

Annual Report

2020-2021



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 2020-2021

As a Council, we are committed to transparent reporting and accountability to our community and the Report of Operations 2020-2021 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: 22,082km²
- 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: 55,937
- Estimated Mildura population: 33,919
- Estimated Indigenous population: 2,519
- The majority of the Mildura region's population were born in Australia (77 per cent), 1.5 per cent were born in England, 1.2 per cent in Italy, 0.9 per cent in India, 0.9 per cent in New Zealand and 0.8 per cent in Afghanistan.
- Level 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 2021 update to Australian Bureau of Statistics data.*

Our Vision – To be 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 - By providing clear direction through strategies and plans, Council will achieve agreed outcomes for our community.
 2. Customers - Council is here to provide services to the whole municipality and therefore our community should have a say in what we do and how we do it.
 3. Systems Thinking - Council recognises that achieving excellent outcomes for our community is done through all parts of the organisation working together effectively and with other levels of government and the wider community.
 4. People - By involving and developing people, Council enhances commitment, performance and working relationships to improve organisational outcomes.
 5. Continuous Improvement - To remain relevant and capable of producing excellent results, our organisation needs to continually learn and adapt.
 6. Information and Knowledge - Council will make the best quality decisions when effort is spent to collect and present all objective relevant data and information.
 7. Variation - By addressing the underlying factors that cause our processes to deliver inconsistent or unpredictable outcomes (variation), Council's customers will receive the highest standard of service.
 8. Corporate and Social Responsibility – Council will manage its operations to comply with law and ethical standards and to produce an overall positive impact on the community.
 9. Sustainable Results - To deliver sustainable results, Council must have a culture that promotes accountability through all levels of the organisation.

Fast facts:

- 71 groups assisted by annual community grants totalling \$544,887.00 (GST exclusive)
- 1,051km of local sealed roads maintained
- 4,117km of unsealed local roads maintained
- 29,982 rateable properties comprised of 24,126 residential, 2,432 business, 1,560 dryland farming, 1,779 irrigated farming and 85 cultural and recreation properties
- 1,514 applications received for 137 recruitment processes, which includes 16 processes and 96 applications for the Working for Victoria Program
- 51,288 hours of aged and disability care support services provided
- 213,220 attendees at aquatic facilities
- 212,351 library items borrowed
- 69,929 calls answered by the customer service call centre
- 598 planning applications received
- 1,237 building permits issued for building works totalling \$250,317,872
- 27,071 rubbish bins collected each fortnight
- 26,503 recycling bins collected each fortnight

- 26,255 organic bins collected each week
- 31 recreation reserves maintained
- 26 school crossings supervised
- 58,314 aeroplane passengers
- 610kW solar PV panels installed on Mildura Rural City Council buildings
- 281kW solar PV panels installed on seven commercial properties through Environmental Upgrade Agreements

Highlights of the Year

See section on Our Performance for more details.

Strategic Objective 1: Community

We will create a safe, supportive place to live, where diversity and lifestyle opportunities are encouraged.

Achievements:

- In response to our community survey in which 40 per cent of respondents indicated the COVID-19 pandemic had impacted their mental health, partnered with key local service providers and support agencies to provide a comprehensive suite of measures, including free mental health first aid training, to help the community recover from the ongoing psychological impacts of the pandemic
- Launched the Be Kind movement in August 2020, encouraging organisations and individuals across the Mildura region to call for kindness as part of a collective campaign to unite the community and build resilience in the face of COVID-19
- Adopted the Community Relief and Recovery Plan COVID-19 to support the Municipal Emergency Management Plan and clarify responsibilities and arrangements for coordinating relief and recovery of services across the municipality
- In March 2021, invited local businesses to apply for up to \$10,000 through our new quick turnaround *Community Activation Funding - For Business* program to create free or low-cost sport, recreation or arts activities and programs that would bring people together and break down social isolation caused by COVID-19. This was funded through the Victorian Government's Community Activation and Social Isolation initiative.
- Mildura Arts Centre (MAC) hosted a performance from award-winning country singer-songwriter Paul Costa on 28 August 2020 as part of the MAC Backstage Pass, a live music streaming event created by MAC in response to COVID-19 restrictions
- Approved 17 applications for funding totalling \$95,748 through the Community Project Grant Program 2020-2021, and nine applications totalling \$235,488 through the Community Partnership Grant Program 2020-2022 (February Round), to enable local, non-profit organisations and community groups to deliver innovative local projects and programs aimed at improving the health and well-being of our community
- Approved 17 applications for funding totalling \$110,775.44 through the Recreation Grants Program 2020-2021 (August Round), and nine applications totalling \$64,436.34 through the Recreation Grants Program 2020-2021 (February Round), to enable local sport and recreation groups to maintain and develop their facilities, and develop the programs and opportunities they offer to our community
- Approved four grant applications totalling \$7,950 for funding through the Arts Development grants program 2020-2021 to enable local community organisations to implement projects that enable participation in the arts
- In April 2021, Council adopted a new Community Grant Program Policy to give direction and governance for grants provided to the community through the Community Grant Program, which combined the three existing programs (Community Project Grants, Environmental Project Grants, and Arts Development Grants) into one

- Partnered with the Victorian Government to make the *MATE* (Motivating Action Through Empowerment) webinar training program available to equip Sunraysia residents with the techniques and knowledge to prevent discrimination, violence and racism in our community
- Due to ongoing COVID-19 restrictions, flew White Ribbon flags at prominent locations across the city in the weeks leading up to White Ribbon Day on 20 November 2020 and replaced Council's annual community walk to mark White Ribbon Day with a series of powerful video messages posted to social media
- To help ensure as many residents as possible in our region see and learn about being an Active Bystander and to encourage them to call out gender-based violence against women, worked with SuniTAFE Diploma of Community Services 2020 graduates to promote the *The Respect Victoria 16 Days of Activism - Respect Women Call it Out* program in Mildura's CBD with a strong social media campaign
- Together with the Aboriginal Action Committee, celebrated NAIDOC Week 2020 online during COVID-19 restrictions with a diverse range of content, including local Aboriginal and Torres Strait Islander authors, performances and messages, featured on Council's website and social media channels
- Following public consultation, Council endorsed the final concept plan for the Mildura Riverfront - Stage Two – Powerhouse precinct project
- Marking the first on-site activity of the second stage of the Powerhouse precinct redevelopment on the riverfront, undertook tree trimming to allow for the construction of a new footpath to link the Jaycee Park car park to the Powerhouse area to provide safe access for pedestrians, prams and wheelchairs
- Mildura Art Centre's *Backstage Pass* hosted a performance in November 2020 from internationally-recognised musicians Natalija Havralenko and Samuel Vincent Iervasi
- In November 2020, welcomed the Victorian Government's budget commitment of \$10 million to complete Stage 2 of the Mildura Sporting Precinct
- In November 2020, announced three Sunraysia cricket venues (Old Aero Sporting Complex Oval Two, Ouyen's Blackburn Park and Red Cliffs' Quandong Park) to receive more than \$740,000 collectively to undertake facility upgrades to increase and improve participation. This was made possible through \$110,000 in Australian Cricket Infrastructure funding, and our partnership with Cricket Australia, Cricket Victoria, Australian Cricketers' Association and players.
- Officially opened Murrayville's first new permanent library in Pioneer Park on 1 December 2020
- Featured the achievements and contributions of people with a disability online, encouraging Sunraysia residents to *See the Ability in Disability* as part of International Day of People with Disability on 3 December 2020

- Coinciding with Victorian Youth Week, announced and celebrated the achievements of the winners of the annual 2020 Youth Awards with a virtual awards presentation: Youth Volunteer Award - Sophie McAliece; Youth Group Award - All Abilities football coaching team; Youth Carer Award - Martin Zigashane; Youth Artist Award - Sophia Craig
- Together with various agencies including Victoria Police recruitment, Richmond Institute, 50 Jobs in 50 Days, SuniTAFE, WADEA works, Axis Employment, Youth Engagement Services and Northern Mallee Local Employment Network, held the 2021 Youth Expo to connect young people aged 14 to 25 with ideas, resources and direction on local job and career opportunities
- Commenced work in January 2021 on the biggest upgrade to the popular Rio Vista Off Leash Dog Park since it was established with a \$192,900 suite of works, which included the establishment of new perimeter fencing and a dividing fence
- Announced Mildura Rural City Council's 2021 Australia Day Award recipients: Citizen of the Year - Bryce Pritchard; Young Citizen of the Year - Luka Morzer-Bruyns; Community Event or Project of the Year - Mallee Living Histories Group's Mallee Living Histories project
- Adopted the Community Engagement Policy, updated to reflect a stronger focus on community engagement in our strategic planning, as required by the *Local Government Act 2020*
- Adopted the Mildura Arts Centre Collections Policy, Mildura Arts Centre Loans Policy and Public Art and Design Policy, which were updated to include extensive changes, including the separation of the Mildura Arts Centre Collections and Loans Policy into two distinct policies to provide a clear framework and policy guidelines
- Adopted the Accessible Parking Permit scheme, an initiative of the Victorian Department of Transport (VicRoads), to streamline the application process and provide more permit options for people with a disability
- With the support of the Melbourne Chamber Orchestra, the Mildura Arts Centre hosted a performance on 30 April 2021 by nationally-renowned classical act The Brothers Bach
- Our Mildura, Merbein, Red Cliffs and Ouyen libraries provided an 'out of this world' storytime opportunity as part of National Simultaneous Storytime (NSS) on 19 May 2021 when Philip Bunting's *Give Me Some Space* book was read live from the International Space Station to NSS participants by NASA astronaut Shannon Walker
- Invited the Sunraysia community and our staff to participate in a special event in the Langtree Mall on 26 May 2021, the eve of National Reconciliation Week, which involved the creation of four pre-drawn murals to mark the dates and anniversaries of three culturally significant days falling on or near National Reconciliation Week: National Sorry Day; the 1967 Referendum; the historic Mabo decision
- Following a collaborative effort between Mildura Rural City Council and the Nangiloc Football Netball Club, completed work on a new netball court and competition-standard lighting at the Nangiloc Recreation Reserve to provide better on-court conditions for players and more flexibility for training

- Entered a two-year partnership with the Women's National Basketball League (WNBL), the Villawood Bendigo Spirit, which will see the Chemist Warehouse WNBL team play one pre-season game and one regular season home game at the Mildura Sporting Precinct over the next two seasons
- Awarded Megan Sullivan the Mildura Arts and Culture Advisory Committee's prestigious 2020 Elliott Award in recognition of her outstanding contribution to music and the performing arts in the region over more than four decades
- Adopted the Municipal Early Years Plan 2020-2025
- Adopted the Youth Engagement Strategy 2020-2023, Library Service Strategy 2020-2025, Mildura Recreation Strategy 2021-2031 and Irymple Community Plan 2020-2025

Strategic Objective 2: Environment

We will create and promote sustainable natural and built environments.

Achievements:

- Ushering in a new era for sustainable waste management in our region, commenced a new three-bin collection service on Monday 6 July 2020 that includes a new green bin for kerbside organic waste collection
- Ran three webinars: Sharing Your Garden with Wildlife – an introduction; Dealing with Garden Pests without Harsh Chemicals; Backyard Chooks presented by Sustainable Gardening Australia's Richard Rowe, in July-August 2020 to skill Sunraysia residents in how to make their gardens and backyards more sustainable
- Encouraged Sunraysia residents looking to get the most out of their landfill, recycling and green bins to take part in Council's Waste Q & A Tricks and Tips in August-September 2020
- Council approved the submission of a business case for a Glass Sorting and Processing Facility in Mildura as part of the Recycling Victoria Infrastructure Fund 2020
- Partnered with 11 municipalities, the Central Victorian Greenhouse Alliance and the Victorian Government to roll out a public network of Electric Vehicle charging stations in regional Victoria.
- Ran a Bushland Watch Program to educate residents on the importance of our bushland areas, how to enjoy them, and how to protect them
- Released our Environmental Sustainability Report, showing a five per cent decrease in electricity consumption, a seven per cent decrease in water consumption, and a five per cent increase in fuel usage for Mildura Rural City Council over the 2019-2020 financial year
- Coinciding with National Recycling Week from 9 to 15 November 2020, launched the Get it Sorted Stars program to celebrate, educate and encourage people to divert waste from landfill
- Approved eight applications for funding totalling \$27,601.72 through the Environmental Project Grant Program 2020-2021 to enable local community groups and non-profit organisations to implement innovative environmental projects in the local community
- In collaboration with the Victorian Government, Regional Roads Victoria and the Transport Accident Commission, undertook a major suite of roadworks in San Mateo Avenue, which included reducing the speed limit from 60km/h to 50km/h and installing raised pedestrian crossing points to improve safety for all road users
- The Ouyen Community Lake project team received the LGPro Annual Award for Excellence for the Ouyen Community Lake project, an amazing community success story that resulted in the transformation of the former Grampians-Wimmera Mallee Water (GMMWater) reservoir into a 14-hectare recreational boating and fishing lake
- Council adopted the Environmental Sustainability and Climate Change Policy, updated to include minor changes
- Council adopted the Water Allocation Policy, updated to ensure clear guidelines for the provision of water from Council's water allocation to other entities

- Adopted the Crime Prevention through Environmental Design Policy, which was updated to ensure the design principles and guidelines for safety and crime prevention specified under Crime Prevention through Environmental Design are applied to new development, redevelopment, maintenance and management of public spaces and facilities within our municipality
- Continued our push to cut operating costs and carbon emissions with the installation of a 10 kilowatt solar photovoltaic (PV) system at the Merbein swimming pool in February 2021 and an eight kilowatt solar PV system at the Ouyen Swimming Pool in April 2021
- Council adopted a new Urban Nature Strip Policy clarifying treatments and issues associated with the care, maintenance, use and development of nature strips throughout urban areas
- Commenced work in May 2021 on the second stage of the Deakin Avenue centre median redevelopment between Eighth and Ninth streets, a \$1 million suite of works that follows the successful design of the first stage of the centre median redevelopment between Ninth and Tenth streets, which was completed in 2018
- Marked National Tree Day 2021 by giving Mildura South Wetlands and Apex Park a fresh boost of greenery with 450 new tree plantings
- Worked with the Irymple South Primary School and CDC Victoria bus lines to establish two dedicated school bus parking areas to cater for school buses travelling in either direction in front of the school and increase safety for students, parents, school staff and motorists during drop-off and pick-up times
- Adopted the Kenny Park Master Plan 2020-2025, Johansen Memorial Reserve Master Plan 2020-2025, Quandong Park Master Plan 2020-2025 and Nichols Point Recreation Reserve Master Plan 2020-2025
- Adopted the Environmental Education Plan 2020-2024, Native Vegetation Plan 2020-2024 and Invasive Plants and Animals Plan 2020-2024
- Adopted the Litter and Illegal Dumping Strategy 2020-2025 and the Towards Zero Emissions Strategy 2021-2050

Strategic Objective 3: Economy

We will encourage diverse and sustainable economic development that provides growth in jobs, investment and quality of life.

