and Performance, Information Systems and Financial Services. The Organisational Development branch includes teams from Human Resources, Corporate Planning and Reporting, Business Improvements, Occupational Health and Safety, Employee Relations and Payroll Service units. Governance and Performance encompasses Customer Support, Governance and Risk, and Property Services units. The Information Systems branch is made up of teams from the Systems and Information Management Units. The Financial Services and Revenue branch includes Financial Accounting, Procurement and Fleet units. The Corporate Department also auspices Greater Sunraysia Pest Free Area.

#### Development

The Development Department is comprised of four branches; Asset Services, Development Services, Parks and Waste and Works and Engineering Services. The Asset Services branch includes teams from the Strategic Asset Systems and Facility Services. The Development Services branch includes teams from the Statutory Planning, Building Services, Development Services, Environmental Health and Civic Compliance units. The Parks and Waste branch encompasses teams from Parks, Gardens and Waste Management units. The Works and Engineering Services branch includes Engineering, Works and Infrastructure, Road Maintenance Inspection and Reporting, Concrete Drainage, Road Maintenance and Bitumen Services teams.

#### Executive

The Executive Department comprises the Chief Executive Officer and Government. Government is activities relating to Councillors and Chief Executive Officer.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**2.2.2 Summary of income, expenses, assets and capital expenses by program**

	Income	Expenses	Surplus/ (deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2023</b>					
Community	13,354	(27,305)	(13,951)	7,087	250,777
Financial management	126,716	(25,254)	101,462	32,637	231,941
Corporate	4,512	(26,493)	(21,981)	1,259	243,318
Development	8,187	(52,728)	(44,541)	597	484,275
Executive	-	(1,101)	(1,101)	-	10,109
	<b>152,769</b>	<b>(132,881)</b>	<b>19,888</b>	<b>41,580</b>	<b>1,220,420</b>

	Income	Expenses	Surplus/ (deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2022</b>					
Community	12,340	(25,396)	(13,056)	6,422	235,091
Financial management	126,307	(27,498)	98,809	40,528	254,550
Corporate	2,297	(18,137)	(15,840)	684	167,895
Development	6,681	(46,534)	(39,853)	424	430,766
Executive	-	(965)	(965)	-	8,933
	<b>147,625</b>	<b>(118,530)</b>	<b>29,095</b>	<b>48,058</b>	<b>1,097,235</b>



**Notes to the Financial Report  
For the Year Ended 30 June 2023**

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

**Note 3 Funding for the delivery of our services**

**3.1 Rates and charges**

Council uses capital improved value (CIV) as the basis of valuation of all properties within the municipal district. The CIV is the value of the land and all its improvements.

The valuation base used to calculate general rates for 2022/23 is \$13.61 billion (2021/22 was \$13.67 billion)

General rates	44,127	42,124	44,127	42,124
Waste management charge	12,443	12,157	12,443	12,157
Mildura City Heart special rate	646	633	646	633
Business differential rate	12,198	12,933	12,302	13,057
Farming differential rate	12,117	11,179	12,117	11,179
Payment in lieu of rates	305	255	305	255
<b>Total rates and charges</b>	<b>81,836</b>	<b>79,281</b>	<b>81,940</b>	<b>79,405</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2023, and the valuation will be first applied in the rating year commencing 1 July 2023.

Annual rates and charges are recognised as revenues when Council issues annual rates notices.

Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

**3.2 Statutory fees and fines**

Infringements and costs	485	411	485	411
Land information certificates	60	71	60	71
Permits	310	430	310	430
Other statutory fees and fines	263	314	263	314
Valuations database	268	243	268	243
Statutory planning fees	801	925	801	925
<b>Total statutory fees and fines</b>	<b>2,187</b>	<b>2,394</b>	<b>2,187</b>	<b>2,394</b>

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>3.3 User fees</b>				
Aged and health services	539	763	539	763
Child care/children's programs	526	505	526	505
Waste management services	2,461	2,399	2,461	2,399
Other fees and charges	512	261	512	261
Rent/lease fees	1,568	960	1,134	629
Animal control and local laws	640	579	640	579
Environmental health services	276	-	276	-
Airport fees and charges	4,302	2,303	-	-
Contract works	897	532	897	532
Entrance charges	755	572	755	572
Commission/agency fees	154	164	154	164
<b>Total user fees</b>	<b>12,630</b>	<b>9,038</b>	<b>7,894</b>	<b>6,404</b>

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

**3.4 Funding from other levels of government**

Grants were received in respect of the following:

**Summary of grants**

Commonwealth funded grants	32,160	32,306	31,601	32,806
State funded grants	13,160	16,691	9,979	15,252
<b>Total grants received</b>	<b>45,320</b>	<b>48,997</b>	<b>41,580</b>	<b>48,058</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>3.4 Funding from other levels of government (cont'd)</b>				
<b>(a) Operating grants</b>				
<b><i>Recurrent - Commonwealth Government</i></b>				
Hands up Mallee	734	815	734	815
Aged and disability services	2,137	2,242	2,137	2,242
Financial assistance grants - general purpose	16,359	16,184	16,359	16,184
Financial assistance grants - local roads	6,437	5,801	6,437	5,801
<b><i>Recurrent - State Government</i></b>				
Hands up Mallee	-	275	-	275
Aged and disability services	340	521	340	521
Libraries	443	426	443	426
Community health	1,308	1,267	1,308	1,267
Early years	422	277	422	277
Youth services	279	216	279	216
Environmental health	80	44	80	44
Social development and projects	25	75	25	75
Local laws	199	154	199	154
Arts and culture	190	190	190	190
Works and infrastructure services	154	106	154	106
<b>Total recurrent operating grants</b>	<b>29,107</b>	<b>28,593</b>	<b>29,107</b>	<b>28,593</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>3.4 Funding from other levels of government (cont'd)</b>				
<i><b>Non-recurrent - Commonwealth Government</b></i>				
Airport operations	1,059	500	500	500
Early years	291	224	291	224
Recreation and sport	450	-	450	-
<i><b>Non-recurrent - State Government</b></i>				
Youth services	133	2	133	2
Hands up Mallee	-	1,023	-	1,023
Community development	413	-	413	-
Social development and projects	413	413	413	413
Environmental sustainability	122	193	122	193
Community health	134	-	134	-
Aged and disability services	4	112	4	112
Early years	115	16	115	16
Asset management	-	67	-	67
Economic development and tourism	2,877	120	-	120
Libraries	23	1	23	1
Sunraysia Pest Free	547	583	547	583
COVID-19 program funding	156	-	156	-
Local laws	3	23	3	23
Road safety	27	15	27	15
Emergency management and recovery	623	26	623	26
Community care services management	-	77	-	77
Event projects	135	203	135	203
Airport operations	304	1,439	-	-
Strategic planning	30	-	30	-
Planning and development	40	-	40	-
Recreation and sport	157	58	157	58
<b>Total non-recurrent operating grants</b>	<b>8,056</b>	<b>5,095</b>	<b>4,316</b>	<b>3,656</b>
<b>Total operating grants</b>	<b>37,163</b>	<b>33,688</b>	<b>33,423</b>	<b>32,249</b>
<b>(b) Capital grants</b>				
<i><b>Recurrent - Commonwealth Government</b></i>				
Roads to recovery	2,657	2,978	2,657	2,978
<b>Total recurrent capital grants</b>	<b>2,657</b>	<b>2,978</b>	<b>2,657</b>	<b>2,978</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>3.4 Funding from other levels of government (cont'd)</b>				
<b><i>Non-recurrent - Commonwealth Government</i></b>				
Buildings	1,484	2,650	1,484	2,650
Roads	-	1,354	-	1,354
Airport operations	-	(500)	-	-
Parks, open space and streetscapes	552	58	552	58
<b><i>Non-recurrent - State Government</i></b>				
Computers and telecom	-	100	-	100
Footpaths and cycleways	45	-	45	-
Libraries	-	11	-	11
Recreation and sport	610	280	610	280
Buildings	2,113	6,239	2,113	6,239
Fixtures, fittings and furniture	-	782	-	782
Waste management	10	22	10	22
Parks open space and streetscapes	117	60	117	60
Roads	569	1,275	569	1,275
<b>Total non-recurrent capital grants</b>	<b>5,500</b>	<b>12,331</b>	<b>5,500</b>	<b>12,831</b>
<b>Total capital grants</b>	<b>8,157</b>	<b>15,309</b>	<b>8,157</b>	<b>15,809</b>

**(c) Recognition of grant income**

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income for Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>3.4 Funding from other levels of government (cont'd)</b>				
<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>				
General purpose	22,796	21,985	22,796	21,985
Other specific purpose grants	20,754	24,985	17,014	24,046
<b>Revenue recognised under AASB 15 Revenue from Contracts with Customers</b>				
Specific purpose grants	1,770	2,027	1,770	2,027
	<b>45,320</b>	<b>48,997</b>	<b>41,580</b>	<b>48,058</b>
<b>(d) Unspent grants received on condition that they be spent in a specific manner</b>				
<b>Operating</b>				
Balance at start of year	1,023	784	639	784
Received during the financial year and remained unspent at balance date	669	384	52	-
Received in prior years and spent during the financial year	-	(145)	-	(145)
Balance at year end	<b>1,692</b>	<b>1,023</b>	<b>691</b>	<b>639</b>
<b>Capital</b>				
Balance at start of year	2,027	370	2,027	370
Received during the financial year and remained unspent at balance date	1,079	2,027	1,079	2,027
Received in prior years and spent during the financial year	(2,027)	(370)	(2,027)	(370)
Balance at year end	<b>1,079</b>	<b>2,027</b>	<b>1,079</b>	<b>2,027</b>
<b>Total</b>	<b>2,771</b>	<b>3,050</b>	<b>1,770</b>	<b>2,666</b>
Unspent grants are determined and disclosed on a cash basis.				
<b>3.5 Contributions</b>				
Other contributions	261	1,884	261	1,700
Capital contributions	465	260	465	260
Developer contributions	2,156	1,358	2,156	1,358
<b>Total monetary contributions</b>	<b>2,882</b>	<b>3,502</b>	<b>2,882</b>	<b>3,318</b>
Non-monetary contributions	400	823	400	823
<b>Total contributions</b>	<b>3,282</b>	<b>4,325</b>	<b>3,282</b>	<b>4,141</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

**3.5 Contributions (cont'd)**

*Contributions of non-monetary assets were received in relation to the following asset classes.*

Drainage	302	5	302	5
Footpaths	-	101	-	101
Parks open space and streetscapes	98	717	98	717
<b>Total non-monetary contributions</b>	<b>400</b>	<b>823</b>	<b>400</b>	<b>823</b>

Monetary and non monetary contributions are recognised as revenue at their fair value when Council obtains control over the contributed asset.

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

Proceeds of sale	862	714	862	714
Written down value of assets disposed	(1,817)	(4,399)	(1,660)	(4,399)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(955)</b>	<b>(3,685)</b>	<b>(798)</b>	<b>(3,685)</b>

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

**3.7 Other income**

Interest	2,833	364	2,785	481
Interest on rates	457	708	457	708
Sales	1,337	706	617	347
Other income	1,777	225	1,520	18
Child care reimbursement	1,794	2,016	1,794	2,016
Fuel tax rebate	179	168	179	168
Workcover costs reimbursements	218	453	218	453
Legal costs recouped	230	205	230	205
Airport reimbursement	-	-	1	-
Cemetery reimbursement	949	713	949	713
Utilities reimbursement	13	18	13	18
Youth case management reimbursement	589	660	589	660
Insurance reimbursement	276	46	412	46
Other costs reimbursed	3,044	990	3,045	1,125
<b>Total other income</b>	<b>13,696</b>	<b>7,272</b>	<b>12,809</b>	<b>6,958</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

**3.8 Asset recognition**

The majority of asset recognitions related to gifted assets for Developer Contribution Plans (DCP). These are recognised once Council gains control of the assets and recorded on Council's asset registers.