Achievements:

- Adopted the Mildura Rural City Council Budget 2020-2021, inclusive of a \$1.5 million Community Recovery Fund to support social and economic recovery from COVID-19, a \$50.74 million capital works program and a \$1 million contribution towards an Instrument Landing System at Mildura Airport
- To help reinvigorate our vibrant events calendar and provide much-needed economic stimulus for our region, Council in August 2020 approved an Events Funding and Support Recovery Fund to help businesses and not-for-profit organisations, not previously assessed for funding as part of Council's 2020-2021 Events Funding and Support program, to quickly apply for Council funding for their events as and when COVID-19 restrictions are lifted
- In August 2020, Council endorsed an additional \$845,000 worth of immediate financial support, including the waiving of food surveillance fees, outdoor furniture fees, Cultural and Recreational Rates, Community and Recreational Leases/Licenses and the first six months of 2020-2021 financial year overdue rates interest for approved financial hardship applicants, to help businesses, households, sporting and community organisations impacted by the COVID-19 pandemic
- Worked closely with Mildura Regional Development, Mildura City Heart Incorporated and traders across the region to ensure a \$500,000 Victorian Government grant for infrastructure and equipment was put to best use to support the expansion of outdoor dining as part of COVID-19 recovery efforts
- In January 2021, launched an \$800,000 funding program to allow eligible COVID-19-impacted Business Differential Ratepayers to apply for a once-off credit to their Council rates bill of up to \$2,000 or a Stimulus Grant of up to \$5,000 to help re-establish their operations, invest in their business, re-generate employment and develop new services and ways of working and adapting to the post-COVID-19 economy
- Together with the Mildura Airport Pty Ltd, welcomed an announcement in March 2021 of \$850,000 from the Victorian Government and \$885,020 from the Australian Government to ensure the airport, which is crucial for our region's economy and our community's well-being, remains operational as it recovers in the wake of the global pandemic
- In partnership with Mildura City Heart Incorporated, launched the Roving Performers project in February 2021 with the aim of stimulating the local economy by promoting and supporting outdoor dining and providing more opportunities for local artists to perform
- In February 2021, Mildura Airport Pty Ltd commenced the installation of a new Instrument Landing System at the Mildura Airport—a \$4 million project, jointly funded by the Mildura Airport Pty Ltd, Mildura Rural City Council and the Australian Government—to enhance any aircraft's ability to land in adverse weather conditions

- Approved 18 applications from local event organisers for funding totalling \$73,582.50 through the Events Funding and Support Grant Program 2020-2021, subject to the funding being provided two months prior to the event and the event proceeding within COVID-19 restrictions at the scheduled time of the event
- Approved 32 applications for funding from local event organisers totalling \$238,375 through the Event Funding and Support Grants Program 2021-2022 to enable the Mildura region to be positioned as a major event destination with a vibrant year round calendar of events that contribute to the economic and social well-being of our community
- Council approved the Events Funding and Support Policy, updated to include provision for the creation of an unspent event grants reserve to hold grant payments budgeted to be paid out in the annual budget but which remain unallocated and unspent at the end of the financial year
- Council adopted the Fees and Charges Policy, updated to take into account recommendations from the Victorian Auditor-General, Municipal Association of Victoria, Department of Treasury and best practice across local government
- Undertook a major maintenance and conservation project to replicate and restore the original paint scheme of the Rio Vista Fountain, which is a vital part of Mildura's history and the city's arts and tourism precinct
- With participation from more than 80 Regional Aviation Association of Australia (RAAA) members including Mildura Airport Pty Ltd, and financial support from Council's Events Funding and Support Recovery Fund, launched the RAAA's first ever regional roadshow in Mildura in late March 2021, replacing the organisation's usual annual conference
- Welcomed the announcement of RayGen's plans for a multimillion dollar 3MW/50MWh solar hydropower plant facility at Carwarp and the invaluable benefits the solar power plant is expected to provide for our community, not only environmentally, but for the local economy through jobs during the construction phase and once operational
- Mildura Regional Development:
 - Created a local ambassadorship with V8 Supercar driver Cameron Waters and partnered with local businesses and motorsport enthusiasts to sponsor Cameron's Bathurst 2020 car with the Mildura branding
 - Completed and launched the *Australia's Food Bowl* series with Stefano de Pieri, and ran a successful TV campaign on *SBS on Demand* throughout the screening of the series
 - Developed and promoted the *Ode to Mildura* TV campaign
 - Successfully hosted and promoted Mildura Week in partnership with the Sports Entertainment Network
 - Hosted a Sports Entertainment Night and raised \$4,715 in funds for the Paediatric Ward of the Mildura Base Public Hospital
 - Hosted another successful *Crafted by Mildura, Tasted Better* walk
 - Supported local businesses with the continuation of *Fork it Local Friday* during COVID-19 restrictions

- Collaborated with Visit Victoria to cross-stream social media posts for live performances at the Mildura Art Centre
- Endorsed the Mildura Regional Development Annual Business Plan 2021-2022, Mildura City Heart Incorporated Annual Business Plan 2021-2022 and Mildura Airport Pty Ltd Annual Business Plan 2021-2022
- Adopted the Visitor Servicing Strategy 2021-2025

Strategic Objective 4: Council

We will manage resources in a sustainable manner to provide services that are relevant, of a high standard and respond to identified community needs.

Achievements:

- Ran a COVID-19 Recovery Survey in November 2020 to identify the key issues impacting our community in the face of the pandemic and the actions needed locally to work towards recovery
- Introduced a contactless Click and Collect service at the Mildura, Red Cliffs and Merbein libraries from 25 August 2020 to ensure residents could continue to access library services safely during COVID-19 restrictions
- Received and undertook to use the annual Local Government Community Satisfaction Survey results as a continuous improvement tool to provide improved services for the community and a key input to the development of the new four-year Community and Council Plan
- Undertook an extensive community engagement process, asking community members to have their say on what would make our region a better place to live, work and play, to help us develop a 20-year Community Vision, four-year Council Plan, a Financial Plan, an Asset Plan and a Municipal Public Health and Wellbeing Plan
- To comply with the requirements of the *Local Government Act 2020*, Council adopted an updated Council Expenses Policy, an Election Period Policy, Governance Rules to regulate meeting conduct for Council and Delegated Committees, and a new Councillor Code of Conduct setting out the Standards of Conduct that must be observed by Councillors
- Council adopted the Councillors Portfolio Policy, updated to include changes to the list of portfolios agreed to by Councillors
- To comply with the *Local Government Act 2020*, Council adopted a new Councillor Gift Policy
- To comply with the requirements of the *Local Government Act 2020*, Council adopted a new Public Transparency Policy that explains the documents/information publicly available under a number of Acts and how these documents/information can be accessed
- Council approved the External Private Works Policy, updated to recognise additional legislation and internal documents
- Council approved the Conflict of Interest Policy, updated to comply with the requirements of the *Local Government Act 2020*
- In collaboration with Local Government Victoria and the Municipal Association of Victoria, ran a series of both compulsory and voluntary training and information sessions in August-September 2020 to provide potential candidates with all of the information they need ahead of the 2020 General Council Elections, including the role of local government, the election process, expectations and obligations

- To mark Australian Citizenship Day on 17 September 2020 during COVID-19 restrictions, conducted individual online Australian Citizenship Ceremonies to enable nine Sunraysia residents from six different countries to become Australian citizens
- In response to an investigation by the Victorian Ombudsman into parking infringement reviews by Victorian Councils, which found that for some municipalities the process for parking infringement reviews may not have been undertaken in accordance with the *Infringements Act 2006*, contacted Sunraysia residents who unsuccessfully applied to have a parking infringement reviewed between 1 July 2007 and 31 May 2019 and refunded their infringement, where relevant
- Mildura-based Family Day Care Educator Bronwyn Williams was awarded the prestigious Perpetual Star Award as part of the 2020 Family Day Care Australia Excellence Awards in recognition of the significant impact and contribution she has made to the lives of the children and families she has cared for over more than two decades
- Took out one of Australasia's most prestigious road safety awards— the 3M-ACRS Diamond Road Safety Award, which recognises “exemplary innovation and effectiveness in saving lives and injuries on roads”—for our 'Low Cost Implanted Compact Roundabout' (project), two of which were established at the intersections of Pine Avenue and Eighth and Ninth streets, Mildura
- Council endorsed the submission of two motions to the Municipal Association of Victoria (MAV) State Council Meeting in May 2021. The first motion urged the MAV to encourage the Victorian Government, as a matter of urgency, to provide Asset Sustainability Funding to local government to assist in bridging the asset renewal gap and encourage infrastructure development to stimulate the economy and assist local communities recover from the COVID Pandemic. The second motion called on the Australian Government to address the rural and metropolitan rates divide that results in an imbalance in the capacity of rural councils to service communities and rural ratepayers to service rates.
- Council provided in principle support to Ali Cupper MP for the ‘RateGate’ campaign for reform of Victoria’s current rating system and added its support to the e-petition ‘Address the financial sustainability of rural councils’ established for this purpose
- Council adopted the Chief Executive Officer Employment Matters Committee Terms of Reference, updated to comply with the requirements of the *Local Government Act 2020*
- Mildura Airport Pty Ltd commenced operating the aircraft refuelling services at the Mildura Airport in conjunction with World Fuel Services
- Adopted the Revenue and Rating Plan 2021-2025

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 COVID-19 on social and economic well-being of the community, as well as restrictions on Council's service delivery and revenue streams
- Impact of drought on roads infrastructure, requiring additional capital works

The Future

- Work within the Victorian Government Rate Capping Framework
- Continue work on a new Community and Council Plan to guide the coming years
- Develop a long-term strategy for the management of waste
- Continue to roll out organisational sustainability reviews
- Asset renewal
- Increase community awareness of our services
- Reform of the *Local Government Act*
- Continue to roll out the Mildura Riverfront Precinct Redevelopment and Mildura Sporting Precinct projects
- Constrained capacity to provide matching funding for major project development

The Year in Review

Mayor's Message

Highlights

The past 12 months have seen our organisation, and our community, make significant progress on a range of important projects and initiatives, despite the ongoing challenges posed by COVID-19.

We've seen the majority of Stage 1 of the Mildura Sporting Precinct completed, representing a major milestone for our community. It means residents and visitors will soon be able to enjoy our region's largest, most advanced sporting venue and all the benefits that flow from that in terms of increased participation in sport and the ability to attract major state and national events to our region.

Another major step forward in major projects is the Powerhouse precinct redevelopment, which is the centrepiece of Stage 2 of the riverfront redevelopment. We're at the point now where concept plans for this exciting new development have been finalised and we're close to seeing work on the ground.

These are two of four Mildura Future Ready advocacy and funding projects and illustrate this successful approach to major projects, attracting an unprecedented level of government funding valued in the tens of millions of dollars.

We also started work on the five guiding documents that will shape our decisions, our priorities, and our community's future, both in the short- and long-term - our 20-year Community Vision, four-year Council Plan, Financial Plan, Asset Plan and Municipal Health and Wellbeing Plan.

A critical part of developing these plans is ensuring they reflect our community's aspirations and priorities, which is why we undertook a massive community consultation process to make sure we get it right. It's an exciting opportunity for all of us, and this feedback is now being used to formulate these pivotal documents.

COVID-19 has sadly been an unavoidable part of our lives for more than 18 months now, and while it's certainly not a highlight for any of us, I'm proud of the work we've been able to achieve delivering a broad range of pandemic support. This includes everything from the establishment of a \$1.5 million Community Recovery Fund and \$845,000 in immediate financial support through to free mental health first-aid training to help our community deal with, and recover, from the impacts of ongoing COVID-19 restrictions.

We've taken massive strides over the past 12 months to reduce our impact on the environment by introducing measures to make us more sustainable as an organisation, and as a community. These measures include the introduction of our food and garden organics service, which has slashed rubbish going to landfill by tens of thousands of tonnes, as well as introducing the convenience of a green bin for organic and garden waste.

We also signed up as a member of the Victorian Energy Collaboration, which means that from this year onwards 100 per cent of the electricity we use is generated from 100 per cent renewables. This not only promises to cut our organisation's carbon emissions, but will shave more than 30 per cent from our energy bills.

Advocacy and Engagement

During the past year, we've continued to advocate strongly on behalf of our community on several important issues.

A critical issue for our ratepayers and our organisation is the rates divide between metropolitan and rural councils. This imbalance impacts on rural councils' ability to service communities, and for rural residents to pay their rates. To help address this, we put up a motion at the Municipal Association of Victoria State Council Meeting, calling on the Australian Government to address this issue.

We also advocated strongly on cross-border issues related to the various pandemic lockdowns of the past 12 months, which impacted on supplies, employment, access to medical services and peoples' businesses. This included working closely with Victoria's Cross-Border Commissioner, who has been supportive of our region, as well as our local state and federal representatives.

We've sharpened our focus even more on community engagement over the past 12 months in a bid to ensure our decisions and strategies reflect the priorities and aspirations of the community in which we all live. We've seen this in action through the multiple rounds of community engagement we've conducted on major projects, and the resulting decisions and outcomes that reflect the feedback received.

The Community Vision and Council Plan I touched on earlier are prime examples of the exhaustive community engagement we're committed to undertaking to make our region an even better place to live and work.

Over the coming 12 months, we'll continue to work with our Victorian and Australian Government representatives, and groups, including the Municipal Association of Victoria, Regional Cities Victoria and Murray River Group of Council on issues important to our community and our future.

Thank you

I would like to thank my fellow Councillors for their support, passion and commitment to our community over the past 12 months. It's certainly been a challenging time for all of us, but it's been great to see our community, our Councillors, and our organisation rise to every challenge that comes our way.

We have a lot to be proud of in our region and I look forward to continuing working with our community, including residents, business owners, volunteers, community groups and our own Council officers in the year ahead.

Cr Jason Modica
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 2020–2021. 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 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

The 2020-2021 financial year certainly hasn't been without its challenges. However, despite the obstacles thrown in our path by the ongoing pandemic, we've been able to make real progress on numerous fronts to both support our community and improve future outcomes.

As the Mayor touched on elsewhere in this document, ensuring our community is supported throughout the pandemic, and is able to recover, has been a major focus for our organisation over the past 12 months.

In addition to the millions of dollars committed to providing support for both businesses and residents, we adopted the Community Relief and Recovery Plan COVID-19, which is our guiding document to ensure our community is supported now, and throughout our municipality's recovery phase.

The past 12 months have seen the completion of several other important pieces of work that lay at the heart of the way our services and programs are delivered, ensuring they meet the needs and expectations of our community. They include the Municipal Early Years Plan 2020-2025, Youth Engagement Strategy 2020-2023, Library Service Strategy 2020-2025, and Mildura Recreation Strategy 2021-2031 to name a few.

Another major piece of work that is making a real difference in our community is our food and garden organics service, which is having a transformative impact on the amount of waste going to landfill in our region, and a major contributor in reducing our carbon footprint and curbing the cost of managing our waste.

The 2020-2021 financial year has allowed us to see more results from our key strategy to attract government investment to our region – the Mildura Future Ready advocacy and funding strategy.

This strategy was directly responsible for attracting more than \$21 million in government funding for Stage 1 of the Mildura Sporting Precinct, which is nearing completion, and more than \$6.5 million for the Powerhouse precinct redevelopment, which is already well advanced in the planning and about to get under way.

It's also enabled Council to undertake a massive \$58.87 million capital works program, taking in everything from roads to stormwater pipes, and pavements to community buildings. It was a commitment we felt was more important than ever during the challenges posed by COVID-19 as a source of jobs and work for local businesses and suppliers.

Despite the disruptions caused by the pandemic through the various restrictions and lockdowns, our teams have adapted and continue to deliver the essential services our community rightly expects from us.

This includes providing 51,288 hours of aged and disability care support services, taking almost 70,000 customer service calls and maintaining more than 5,500 kilometres of sealed and unsealed roads. We also issued 1,237 building permits for works totalling \$250,317,872.

We've also continued to work closely with key bodies in our region including Mildura Airport Pty Ltd, Mildura Regional Development and Mildura City Heart, working through the current challenges facing our community and planning for the recovery ahead.

As we look to the year ahead, one of our early immediate focuses will be finalising what are probably our organisation's most important guiding documents – our 20-year Community Vision and our four-year Council Plan.

Organisational Performance

At the end of June 2021, Council's financial position remains strong with more than \$909.97 million of community assets under Council's stewardship.

Operating expenditure for 2020-2021 was four per cent below the Annual Budget adopted in July 2021. Council's operating income was 31 per cent above the Annual Budget, due largely to a significant increase in 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 quietly go above and beyond to make our region the wonderful place it is today. It's also been inspiring to see the collaboration between Councillors, Council staff and the numerous business, support and community groups we're so fortunate to work with year in, year out, which enables us to make the progress we have, and overcome the challenges we've faced.

Martin Hawson
Acting Chief Executive Officer

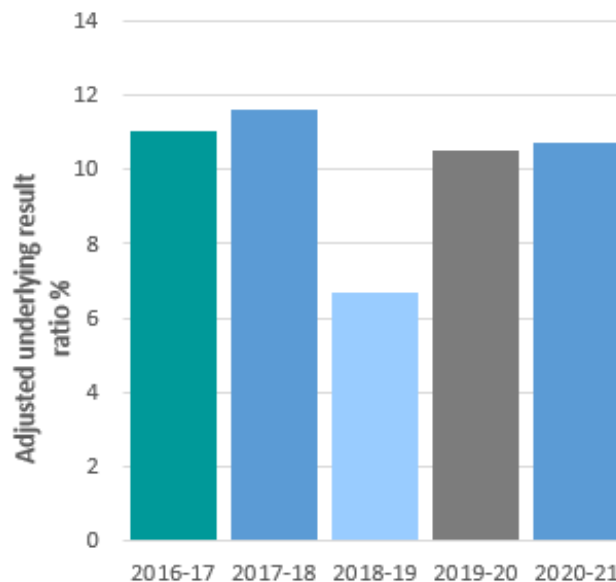
Financial Summary

The COVID-19 pandemic has continued to have economic and social impacts on our local community. Council's income and expenditure has not been immune to these impacts. Council has continued to conduct reviews to find savings to lessen any impacts, while also supporting the local recovery through a COVID Community Recovery Fund of \$1.5 million. Overall, there has not been a significant impact to Council's 30 June 2021 Financial Statements. Council's financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to our financial performance is included within the Financial Statements and Performance Statement sections of this Annual Report.

Operating Position

Council achieved a surplus of \$50.70 million in 2020–2021. This compares with a surplus of \$18.12 million in 2019–2020.

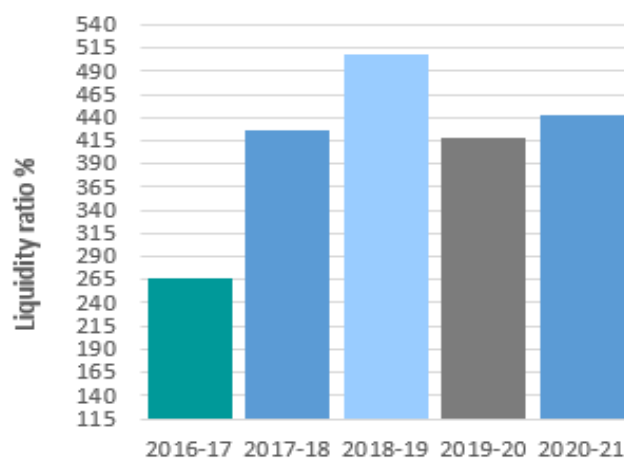
A surplus means that we spent less than the total income we received. Our surplus is due to a significant increase in the receipt of capital funding during the financial year. This includes capital grants for the Mildura Sporting Precinct, local roads, and Village Square project. Surplus funds are important 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 covers an area of approximately 10 per cent of Victoria in size. We have lots of assets and community services to provide to our community.



Liquidity

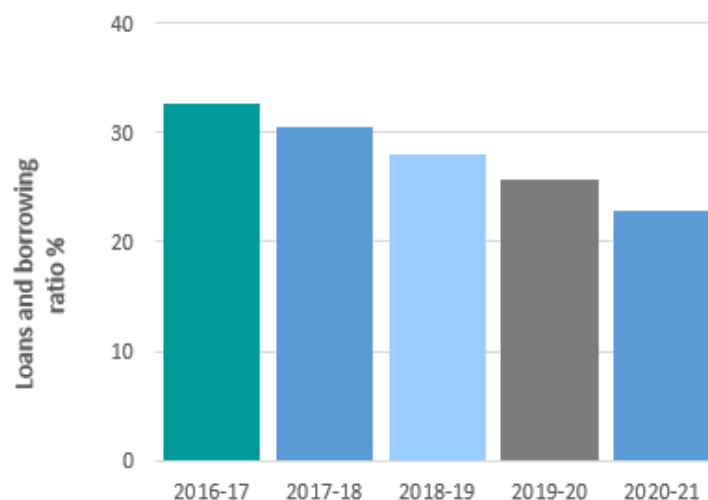
Cash and financial assets have increased by \$7.27 million from the prior financial year. The increase is mainly due to operational and capital grants being received in 2020-2021 but carried forward to 2021-2022. This included receipt of an \$8.00 million capital grant for Stage 2 of the Mildura Sporting Precinct, which was received in June 2021. We also received a forward payment of 50 per cent of the Financial Assistance Grant. In addition, the timing associated with financial completion of capital works projects, which often span multiple years, 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 443.14 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.

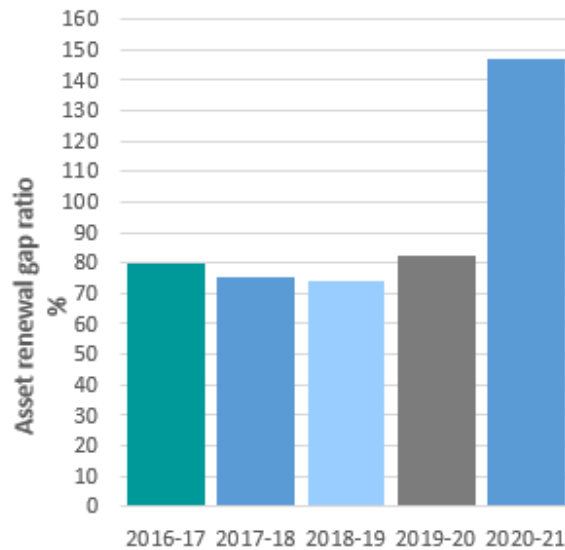


Obligations

At the end of the 2020-2021 year, our debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 22.87 per cent, which is within the expected target band of below 40 per cent.

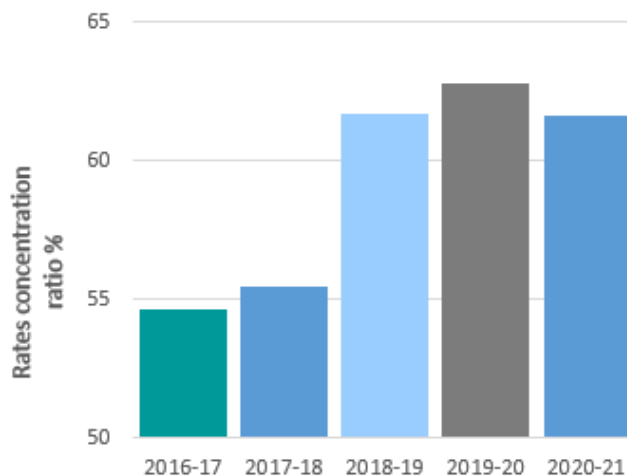


Council aims to ensure we are able to maintain our infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, council invested \$58.87 million in capital works during the 2020-2021 year. This included \$33.22 million for asset renewal, expansion and upgrade of assets. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 147 per cent for the 2020-2021 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 61.58 per cent for the 2020-2021 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.

To achieve key result areas relating to *Strategic Objective 3: Economy (Refer to Community and Council Plan 2017 to 2021)*, 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.

The broad range of community services and infrastructure for residents support the well-being and prosperity of our community.

Our vision, strategic objectives and strategies to further improve services and facilities are described in our Community and Council Plan 2017 to 2021 and the associated Budget 2021–2022, and 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 Community and Council Plan is measured by 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, which is distributed between the states and territories according to population (ie on a per capita basis)
- An identified local road component, which 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 grants 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 2016-2017. The cap for 2020-2021 was set at 2.00 per cent, which is based on the state-wide CPI forecast for the 2020-2021 financial year. The cap for the 2021-2022 financial year is set at 1.5 per cent.

Economic Factors - COVID-19

In March 2020, COVID-19 was declared a worldwide pandemic. Since then, the impact of COVID-19 is still ongoing and the situation is rapidly changing and developing. The road to recovery of economic activity is largely dependent on measures and support provided by the Australian Government and state government.

For the year ended 30 June 2021, COVID-19 has had significant negative impacts on Council's income and expenditure. This will also have further impacts in the 2021-2022 financial year as the economic recovery and ongoing measures by the Commonwealth and state governments, such as social distancing requirements, quarantine and travel restrictions, continue to impact our local community.

Major Capital Works

During 2020-2021, major capital works included the following:

Cyclist and Pedestrian Safety

The completion of the Safe System Road Infrastructure Program has been a large project that has been implemented over multiple years.

This project is now complete and includes a variety of treatments such as residential threshold treatment, speed zone changes targeted at the prevention of side-impacts at intersections and collisions with pedestrians and cyclists, and electronic lights.