Asset recognition	3,875	5,762	3,875	3,950
<b>Total asset recognition</b>	<b>3,875</b>	<b>5,762</b>	<b>3,875</b>	<b>3,950</b>

**Note 4 The cost of delivering services**

**4.1. (a) Employee costs**

Wages and salaries	53,601	50,909	50,665	47,818
Payroll tax	1	7	2	7
Superannuation	4,902	4,737	4,690	4,526
Fringe benefits tax	115	134	115	134
<b>Total employee costs</b>	<b>58,619</b>	<b>55,787</b>	<b>55,472</b>	<b>52,485</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	241	252	241	252
<b>Total defined benefit fund contributions</b>	<b>241</b>	<b>252</b>	<b>241</b>	<b>252</b>

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,891	1,955	1,891	1,955
Employer contributions - other funds	2,770	2,152	2,558	2,152
<b>Total accumulation funds contributions</b>	<b>4,661</b>	<b>4,107</b>	<b>4,449</b>	<b>4,107</b>
Employer contributions payable at reporting date.	-	-	-	-

Refer to note 9.3 for further information relating to Council's superannuation obligations.



**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>4.2 Materials and services</b>				
Contracts other	12,784	9,088	12,531	8,907
Waste management contracts	6,776	6,322	6,776	6,322
Swimming pools	1,537	1,427	1,537	1,427
Building maintenance	2,010	2,461	2,010	2,461
General maintenance	508	423	508	423
Environmental protection waste levy	6,321	2,288	6,321	2,288
Grants, contributions and donations	2,353	1,763	4,184	3,674
Utilities	3,425	3,457	3,115	3,150
Office administration	1,570	1,101	1,038	873
Materials purchased	5,664	5,205	5,349	5,040
Plant and vehicle costs	4,410	2,615	2,615	2,039
Information technology	2,395	1,792	2,291	1,694
Insurance	1,491	1,450	1,501	1,458
Consultants	2,886	2,138	2,886	2,138
Training	1,118	742	1,079	706
Other materials and contractors	2,301	1,488	1,214	546
<b>Total materials and services</b>	<b>57,549</b>	<b>43,760</b>	<b>54,955</b>	<b>43,146</b>

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

**4.3 Depreciation**

Buildings	3,399	3,292	3,168	3,022
Plant and equipment	3,331	3,745	2,962	3,386
Infrastructure	14,799	16,286	13,697	13,547
<b>Total depreciation</b>	<b>21,529</b>	<b>23,323</b>	<b>19,827</b>	<b>19,955</b>

Refer to note 5.2( c ), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

**4.4 Amortisation - intangible assets**

Intangible assets	200	225	198	225
<b>Total amortisation - intangible assets</b>	<b>200</b>	<b>225</b>	<b>198</b>	<b>225</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>4.5 Amortisation - right of use assets</b>				
Property	129	130	98	99
<b>Total amortisation - right of use assets</b>	<b>129</b>	<b>130</b>	<b>98</b>	<b>99</b>
<b>4.6 Bad and doubtful debts - allowance for impairment losses</b>				
Infringement debtors	22	34	22	34
Other debtors	13	5	13	5
<b>Total bad and doubtful debts - allowance for impairment losses</b>	<b>35</b>	<b>39</b>	<b>35</b>	<b>39</b>
<b>Movement in allowance for impairment losses in respect of debtors</b>				
Balance at the beginning of the year	798	790	798	790
New provisions recognised during the year	35	39	35	39
Amounts already provided for and written off as uncollectible	(13)	(31)	(13)	(31)
<b>Balance at end of year</b>	<b>820</b>	<b>798</b>	<b>820</b>	<b>798</b>
An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.				
<b>4.7 Borrowing costs</b>				
Interest - borrowings	778	843	647	828
<b>Total borrowing costs</b>	<b>778</b>	<b>843</b>	<b>647</b>	<b>828</b>
Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.				
<b>4.8 Finance costs - leases</b>				
Interest - lease liabilities	59	61	50	51
<b>Total finance costs</b>	<b>59</b>	<b>61</b>	<b>50</b>	<b>51</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>4.9 Other expenses</b>				
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	106	89	90	77
Auditors' remuneration - internal audit	138	143	138	143
Councillors' allowances	365	349	365	349
Directors' fees	119	99	-	-
Refunds	69	80	69	80
Operating lease rentals	459	611	467	615
Others	501	441	470	438
<b>Total other expenses</b>	<b>1,757</b>	<b>1,812</b>	<b>1,599</b>	<b>1,702</b>

**Note 5 Our financial position**

**5.1 Financial assets**

**(a) Cash and cash equivalents**

Cash on hand	28	38	10	10
Cash at bank	29,551	18,865	26,983	17,121
Term deposits	4,314	6,908	3,000	5,500
<b>Total cash and cash equivalents</b>	<b>33,893</b>	<b>25,811</b>	<b>29,993</b>	<b>22,631</b>

**(b) Other financial assets**

**Current**

Term deposits - current	66,767	79,600	66,767	79,600
<b>Total other financial assets</b>	<b>66,767</b>	<b>79,600</b>	<b>66,767</b>	<b>79,600</b>
<b>Total financial assets</b>	<b>100,660</b>	<b>105,411</b>	<b>96,760</b>	<b>102,231</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

**Note 5 Our financial position**

**5.1 Financial assets (cont'd)**

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits (note 5.3(b))	2,794	2,523	2,786	2,515
- Statutory reserve funds (note 9.1(b))	14,158	16,731	14,158	16,731
Total restricted funds	<u>16,952</u>	<u>19,254</u>	<u>16,944</u>	<u>19,246</u>
<b>Total unrestricted cash and cash equivalents</b>	<b><u>16,941</u></b>	<b><u>6,557</u></b>	<b><u>13,049</u></b>	<b><u>3,385</u></b>

**Intended allocations**

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- Cash held to fund carried forward capital works	31,125	34,369	31,125	34,369
- Unexpended grants (note 3.4)	2,771	3,050	1,770	2,666
- Discretionary reserves (note 9.1(b))	41,143	33,567	41,143	33,567
<b>Total funds subject to intended allocations</b>	<b><u>75,039</u></b>	<b><u>70,986</u></b>	<b><u>74,038</u></b>	<b><u>70,602</u></b>

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.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>5.1 Financial assets (cont'd)</b>				
<b>(c) Trade and other receivables</b>				
<b>Current</b>				
<i>Statutory receivables</i>				
Rates debtors	3,724	4,146	3,724	4,146
Infringement debtors	973	905	973	905
Provision for doubtful debts - infringements	(820)	(798)	(820)	(798)
Net GST receivable	701	402	701	402
<i>Non statutory receivables</i>				
General debtors	2,964	1,744	2,389	1,294
Accrued income	491	518	495	513
Loan to Mildura Airport Pty Ltd	-	-	437	305
Provision for doubtful debts - other debtors	(8)	(9)	(8)	(9)
<b>Total current trade and other receivables</b>	<b>8,025</b>	<b>6,908</b>	<b>7,891</b>	<b>6,758</b>
<b>Non-current</b>				
<i>Non statutory receivables</i>				
Loan to Mildura Airport Pty Ltd	-	-	6,478	4,863
<b>Total non-current trade and other receivables</b>	<b>-</b>	<b>-</b>	<b>6,478</b>	<b>4,863</b>
<b>Total trade and other receivables</b>	<b>8,025</b>	<b>6,908</b>	<b>14,369</b>	<b>11,621</b>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

**(d) Ageing of receivables**

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)	1,243	2,105	1,109	1,969
Past due by up to 30 days	720	80	720	69
Past due between 31 and 180 days	1,264	64	1,264	61
Past due between 181 and 365 days	220	4	220	4
<b>Total trade and other receivables</b>	<b>3,447</b>	<b>2,253</b>	<b>3,313</b>	<b>2,103</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.1 Financial assets (cont'd)**

**(e) Ageing of individually impaired receivables**

At balance date, other debtors representing financial assets with a nominal value of \$2,389 (2022: \$1,294) were impaired. The amount of the provision raised against these debtors was \$35 (2022: \$39). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Past due between 31 and 180 days	13	5	13	5
Past due between 181 and 365 days	-	-	-	-
Past due by more than 1 year	22	34	22	34
<b>Total trade and other receivables</b>	<b>35</b>	<b>39</b>	<b>35</b>	<b>39</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>5.2 Non-financial assets</b>				
<b>(a) Inventories</b>				
Inventories held for distribution	598	480	598	480
Inventories held for sale	86	79	70	70
<b>Total inventories</b>	<b>684</b>	<b>559</b>	<b>668</b>	<b>550</b>
Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.				
<b>(b) Other assets</b>				
<b>Current</b>				
Prepayments	354	351	312	315
<b>Total</b>	<b>354</b>	<b>351</b>	<b>312</b>	<b>315</b>
<b>Non-current</b>				
Interest in Mildura Airport Pty Ltd	-	-	48,358	49,281
Interest in Mildura Regional Development	-	-	2,870	616
<b>Total</b>	<b>-</b>	<b>-</b>	<b>51,228</b>	<b>49,897</b>
<b>Total other assets</b>	<b>354</b>	<b>351</b>	<b>51,540</b>	<b>50,212</b>
<b>(c) Intangible assets</b>				
Software	193	387	193	387
LightState project (MRD)	3,102	-	-	-
Water rights at valuation	13,842	13,733	13,689	13,582
<b>Total intangible assets</b>	<b>17,137</b>	<b>14,120</b>	<b>13,882</b>	<b>13,969</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.2 Non-financial assets (cont'd)**

**(c) Intangible assets**

<b>Consolidated</b>	<b>LightState \$'000</b>	<b>Software \$'000</b>	<b>Water right \$'000</b>	<b>Total \$'000</b>
<b>Gross carrying amount</b>				
Balance at 1 July 2022	-	3,060	13,733	16,793
Acquisition	3,102	-	197	3,299
Transfer	-	4	-	4
Revaluation increment/(decrement) (note 9.1(a))	-	-	(88)	(88)
Balance at 30 June 2023	<b>3,102</b>	<b>3,064</b>	<b>13,842</b>	<b>20,008</b>
<b>Accumulated amortisation and impairment</b>				
Balance at 1 July 2022	-	2,673	-	2,673
Transfer	-	-	-	-
Amortisation expense	-	198	-	198
Balance at 30 June 2023	<b>-</b>	<b>2,871</b>	<b>-</b>	<b>2,871</b>
Net book value at 30 June 2022	-	387	13,733	14,120
Net book value at 30 June 2023	<b>3,102</b>	<b>193</b>	<b>13,842</b>	<b>17,137</b>
<b>Council</b>		<b>Software \$'000</b>	<b>Water right \$'000</b>	<b>Total \$'000</b>
<b>Gross carrying amount</b>				
Balance at 1 July 2022		3,060	13,582	16,642
Acquisition		-	197	197
Transfer		4	-	4
Revaluation increment/(decrement) (note 9.1(a))		-	(90)	(90)
Balance at 30 June 2023		<b>3,064</b>	<b>13,689</b>	<b>16,753</b>
<b>Accumulated amortisation and impairment</b>				
Balance at 1 July 2022		2,673	-	2,673
Transfer		-	-	-
Amortisation expense		198	-	198
Balance at 30 June 2023		<b>2,871</b>	<b>-</b>	<b>2,871</b>
Net book value at 30 June 2022		387	13,582	13,969
Net book value at 30 June 2023		<b>193</b>	<b>13,689</b>	<b>13,882</b>

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.



**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.2 Non-financial assets (cont'd)**

**(c) Intangible assets**

Details of the Mildura Rural City Council's water rights; and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Water rights	-	13,689	-
<b>Total</b>	<b>-</b>	<b>13,689</b>	<b>-</b>

Water rights are valued at current market values. The valuation is based on market transactions being the trading of water shares. The valuations were completed by Mr Stephen Lush AAPI, Certified Practising Valuer, recognised Valuer, (Council Officer), as at 30 June 2023.

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>5.3 Payables, trust funds, deposits and unearned income / revenue</b>				
<b>(a) Trade and other payables</b>				
<b>Current</b>				
<i>Non-statutory payables</i>				
Trade payables	1,090	481	715	2
Accrued expenses	1,989	2,286	1,585	2,186
<b>Total current trade and other payables</b>	<b>3,079</b>	<b>2,767</b>	<b>2,300</b>	<b>2,188</b>
<b>(b) Trust funds and deposits</b>				
<b>Current</b>				
Refundable contract deposits	520	468	520	468
Fire services levy	676	711	676	711
Refundable civic facilities deposits	12	7	12	7
Retention amounts	387	274	387	274
Income received in advance	8	8	-	-
Other refundable deposits	1,191	1,055	1,191	1,055
<b>Total current trust funds and deposits</b>	<b>2,794</b>	<b>2,523</b>	<b>2,786</b>	<b>2,515</b>
<b>(c) Unearned income / revenue</b>				
<b>Current</b>				
Grants received in advance - operating	1,692	1,023	691	639
Grants received in advance - capital	1,079	2,027	1,079	2,027
<b>Total current unearned income / revenue</b>	<b>2,771</b>	<b>3,050</b>	<b>1,770</b>	<b>2,666</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.3 (c) Unearned income / revenue (cont'd)

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers (Government funding bodies) for which grant agreement obligations have not yet been met . Unearned income/revenue are derecognised and recorded as revenue when promised goods and services and grant funding has been expended and the project/service delivered. Refer to Note 3.