Calder and Irymple Drainage Basins Pump Upgrade

The Calder and Irymple Drainage Basins Pump Upgrade project will be undertaken over two financial years.

Works involve the installation of new pumps to cater for large flow rates and to reduce the potential for basin overflow in peak storm events. The addition of telemetric pump control systems will enable real time monitoring of the pumps' operations.

These works are continuing and will be completed in 2021-2022.

Local Roads and Community Infrastructure Program

The removal of sand drift in the Millewa region as part of the local road and community infrastructure program was one of the most significant projects undertaken during the 2020-2021 financial year.

Works involved the removal of approximately 750,000 tonnes of sand from 177km of road length, and the reinstatement of the road surface in various locations.

At the conclusion of this project, the majority of roads were returned to their previous condition (before being impacted by the severe and prolonged drought) but in certain locations Council has undertaken road improvements through either gravel re-sheeting or reconstruction works.

Repair Swale on Wentworth Road between Whiting Road and Red Gum Road

This upgrade was to repair the drainage swale on Wentworth Road between Whiting Road and Red Gum Road.

Works involved the replacement of damaged pit lids, additional rack beaching to prevent erosion at the swale and extension of the concrete plinth to the culvert. The successful project completion will now ensure that future storm events will not impact on the road or drainage assets in this location.

Walnut Avenue and Deakin Avenue Spurline - Stage 1 - Design and Construction

The purpose of this project was to provide for the development of properties.

The project involved the construction of a drainage line prior to the parkway being constructed as part of a new subdivision. The construction included 130m of 1,350mm drainage spurline for developments to discharge into the Mildura South drainage system, including all junction pits required. The project also included 70m of 2,100mm pipe connection from the planned drainage line to the proposed basin, including headwall and excavation for installation of headwall.

Ontario Avenue and Sixteenth Street Spurline - Stage 1

The purpose of this project was to provide for the development of properties.

The works involved the construction of a drainage line prior to the parkway being constructed as part of a new subdivision. The construction included 130m of 1,350mm drainage spur line for developments to discharge into the Mildura South drainage system, including all junction pits required. The project also included 70m of 2,100mm pipe connection from the planned drainage line to the proposed basin, including headwall and excavation for installation of headwall.

Etiwanda Spurline - Fifteenth Street to Fourteenth Street - Stage 3

The purpose of this project was to provide for the development of properties.

The works involved the construction of a drainage line prior to the parkway being constructed as part of a new subdivision. The construction included 130m of 1,350mm drainage spur line for developments to discharge into the Mildura South drainage system, including all junction pits required. The project also included 70m of 2,100mm pipe connection from the planned drainage line to the proposed basin, including headwall and excavation for installation of headwall.

Murrayville Drainage Upgrade

The completion of the Murrayville drainage upgrade works over two financial years included the construction of kerb and channel works, road reconstruction works, drainage (both swale creation/modification and pipe and pit installation), works to rectify stormwater problems of flooding, enable stormwater to drain away from shop frontages and form a flow path to allow the stormwater to discharge quickly away from the Murrayville township.

Reconstruction of Eighth Street between Walnut Avenue and the Railway Line

The reconstruction of Eighth Street between Walnut Avenue and the railway line was one of the most significant reconstruction projects completed over two financial years.

The works involved road reconstruction, asphaltting, footpath, and kerb and channel works. Drainage works were also undertaken, which included the installation of new pipes and pits to cater for road and property stormwater runoff.

Road Safety Upgrade in San Mateo Avenue from Twelfth Street to Fourteenth Street

The road safety upgrade in San Mateo Avenue from Twelfth Street and Fourteenth Street project will be undertaken over two financial years.

Works involve upgrading road safety by including speed reduction on San Mateo Avenue, wombat crossings, a concrete centre median, banning right-turn movements out of Brown Street, installing raised safety platforms and realigning the intersection and road bike lanes.

These works are continuing and will be completed in 2021-2022.

Road Shoulder Works in Quena Street from Coorong Avenue to Lowan Avenue - 17km at 1.5m including Sealing Works

Reconstruction of road shoulders on Quena Street from Coorong Avenue to Lowan Avenue involved the reconstruction of pavement to the edge of the existing roadway.

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

Road Shoulder Works in Pumps Road from Cocklin Avenue to Woomera Avenue - 29km at 1.5m including Sealing Works

Reconstruction of road shoulders on Pumps Road from Cocklin Avenue to Woomera Avenue involved the reconstruction of pavement to the edge of the existing roadway.

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

Road Shoulder Works in Benetook Avenue from Millewa Road to Magnum Avenue - 30km at 1.5m including Sealing Works

Reconstruction of road shoulders on Benetook Avenue from Millewa Road to Magnum Avenue involved the reconstruction of pavement to the edge of the existing roadway.

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

Road Shoulder Works in Paschendale Avenue from Sturt Highway to Calder Highway, Wentworth Road - 52km at 1.5m including Sealing Works

Reconstruction of road shoulders on Paschendale Avenue from Sturt Highway to Calder Highway, Wentworth Road, involved the reconstruction of pavement to the edge of the existing roadway.

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

Upgrade and Sealing of Wargan Road from Meridian Road to Bridge

The upgrade and sealing of Wargan Road from Meridian Road to chainage 5.2km was one of the most significant reconstruction projects undertaken during the 2020-2021 financial year.

Works involved the reconstruction and sealing of this section of Wargan Road to allow for higher productivity freight vehicles. Works are continuing in 2021-2022 and will include the widening of the bridge crossing to two lanes, as well as the placement of the final bitumen seal.

Upgrade of Intersection of Sixteenth Street and Deakin Avenue

This project involved the creation of a safe access point on Deakin Avenue to the new Mildura Sporting Precinct and was one of the most significant reconstruction projects undertaken during the 2020-2021 financial year.

Works involved the construction of a fully compliant intersection with left- and right-turning lanes, public street lighting, associated line marking and signage. The project also includes the provision of a shared path for pedestrians and cyclists, which will eventually connect back to the existing infrastructure on the corner of Sixteenth Street and Deakin Avenue.

These works are continuing and will be completed in 2021-2022.

The Crescent Road Reconstruction from Etiwanda Avenue to Byrne Court

The upgrade and reconstruction of The Crescent road reconstruction from Etiwanda Avenue to Byrne Court was another significant reconstruction project undertaken during the 2020-2021 financial year.

Works involved boxing out The Crescent road reconstruction from Etiwanda Avenue to Byrne Court, reconstruction of a damaged pit lid and a throat to a side-entry pit, subgrade stabilisation and reconstruction of 150mm layers, along with sealing with an asphalt surface and a section of concrete pavement.

Intersection works, kerb and channel works, pram ramp reconstruction, driveway reconstruction and pit surround replacements were also carried out.

Reconstruction of 435 San Mateo Avenue to De Garis Drive

The upgrade and reconstruction of 435 San Mateo Avenue to De Garis Drive was a major reconstruction project undertaken during the 2020-2021 financial year.

Works involved boxing out 435 San Mateo Avenue to De Garis Drive, reconstructing it in 150mm layers and sealing it with an asphalt surface and a section of concrete pavement.

Intersection works, kerb and channel works, pram ramp reconstruction, driveway reconstruction and pit surround replacements were also carried out.

Upgrade of the Mildura Waves' Circulation and Replacement of Heat Pumps Variable Speed Drive

The upgrade of the Mildura Waves' circulation and replacement of the heat pumps' variable speed drive has addressed major structural issues, which were considered to be threatening the operation of the oldest of Council's swimming pools.

The works involved an upgrade of circulation pumps, motors, switchboards and installation of variable speed drives to enhance control and enable energy efficiencies.

Interior Upgrade to the Mildura Waves Facility at the Alfred Deakin Centre - Stage 1

Another significant project undertaken over two financial years was the interior upgrade to the Mildura Waves facility at the Alfred Deakin Centre.

The interior upgrade involved the fit-out of the Visitor Information and Booking Centre, café and Mildura Waves facility to provide a high quality and vibrant interior suitable for the next 20 years.

Works involved upgrading the change rooms with the installation of shower cubicles in the male change rooms and the inclusion of a ceiling hoist and tracking system in the disabled change facility to enable assisted movement between the toilet and shower, as well as an auto door for ease of entry.

Upgrade to the Red Cliffs Aquatic Facilities

The upgrade to the Red Cliffs Aquatic facilities is one of the most significant projects to be undertaken over two financial years.

Works involve the replacement of pipework (return line and suction line), expansion joints, static valves, grates, concourse, step realignment (main pool and baby pool) and a total repaint of both pools.

These works are continuing and will be completed in 2021-2022.

Lake Cullulleraine Netball Court

The construction of an additional Netball Court at Lake Cullulleraine was a major project undertaken during the 2020-2021 financial year.

Works involved the installation of a concrete court, synthetic playing surface and padded netball rings. The existing court had additional concrete laid around the perimeter to allow player benches and access on the concrete outside of the court to reduce tracking of soil and debris onto the court.

Construction of Soccer Pavilion Extension at Old Aero Sporting Club

The extension of the Soccer Pavilion at the Old Aero Sporting Club specifically focused on improving the amenities for females at the reserve.

Works involved the extension of the amenity at the reserve with additional home and away players' rooms with toilets and showers, disabled facilities and storage.

Upgrade of Netball Court, Renewal and Installation of Lighting at the Nangiloc Recreation Reserve

Upgrade of the netball court, renewal and installation of lighting at the Nangiloc Recreation Reserve was an important project undertaken during the 2020-2021 financial year.

Works involved an alignment change to situate the nets away from a very large gum tree to eliminate the amount of leaf and gumnut litter on the pitch. This included the removal of the existing three-pitch cricket net, including concrete slab, and construction of a new four-pitch cricket net at a slightly different alignment.

Upgrade of Blackburn Park, Ouyen, Synthetic Bowls Green

The upgrade of the synthetics bowls green at Blackburn Park, Ouyen, involved the replacement of the existing turf green with a synthetic green to reduce the cost of ongoing maintenance and watering, and to provide extended opportunities for the wider community of non-bowlers to participate in bowls due to reduced maintenance requirements.

Mildura Sporting Precinct - Construction - Stage 1

The completion of another major project undertaken over multiple financial years was the Mildura Sporting Precinct - Construction - Stage 1. This project is among the largest and most significant projects undertaken by Council.

This project was primarily completed in the 2020-2021 financial year, delivering a six-court indoor stadium and amenities, function rooms, café, premiere oval, pavilion and external amenities including car parking and landscaping.

Landscaping Upgrade of Mildura Marina

The landscaping upgrade of Mildura Marina was a major landscaping project undertaken during the 2020-2021 financial year.

The project was required to enhance and beautify the marina surrounds in addition to protecting the landscape from flooding and high river events. The project involves the installation of bluestone rocks to stabilise the eroding bank. A geo-fabric will also be laid to prevent weeds from growing through the rocks to allow safer maintenance and provide a nice visual finish to the gateway to the marina.

These works are continuing and will be completed early in 2021-2022, along with irrigation and plantings to provide plenty of colour adjacent to the pathways.

Replacement of Quandong Park West Playground

The replacement of Quandong Park West playground was another significant landscaping project undertaken during the 2020-2021 financial year.

Works involved replacing an asset that had reached the end of its useful life. Works included a complete replacement of all the play space elements and the inclusion of new combination units, basket swings, slides and most importantly shade sails. Connecting pathways were also constructed to link the sites together.

Redevelopment of Deakin Avenue Median between Eighth Street and Ninth Street

This redevelopment is one of the most significant landscaping projects to be undertaken over two financial years.

Works include realignment of the path through the centre of the median strip, removal and replacement of the sugar gums (with seed sourced from the original trees), a completed centre median from kerb line to kerb line including instant turf, mature plants and landscape features, installation of street furniture as required in line with design guidelines from previous sections of the Deakin Avenue redevelopment, and the preservation of historical items contained within this section.

These works are continuing and will be completed early in 2021-2022.

Major Changes

In 2020–2021, we made the following major changes to the organisation’s structure and contracts:

- Farewelled Chief Executive Officer, Sarah Philpott, and welcomed interim Chief Executive Officer, Philip Shanahan
- Renamed the Corporate Administration Branch the Governance and Performance Branch to reflect the modernisation and principles of the new *Local Government Act*
- Put in place a temporary (two-year term) role to assist with the implementation of COVID-19 social and economic recovery plan actions, and ensure a collaborative multi-agency approach to emergency management planning, response, relief and recovery work that will ensure we meet our obligations under the *Emergency Management Act 1986* and *Emergency Management Act 2013*
- Put in place a dedicated Facility Projects Technical Officer role for 12 months to increase building project design and delivery capacity
- Created a new Capital Works Program Officer role in the Parks and Waste Services Branch dedicated to the achievement of our capital works program development and delivery

Major Achievements

- Established a \$1.5 million Community Relief and Recovery Fund to support local social and economic recovery from COVID-19
- Adopted the Community Relief and Recovery Plan COVID-19
- Completed work on a new netball court and competition-standard lighting at the Nangiloc Recreation Reserve

- Partnered with 11 municipalities, the Central Victorian Greenhouse Alliance and the Victorian Government to roll out a public network of Electric Vehicle charging stations in regional Victoria
- Installed a 10 kilowatt solar photovoltaic (PV) system at the Merbein swimming pool in February 2021 and an eight kilowatt solar PV system at the Ouyen Swimming Pool in April 2021 to cut operating costs and carbon emissions
- Introduced a contactless Click and Collect service at the Mildura, Red Cliffs and Merbein libraries in August 2020 to ensure residents could continue to access library services safely during COVID-19 restrictions.
- 3M-ACRS Diamond Road Safety Award for our 'Low Cost Implanted Compact Roundabout' project
- Adopted the Accessible Parking Permit scheme to provide more permit options for people with a disability
- Commenced a new three-bin collection service in July 2020 that includes a new green bin for kerbside organic waste collection
- Mildura Regional Development completed and launched the *Australia's Food Bowl* TV series with Stefano de Pieri

Our Council

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 55,937 which includes 2,519 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 strategic location 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 58,314 passenger movements each year to Melbourne, Sydney and Adelaide.