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

#### *Purpose and nature of items:*

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire service levy - Council is the collection agent for fire services levy on behalf of the State government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State government in line with that process.

Retention amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>5.4 Interest-bearing liabilities</b>				
<b>Current</b>				
Other borrowings - secured	778	1,023	653	929
<b>Total current interest-bearing liabilities</b>	<b>778</b>	<b>1,023</b>	<b>653</b>	<b>929</b>
<b>Non-current</b>				
Other borrowings - secured	8,334	9,255	8,334	9,255
Finance leases	429	184	-	-
<b>Total non-current interest-bearing liabilities</b>	<b>8,763</b>	<b>9,439</b>	<b>8,334</b>	<b>9,255</b>
<b>Total interest-bearing liabilities</b>	<b>9,541</b>	<b>10,462</b>	<b>8,987</b>	<b>10,184</b>

Borrowings are secured by security over the general rates of the municipal enterprise and in accordance with requirements of the *Local Government Act 2020*.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>5.4 Interest-bearing liabilities (cont'd)</b>				

**(a) The maturity profile for Council's borrowings is:**

Not later than one year	778	1,023	653	929
Later than one year and not later than five years	3,499	3,258	1,370	1,468
Later than five years	5,264	6,181	6,964	7,787
	<b>9,541</b>	<b>10,462</b>	<b>8,987</b>	<b>10,184</b>

Borrowings are initially measured at fair value, being the cost of the interest-bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest-bearing liabilities. The Council determines the classification of its interest-bearing liabilities at initial recognition.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.5 Provisions**

<b>Consolidated</b>	<b>Employee</b>	<b>Landfill</b>	<b>Total</b>
<b>2023</b>	<b>\$ '000</b>	<b>restoration \$ '000</b>	<b>\$ '000</b>
Balance at beginning of the financial year	14,760	29,890	44,650
Additional provisions	7,026	5,322	12,348
Amounts used	(7,949)	(1,741)	(9,690)
Balance at the end of the financial year	<b>13,837</b>	<b>33,471</b>	<b>47,308</b>
<i>Provisions - current</i>	12,558	-	12,558
<i>Provisions - non-current</i>	1,149	33,471	34,620
<b>2022</b>			
Balance at beginning of the financial year	14,388	32,514	46,902
Additional provisions	6,593	123	6,716
Amounts used	(6,514)	(2,747)	(9,261)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	293	-	293
Balance at the end of the financial year	<b>14,760</b>	<b>29,890</b>	<b>44,650</b>
<i>Provisions - current</i>	13,575	-	13,575
<i>Provisions - non-current</i>	1,106	29,890	30,996
<b>Council</b>	<b>Employee</b>	<b>Landfill</b>	<b>Total</b>
<b>2023</b>	<b>\$ '000</b>	<b>restoration \$ '000</b>	<b>\$ '000</b>
Balance at beginning of the financial year	14,431	29,890	44,321
Additional provisions	6,869	5,322	12,191
Amounts used	(7,886)	(1,741)	(9,627)
Balance at the end of the financial year	<b>13,414</b>	<b>33,471</b>	<b>46,885</b>
<i>Provisions - current</i>	12,285	-	12,285
<i>Provisions - non-current</i>	1,129	33,471	34,600
<b>2022</b>			
Balance at beginning of the financial year	14,089	32,514	46,603
Additional provisions	6,471	123	6,594
Amounts used	(6,422)	(2,747)	(9,169)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	293	-	293
Balance at the end of the financial year	<b>14,431</b>	<b>29,890</b>	<b>44,321</b>
<i>Provisions - current</i>	13,363	-	13,363
<i>Provisions - non-current</i>	1,068	29,890	30,958

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>5.5 Provisions (cont'd)</b>				
<b>(a) Employee provisions</b>				
<b>Current provisions expected to be wholly settled within 12 months</b>				
Annual leave	3,852	4,234	3,640	4,046
Long service leave	508	535	474	520
Redundancy	508	251	508	251
Rostered day off and time off in lieu	834	943	834	943
<b>Total</b>	<b>5,702</b>	<b>5,963</b>	<b>5,456</b>	<b>5,760</b>
<b>Current provisions expected to be wholly settled after 12 months</b>				
Annual leave	1,260	1,344	1,260	1,344
Long service leave	5,596	6,268	5,569	6,259
<b>Total</b>	<b>6,856</b>	<b>7,612</b>	<b>6,829</b>	<b>7,603</b>
<b>Total current employee provisions</b>	<b>12,558</b>	<b>13,575</b>	<b>12,285</b>	<b>13,363</b>
<b>Non-current</b>				
Long service leave	1,149	1,106	1,129	1,068
<b>Total non-current employee provisions</b>	<b>1,149</b>	<b>1,106</b>	<b>1,129</b>	<b>1,068</b>
Aggregate carrying amount of employee provisions:				
Current	12,558	13,575	12,285	13,363
Non-current	1,149	1,106	1,129	1,068
<b>Total aggregate carrying amount of employee provisions</b>	<b>13,707</b>	<b>14,681</b>	<b>13,414</b>	<b>14,431</b>

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

*Annual leave*

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.5 Provisions

#### (a) Employee provisions (cont'd)

##### *Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

##### Key assumptions:

- Discount rate
- Wage inflation rate
- Settlement period (months)

Consolidated		Council	
2023	2022	2023	2022
%	%	%	%
4.06	3.69	4.06	3.69
4.35	3.85	4.35	3.85
12	12	12	12

#### (b) Landfill restoration

Non-current

##### Total landfill restoration

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000
33,471	29,890	33,471	29,890
<b>33,471</b>	<b>29,890</b>	<b>33,471</b>	<b>29,890</b>

Council is obligated to restore the Mildura, Ouyen, Murrayville and Koorlong sites to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

##### Key assumptions:

- Weighted average Melbourne CPI
- Discount rate

Consolidated		Council	
2023	2022	2023	2022
%	%	%	%
5.60	4.50	5.60	4.50
4.06	3.69	4.06	3.69

#### (c) Total provisions

Current

Non-current

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000
12,558	13,575	12,285	13,363
34,620	30,996	34,600	30,958
<b>47,178</b>	<b>44,571</b>	<b>46,885</b>	<b>44,321</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.6 Financing arrangements**

The Council has the following funding arrangements in place as at 30 June 2023.

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Credit card facilities	800	800	800	800
Loans and borrowings	8,987	10,184	8,987	10,184
<b>Total facilities</b>	<b>9,787</b>	<b>10,984</b>	<b>9,787</b>	<b>10,984</b>
Used facilities	9,394	10,703	9,394	10,703
Unused facilities	393	281	393	281

**5.7 Commitments**

The Council has entered into the following commitments. Commitments are not recognised in the balance sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

**(a) Commitments for expenditure**

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Consolidated					
2023	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Swimming pool management	1,833	1,943	2,183	-	5,959
Waste management	920	956	-	-	1,876
Cleaning services	187	117	-	-	304
Security services	1,776	1,470	1,470	1,470	6,186
Project design	1,803	1,821	-	-	3,624
Corporate expenditure	348	-	-	-	348
Telecommunications	7,036	7,212	17,372	-	31,620
Parks and gardens services	72	9	-	-	81
Building services	426	47	45	45	563
Other	262	234	234	234	964
<b>Total</b>	<b>14,663</b>	<b>13,809</b>	<b>21,304</b>	<b>1,749</b>	<b>51,525</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.7 Commitments (cont'd)**

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2023</b>					
<b>Capital</b>					
Building	5,267	-	-	-	5,267
Computers and telecom	299	-	-	-	299
Drains	1,308	-	-	-	1,308
Fixtures, fittings and furniture	70	-	-	-	70
Footpaths and cycleways	22	-	-	-	22
Library books and art works	74	-	-	-	74
Parks, open space and streetscapes	335	-	-	-	335
Plant and machinery equipment	2,009	-	-	-	2,009
Rec, leisure and community facilities	2,201	-	-	-	2,201
Roads	2,243	-	-	-	2,243
Waste management and landfill	64	-	-	-	64
Other	2,488	-	-	-	2,488
<b>Total</b>	<b>16,380</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,380</b>

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2022</b>					
<b>Operating</b>					
Swimming pool management	1,580	106	-	-	1,686
Waste management	6,306	6,690	25,275	169	38,440
Cleaning services	99	-	-	-	99
Security services	2,082	1,559	-	-	3,641
Project design	122	17	-	-	139
Corporate expenditure	263	-	-	-	263
Computers and telecomm	213	118	-	-	331
Parks and gardens services	616	170	-	-	786
Building services	484	8	5	-	497
Other	507	292	233	197	1,229
<b>Total</b>	<b>12,272</b>	<b>8,960</b>	<b>25,513</b>	<b>366</b>	<b>47,111</b>



**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.7 Commitments (cont'd)**

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>					
<b>2022</b>					
<b>Capital</b>					
Building	16,546	-	-	-	16,546
Computers and telecommunications	318	-	-	-	318
Drains	574	-	-	-	574
Fixtures, fittings and furniture	434	-	-	-	434
Footpaths and cycleways	10	-	-	-	10
Library books and art works	425	-	-	-	425
Parks, open space and streetscapes	417	-	-	-	417
Plant and machinery equipment	2,421	-	-	-	2,421
Recreation, leisure and community facilities	1,146	-	-	-	1,146
Roads	1,678	-	-	-	1,678
Waste management and landfill	46	-	-	-	46
Other	2,218	256	-	-	2,474
<b>Total</b>	<b>26,233</b>	<b>256</b>	<b>-</b>	<b>-</b>	<b>26,489</b>

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>2023</b>					
<b>Operating</b>					
Swimming pool management	1,833	1,943	2,183	-	5,959
Cleaning services	920	956	-	-	1,876
Security services	187	117	-	-	304
Project design	306	-	-	-	306
Other	1,803	1,821	-	-	3,624
Corporate expenditure	348	-	-	-	348
Waste management	7,036	7,212	17,372	-	31,620
Computers and telecommunications	72	9	-	-	81
Building services	379	-	-	-	379
Parks and gardens services	137	-	-	-	137
Fruit Fly Murray Valley	28	-	-	-	28
<b>Total</b>	<b>13,049</b>	<b>12,058</b>	<b>19,555</b>	<b>-</b>	<b>44,662</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.7 Commitments (cont'd)**

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>2023</b>					
<b>Capital</b>					
Building	5,267	-	-	-	5,267
Computers and telecommunications	299	-	-	-	299
Drains	1,308	-	-	-	1,308
Fixtures, fittings and furniture	70	-	-	-	70
Footpaths and cycleways	22	-	-	-	22
Library books and art works	74	-	-	-	74
Parks, open space and streetscapes	335	-	-	-	335
Plant, machinery and equipment	2,009	-	-	-	2,009
Recreation, leisure and community facilities	2,201	-	-	-	2,201
Roads	2,143	-	-	-	2,143
Kerb and channel	191	-	-	-	191
Waste management and landfill	64	-	-	-	64
<b>Total</b>	<b>13,983</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,983</b>

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>2022</b>					
<b>Operating</b>					
Swimming pool management	1,580	106	-	-	1,686
Waste management	6,306	6,690	25,275	169	38,440
Cleaning services	99	-	-	-	99
Security services	675	179	-	-	854
Project design	122	17	-	-	139
Corporate expenditure	263	-	-	-	263
Telecommunications	213	118	-	-	331
Parks and gardens services	616	170	-	-	786
Building services	464	-	-	-	464
Other	177	40	-	-	217
<b>Total</b>	<b>10,515</b>	<b>7,320</b>	<b>25,275</b>	<b>169</b>	<b>43,279</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.7 Commitments (cont'd)**

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Council 2022	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Capital</b>					
Building	16,546	-	-	-	16,546
Computers and telecommunications	318	-	-	-	318
Drains	574	-	-	-	574
Fixtures, fittings and furniture	434	-	-	-	434
Footpaths and cycleways	10	-	-	-	10
Library books and art works	425	-	-	-	425
Parks, open space and streetscapes	417	-	-	-	417
Plant and machinery equipment	1,990	-	-	-	1,990
Recreation, leisure and community facilities	1,146	-	-	-	1,146
Roads	1,478	-	-	-	1,478
Waste management and landfill	46	-	-	-	46
<b>Total</b>	<b>23,384</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,384</b>

**(b) Operating lease receivables**

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Not later than one year	686	577	256	297
Later than one year and not later than five years	2,040	2,029	641	761
Later than five years	1,573	1,604	986	1,079
	4,299	4,210	1,883	2,137

## Notes to the Financial Report For the Year Ended 30 June 2023

### 5.8 Leases

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**5.8 Leases (cont'd)**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>Right-of-use assets</b>				
Balance at 1 July 2022	1,235	1,398	1,032	1,164
Adjustment	9	(33)	9	(33)
Amortisation charge	(129)	(130)	(98)	(99)
Balance at 30 June 2023	<u>1,115</u>	<u>1,235</u>	<u>943</u>	<u>1,032</u>

**Lease liabilities**

Maturity analysis - contractual undiscounted cash flows

Less than one year	184	194	147	158
One to five years	591	623	443	477
More than five years	1,360	1,533	1,332	1,431
Total undiscounted lease liabilities as at 30 June:	<u>2,135</u>	<u>2,350</u>	<u>1,922</u>	<u>2,066</u>

Lease liabilities included in the Balance Sheet at 30 June:

Current	128	136	100	108
Non-current	1,423	1,541	1,264	1,354
Total lease liabilities	<u>1,551</u>	<u>1,677</u>	<u>1,364</u>	<u>1,462</u>

**Short-term and low value leases**

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2023	2022
	\$'000	\$'000
<b>Expenses relating to:</b>		
Leases of low value assets	442	241
<b>Total</b>	<u>442</u>	<u>241</u>

Variable lease payments (not included in measurement of lease liabilities)

**Non-cancellable lease commitments - short-term and low-value leases**

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Payable:

Within one year	295	28
Later than one year but not later than five years	147	152
Total lease commitments	<u>442</u>	<u>180</u>

Council has conducted an assessment of leases and determined the value of peppercorn leases is nil.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**6 Assets we manage**

**6.1 Non current assets classified as held for sale**

Council currently has no non current asset held for sale.

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

Notes to the Financial Report  
For the Year Ended 30 June 2023

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

Consolidated	Carrying amount 30 June 2022	First time recognition of assets	Additions	Contributions	Revaluation	Impairment Losses	Depreciation	Disposal	Write-off	Transfers	Transfers from provisions	Carrying amount 30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	77,065	4	-	-	43,974	-	-	-	-	-	-	121,043
Buildings	135,830	-	42	-	17,944	(158)	(3,398)	(407)	-	2,278	-	152,131
Plant and equipment	45,452	41	3,300	-	-	-	(3,332)	(658)	-	457	-	45,260
Infrastructure	681,429	3,830	712	400	56,304	(330)	(14,799)	(750)	-	5,451	5,093	737,340
Work in progress	30,588	-	34,027	-	-	-	-	-	(503)	(8,186)	-	55,926
	<b>970,364</b>	<b>3,875</b>	<b>38,081</b>	<b>400</b>	<b>118,222</b>	<b>(488)</b>	<b>(21,529)</b>	<b>(1,815)</b>	<b>(503)</b>	<b>-</b>	<b>5,093</b>	<b>1,111,700</b>

Summary of work in progress	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	6,319	16,160	(494)	(2,278)	19,707
Plant and equipment	4,762	2,358	(4)	(457)	6,659
Infrastructure	19,507	15,509	(5)	(5,451)	29,560
<b>Total</b>	<b>30,588</b>	<b>34,027</b>	<b>(503)</b>	<b>(8,186)</b>	<b>55,926</b>

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)

(a) Property

**Consolidated**

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	47,034	13,636	16,395	77,065	248,684	12,267	260,951	6,319	344,335
Accumulated depreciation at 1 July 2022	-	-	-	-	(119,798)	(5,323)	(125,121)	-	(125,121)
	47,034	13,636	16,395	77,065	128,886	6,944	135,830	6,319	219,214
<b>Movements in fair value</b>									
Additions	-	-	-	-	16	26	42	16,160	16,202
Contributions	-	-	-	-	-	-	-	-	-
Recognitions	-	-	4	4	-	-	-	-	4
Revaluation	27,498	6,636	9,840	43,974	25,995	4,100	30,095	-	74,069
Disposal	-	-	-	-	(1,575)	-	(1,575)	-	(1,575)
Write-off	-	-	-	-	-	-	-	(494)	(494)
Transfers	-	-	-	-	1,879	399	2,278	(2,278)	-
Impairment losses	-	-	-	-	-	-	-	-	-
	27,498	6,636	9,844	43,978	26,315	4,525	30,840	13,388	88,206
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(3,179)	(219)	(3,398)	-	(3,398)
Accumulated depreciation of disposals	-	-	-	-	1,168	-	1,168	-	1,168
Accumulated depreciation of recognitions	-	-	-	-	-	-	-	-	-
Accumulated depreciation of revaluations	-	-	-	-	(9,724)	(2,427)	(12,151)	-	(12,151)
Impairment losses	-	-	-	-	(158)	-	(158)	-	(158)
Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	(11,893)	(2,646)	(14,539)	-	(14,539)
At fair value 30 June 2023	74,532	20,272	26,239	121,043	274,999	16,792	291,791	19,707	432,541
Accumulated depreciation at 30 June 2023	-	-	-	-	(131,691)	(7,969)	(139,660)	-	(139,660)
Carrying amount	74,532	20,272	26,239	121,043	143,308	8,823	152,131	19,707	292,881



Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)

(b) Plant and Equipment

Consolidated

	Plant machinery and equipment	Fixtures fittings and furniture	Computer and telecommunica- tions	Artwork	Library books	Total plant and equipment	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	39,650	2,001	2,760	24,228	5,397	74,036	4,762	78,798
Accumulated depreciation at 1 July 2022	(21,418)	(1,011)	(2,266)	-	(3,889)	(28,584)	-	(28,584)
	18,232	990	494	24,228	1,508	45,452	4,762	50,214
<b>Movements in fair value</b>								
Additions	2,932	120	-	-	248	3,300	2,358	5,658
Contributions	-	-	-	-	-	-	-	-
Recognitions	41	-	-	-	-	41	-	41
Revaluation	-	-	-	-	-	-	-	-
Disposal	(2,448)	(12)	-	-	-	(2,460)	-	(2,460)
Write-off	-	-	-	-	-	-	(4)	(4)
Transfers	291	124	28	-	14	457	(457)	-
Impairment losses	-	-	-	-	-	-	-	-
	816	232	28	-	262	1,338	1,897	3,235
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(2,640)	(237)	(180)	-	(275)	(3,332)	-	(3,332)
Accumulated depreciation of disposals	1,789	-	13	-	-	1,802	-	1,802
Accumulated depreciation of recognitions	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
	(851)	(237)	(167)	-	(275)	(1,530)	-	(1,530)
At fair value 30 June 2023	40,466	2,233	2,788	24,228	5,659	75,374	6,659	82,033
Accumulated depreciation at 30 June 2023	(22,269)	(1,248)	(2,433)	-	(4,164)	(30,114)	-	(30,114)
Carrying amount	18,197	985	355	24,228	1,495	45,260	6,659	51,919

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)  
(c) Infrastructure

	Roads	Kerb and channel	Footpaths and cycle ways	Drainage	Recreational, leisure and community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	541,546	24,524	61,316	185,426	58,267	19,764	20,712	44,656	18,855	975,066	19,507	994,573
Accumulated depreciation at 1 July 2022	(186,649)	(8,233)	(24,108)	(36,298)	(11,621)	(4,430)	(3,922)	(8,135)	(10,241)	(293,637)	-	(293,637)
	354,897	16,291	37,208	149,128	46,646	15,334	16,790	36,521	8,614	681,429	19,507	700,936
<b>Movements in fair value</b>												
Additions	53	-	5	-	152	-	160	-	342	712	15,509	16,221
Contributions	-	-	-	302	-	-	98	-	-	400	-	400
Recognitions	1,719	616	519	1,111	4	-	5	-	-	3,974	-	3,974
Revaluation	46,945	1,959	2,689	21,104	6,023	3	127	-	1,210	80,060	-	80,060
Disposal	(2,800)	(43)	(5)	(57)	-	-	(153)	-	(389)	(3,447)	-	(3,447)
Write-off	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Transfers	430	-	252	23	251	-	743	3,752	-	5,451	(5,451)	-
Impairment losses	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Provision	-	-	-	-	-	5,093	-	-	-	5,093	-	5,093
	46,347	2,532	3,460	22,483	6,430	5,096	980	3,752	1,163	92,243	10,053	102,296
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(7,982)	(350)	(1,396)	(1,348)	(788)	(737)	(855)	(988)	(355)	(14,799)	-	(14,799)
Accumulated depreciation of disposals	2,386	5	5	16	-	-	78	-	207	2,697	-	2,697
Accumulated depreciation of recognitions	(47)	(7)	(56)	(30)	(1)	-	(3)	-	-	(144)	-	(144)
Accumulated depreciation of revaluations	(17,342)	(685)	(1,950)	(3,153)	(398)	15	448	-	(691)	(23,756)	-	(23,756)
Impairment losses	(314)	-	-	-	(15)	-	(1)	-	-	(330)	-	(330)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	(23,299)	(1,037)	(3,397)	(4,515)	(1,202)	(722)	(333)	(988)	(839)	(36,332)	-	(36,332)
At fair value 30 June 2023	587,893	27,056	64,776	207,909	64,697	24,860	21,692	48,408	20,018	1,067,309	29,560	1,096,869
Accumulated depreciation at 30 June 2023	(209,948)	(9,270)	(27,505)	(40,813)	(12,823)	(5,152)	(4,255)	(9,123)	(11,080)	(329,969)	-	(329,969)
Carrying amount	377,945	17,786	37,271	167,096	51,874	19,708	17,437	39,285	8,938	737,340	29,560	766,900

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)

Summary of property, infrastructure, plant and equipment

Council	Carrying amount 30 June 2022 \$'000	First time recognition of assets \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000	Impairment Losses \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	Transfers from provisions	Carrying amount 30 June 2023 \$'000
Land	77,065	4	-	-	43,974	-	-	-	-	-	-	121,043
Buildings	127,317	-	10	-	10,244	(158)	(3,168)	(407)	-	2,278	-	136,116
Plant and equipment	43,419	41	3,093	-	-	-	(2,962)	(641)	-	457	-	43,407
Infrastructure	642,892	3,830	367	400	56,304	(330)	(13,697)	(612)	-	1,699	5,093	695,946
Work in progress	26,927	-	32,490	-	-	-	-	-	(503)	(4,434)	-	54,480
	<b>917,620</b>	<b>3,875</b>	<b>35,960</b>	<b>400</b>	<b>110,522</b>	<b>(488)</b>	<b>(19,827)</b>	<b>(1,660)</b>	<b>(503)</b>	<b>-</b>	<b>5,093</b>	<b>1,050,992</b>

Summary of work in progress	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	6,319	16,160	(494)	(2,278)	19,707
Plant and equipment	4,762	2,353	(4)	(457)	6,654
Infrastructure	15,846	13,977	(5)	(1,699)	28,119
<b>Total</b>	<b>26,927</b>	<b>32,490</b>	<b>(503)</b>	<b>(4,434)</b>	<b>54,480</b>