** Source: Figures based on 2021 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

Website: 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 2017 to 2021.



Cr Jason Modica, Mayor

Terms: 2016-2020, 2020-2024

Portfolio: Governance, Performance, Risk and Audit

Cr Jason Modica became a Councillor for the first time in 2016. A ceramic tile 'tradie' and father of two teens, 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 and held the Arts and Culture portfolio as well as supporting the environment and sustainable farming. He represented Council at the South Australian Royal Commission into the Murray Darling Basin Plan, Municipal Association of Victorian annual general meeting and on the Central Victorian Greenhouse Alliance Board.

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 Modica was elected Mildura Mayor at the 2020 Annual General Meeting.



Cr Helen Healy, Deputy Mayor

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

Portfolio: Community Development and Gender Equality

Cr Helen Healy grew up in Ouyen, has 73 first cousins and her family have been in the Mallee 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 the Mildura Rowing Club.

In her current term she is focussing on gender equality benefits for men, women and children; future proofing with sustainable practices and renewable energies; events and tourism driven economies and civic pride - most especially in respect to Council and beautifying our region.



Cr Mark Eckel

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

Portfolio: Arts, Culture and Heritage

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

Cr Eckel said Mildura is looking at another housing and development explosion and further development of the riverfront, and to assist a new Council in navigating this exciting phase gives him renewed energy to serve the community for another four years.

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, 18 grandchildren and are great grandparents of eight.

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 life member of the Mallee Accommodation and Support Program. He is also the Chairperson of the Red Cliffs Centenary Committee and Deputy Chairperson of Sunraysia Residential Services.



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 currently features 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

Cr Ian Arney farms at Werrimull. He has three children.

Cr Arney has lived in the municipality for 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 and environmental health and is actively involved in revegetation and

sustainable farming.

Cr Arney is currently the Millewa/Carwarp Landcare President, local State Farming Organisation (Victorian Farmers Federation – VFF) President, VFF regional Livestock

Council Mallee representative, Landcare Victoria Incorporated (LVI) board member and VFF Land Management Committee representative on behalf of the LVI. He is also a member of the Farm Owners Academy (FOA).

His aims as a Councillor are to ensure everyone in the community is well represented. This 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 Cyndi Power

Term: 2020-2024

Portfolio: Community Health and Wellbeing

Cr Cyndi Power was born and raised in Illinois, part of the Corn Belt of the USA, and educated at Illinois State University.

She made the permanent move to Mildura in 2008 to raise her four children, and proudly became an Australian citizen in 2013.

She is a local business owner, a childbirth educator and a vocal advocate for safe and positive maternity/birthing services. Cr Power is also a student of hypnotherapy and psychotherapy and will go into practice as a therapist in 2021.

Cr Power looks forward to being part of a Council that fosters trust and is genuinely approachable.

Her interests in becoming a Councillor stem from her years of work with local parents in their journey to parenthood. She takes a strong interest in support for the mental and physical well-being of new parents and the region's youngest residents.

Cr Power's goal is to attract several new practitioners to our wonderful area to set up business, particularly in the areas of women's health, birth services, and mental health. It is also her goal to ensure the vulnerable members of our community receive the assistance they need, and those who provide the assistance have the support and funding they require.

With two children still at home, Cr Power's life very much revolves around their needs, which she is proud of. She is also proud to serve on the board of Mallee Family Care. When not working or studying, she loves getting her hands dirty gardening, and enjoying water sports on the Murray River. Cr Power has a keen interest in native gardening and respect for/conservation of Australian flora and fauna.



Cr Jodi Reynolds

Term: 2020-2024

Portfolio: Environment and Sustainability

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 is 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 BSc 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 and Northern Mallee Leaders Inc.



Cr Liam Wood

Term: 2020-2024

Portfolio: Recreation and Events

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 13 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.

Outgoing Councillors

Cr Simon Clemence

Term: 2016-2020

Cr Min Poole

Term: 2016-2020

Cr Greg Brown

Terms: 1997-2000, 2003-2005, 2012-2016, 2016-2020

Cr Anthony Cirillo

Term: 2016-2020

Cr Gavin Sedgmen

Term: 2018-2020 (replaced Cr Max Thorburn in November 2018)

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 Community and Council Plan 2017-2021. 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*

Sarah Philpott

Sarah served as Chief Executive Officer from August 2019 to May 2021. Sarah has over 21 years of leadership experience within local government in South Australia, Queensland and Victoria. She has experience across many areas of local government services and has been responsible for leading large teams and for changing organisational performance and culture. With a focus on good governance and sound financial management, Sarah combines this local government background with private sector and state government experience in the justice sector, most recently in courts administration. Sarah has post-graduate qualifications in business administration, change management and a Masters. Sarah is passionate about working with community, making a difference to the people who live, work and visit our region and ensuring that Council is focused on achieving public good while operating efficiently and providing responsive customer service.

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
- Small town and city development and investment attraction
- Leadership of the Strategic Management Team (ie Council's Executive Leadership Team and branch managers).

*Note: * Following Sarah Philpott's resignation and departure, Philip Shanahan served as Interim Chief Executive Officer from 24 May 2021 to 5 August 2021.*

Senior Officers Reporting Directly to the Chief Executive Officer



General Manager Corporate

Chris Parham

Chris Parham was appointed General Manager Corporate in September 2016.

Chris has nearly 11 years' management experience in local government, having served in the role of Manager Information Systems prior to his appointment to the General Manager Corporate position. Chris has extensive private sector management, project management, and information and communications technologies experience. Chris has a Masters of Business Administration,

Graduate Certificate in Management, Diploma in Information Technology, PRINCE2 Practitioner, Graduate Australian Institute of Company Directors and Certified Enterprise Architect. In addition, Chris has been a White Ribbon ambassador.

Areas of responsibility:

- Organisational Development
- Human Resources
- Financial Services
- Information Systems
- Governance and Performance
- Risk and Emergency Management
- Greater Sunraysia Pest Free Area
- Mildura Cemetery Trust.



General Manager Development

Mandy Whelan

Mandy Whelan was appointed General Manager Development in early June 2016 following a period of around seven months where she acted in the role.

Mandy has over 18 years' management experience in local government, having served in the role of Manager Aged and Disability Services for two years, Manager Organisational Development for five years and General Manager Corporate for six years prior to her appointment to the General Manager Development position. Mandy has a Bachelor of Social Science, Graduate Diploma of Gerontology and a Masters of Business Administration.

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.



General Manager Community

Martin Hawson

Martin Hawson has a broad and extensive background in community services leadership and management experience in local government.

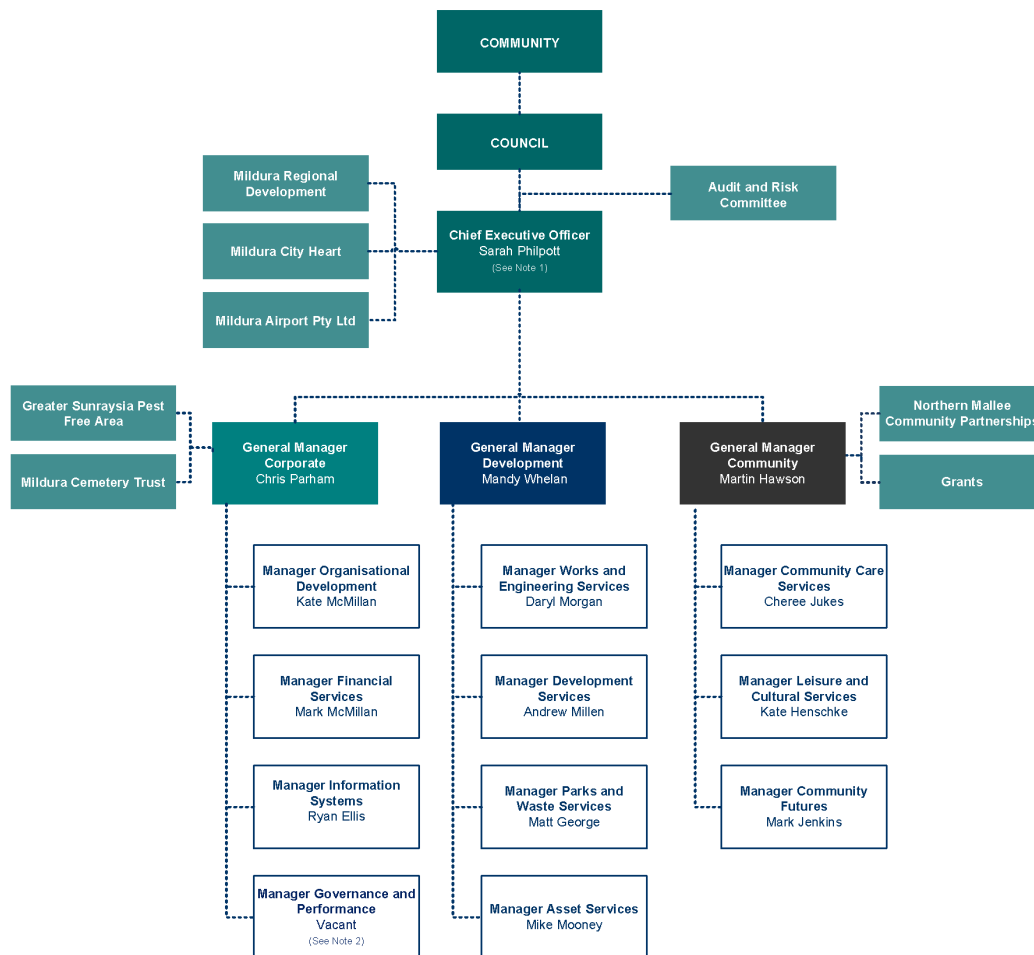
Prior to his appointment to the Executive Leadership Team in June 2003 as General Manager Community and Culture, Martin was Council's Manager Aged and Disability Services for five years. Martin holds a Masters in Health Administration, Graduate Diploma in Health Science and a Diploma in Education.

As General Manager Community, Martin has developed and overseen several successful major community infrastructure projects in recent years. They include redevelopment of the Mildura Arts Centre, Red Cliffs and Merbein community hubs and the first stage of the Mildura Riverfront Redevelopment. Martin is currently overseeing the development of the Mildura Sporting Precinct and the Mildura Riverfront (Stage 2).

Areas of responsibility:

- Leisure and Cultural Services
- Community Care Services
- Community Futures.

The organisational structure of Council is shown below.



Note:

1. Sarah Philpott was employed as Chief Executive Officer from 5 August 2019 to 28 May 2021. Following her resignation, Sarah commenced leave on 24 May 2021. Philip Shanahan served as Interim Chief Executive Officer from 24 May 2021 to 5 August 2021.
2. The Corporate Administration Branch was renamed the Governance and Performance Branch on 17 June 2021 to reflect the modernisation and principles of the new *Local Government Act*. The structure and functions of the Governance and Performance Branch remain the same as those of the former Corporate Administration Branch.

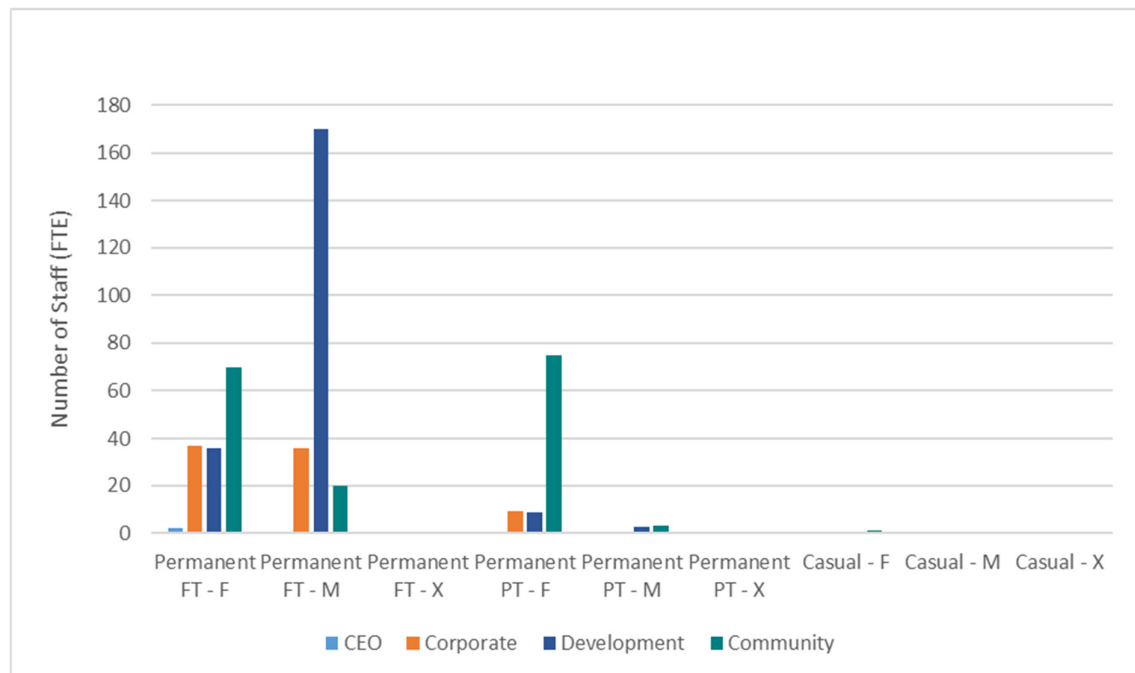
Following Richard Sexton's resignation and commencement of annual leave on 26 February 2021, the position of Acting Manager Governance and Performance was rotated between Charmaine Calis and Stephen Lush. (Larni Baird commenced as Manager Governance and Performance on 10 August 2021.)