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)  
(a) Property

Council	Land - specialised	Land - non specialised	Land under roads	Total land and land improvements	Buildings - specialised	Buildings - non specialised	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	47,034	13,636	16,395	77,065	239,391	10,919	250,310	6,319	333,694
Accumulated depreciation at 1 July 2022	-	-	-	-	(118,088)	(4,905)	(122,993)	-	(122,993)
	47,034	13,636	16,395	77,065	121,303	6,014	127,317	6,319	210,701
<b>Movements in fair value</b>									
Additions	-	-	-	-	10	-	10	16,160	16,170
Contributions	-	-	-	-	-	-	-	-	-
Recognitions	-	-	4	4	-	-	-	-	4
Revaluation	27,498	6,636	9,840	43,974	18,295	4,100	22,395	-	66,369
Disposal	-	-	-	-	(1,575)	-	(1,575)	-	(1,575)
Write-off	-	-	-	-	-	-	-	(494)	(494)
Transfers	-	-	-	-	1,879	399	2,278	(2,278)	-
Impairment losses	-	-	-	-	-	-	-	-	-
	27,498	6,636	9,844	43,978	18,609	4,499	23,108	13,388	80,474
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(3,000)	(168)	(3,168)	-	(3,168)
Accumulated depreciation of disposals	-	-	-	-	1,168	-	1,168	-	1,168
Accumulated depreciation of recognitions	-	-	-	-	-	-	-	-	-
Accumulated depreciation of revaluations	-	-	-	-	(9,724)	(2,427)	(12,151)	-	(12,151)
Impairment losses	-	-	-	-	(158)	-	(158)	-	(158)
Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	(11,714)	(2,595)	(14,309)	-	(14,309)
At fair value 30 June 2023	74,532	20,272	26,239	121,043	258,000	15,418	273,418	19,707	414,168
Accumulated depreciation at 30 June 2023	-	-	-	-	(129,802)	(7,500)	(137,302)	-	(137,302)
Carrying amount	74,532	20,272	26,239	121,043	128,198	7,918	136,116	19,707	276,866

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)

(b) Plant and equipment

Council	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecommu- nications	Artwork	Library books	Total plant and equipment	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	35,800	1,045	2,719	24,228	5,397	69,189	4,762	73,951
Accumulated depreciation at 1 July 2022	(19,145)	(483)	(2,253)	-	(3,889)	(25,770)	-	(25,770)
	16,655	562	466	24,228	1,508	43,419	4,762	48,181
<b>Movements in fair value</b>								
Additions	2,845	-	-	-	248	3,093	2,353	5,446
Contributions	-	-	-	-	-	-	-	-
Recognitions	41	-	-	-	-	41	-	41
Revaluation	-	-	-	-	-	-	-	-
Disposal	(2,176)	-	-	-	-	(2,176)	-	(2,176)
Write-off	-	-	-	-	-	-	(4)	(4)
Transfers	291	124	28	-	14	457	(457)	-
Impairment losses	-	-	-	-	-	-	-	-
	1,001	124	28	-	262	1,415	1,892	3,307
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(2,430)	(85)	(172)	-	(275)	(2,962)	-	(2,962)
Accumulated depreciation of disposals	1,535	-	-	-	-	1,535	-	1,535
Accumulated depreciation of recognitions	-	-	-	-	-	-	-	-
Accumulated depreciation of revaluations	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
	(895)	(85)	(172)	-	(275)	(1,427)	-	(1,427)
At fair value 30 June 2023	36,801	1,169	2,747	24,228	5,659	70,604	6,654	77,258
Accumulated depreciation at 30 June 2023	(20,040)	(568)	(2,425)	-	(4,164)	(27,197)	-	(27,197)
Carrying amount	16,761	601	322	24,228	1,495	43,407	6,654	50,061

Notes to the Financial Report  
For the Year Ended 30 June 2023

6.2 Property, infrastructure, plant and equipment (cont'd)

(c) Infrastructure	Roads	Kerb and channel	Footpaths and cycle ways	Drainage	Recreational, leisure and community	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
Council	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2022	541,546	24,524	61,316	185,426	58,267	19,764	19,841	-	16,225	926,909	15,846	942,755
Accumulated depreciation at 1 July 2022	(186,649)	(8,233)	(24,108)	(36,298)	(11,621)	(4,430)	(3,655)	-	(9,023)	(284,017)	-	(284,017)
	354,897	16,291	37,208	149,128	46,646	15,334	16,186	-	7,202	642,892	15,846	658,738
<b>Movements in fair value</b>												
Additions	53	-	5	-	152	-	157	-	-	367	13,977	14,344
Contributions	-	-	-	302	-	-	98	-	-	400	-	400
Recognitions	1,719	616	519	1,111	4	-	5	-	-	3,974	-	3,974
Revaluation	46,945	1,959	2,689	21,104	6,023	3	127	-	1,210	80,060	-	80,060
Disposal	(2,800)	(43)	(5)	(57)	-	-	(153)	-	(48)	(3,106)	-	(3,106)
Write-off	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Transfers	430	-	252	23	251	-	743	-	-	1,699	(1,699)	-
Impairment losses	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Provision	-	-	-	-	-	5,093	-	-	-	5,093	-	5,093
	46,347	2,532	3,460	22,483	6,430	5,096	977	-	1,162	88,487	12,273	100,760
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(7,982)	(350)	(1,396)	(1,348)	(788)	(737)	(820)	-	(276)	(13,697)	-	(13,697)
Accumulated depreciation of disposals	2,386	5	5	16	-	-	78	-	4	2,494	-	2,494
Accumulated depreciation of recognitions	(47)	(7)	(56)	(30)	(1)	-	(3)	-	-	(144)	-	(144)
Accumulated depreciation of revaluations	(17,342)	(685)	(1,950)	(3,153)	(398)	15	448	-	(691)	(23,756)	-	(23,756)
Impairment losses	(314)	-	-	-	(15)	-	(1)	-	-	(330)	-	(330)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	(23,299)	(1,037)	(3,397)	(4,515)	(1,202)	(722)	(298)	-	(963)	(35,433)	-	(35,433)
At fair value 30 June 2023	587,893	27,056	64,776	207,909	64,697	24,860	20,818	-	17,387	1,015,396	28,119	1,043,515
Accumulated depreciation at 30 June 2023	(209,948)	(9,270)	(27,505)	(40,813)	(12,823)	(5,152)	(3,953)	-	(9,986)	(319,450)	-	(319,450)
Carrying amount	377,945	17,786	37,271	167,096	51,874	19,708	16,865	-	7,401	695,946	28,119	724,065

## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.2 Property, infrastructure, plant and equipment (cont'd)

#### *Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement 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.

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

Asset Recognition Thresholds and Depreciation Periods	Depreciation Period	Threshold Limit \$'000
Land and land improvements		
land	-	5
Buildings		
buildings	60 years	10
Plant and equipment		
plant and equipment	3 - 12 years	5
fixtures, fittings and furniture	4 - 10 years	5
artworks	-	0.5
library books	5 - 100 years	-
Infrastructure		
footpaths and cycle ways	1 - 50 years	10
road kerb and channel	70 years	10
road pavements	20 - 65 years	10
road seals	15 - 40 years	10
Drainage	50 - 150 years	10
Waste management	10 - 30 years	10
Aerodromes	50 years	10
Off street carpark	1 - 65 years	10
Recreational, leisure and community	10 - 25 years	10
Parks, open spaces and streetscapes	10 - 50 years	10
Intangible assets		
software	3 - 15 years	1
Water rights	-	0

## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.2 Property, infrastructure, plant and equipment (cont'd)

#### ***Land under roads***

Council recognises land under roads it controls at fair value.

#### ***Depreciation and amortisation***

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

Where 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.

Road earthworks and artworks are not depreciated on the basis they are assessed as not having a limited useful life.

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

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

#### ***Repairs and maintenance***

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.

#### ***Valuation of land and buildings***

Valuation of land and buildings were undertaken by qualified Valuer Mr Stephen Lush AAPI, Certified Practising Valuer (Council Officer). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions and drainage basins the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land (e.g. drainage basin) is valued at fair value using site values adjusted for englobo (undeveloped and/or unserved) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.



## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.2 Property, infrastructure, plant and equipment (cont'd)

#### Valuation of land and building (cont'd)

The date of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Land	-	20,272	74,532	31/12/2022	Full/Internal
Specialised land	-	-	26,239	31/12/2022	Full/Internal
Buildings	-	7,918	128,198	31/12/2022	Full/Internal
<b>Total</b>	-	<b>28,190</b>	<b>228,969</b>		

#### Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an internal valuation undertaken by Senior Asset Officer Gavin Coulthard, (B Business, Diploma Risk Mgt). The Valuation review is undertaken by Strategic Asset Systems Coordinator Karen Milner (CPA, Grad Cert Project Management, 15 Years Asset Management Experience and Kylie Sergi, Manager Facilities & Assets (B App Sci, Dip Bus) 17 Year Asset Management Experience.)

The date and type of the current valuation is detailed in the following table. An index based revaluation was conducted in the current year, this valuation was based on Rawlinson's Australian Construction Handbook 2023, a full unit rate and useful life review of these assets will be conducted in 2023/24 and 2024/25. External Condition Assessments are undertaken on a 3-5 year cycle.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	377,945	30/06/2019	Full/External
Kerb and channel	-	-	17,786	30/06/2018	Full/External
Footpaths and cycle ways	-	-	37,271	30/06/2018	Full/External
Drainage	-	-	167,096	30/06/2018	Full/External
Recreational, leisure and community facilities	-	-	51,874	30/06/2021	Full/Internal
Waste management	-	-	19,708	30/06/2021	Full/Internal
Parks, open space and streetscapes	-	-	16,865	30/06/2021	Full/Internal
Off street car parks	-	-	7,401	30/06/2021	Full/Internal
<b>Total</b>	-	-	<b>695,946</b>		

## Notes to the Financial Report For the Year Ended 30 June 2023

### 6.2 Property, infrastructure, plant and equipment (cont'd)

#### *Description of significant unobservable inputs into level 3 valuations*

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 30% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.02 and \$940.00 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$60.00 to \$14,118.00 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 60 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure asset** are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of straight line depreciation, except where a single asset class has comprehensive condition information, in which case remaining useful life is determined on the basis of condition. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2023	2022
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	26,239	16,395
Land - parks and reserves, etc.	74,532	47,034
<b>Total specialised land</b>	<b>100,771</b>	<b>63,429</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 7 People and relationships

#### 7.1 Council and key management remuneration

##### (a) Related parties

###### *Parent entity*

Mildura Rural City Council is the parent entity.

###### *Subsidiaries and associates*

Mildura Airport Pty Ltd and Mildura Tourism and Economic Development Ltd trading as Mildura Regional Development are fully consolidated subsidiary and form part of Mildura Rural City Council financial statements.

##### (b) Key management personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Mildura Rural City Council. The Councillors, Chief Executive Officer and General Managers are deemed KMP.

Details of KMP at any time during the year are:

###### **Councillors**

Councillor (Mayor)	Liam Wood	1/07/2022 to	30/06/2023
Councillor (Deputy Mayor)	Jason Modica	1/07/2022 to	3/11/2022
Councillor (Deputy Mayor)	Helen Healy	3/11/2022 to	30/06/2023
Councillor	Helen Healy	1/07/2022 to	2/11/2022
Councillor	Troy Bailey	1/07/2022 to	30/06/2023
Councillor	Stefano de Pieri	1/07/2022 to	30/06/2023
Councillor	Mark Eckel	1/07/2022 to	30/06/2023
Councillor	Jodi Reynolds	1/07/2022 to	30/06/2023
Councillor	Jason Modica	4/11/2022 to	30/06/2023
Councillor	Ian Arney	1/07/2022 to	30/06/2023
Councillor	Glenn Milne	1/07/2022 to	30/06/2023

###### **Chief Executive Officer and key management personnel**

Martin Hawson	Chief Executive Officer	1/07/2022 to	30/06/2023
Chris Parham	General Manager Corporate	1/07/2022 to	14/10/2022
Mark McMillan	General Manager Corporate (Acting)	17/10/2022 to	30/06/2023
Daryl Morgan	General Manager Development (Acting)	1/07/2022 to	30/06/2023
Mark Jenkins	General Manager Community (Acting)	1/07/2022 to	30/06/2023

## Notes to the Financial Report For the Year Ended 30 June 2023

### 7.1 Council and key management remuneration (cont'd)

	2023	2022
	No.	No.
Total number of Councillors	9	10
Total of Chief Executive Officer and other KMP	5	6
<b>Total key management personnel</b>	<b>14</b>	<b>16</b>

#### (c) Remuneration of key management personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Other long-term employee benefits** include long service leave, other long service benefits or deferred compensation.

**Post-employment benefits** include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Termination benefits** include termination of employment payments, such as severance packages.