Council Staff

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

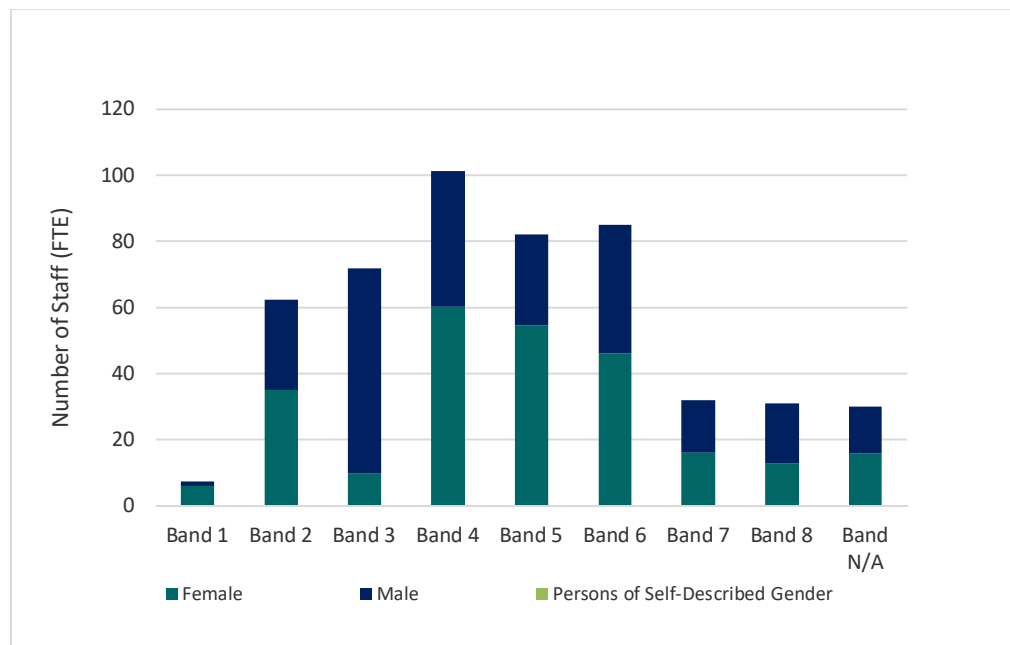
| Employee type/gender | CEO FTE | Corporate FTE | Development FTE | Community FTE | Total FTE |
|----------------------|----------|---------------|-----------------|---------------|---------------|
| Permanent FT - F | 2 | 37 | 36 | 70 | 145 |
| Permanent FT - M | 0 | 36 | 170 | 20 | 226 |
| Permanent FT - X | 0 | 0 | 0 | 0 | 0 |
| Permanent PT - F | 0 | 9.1 | 8.65 | 74.71 | 92.46 |
| Permanent PT - M | 0 | .53 | 2.87 | 3.19 | 6.59 |
| Permanent PT - X | 0 | 0 | 0 | 0 | 0 |
| Casual - F | 0 | .02 | 0.16 | 1.11 | 1.29 |
| Casual - M | 0 | .02 | .44 | .12 | .58 |
| Casual - X | 0 | 0 | 0 | 0 | 0 |
| Total | 2 | 82.67 | 218.12 | 169.13 | 471.92 |

FT-Full time PT-Part time F-Female M-Male 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 | Female FTE | Male FTE | Persons of Self-described Gender | Total FTE |
|---------------------------|---------------|---------------|----------------------------------|---------------|
| Band 1 | 6.01 | 1.45 | 0 | 7.46 |
| Band 2 | 35.13 | 27.31 | 0 | 62.44 |
| Band 3 | 10.09 | 61.7 | 0 | 71.79 |
| Band 4 | 60.27 | 41.16 | 0 | 101.43 |
| Band 5 | 54.57 | 27.55 | 0 | 82.12 |
| Band 6 | 46.03 | 39 | 0 | 85.03 |
| Band 7 | 16.16 | 15.84 | 0 | 32 |
| Band 8 | 12.92 | 18 | 0 | 30.92 |
| Band not applicable | 16.09 | 14 | 0 | 30.09 |
| Total | 257.27 | 246.01 | 0 | 503.28 |



Overview of Senior Positions by Gender

| Level | Male | Female | Self-Described Gender |
|-----------------------------|-------|--------|-----------------------|
| Executive Leadership | 3.00* | 2.00 | 0 |
| Management | 8.00 | 3.00 | 0 |
| Coordinator and Team Leader | 43.01 | 36.65 | 0 |

* Includes Phillip Shanahan, who held the position of Interim Chief Executive Officer, prior to Sarah Philpott's appointment as Chief Executive Officer.

Equal Employment Opportunity Program

A Council with 40 or more members of staff must have developed and implemented an equal opportunity program. We have implemented an equal employment opportunity program designed to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

The objective of our Equal Employment Opportunity Program 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 our Equal Employment Opportunity Program and the results for the year are:

- Percentage of new employees receiving equal opportunity training within six months of commencement. Target: 100 per cent. Result: 97.5 per cent
- Percentage of existing employees receiving refresher equal opportunity training at least every two years. Target: 100 per cent. Result: Refresher equal opportunity training has been postponed due to COVID-19 restrictions
- Number of contact officers per number of Council employees. Target: 1:50. Result: 1:54.

The indicators are monitored on an ongoing basis by our Equal Employment Opportunity Committee that meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice. Our 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 Equal Employment Opportunity Program over the past 12 months include:

- Provision of two-hour equal opportunity training sessions as part of the induction for all new staff
- Equal Opportunity Committee meetings, held quarterly
- Communication of Equal Opportunity, and Bullying and Harassment policies to all staff as part of the Policy of the Month process

- Commencement of work in relation to the *Gender Equality Act 2020*
- Recruiting new contact officers for several work areas of Council
- Review of the Family Violence Policy and supporting documentation for staff
- Continuing provision of family violence leave to relevant staff
- Inclusion of new neonatal leave provisions in the Enterprise Agreement
- Provision of training to all staff on gendered and family violence awareness
- Continuing our work as a White Ribbon Workplace under the White Ribbon Accreditation Program.

Other Staff Matters

Training/Professional Development

Study assistance is offered for staff undertaking relevant undergraduate or postgraduate studies. In the past year, 27 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:

- Continued our internal White Ribbon Accreditation Committee with the inclusion of new members to better represent all areas of Council
- Continued our internal White Ribbon Events Committee to plan, coordinate and manage Council's White Ribbon events
- Conducted awareness raising activities online 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.
- Begun working on implementation of the *Gender Equality Act 2020*.

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.

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

Mildura Rural City Council is committed to the safety and well-being 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.

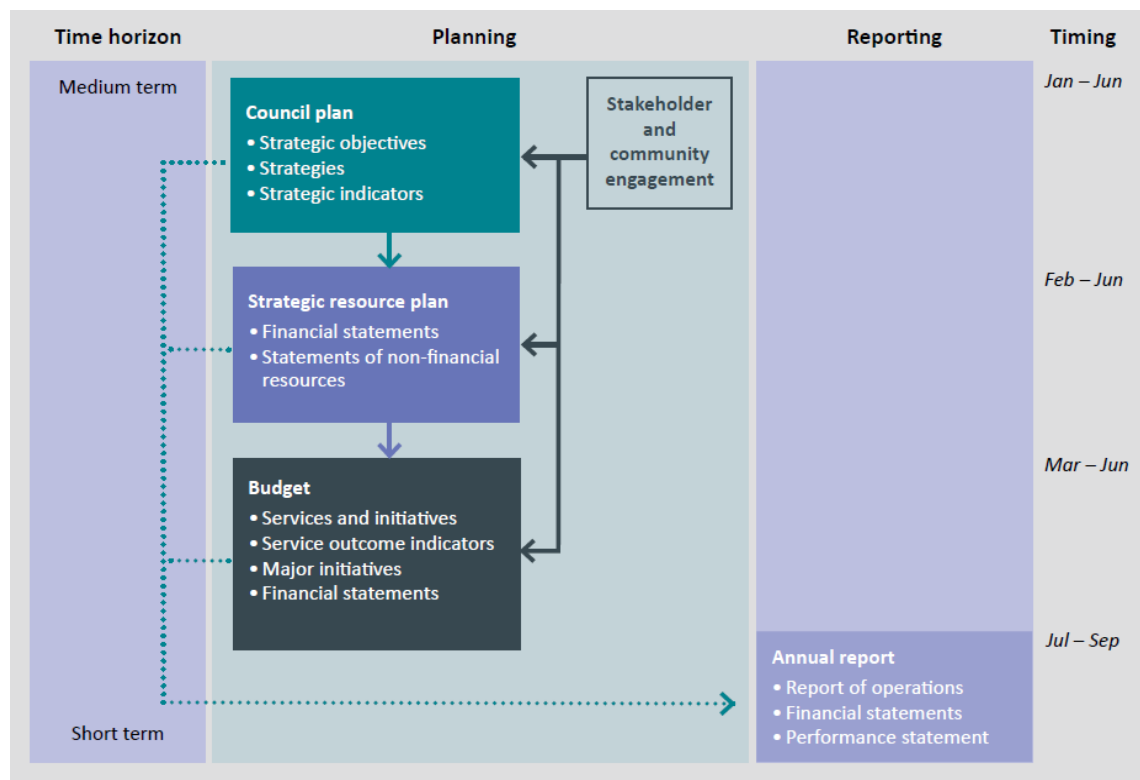
Our Performance

Planning and Accountability Framework

The Planning and Accountability Framework is found in Part 6 of the *Local Government Act 1989* (the Act). The Act requires councils to prepare the following planning and reporting documents:

- A Council Plan within the six months after each general election or by 30 June, whichever is later
- A Strategic Resource Plan for a period of at least four years and include this in the Council Plan
- A Budget for each financial year
- An Annual Report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.



Community and Council Plan

The Community and Council Plan 2017-2021 includes strategic objectives, strategies for achieving these for the four-year period, indicators for monitoring achievement of the strategic objectives and a Strategic Resource Plan. The following are the four strategic objectives as detailed in the Community and Council Plan.

| | | |
|----------------|---|--|
| 1. COMMUNITY |  | We will create a safe, supportive place to live, where diversity and lifestyle opportunities are enhanced |
| 2. ENVIRONMENT |  | We will create and promote sustainable natural and built environments |
| 3. ECONOMY |  | We will encourage diverse and sustainable economic development that provides growth in jobs, investment and quality of life |
| 4. COUNCIL |  | We will manage resources in a sustainable manner to provide services that are relevant, of a high standard and respond to identified community needs |

Performance

Council's performance for the 2020-2021 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the Community and Council Plan 2017-2021. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Community and 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 Indicators

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

1.1 Community Safety

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|-------|-------|-------|
| | 2018 | 2019 | 2020 | 2021 |
| Community perception of personal safety ¹ | 54% | 61% | 42% | 41% |
| Childhood accidents ² | - | - | - | - |
| Crimes against persons ³ | 1.72 | 2.08 | 2.02 | 1.68 |
| Crimes against property ⁴ | - | - | - | - |
| Road trauma ⁵ | 0.03% | 0.04% | 0.03% | 0.05% |
| Reported public safety incidents ⁶ | 98 | 81 | 94 | 58 |
| Number of animal attacks ⁷ | 70 | 64 | 65 | 63 |
| Drug related crime ⁸ | 257 | 281 | 285 | 383 |
| Community satisfaction with emergency management ⁹ | 5.07 | 5.19 | 4.11 | 3.95 |

¹ Percentage of residents who feel 'safe' or 'very safe' in their community (source: Community Satisfaction Survey)

² Rate of childhood accidents per 1,000 children (source: Social Indicators Report- Monash University)

³ Rate of crimes against the person per 100,000 population for Mildura local government area (source: Crime Statistics Agency)

⁴ Number of crimes against property/Municipal Population x 100 (source: Crime Statistics Agency and Australian Bureau of Statistics)

⁵ Rate of road trauma/Municipal Population x100 (source: VicRoads and Australian Bureau of Statistics)

⁶ Number of public safety incidents reported to Mildura Rural City Council (MRCC) Risk and Emergency Management Unit (source: MRCC Insurance Incident and Claims data)

⁷ Number of reported dog attacks to Council (source: MRCC Customer Request Module data)

⁸ Offences recorded by offence type and Local Government Area (source: Crime Statistics Victoria)

⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

1.2 Community Development

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with support to people with a disability ¹⁰ | 4.91 | 5.22 | 4.02 | 3.94 |
| Community satisfaction with equitable access to facilities, services and activities ¹¹ | 28% | 36% | 24% | 17% |
| Level of volunteering ¹² | 20.7% | - | - | - |
| Community satisfaction with opportunities for people to be involved in shaping their community ¹³ | 32% | 41% | 23% | 20% |
| Education participation rates ¹⁴ | 68.8% | - | - | - |
| Year 12 or equivalent completion rates ¹⁵ | 88.10% | - | - | - |

¹⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

¹¹ Percentage of respondents who agree – score of six or seven out of seven. There is equal access to facilities, services and activities for everyone in our community (source: Community Satisfaction Survey)

¹² Percentage of people under taking unpaid volunteer work in the last 12 months with an organisation or group (source: Census)

¹³ Percentage of respondents who agree – score of six or seven out of seven. People can be involved in shaping our community. (source: Community Satisfaction Survey)

¹⁴ Attendance in an educational institution - prep to 24 years old (source: Census)

¹⁵ Rate of 15-19 year olds completing Year 12 or equivalent on leaving school (source: Census)

1.3 Community Health and Wellbeing

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Self-reported health ¹⁶ | - | - | - | - |
| Subjective wellbeing ¹⁷ | - | - | - | - |
| Life expectancy – Males ¹⁸ | - | - | - | - |
| Life expectancy – Females ¹⁹ | - | - | - | - |
| Adequate physical exercise ²⁰ | - | - | - | - |
| Fruit consumption ²¹ | - | - | - | - |
| Vegetable consumption ²² | - | - | - | - |
| Obesity ²³ | - | - | - | - |
| Smoking status ²⁴ | - | - | - | - |
| Risky alcohol consumption ²⁵ | - | - | - | - |
| Psychological distress ²⁶ | - | - | - | - |
| Prevalence of Type 2 Diabetes ²⁷ | - | - | - | - |
| Birth weight ²⁸ | - | - | - | - |
| Communicable diseases ²⁹ | 297 | 459 | 122 | 186 |
| Family violence ³⁰ | - | - | - | - |
| Children in out of home care ³¹ | - | - | - | - |
| Children on child protection orders ³² | - | - | - | - |
| Community satisfaction with immunisation programs ³³ | 5.65 | 5.88 | 5.04 | 4.75 |
| Community satisfaction with health education programs ³⁴ | 4.74 | 5.02 | 3.95 | 3.72 |

¹⁶ People Self-Reporting Health as Excellent or Very Good: expressed as a percentage of the adult population (source: Victorian Population Health Survey)

¹⁷ Australian Unity Personal Wellbeing Index (source: Victorian Population Health Survey)

¹⁸ Life Expectancy at Birth (source: Health Victoria)

¹⁹ Life Expectancy at Birth (source: Health Victoria)

²⁰ The proportion of people that meet the benchmark criteria of at least five sessions per week with an accrued minimum of 150 minutes of moderate and/or vigorous activity (source: Victorian Population Health Survey)

²¹ Percentage of people meeting the recommended consumption of two serves of fruit per day (source: Victorian Population Health Survey)

- 22 *Percentage of the adult population consuming the recommended intake of three serves of vegetables per day (source: Victorian Population Health Survey)*
- 23 *Percentage of people who are obese according to a Body Mass Index (BMI) of 30 or greater (source: Victorian Population Health Survey)*
- 24 *Percentage of people who are current smokers (source: Victorian Population Health Survey)*
- 25 *Percentage of people drinking weekly at levels above short-term risk of alcohol consumption (source: Victorian Population Health Survey)*
- 26 *Percentage of the adult population that are at risk of psychological distress determined by a Kessler 10 score above 21 (source: Victorian Population Health Survey)*
- 27 *People diagnosed with Type 2 Diabetes (source: Victorian Health Information Surveillance system (VHISS))*
- 28 *Percentage of babies born weighing less than 2,500 grams (source: Victorian Perinatal Data Collection, Consultative Council on Obstetric and Paediatric Morbidity and Mortality)*
- 29 *Notified cases (Source: Department of Human Services Infectious Diseases Epidemiology & Surveillance)*
- 30 *Rate of family incident reports per 100,000 population (source: Crime Statistics Agency Victoria)*
- 31 *Children in out of home care per 1,000 children aged 0-17 years (source: Client Relationship Information System – Department of Human Services)*
- 32 *Children on Child protection orders per 1,000 children aged 0-17 years (source: Client Relationship Information System – Department of Human Services)*
- 33 *Mean performance score out of seven (source: Community Satisfaction Survey)*
- 34 *Mean performance score out of seven (source: Community Satisfaction Survey)*

1.4 Community Services

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|--------|--------|--------|
| | 2018 | 2019 | 2020 | 2021 |
| Birth weight ³⁵ | - | - | - | - |
| Maternal and child health visits ³⁶ | 100% | 100% | 104% | 100% |
| Participation in the Maternal and Child Health Service by Aboriginal children ³⁷ | 58.96% | 67.53% | 68.84% | 77.21% |
| Australian Early Development Index ³⁸ | - | 23.30% | - | - |
| Kindergarten participation rates ³⁹ | - | - | - | - |
| Number of four-year old kindergarten enrolments in a long day care or integrated children's service setting ⁴⁰ | - | - | - | - |
| Community satisfaction with maternal and child health services ⁴¹ | 5.30 | 5.47 | 4.72 | 4.67 |
| Community satisfaction with support for pre-schools ⁴² | 4.81 | 5.19 | 4.14 | - |
| Community satisfaction with childcare ⁴³ | 4.87 | 5.23 | 3.98 | 4.25 |
| Level of youth re-engagement into education, training or employment ⁴⁴ | 6.4 | - | - | - |
| Incomplete education ⁴⁵ | 27.1% | - | - | - |
| Community satisfaction with youth programs ⁴⁶ | 4.69 | 5.14 | 3.75 | 3.53 |
| Community satisfaction with home care services ⁴⁷ | 5.01 | 5.14 | 4.21 | 4.06 |
| Community satisfaction with support to people with a disability ⁴⁸ | 4.91 | 5.22 | 4.02 | 3.94 |

³⁵ Percentage of babies born weighing less than 2,500 grams (source: Victorian Perinatal Data Collection, Consultative Council on Obstetric and Paediatric Morbidity and Mortality)

³⁶ Number of infants enrolled in the MCH service from birth notifications received/number of birth notifications received/number of birth notifications (source: Xpedite Report)

³⁷ Number of Aboriginal Children who attend the MCH service at least once in the year/number of Aboriginal children enrolled in the MCH service (source: DEECD MCH Report)

³⁸ Proportion of children at school entry who are developmentally vulnerable in one or more domains of the Australian Early Development Census (source: AEDC Commonwealth Department of Education and Training)

³⁹ Number of first year enrolments in kindergarten/number of three-year-old children based on the previous year's estimated resident population (source: Department of Education and Early Childhood Development/ State of Mildura Rural City's Children and Young People's Report 2014)

- ⁴⁰ *Number of four-year-old kindergarten enrolments in a long day care or integrated children's service setting (source: Children Services Online (CHISOL), Department of Education and Training)*
- ⁴¹ *Mean performance score out of seven (source: Community Satisfaction Survey)*
- ⁴² *Mean performance score out of seven (source: Community Satisfaction Survey) Note: This measure was amended in 2021. Therefore a result for the 2020-2021 financial year is not available.*
- ⁴³ *Mean performance score out of seven (source: Community Satisfaction Survey)*
- ⁴⁴ *Percentage of 15 to 19 year olds not in education, training or employment (source: Census)*
- ⁴⁵ *Rate of 15-19 year olds leaving school before completing year 12 or equivalent (Census)*
- ⁴⁶ *Mean performance score out of seven (source: Community Satisfaction Survey)*
- ⁴⁷ *Mean performance score out of seven (source: Community Satisfaction Survey)*
- ⁴⁸ *Mean performance score out of seven (source: Community Satisfaction Survey)*

1.5 Arts, Culture and Heritage

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|--------|--------|--------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with council support to arts and cultural groups ⁴⁹ | 5.11 | 5.21 | 4.33 | 4.32 |
| Art gallery visits – local visitors ⁵⁰ | 57% | 60% | 61% | 46% |
| Art gallery visits – non-local visitors ⁵¹ | 43% | 40% | 39% | 54% |
| Theatre attendance ⁵² | 54,194 | 53,533 | 43,217 | 10,242 |
| Theatre occupancy ⁵³ | 62% | 54% | 56% | 22% |
| Community satisfaction with arts and cultural facilities ⁵⁴ | 5.35 | 5.49 | 4.90 | 4.60 |
| Community satisfaction with arts and cultural programs ⁵⁵ | 5.15 | 5.32 | 4.57 | 4.43 |
| Community satisfaction with accessibility to arts and cultural programs ⁵⁶ | 5.05 | 5.19 | 4.43 | 4.32 |
| Community satisfaction with recognition of local history and cultural heritage ⁵⁷ | 5.21 | 5.28 | 4.35 | 4.18 |
| Community satisfaction with recognition of Indigenous culture in arts and cultural experiences ⁵⁸ | 5.47 | 5.43 | 4.73 | 4.61 |
| Community satisfaction with libraries ⁵⁹ | 5.63 | 5.69 | 5.31 | 5.03 |
| Library usage ⁶⁰ | 12% | 11% | 10% | 7% |

⁴⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁵⁰ Percentage of local visitors to the Art Gallery and Rio Vista Historic House (source: Mildura Arts Centre records)

⁵¹ Percentage of non-local visitors to the Art Gallery and Rio Vista Historic House (source: Mildura Arts Centre records)

⁵² Number of people using the theatre (source: Mildura Arts Centre records)

⁵³ Number of hours the Mildura Arts Theatre is available/hours Mildura Arts Theatre is used or occupied (source: Mildura Arts Centre records)

⁵⁴ Mean performance score out of seven (source: Community Satisfaction Survey)

⁵⁵ Mean performance score out of seven (source: Community Satisfaction Survey)

⁵⁶ Mean performance score out of seven (source: Community Satisfaction Survey)

⁵⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

⁵⁸ Mean performance score out of seven (source: Community Satisfaction Survey)

⁵⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁶⁰ Percentage of population who are active library users; that is, borrow materials from the library service at least once a year (source: Annual Survey of Victorian Public Libraries)

1.6 Recreation and Sport

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Level of participation in sport and recreation activities ⁶¹ | 82% | 79% | 77% | 80% |
| Community satisfaction with sporting services ⁶² | 5.04 | 5.35 | 4.44 | 4.36 |
| Community satisfaction with recreation facilities ⁶³ | 4.96 | 5.13 | 4.34 | 4.17 |
| Community satisfaction with Council support to sport and recreation clubs ⁶⁴ | 4.86 | 5.23 | 4.34 | 4.20 |
| Community satisfaction with ovals and grounds ⁶⁵ | 5.14 | 5.44 | 4.80 | 4.61 |
| Community satisfaction with swimming pools ⁶⁶ | 5.17 | 5.35 | 4.74 | 4.50 |
| Community satisfaction with indoor sports centres ⁶⁷ | 4.44 | 4.80 | 4.11 | 3.95 |

⁶¹ Percentage of respondents who participate one or more times per week in a sport or physical recreation activity (source: Community Satisfaction Survey)

⁶² Mean performance score out of seven (source: Community Satisfaction Survey)

⁶³ Mean performance score out of seven (source: Community Satisfaction Survey)

⁶⁴ Mean performance score out of seven (source: Community Satisfaction Survey)

⁶⁵ Mean performance score out of seven (source: Community Satisfaction Survey)

⁶⁶ Mean performance score out of seven (source: Community Satisfaction Survey)

⁶⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the Budget 2020-2021.

| Major Initiative | Progress |
|--|---|
| Construction of the Mildura Sporting Precinct. | The project is 98 per cent complete at the end of the year. The delay in completion is due to the finalisation of a number of smaller pieces of the contract, along with the resolution of an issue with the carpark preventing practical completion from being issued. |

Services

The following statement provides information in relation to the services funded in the Budget 2020-2021 and the persons or sections of the community who are provided the service.

| Service | Description | Net Cost Actual Budget Variance \$000 |
|-------------------------------------|---|---|
| Aged and Disability Services | 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. | 1,092 <u>1,658</u> 566 |
| Community Health | This service provides family-oriented support services including universal and enhanced <u>maternal and child health</u> and immunisation. | 694 <u>757</u> 63 |
| Early Years | Provides Family Day Care, centre-based child care and other early years planning and programs such as Best Start and supported playgroups. | 383 <u>378</u> (5) |
| Youth Services | This service provides youth-oriented services including education programs, personal development programs, and health and safety programs. | 451 <u>503</u> 52 |
| Environmental Health | This service protects the community's health and well-being through coordination of regulatory services of premises for <u>food safety</u> , 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. | 936 <u>557</u> (379) |

| Service | Description | Net Cost Actual Budget Variance \$000 |
|------------------------------|--|---|
| Libraries | <p>This service provides public libraries at five locations plus a pop-up mobile library service to four remote locations and support to a Library Agency. It provides a customer focused service that caters for the cultural, educational and recreational needs of residents and visitors.</p> <p>The service also provides a focal point for the community where they can meet, relax and enjoy the facilities, programs and services offered.</p> | <p>1,948</p> <p><u>1,970</u></p> <p>22</p> |
| Recreation and Sport | <p>This service includes management of recreation facilities (wet and dry) including aquatic facilities, facility redevelopment, and provision of grant funding for grass roots participation.</p> | <p>1,848</p> <p><u>2,172</u></p> <p>324</p> |
| Community Development | <p>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.</p> | <p>2,609</p> <p><u>2,519</u></p> <p>(90)</p> |
| Arts and Culture | <p>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 presentation of an entrepreneur program in both the visual and performing arts through funding from Creative Victoria, as well as the venue hires of the theatre auditorium and foyer spaces for community, corporate and commercial organisations</p> | <p>1,424</p> <p><u>1,590</u></p> <p>166</p> |

| Service | Description | Net Cost Actual Budget Variance \$000 |
|--|--|---|
| Arts and Culture con/d | In addition, this service includes overseeing Mildura's most important heritage building Rio Vista Historic House, as well as Mildura Station Homestead. | |
| Social Development and Projects | This service has the responsibility to frame and respond to the challenges of social inclusion across a broad range of areas. It is the responsibility of this service to ensure that issues of a social policy nature are responded to appropriately by Council. The area also manages a broad range of specific project based initiatives including Advancing Country Towns, Northern Mallee Community Partnership and community safety. | (306) <u>517</u> 823 |
| Civic Compliance | This service provides staff at school crossings throughout the municipality to ensure that all pedestrians, but mainly school aged children, are able to cross the road safely. It maintains and improves the health and safety of people, animals and the environment, providing <u>animal management</u> 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 after-hours service and an emergency service. It also provides education, regulation and enforcement of the general local law and relevant state legislation. | 745 <u>597</u> (148) |