	2023	2022
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,560	1,335
Post employment benefits	126	94
Other long-term benefits	43	-
<b>Total</b>	<b>1,729</b>	<b>1,429</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**7.1 Council and key management remuneration (cont'd)**

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2023 No.	2022 No.
\$1 - \$9,999	-	1
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	-	1
\$30,000 - \$39,999	7	7
\$40,000 - \$49,999	1	-
\$50,000 - \$59,999	-	1
\$70,000 - \$79,999	-	1
\$90,000 - \$99,999	1	-
\$190,000 - \$199,999	1	-
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	-	1
\$260,000 - \$269,999	1	-
\$270,000 - \$279,999	2	-
\$280,000 - \$289,999	-	1
\$340,000 - \$349,999	-	1
\$360,000 - \$369,999	1	-
	<u>14</u>	<u>16</u>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 7.1 Council and key management remuneration (cont'd)

#### (d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 and who report directly to a member of the KMP. \*

	2023 \$'000	2022 \$'000
Total remuneration of other senior staff was as follows:		
Short-term benefits	2,416	2,388
Post employment benefits	251	225
Other - long term benefits	71	75
Termination benefits	-	-
<b>Total</b>	<b>2,738</b>	<b>2,688</b>

The number of other senior officers are shown below in their relevant income bands:

	2023 No.	2022 No.
Income Range:		
\$160,000 - \$169,999	-	2
\$170,000 - \$179,999	3	-
\$180,000 - \$189,999	1	3
\$190,000 - \$199,999	8	5
\$200,000 - \$209,999	1	3
\$210,000 - \$219,999	-	1
\$260,000 - \$269,999	1	-
	<b>14</b>	<b>14</b>

Total remuneration for the reporting year for senior officers included above, amounted to:	<b>\$'000</b>	<b>\$'000</b>
	2,738	2,688

\* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the *Local Government Act 2020*.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**7.2 Related party disclosure**

**(a) Transactions with related parties**

During the period Council entered into the following transactions with related parties.

Employee expenses for close family members of key management personnel	288	85
	<u>288</u>	<u>85</u>

All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the award for the job they perform. Council employs 577 staff of which only 3 are a close family member of key management personnel.

Council provides an annual funding contribution to Mildura Tourism and Economic Development Ltd which is approved in Council annual budget allocation. For the 2022-23 financial year the amount funding was \$1.354 million. Please note this is not a loan to related party but an annual funding contribution.

Council was the auspice body for the Mildura Aiport Pty Ltd construction of the Instrument Landing System. Council onpaid \$0.50 million in grant funding received as well as contributing \$0.50 million in Council contributions.

**(b) Outstanding balances with related parties**

No expense has been recognised in the current year or prior year in respect of amounts owed by related parties.

**(c) Loans to/from related parties**

Council does not make loans to, receive loans from, or provide guarantees to any related parties as listed above at 7.1(b).

Council has a loan facility with Mildura Airport Pty Ltd which was originally established for upgrade of the airport runway and other capital upgrades and renewals. This is disclosed in note 5.1(c.) Trade and other receivables.

**(d) Commitments to/from related parties**

Council has committed to supporting both the Mildura Airport Pty Ltd and Mildura Tourism and Economic Development Ltd. Council has provided assurance that financial support will continue to be provided to ensure these entities continue to operate as a going concern. Refer to Note 8.1(b).

## Notes to the Financial Report For the Year Ended 30 June 2023

### Note 8 Managing uncertainties

#### 8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

##### (a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

The following are potential contingencies to be considered by Council.

##### Insurance claims

Council has a single major insurance claim in progress relating to damage caused by heavy rainfall during October 2022 resulted in rising rivers and waterways. This claim is being managed by the insurer who are sorting affected assets to full replacement value. Therefore, Council is not expending any financial payment resulting from the ongoing claim which would be material to our financial statement.

##### (b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

The following are potential contingencies to be considered by Council.

##### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

##### Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

##### Legal matters

Council does not have any major legal matters that could have a material impact on future operations at the time of preparation of these financial statements.



## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.1 Contingent assets and liabilities (cont'd)

#### Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

#### MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013*, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

#### Support for financial subsidiaries

The economic climate has rapidly changed in the last 12 months with high inflation and supply constraints, which is still ongoing. Mildura Rural City Council has continued to support the two wholly owned subsidiaries being Mildura Airport Pty Ltd and Mildura Tourism and Economic Development Ltd. This includes financial support through loan facility and other financial supports to ensure they can continue to operate as a going concern. This support is for a period of twelve months from the date of adoption of the Financial Statements. Council has provided a letter of support confirming ongoing support to Mildura Tourism and Economic Development Ltd.

#### (c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

#### (d) Impairment of Council assets

Mildura experienced its worst flood event in 70 years, starting in October 2022. The Murray River floodwaters started in November 2022 and peaked in December 2022 at 38.4 metres. During the flood event, the floodwaters rose to approximately 3 metres above the ground at some locations. In accordance with clause 9 of AASB 136 Impairment of Assets, Council assessed the assets in the Property, Plant and Equipment asset register to determine whether any are impaired in the 2022-23 Financial Year. As a result, assets worth \$461k were disposed/written-off and impairment of \$488k was noted for the 2022-23 Financial Year.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**8.2 Change in accounting standards**

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact Council.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.3 Financial instruments

#### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

#### (b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

#### *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. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.3 Financial instruments (cont'd)

#### (c) 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 have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities Council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors.

Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

#### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- 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 maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.3 (d) Liquidity risk (cont'd)

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

### (e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes there will be a shift in market interest rates from year end rates. However, at this stage Council believes there will not be any material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council operations.

### 8.4 Fair value measurement

#### *Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. *AASB 13 Fair value measurement*, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.4 Fair value measurement (cont'd)

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### *Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

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. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Where the 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 reserve 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.

Asset class	Revaluation frequency
Land	2 years
Buildings	2 years
Roads	1 year
Bridges	1 year
Footpaths and cycleways	1 year
Drainage	1 year
Recreational, leisure and community facilities	1 year
Waste management	1 year
Parks, open space and streetscapes	1 year
Aerodromes	N/a
Other infrastructure	1 to 5 years

## Notes to the Financial Report For the Year Ended 30 June 2023

### 8.4 Fair value measurement (cont'd)

#### *Impairment of assets*

At each reporting date, the 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 of disposal 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 comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus 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.

### 8.5 Events occurring after balance date

Mildura Rural City Council has conducted an independent review of its economic and tourism framework. Based on the findings of this review, at the Ordinary Council meeting held on the 28 September 2023, Council resolved to bring the economic and tourism functions currently performed by Mildura Tourism and Economic Development Limited back under Council control. Mildura Tourism and Economic Development Limited is a wholly owned subsidiary of Council, set up to undertake economic and tourism functions on Council's behalf. There is to be a transition period commencing 23 October 2023 to allow finalisation of existing obligations. This decision has not impacted on the 30 June 2023 balances recorded within this financial report.

Except for the disclosure above, there have been no significant events occurring after the balance date which may affect the Council's operations or the results of those operations.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**Note 9 Other matters**

**9.1 Reserves**

**(a) Asset revaluation reserves**

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
<b>Consolidated</b>			
<b>2023</b>			
<b>Property</b>			
Land	26,342	43,974	70,316
Buildings	60,146	17,786	77,932
	<b>86,488</b>	<b>61,760</b>	<b>148,248</b>
<b>Plant and equipment</b>			
Artwork	11,005	-	11,005
	<b>11,005</b>	<b>-</b>	<b>11,005</b>
<b>Infrastructure</b>			
Roads	251,155	29,289	280,444
Drainage	51,660	17,093	68,753
Drainage basins	6,641	858	7,499
Recreational, leisure and community facilities	42,839	5,610	48,449
Waste management	16	18	34
Parks, open space and streetscapes	1,938	575	2,513
Aerodromes	9,594	-	9,594
Off-street car parks	1,894	519	2,413
Footpaths	32,052	739	32,791
Kerb and channel	17,834	1,274	19,108
	<b>415,623</b>	<b>55,975</b>	<b>471,598</b>
<b>Water rights</b>			
Water rights	11,694	(88)	11,606
	<b>11,694</b>	<b>(88)</b>	<b>11,606</b>
<b>Total asset revaluation reserves</b>	<b>524,810</b>	<b>117,647</b>	<b>642,457</b>



**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(a) Asset revaluation reserves (cont'd)**

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Consolidated 2022</b>			
<b>Property</b>			
Land	26,342	-	26,342
Buildings	60,146	-	60,146
	<b>86,488</b>	<b>-</b>	<b>86,488</b>
<b>Plant and equipment</b>			
Artwork	14,595	(3,590)	11,005
	<b>14,595</b>	<b>(3,590)</b>	<b>11,005</b>
<b>Infrastructure</b>			
Roads	254,380	(3,225)	251,155
Drainage	50,328	1,332	51,660
Drainage basins	4,719	1,922	6,641
Recreational, leisure and community facilities	43,381	(542)	42,839
Waste management	-	16	16
Parks, open space and streetscapes	1,840	98	1,938
Aerodromes	9,594	-	9,594
Off-street car parks	-	1,894	1,894
Footpaths	29,854	2,198	32,052
Kerb and channel	17,413	421	17,834
	<b>411,509</b>	<b>4,114</b>	<b>415,623</b>
<b>Water rights</b>			
Water rights	8,530	3,164	11,694
	<b>8,530</b>	<b>3,164</b>	<b>11,694</b>
<b>Total asset revaluation reserves</b>	<b>521,122</b>	<b>3,688</b>	<b>524,810</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(a) Asset revaluation reserves (cont'd)**

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Council</b>			
<b>2023</b>			
<b>Property</b>			
Land	26,342	43,974	70,316
Buildings	60,009	10,086	70,095
	<b>86,351</b>	<b>54,060</b>	<b>140,411</b>
<b>Plant and equipment</b>			
Artwork	11,005	-	11,005
	<b>11,005</b>	<b>-</b>	<b>11,005</b>
<b>Infrastructure</b>			
Roads	251,155	29,289	280,444
Drainage	51,660	17,093	68,753
Drainage basins	6,641	858	7,499
Recreational, leisure and community facilities	42,839	5,610	48,449
Waste management	16	18	34
Parks, open space and streetscapes	1,938	575	2,513
Aerodromes	9,594	-	9,594
Off-street car parks	1,894	519	2,413
Footpaths	32,052	739	32,791
Kerb and channel	17,834	1,274	19,108
	<b>415,623</b>	<b>55,975</b>	<b>471,598</b>
<b>Water rights</b>			
Water rights	11,616	(90)	11,526
	<b>11,616</b>	<b>(90)</b>	<b>11,526</b>
<b>Total asset revaluation reserves</b>	<b>524,595</b>	<b>109,945</b>	<b>634,540</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(a) Asset revaluation reserves (cont'd)**

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Council</b>			
<b>2022</b>			
<b>Property</b>			
Land	26,342	-	26,342
Buildings	60,009	-	60,009
	<b>86,351</b>	<b>-</b>	<b>86,351</b>
<b>Plant and equipment</b>			
Artwork	14,595	(3,590)	11,005
	<b>14,595</b>	<b>(3,590)</b>	<b>11,005</b>
<b>Infrastructure</b>			
Roads	254,380	(3,225)	251,155
Drainage	50,328	1,332	51,660
Drainage basins	4,719	1,922	6,641
Recreational, leisure and community facilities	43,381	(542)	42,839
Waste management	-	16	16
Parks, open space and streetscapes	1,840	98	1,938
Aerodromes	9,594	-	9,594
Off-street car parks	-	1,894	1,894
Footpaths	29,854	2,198	32,052
Kerb and channel	17,413	421	17,834
	<b>411,509</b>	<b>4,114</b>	<b>415,623</b>
<b>Water rights</b>			
Water rights	8,482	3,134	11,616
	<b>8,482</b>	<b>3,134</b>	<b>11,616</b>
<b>Total asset revaluation reserves</b>	<b>520,937</b>	<b>3,658</b>	<b>524,595</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(b) Other reserves**

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>Consolidated 2023</b>				
<b>Non discretionary reserves</b>				
Apex Park reserve	519	22	(177)	364
Developer contribution reserve	3,354	2,156	(535)	4,975
Library book bequest reserve	30	-	-	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	106	38	-	144
Lake Cullulleraine Caravan Park reserve	27	11	-	38
Landfill redevelopment	12,637	-	(4,088)	8,549
<b>Total</b>	<b>16,731</b>	<b>2,227</b>	<b>(4,800)</b>	<b>14,158</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	137	45	(9)	173
Hands up Mallee	1,560	-	(239)	1,321
Small towns redevelopment reserve	245	-	(63)	182
VGC advance grants reserve	13,318	18,675	(13,318)	18,675
Land acquisition reserve	619	800	-	1,419
Water transfer proceeds reserve	65	-	-	65
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	1,947	2,006	(3,329)	624
MRCC community drought reserve	1,796	-	(1,257)	539
MRCC developer contribution plan reserve	11,476	4,744	(488)	15,732
Unspent events grant reserve	276	67	(248)	95
Unspent recreation, planning and development grant reserve	89	-	(1)	88
Unspent community grant program	-	330	(126)	204
Murrayville swimming pool reserve	25	4	(8)	21
Underbool swimming pool reserve	14	6	(15)	5
<b>Total</b>	<b>33,567</b>	<b>26,677</b>	<b>(19,101)</b>	<b>41,143</b>
<b>Total other reserves</b>	<b>50,298</b>	<b>28,904</b>	<b>(23,901)</b>	<b>55,301</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(b) Other reserves (cont'd)**

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>Consolidated 2022</b>				
<b>Non discretionary reserves</b>				
Apex Park reserve	519	-	-	519
Developer contribution reserve	2,113	1,265	(24)	3,354
Library book bequest reserve	35	10	(15)	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	68	38	-	106
Lake Cullulleraine Caravan Park reserve	17	10	-	27
Landfill redevelopment reserve	-	14,094	(1,457)	12,637
<b>Total</b>	<b>2,810</b>	<b>15,417</b>	<b>(1,496)</b>	<b>16,731</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	114	45	(22)	137
Hands up Mallee	710	850	-	1,560
Small towns redevelopment reserve	244	95	(94)	245
VGC advance grants reserve	7,927	13,318	(7,927)	13,318
Land acquisition reserve	602	1,918	(1,901)	619
Landfill redevelopment	11,132	(11,132)	-	-
Water transfer proceeds reserve	65	-	-	65
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	5,877	609	(4,539)	1,947
MRCC community drought reserve	1,000	1,000	(204)	1,796
MRCC developer contribution plan reserve	6,930	4,553	(7)	11,476
Unspent events grant reserve	113	163	-	276
Unspent recreation, planning and development grant reserve	-	89	-	89
Murrayville swimming pool reserve	25	-	-	25
Underbool swimming pool reserve	14	-	-	14
<b>Total</b>	<b>36,753</b>	<b>11,508</b>	<b>(14,694)</b>	<b>33,567</b>
<b>Total other reserves</b>	<b>39,563</b>	<b>26,925</b>	<b>(16,190)</b>	<b>50,298</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(b) Other reserves (cont'd)**

Council 2023	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>Non discretionary reserves</b>				
Apex Park reserve	519	22	(177)	364
Developer contribution reserve	3,354	2,156	(535)	4,975
Library book bequest reserve	30	-	-	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	106	38	-	144
Lake Cullulleraine Caravan Park reserve	27	11	-	38
Landfill redevelopment reserve	12,637	-	(4,088)	8,549
<b>Total</b>	<b>16,731</b>	<b>2,227</b>	<b>(4,800)</b>	<b>14,158</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	137	45	(9)	173
Hands up Mallee	1,560	-	(239)	1,321
Small towns redevelopment reserve	245	-	(63)	182
VGC advance grants reserve	13,318	18,675	(13,318)	18,675
Land acquisition reserve	619	800	-	1,419
Water transfer proceeds reserve	65	-	-	65
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	1,947	2,006	(3,329)	624
MRCC community drought reserve	1,796	-	(1,257)	539
MRCC developer contribution plan reserve	11,476	4,744	(488)	15,732
Unspent events grant reserve	276	67	(248)	95
Unspent recreation, planning and development grant reserve	89	-	(1)	88
Unspent community grant program	-	330	(126)	204
Murrayville swimming pool reserve	25	4	(8)	21
Underbool swimming pool reserve	14	6	(15)	5
<b>Total</b>	<b>33,567</b>	<b>26,677</b>	<b>(19,101)</b>	<b>41,143</b>
<b>Total other reserves</b>	<b>50,298</b>	<b>28,904</b>	<b>(23,901)</b>	<b>55,301</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(b) Other reserves (cont'd)**

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
Council	\$'000	\$'000	\$'000	\$'000
<b>2022</b>				
<b>Non discretionary reserves</b>				
Apex Park reserve	519	-	-	519
Developer contribution reserve	2,113	1,265	(24)	3,354
Library book bequest reserve	35	10	(15)	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	68	38	-	106
Lake Cullulleraine Caravan Park reserve	17	10	-	27
Landfill redevelopment reserve	-	14,094	(1,457)	12,637
<b>Total</b>	<b>2,810</b>	<b>15,417</b>	<b>(1,496)</b>	<b>16,731</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	114	45	(22)	137
Hands up Mallee	710	850	-	1,560
Small towns redevelopment reserve	244	95	(94)	245
VGC advance grants reserve	7,927	13,318	(7,927)	13,318
Land acquisition reserve	602	1,918	(1,901)	619
Landfill redevelopment reserve	11,132	(11,132)	-	-
Water transfer proceeds reserve	65	-	-	65
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	5,877	609	(4,539)	1,947
MRCC community drought reserve	1,000	1,000	(204)	1,796
MRCC developer contribution plan reserve	6,930	4,553	(7)	11,476
Unspent events grant reserve	113	163	-	276
Unspent recreation, planning and development grant reserve	-	89	-	89
Murrayville swimming pool reserve	25	-	-	25
Underbool swimming pool reserve	14	-	-	14
<b>Total</b>	<b>36,753</b>	<b>11,508</b>	<b>(14,694)</b>	<b>33,567</b>
<b>Total other reserves</b>	<b>39,563</b>	<b>26,925</b>	<b>(16,190)</b>	<b>50,298</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.1 Reserves (cont'd)

Name of reserve	Nature and purpose
<b>Non discretionary reserves</b>	
Apex Park reserve	Set up under a Committee of Management agreement, where surplus funds are to be set aside for improvements to the park lands.
Developer contribution reserve	Statutory developer contributions to be used for infrastructure asset categories which do not have a dedicated reserve above.
DGR donations reserve - MAC Theatre	Reserve to hold deductible gifts for the Mildura Arts Centre theatre and is a requirement of being registered as a deductible gift recipient by the Australian Taxation Office.
Lake Cullulleraine Caravan Park reserve	Set up where surplus funds are to be set aside for improvements to the park lands.
Landfill redevelopment reserve	Surplus on waste management operations, to be used for landfill reinstatement and purchase of new landfill sites.
Library book bequest reserve	Established to hold library book bequest from deceased estate.
Merbein Caravan Park reserve	Set up where surplus funds are to be set aside for improvements to the park lands.
<b>Discretionary reserves</b>	
Artwork acquisition reserve	A reserve created for any annual unspent capital works expenditure allocation towards the restoration and expansion of Council's permanent artwork collection.
Asset renewal reserve	Established in order to take advantage of any possible matching funding, by way of government grants, for renewal of Council assets.
Hands up Mallee	A reserve created to account for the unspent portion of Hands up Mallee grant funding received.
Street light pole reserve	Developer contributions for replacement of specialised street lighting poles in various subdivisions.



## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.1 Reserves (cont'd)

Name of reserve	Nature and purpose
<b>Discretionary reserves</b>	
Small town redevelopment reserve	A reserve for funds set aside for long term strategies for the small towns within the municipality.
VGC advance grants reserve	Reserve created to hold financial assistance grant funding received in advance.
Land acquisition reserve	The reserve was created to allow for the purchase of land identified for a strategic purpose.
Water transfer proceeds reserve	The reserve was established to hold proceeds from the sale of permanent and temporary water for future water purchases.
Defined benefits reserve	This reserve was established to hold funding generated from rates to be used in the advent of another defined benefits call.
Capital funding reserve	This reserve was established to hold rates funded capital works investments untied to any specific capital works project.
MRCC community drought reserve	This reserve was established to hold grant funding that is to be used to help communities affected by the drought.
MRCC developer contribution plan reserve	This reserve has been created to receive budget allocations that are to be used for the purpose of Council 's contribution towards developer contribution plan developments.
Unspent events grant reserve	An unspent event grants reserve will be established to hold grant payments that were budgeted to be paid out in the Budget but remain unallocated and unspent at the end of the financial year. The unspent grant budget allocation may be transferred to the reserve at the end of each financial year. This reserve primarily would be used to help fund large or hallmark events.
Unspent recreation, planning and development grant reserve	This reserve is to hold grant payments that were budgeted to be paid out in the annual budget but remain unallocated and unspent at the end of each financial year.
Unspent community grant program	This reserve is to ensure that funds allocated for the benefit of community groups are used to deliver projects for and on behalf of community groups.
Murrayville swimming pool reserve	This reserve is created to hold funds from the Murrayville swimming pool section 86 committee.
Underbool swimming pool reserve	This reserve is created to hold funds from the Underbool swimming pool section 86 committee.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.1 Reserves (cont'd)**

**(c) Financial assets revaluation**

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Share of increment (decrement) on revaluation by an associate \$'000	Balance at end of reporting period \$'000
<b>Council</b>				
<b>2023</b>				
Interest in Mildura Airport Pty Ltd	32,010	(924)	-	31,086
Interest in Mildura Regional Development	566	2,254	-	2,820
	<b>32,576</b>	<b>1,330</b>	<b>-</b>	<b>33,906</b>
<b>Total financial assets revaluation</b>	<b>32,576</b>	<b>1,330</b>	<b>-</b>	<b>33,906</b>
<b>2022</b>				
Interest in Mildura Airport Pty Ltd	33,674	(1,664)	-	32,010
Interest in Mildura Regional Development	563	3	-	566
	<b>34,237</b>	<b>(1,661)</b>	<b>-</b>	<b>32,576</b>
<b>Total financial assets revaluation</b>	<b>34,237</b>	<b>(1,661)</b>	<b>-</b>	<b>32,576</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>				
Surplus for the year	21,216	27,404	19,888	29,095
Depreciation/amortisation	21,858	23,678	20,123	20,279
Loss on disposal of property, infrastructure, plant and equipment	955	3,685	798	3,685
Landfill provision	(1,512)	-	(1,512)	-
Write-off of works in progress	499	1,696	499	1,696
First time recognition of non current assets	(3,875)	(5,762)	(3,875)	(3,950)
Contributions - non-monetary assets	(400)	(823)	(400)	(823)
Interest expense	778	843	647	828
Leasing finance expense	59	-	48	-
Bad debt write off	35	-	34	-
<i>Change in assets and liabilities:</i>				
(Increase) / decrease in trade and other receivables	(1,117)	2,136	(2,748)	1,680
(Increase) / decrease in prepayments	(3)	(54)	3	(53)
Increase / (decrease) in trade and other payables	312	(1,541)	112	(929)
Increase / (decrease) in unearned revenue	(279)	1,896	(896)	1,512
Increase / (decrease) in trust fund deposits	271	(659)	271	(660)
(Increase) / decrease in inventories	(125)	34	(118)	36
Increase / (decrease) in provisions	(1,017)	360	(1,078)	367
<b>Net cash provided by/(used in) operating activities</b>	<b>37,655</b>	<b>52,893</b>	<b>31,796</b>	<b>52,763</b>

## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. The defined benefit category provides lump sum benefits based on years of service and final average salary. In certain circumstances a defined benefit member may be eligible to purchase a lifetime pension with up to 50% of their lump sum benefit. The accumulation category receives fixed contributions from Mildura Rural City Council and Mildura Rural City Council's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund are recognised as an expense in the comprehensive income statement when they are made or due.

#### Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings. (for the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (2022: 10%)).

#### Defined Benefit

Mildura Council does not use defined benefit accounting for its defined benefit obligations under the Fund's defined benefit category. This is because the Fund's defined benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers, and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund, cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.3 Superannuation (cont'd)**

***Funding arrangements (cont'd)***

Net investment returns	5.7% pa
Salary inflation	3.5% pa
Price inflation (CPI)	2.8% pa

As at 30 June 2022, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2%. The financial assumptions used to calculate the VBI were:

Net investment returns	5.5% pa
Salary information	2.5% pa to 30 June 2023, and 3.5% pa thereafter
Price inflation (CPI)	3.0% pa

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Vision Super has advised that the estimated VBI at June 2023 was 104.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

***Employer contributions***

***(a) Regular contributions***

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10.0% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

If the defined benefit category is in an unsatisfactory financial position at an actuarial investigation or the defined benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the defined benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limited at 97%.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**9.3 Superannuation (cont'd)**

**(b) Funding calls**

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

**The 2022 interim actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the defined benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigations identified the following for the defined benefit category of which Council is a contributing employer:

	2022 (Interim) \$m	2021 (Interim) \$m
A VBI surplus	44.6	214.7
A total service liability surplus	105.8	270.3
A discounted accrued benefits surplus	111.9	285.2

## Notes to the Financial Report For the Year Ended 30 June 2023

### 9.3 Superannuation (cont'd)

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

The discounted accrued benefits surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2022.

#### The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

	2023 (Triennial)	2020 (Triennial)
Net investment returns	5.7% pa	5.6% pa
Salary inflation	3.5% pa	2.5% pa for the first two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

#### Superannuation contributions

Contributions by Mildura Rural City Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	2023 \$	2022 \$
Vision super	Defined	10.5% (2022: 10%)	239,292	252,352
Vision super	Accumulation	10.5% (2022: 10%)	1,891,201	1,955,109
Other funds	Accumulation	10.5% (2022: 10%)	2,558,110	2,152,223

In addition to the contributions, Council has paid no unfunded liability payments to Vision Super during the 2022/23 year.

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefits category of Vision Super for the year ended 30 June 2024 is \$264,347.

**Notes to the Financial Report  
For the Year Ended 30 June 2023**

**10 Change in accounting policy**

There have been no changes to accounting policies in the 2022-23 year.



## Part 3: Performance Statement

# Mildura Rural City Council

## Performance Statement

For the year ended 30 June 2023



Mildura Rural City Council

## Performance Statement

For the year ended 30 June 2023

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### Description of municipality

Mildura is a growing regional city on the banks of the Murray River in north western Victoria bordering New South Wales and South Australia. Major townships within Mildura Rural City's urban area include Mildura, Irymple, Red Cliffs and Merbein. Other townships within Council's rural area include Ouyen, Walpeup, Murrayville, Underbool, Werrimull, Cullulleraine, Nangiloc and Colignan. The city's main industries include agriculture, horticulture, advanced manufacturing, logistics and services. The municipality covers an area of 22,082 square kilometres, making it the largest in Victoria and has an estimated resident population of 57,156<sup>1</sup> which is projected to grow to 62,550 by the year 2036<sup>2</sup>.

### Operational summary

This year's performance results have been affected by a number of factors.

The State and Federal Government increased financial assistance grants by the forward payment of 100 per cent of next financial year's allocation up from 75% the year before.

The impacts of the post COVID-19 pandemic and other worldwide events has continued to affect Council during 2022-2023 financial year. This has caused increased inflation, supply constraints and labour shortages which have all impacted on Council's operations. This has had an effect on Council's expenditure with materials and services expenditure higher than forecast. Materials and services increased due to increase in inflation and additional grant funding and related expenditure. Labour shortages in the current economic climate has increased the use of temporary staff employed through labour high agencies.

During the financial year, Council experienced the largest Murray River flood event in 70 years. This led to a large amount of council's infrastructure to be inundated and damaged during the flooding event. Council is able to claim large amounts of the costs incurred by this natural disaster such as immediate repair and emergency works through the Counter Disaster Operation and Disaster Recovery Flood Assistance reimbursement as well as insurance claims. The full impact of the Murray River flood event is still being assessed.

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<sup>1</sup> Source: Australian Bureau of Statistics Regional Population Estimates by Local Government Area 2021-2022 released on 20 April 2023 (ERP at 30 June 2022)

<sup>2</sup> Source: Victoria in Future 2019: Population projections 2016 to 2056, July 2023 Update (Department of Transport and Planning)

## Sustainable Capacity Indicators

For the year ended 30 June 2023

	Results				Material Variations
Indicator / measure [formula]	2020	2021	2022	2023	
Population					
C1 - Expenses per head of municipal population  [Total expenses / Municipal population]	\$1,912.10	\$2,000.72	\$2,212.64	\$2,338.84	
C2 - Infrastructure per head of municipal population  [Value of infrastructure / Municipal population]	\$13,928.77	\$14,903.07	\$15,217.80	\$16,117.56	
C3 - Population density per length of road  [Municipal population / Kilometres of local roads]	10.81	10.82	10.67	11.05	

<b>Own-source revenue</b>					
C4 - Own-source revenue per head of municipal population	\$1,583.72	\$1,677.05	\$1,794.35	\$1,901.90	
[Own-source revenue / Municipal population]					
<b>Recurrent grants</b>					
C5 - Recurrent grants per head of municipal population	\$465.28	\$476.09	\$571.58	\$555.74	
[Recurrent grants / Municipal population]					
<b>Disadvantage</b>					
C6 - Relative socio-economic disadvantage	1.00	1.00	1.00	1.00	
[Index of relative socio-economic disadvantage by decile]					
<b>Workforce Turnover</b>					
C7 - Percentage of staff turnover	9.8%	12.7%	16.4%	22.86%	Increase in turnover can be attributed to Mildura Rural City Council transitioning out of delivering Aged and Disability home support services.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

## **Definitions**

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Service Performance Indicators

For the year ended 30 June 2023

Service / indicator / measure	Results				Material Variations
	2020	2021	2022	2023	
Aquatic Facilities					The increase in utilisation is a result of no closures for the financial year due to Covid-19.
Utilisation					
AF6 - Utilisation of aquatic facilities	5.55	3.81	4.48	6.13	
[Number of visits to aquatic facilities / Municipal population]					
Animal Management					
Health and safety					
AM7 - Animal management prosecutions					
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	0%	100%	100%	100%	
Food Safety					
Health and safety					
FS4 - Critical and major non-compliance outcome notifications	74.55%	80.49%	83.33%	85.71%	
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100					

<b>Governance</b>						
<b>Satisfaction</b>						
G5 - Satisfaction with council decisions	50.00	48.00	45.00	49.00		
[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]						
<b>Libraries</b>						
<b>Participation</b>						
LB4 - Active library borrowers in municipality	11.09%	9.38%	7.96%	7.19%	A reduction in active library borrowers can be attributed to social distancing restrictions and library closures due to the Covid-19 pandemic.	
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100						
<b>Maternal and Child Health (MCH)</b>						
<b>Participation</b>						
MC4 - Participation in the MCH service	73.05%	74.66%	78.45%	80.69%		
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100						
<b>Participation</b>						
MC5 - Participation in the MCH service by Aboriginal children	68.94%	77.21%	82.84%	85.66%		
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100						



<b>Roads</b>				
<b>Satisfaction</b>				
<i>R5 - Satisfaction with sealed local roads</i>	55.00	59.00	54.00	52.00
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]				
<b>Statutory Planning</b>				
<b>Decision making</b>				
<i>SP4 - Council planning decisions upheld at VCAT</i>	85.71%	100.00%	66.67%	70.00%
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100				
<b>Waste Collection</b>				
<b>Waste diversion</b>				
<i>WC5 - Kerbside collection waste diverted from landfill</i>	17.83%	72.19%	74.02%	73.84%
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100				

## Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the *Aboriginal Heritage Act 2006*

"active library borrower" means a member of a library who has borrowed a book from the library

"annual report" means an annual report prepared by a council under section 98 of the Act

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

## Financial Performance Indicators

For the year ended 30 June 2023

Dimension / <i>indicator / measure</i>	Results			Forecasts					Material Variations
	2020	2021	2022	2023	2024	2025	2026	2027	
<b>Efficiency</b>									
<b><i>Expenditure level</i></b>									
<i>E2 - Expenses per property assessment</i>	\$3,598.33	\$3,777.05	\$4,022.88	\$4,362.04	\$4,226.22	\$4,346.29	\$4,459.20	\$4,594.94	
[Total expenses / Number of property assessments]									
<b><i>Revenue level</i></b>									
<i>E4 - Average rate per property assessment</i>	\$2,092.95	\$2,165.88	\$2,184.33	\$2,236.31	\$2,340.13	\$2,404.48	\$2,486.40	\$2,570.80	
[Total rate revenue (general rates and municipal charges) / Number of property assessments]									

<b>Liquidity</b>									
<b>Working capital</b>									
<i>L1 - Current assets compared to current liabilities</i>	418.25%	405.85%	504.64%	530.97%	336.06%	326.50%	321.36%	315.56%	
[Current assets / Current liabilities] x100									
<b>Unrestricted cash</b>									
<i>L2 - Unrestricted cash compared to current liabilities</i>	337.52%	321.48%	368.96%	235.86%	211.64%	205.08%	200.82%	195.95%	1
[Unrestricted cash / Current liabilities] x100									
<b>Obligations</b>									
<b>Loans and borrowings</b>									
<i>O2- Loans and borrowings compared to rates</i>	25.75%	22.90%	12.81%	10.99%	10.26%	9.35%	8.46%	7.59%	2
[Interest bearing loans and borrowings / Rate revenue] x100									
<i>O3 - Loans and borrowings repayments compared to rates</i>	2.95%	2.70%	10.19%	2.26%	1.22%	1.17%	1.13%	1.09%	3
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

<b>Indebtedness</b>									
<i>O4 - Non-current liabilities compared to own source revenue</i>	52.98%	52.64%	41.94%	40.66%	40.86%	40.15%	39.52%	38.91%	
[Non-current liabilities / Own source revenue] x100									
<b>Asset renewal and upgrade</b>									
<i>O5 - Asset renewal and upgrade compared to depreciation</i>	108.43%	186.85%	106.83%	94.90%	95.48%	102.16%	90.31%	99.04%	4
[Asset renewal and asset upgrade expense/ Asset depreciation] x100									
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
<i>OP1 - Adjusted underlying surplus (or deficit)</i>	10.23%	10.67%	10.16%	7.84%	0.82%	-0.20%	0.06%	1.73%	5
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100									

<b>Stability</b>								
<b>Rates concentration</b>								
<i>S1 - Rates compared to adjusted underlying revenue</i>	60.90%	61.04%	58.42%	56.37%	65.53%	66.14%	66.40%	65.42%
[Rate revenue / Adjusted underlying revenue] x100								
<b>Rates effort</b>								
<i>S2 - Rates compared to property values</i>	0.73%	0.72%	0.58%	0.59%	0.58%	0.63%	0.65%	0.66%
[Rate revenue / Capital improved value of rateable properties in the municipality] x100								

#### Material variation comments

- 1 Decrease in unrestricted cash held is due to changes in the performance statement model which requires cash held to fund carried forward capital works to be treated as restricted cash. Therefore, this changes Council's percentages for current and forward financial years.
- 2 With the increase in interest rates, Council has sought to offset this by making significant debt reduction over the last couple of financial years.
- 3 With the increase in interest rates, Council has sought to offset this by making significant debt reduction over the last couple of financial years. This has led to lower borrowing repayments going forward.
- 4 Mildura Rural City Council aims to have a ratio of around 100% which means we are adequately maintaining our current asset base. This will vary over time and can be influenced by things such as external funding.
- 5 Adjusted surplus is trending down due to impacts of the cost of post COVID-19 pandemic and sustained high inflation currently being experienced.

## Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Other Information

For the year ended 30 June 2023

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### 1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (e.g. Australian Bureau of Statistics). In preparing this statement, Council utilised March 2022 data published by ABS.

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its financial plan on 22 June 2023 and which forms part of the council plan. The financial plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The financial plan can be obtained by contacting council.

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## Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.



Mark McMillan, BBus  
Principal Accounting Officer

**Dated:** 20 October 2023  
Mildura

In our opinion, the accompanying performance statement of the *Mildura Rural City Council* for the year ended 30 June 2023 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Cr Liam Wood  
Councillor

**Dated:** 20 October 2023  
Mildura



Cr Helen Healy  
Councillor

**Dated:** 20 October 2023  
Mildura



Martin Hawson  
Chief Executive Officer

**Dated:** 20 October 2023  
Mildura

## Independent Auditor's Report

### To the Councillors of Mildura Rural City Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Mildura Rural City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2023</li> <li>• sustainable capacity indicators for the year ended 30 June 2023</li> <li>• service performance indicators for the year ended 30 June 2023</li> <li>• financial performance indicators for the year ended 30 June 2023</li> <li>• other information and</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Mildura Rural City Council in respect of the year ended 30 June 2023 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the performance statement</b>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

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**Auditor's responsibilities for the audit of the performance statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement 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 Standards on Assurance Engagements 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 decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, 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 council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors 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.

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MELBOURNE  
24 October 2023



Travis Derricott  
*as delegate for the Auditor-General of Victoria*