Service Performance Indicators

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

| Service/Indicator/Measure | Results | | | |
|---|-------------|-------------|-----------------|-----------------|
| | 2018 | 2019 | 2020 | 2021 |
| Aquatic Facilities | | | | |
| Service standard | | | | |
| AF2 - Health inspections of aquatic facilities | 8.44 | 8.78 | 6.56 | 0.89 |
| [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities] | | | | |
| Utilisation | | | | |
| AF6 - Utilisation of aquatic facilities | 8.71 | 4.28 | 5.55 | 3.81 |
| [Number of visits to aquatic facilities / Municipal population] | | | | |
| Service Cost | | | | |
| AF7 – Cost of aquatic facilities | New in 2020 | New in 2020 | \$7.88 | \$9.66 |
| [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities] | | | | |
| AF4 – Cost of indoor aquatic facilities | \$3.08 | \$8.44 | Retired in 2020 | Retired in 2020 |
| [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities] | | | | |
| AF5 – Cost of aquatic facilities | \$16.67 | \$22.00 | Retired in 2020 | Retired in 2020 |
| [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities] | | | | |

Comments:

AF2: The number of inspections carried out has decreased due to the forced closure of facilities as a result of COVID-19 as well as legislative changes which has seen the testing of water quality being undertaken by the operator of the facility.

AF6: The reduction from 2019-2020 is primarily due to the on-going impact of COVID-19. Five of the 12 months were impacted due to the forced closure of the facility or the heavily reduced operating capacity. The months that were not impacted by COVID-19 suggests strong community use and consistency with average attendance of previous years.

AF7: The reduced visitations to Aquatic facilities as a result of COVID-19 has impacted on this result. The monetary cost to provide the service has slightly reduced, however due to the visitation decline the result has been impacted.

AF4 & AF5: This measure was replaced by AF7 from 1 July 2019.

| Service/Indicator/Measure | Results | | | |
|--|-------------|-------------|-----------------|-----------------|
| | 2018 | 2019 | 2020 | 2021 |
| Animal Management | | | | |
| Timeliness | | | | |
| AM1 - Time taken to action animal requests | 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] | | | | |
| Service standard | | | | |
| AM2 - Animals reclaimed | 37.09% | 25.11% | 37.28% | 44.37% |
| [Number of animals reclaimed / Number of animals collected] | | | | |
| AM5 - Animals rehomed | | | | |
| [Number of animals rehomed / Number of animals collected] x 100 | New in 2020 | New in 2020 | 44.64% | 43.15% |
| Service cost | | | | |
| AM6 - Cost of animal management service per population | New in 2020 | New in 2020 | \$10.26 | \$10.93 |
| [Direct cost of the animal management service / Population] | | | | |
| AM3: Cost of animal management service | | | | |
| [Direct cost of the animal management service / Number of registered animals] | \$40.50 | \$51.22 | Retired in 2020 | Retired in 2020 |
| Health and safety | | | | |
| AM7- Animal management prosecutions | New in 2020 | New in 2020 | 0.00% | 100.00% |
| [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100 | | | | |

| Service/Indicator/Measure | Results | | | |
|---|---------|------|-----------------|-----------------|
| | 2018 | 2019 | 2020 | 2021 |
| AM4: Animal management prosecutions | 0 | 0 | Retired in 2020 | Retired in 2020 |
| [Number of successful animal management prosecutions] | | | | |

Comments:

AM1: All animal management requests actioned within 24 hours of being received by Civic Compliance Unit.

AM2: Increasing animal registration numbers, equates to more animals being identifiable and therefore claimed by owners.

AM5: Council continues to encourage animal registration, microchipping and de-sexing. Council is committed to its ongoing relationship with rehoming organisations.

AM6: Cost of animal management service reflects direct costs.

AM7: One successful animal management prosecution during the period.

| Service/Indicator/Measure | Results | | | |
|--|---------|--------|--------|--------|
| | 2018 | 2019 | 2020 | 2021 |
| Food Safety | | | | |
| Timeliness | | | | |
| FS1 - Time taken to action food complaints | 1.54 | 2.83 | 2.06 | 3.89 |
| [Number of days between receipt and first response action for all food complaints / Number of food complaints] | | | | |
| Service standard | | | | |
| FS2 - Food safety assessments | 62.94% | 29.77% | 39.58% | 27.55% |
| [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 | | | | |

| Service/Indicator/Measure | Results | | | |
|--|----------|----------|----------|----------|
| | 2018 | 2019 | 2020 | 2021 |
| Service cost | | | | |
| FS3 - Cost of food safety service | \$409.46 | \$310.53 | \$416.62 | \$449.46 |
| [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>] | | | | |
| Health and safety | | | | |
| FS4 - Critical and major non-compliance outcome notifications | 89.00% | 92.86% | 74.55% | 80.49% |
| [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] x 100 | | | | |
| Comments: | | | | |
| FS1: Timelines to action food complaints has increased due to a combination of reasons including an increased number of food complaints, reduced availability of Environmental Health Officers and less accessibility to businesses due to closures / reduced opening hours as a result of COVID. | | | | |
| FS2: There has been a reduction in the number of food safety assessments for several reasons including increased food business registrations, reduced availability of qualified Environmental Health Officers and COVID business closures / reduced opening hours. Council seeks to address this matter and has recently appointed a dedicated Senior Environmental Health Officer to concentrate of food safety assessments. | | | | |
| FS3: Cost to deliver the Environmental Health Service reflects direct costs. | | | | |
| FS4: Council has prioritised its response to critical and major non-compliance outcome notifications over food safety assessments. | | | | |

| Service/Indicator/Measure | Results | | | |
|---|-------------|-------------|-----------------|-----------------|
| | 2018 | 2019 | 2020 | 2021 |
| Libraries | | | | |
| Utilisation | | | | |
| LB1 – Physical library collection usage | 2.90 | 2.91 | 2.41 | 1.68 |
| [Number of physical library collection item loans / Number of physical library collection items] | | | | |
| Resource standard | | | | |
| LB2 – Recently purchased library collection | 50.20% | 50.22% | 55.30% | 56.13% |
| [Number of library collection items purchased in the last 5 years / Number of library collection items] x 100 | | | | |
| Participation | | | | |
| LB4 - Active library borrowers in municipality | 12.28% | 11.33% | 11.09% | 9.38% |
| [The sum number of active library borrowers in the last three financial years / The sum of the population for the last three financial years] x 100 | | | | |
| Service Cost | | | | |
| LB5 – Cost of library service per population | New in 2020 | New in 2020 | \$51.29 | \$49.20 |
| [Direct cost of the library service / Population] | | | | |
| LB3 - Cost of library service | \$14.21 | \$15.71 | Retired in 2020 | Retired in 2020 |
| [Direct cost of the library service / Number of visits] | | | | |

Comments:

LB1: Whilst there has been a reducing trend in utilisation of physical library collections since 2016-2017, the reduction in utilisation in 2020-2021 is primarily attributable to the Library Service being closed due to COVID-19 and then on restricted hours when reopening.

LB2: Council is committed to the renewal of its library collection. In 2020-2021 a focus was the additional purchasing of digital material including e-Books and e-Audiobooks during the period of library closures due to COVID-19.

LB4: This indicator now measures number of active library borrowers instead of number of active library members. This explains the slightly lower result for 2019-2020. Social distancing restrictions and library closures due to COVID-19 has also impacted on the 2020-2021 result.

LB5: Council provides a wide range of library services, including five branch libraries, one library agency and a rural outreach library service delivering service to four 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 and an increasing inter-library loan service throughout Victoria.

LB3: This measure was replaced by LB5 from 1 July 2019.

| Service/Indicator/Measure | Results | | | |
|--|-------------|-------------|---------|---------|
| | 2018 | 2019 | 2020 | 2021 |
| Maternal and Child Health (MCH) | | | | |
| Service standard | | | | |
| MC2 - Infant enrolments in the MCH service | 100.00% | 100.00% | 104.48% | 101.65% |
| [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x 100 | | | | |
| Service cost | | | | |
| MC3 - Cost of the MCH service | \$70.29 | \$69.94 | \$61.44 | \$66.62 |
| [Cost of the MCH service / Hours worked by MCH nurses] | | | | |
| Participation | | | | |
| MC4 - Participation in the MCH service | 79.90% | 81.17% | 73.05% | 74.66% |
| [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100 | | | | |
| MC5 - Participation in the MCH service by Aboriginal children | 58.96% | 67.53% | 68.94% | 77.21% |
| [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100 | | | | |
| MC6 – Participation in four-week Key Age and Stage (KAS) visit | New in 2020 | New in 2020 | 100.46% | 96.40% |
| [Number of four-week key age and stage visits / Number of birth notifications received] x 100 | | | | |

| Service/Indicator/Measure | Results | | | |
|--|---------|--------|-----------------|-----------------|
| | 2018 | 2019 | 2020 | 2021 |
| Satisfaction | | | | |
| MC1: <i>Participation in first MCH home visit</i> | 108.9% | 106.7% | Retired in 2020 | Retired in 2020 |
| [Number of first MCH home visits / Number of birth notifications received] x 100 | | | | |

Comments:

MC2: Mildura Rural City Councils Maternal and Child Health service continues to prioritise timely support and care through the Maternal and Child Health Service working in collaboration with the local early years sector. Additional percentage above 100 per cent are babies born in tertiary hospitals outside of our local government area or alternatively NSW residents who choose to use the Victorian service.

MC3: Improved staffing levels and service adaptations implemented as a result of COVID-19 have impacted the cost of service delivery.

MC4: The impact of COVID 19 service restrictions has continued to see an overall reduction in MCH participation by some clients, there has been a slight improvement compared to the previous 12 months.

MC5: The current role vacancy for a Maternal and Child Health Nurse at Mallee District Aboriginal Services has seen an increase in participation in Councils MCH Service. Underlying this is the trend of increased participation in the service by Aboriginal children continuing.

MC6: Service adaptations including the timing of KAS visits and the need to prioritise visits during lockdown periods has impacted service delivery.

MC1: This measure was replaced by MC6 from 1 July 2019.

Strategic Objective 2: Environment



Strategic Indicators

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

2.1 Environmental Sustainability

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|---------|---------|---------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with protection of natural bushland ⁶⁸ | 4.70 | 4.75 | 4.10 | 3.93 |
| Community satisfaction with management of wetlands ⁶⁹ | 4.59 | 4.63 | 3.87 | 3.79 |
| Energy usage (MRCC) ⁷⁰ | 4,534 | 4,644 | 4,346 | 4,201 |
| Energy usage (community) ⁷¹ | 484,406 | 445,603 | 431,881 | 419,477 |
| Water usage (MRCC) ⁷² | 1,584 | 1,694 | 1,576 | 1,456 |
| Recycled water usage ⁷³ | 214 | 227 | 212 | 222 |
| Total community water usage ⁷⁴ | 13,689 | 14,493 | 15,094 | 14,299 |
| Alternative energy generation (community) ⁷⁵ | 18,297 | 24,191 | 29,878 | 44,646 |
| Alternative energy generation (MRCC) ⁷⁶ | 415.6 | 415.6 | 441.1 | 459.9 |
| Pest plant and pest animals control ⁷⁷ | 2,514 | 3,315 | 3,181 | 6,251 |
| Community involvement in environmental education programs ⁷⁸ | 2,389 | 2,669 | 1,597 | 893 |

⁶⁸ Mean performance score out of seven (source: Community Satisfaction Survey)

⁶⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁷⁰ Megawatt hours (source: MRCC Energy Data collection through Planet Foot Print)

⁷¹ Megawatt hours (source: Powercor)

⁷² Megalitres (source: MRCC Water Monitoring, LMW and Planet Footprint)

⁷³ Megalitres (source: MRCC water data monitoring)

⁷⁴ Megalitres of Urban Water (Lower Murray Water)

⁷⁵ KW of installed capacity on private property (source: Powercor)

⁷⁶ KW of solar panels installed (source: MRCC solar installation records)

⁷⁷ Hectares of area for rabbit and weed control

⁷⁸ Number of participants in environmental programs (source: MRCC Internal records)

2.2 Waste

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|--------|--------|--------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with waste management ⁷⁹ | 4.61 | 4.59 | 3.58 | 3.00 |
| Community satisfaction with kerbside rubbish collection ⁸⁰ | 5.17 | 5.00 | 4.00 | 2.83 |
| Community satisfaction with kerbside recycling collection ⁸¹ | 5.04 | 4.87 | 4.08 | 3.61 |
| Community satisfaction with landfills and public transfer stations ⁸² | 4.69 | 4.74 | 3.85 | 3.30 |
| Total waste generation ⁸³ | 36,601 | 38,104 | 52,766 | 35,919 |
| Waste deposited to landfill ⁸⁴ | 25,489 | 27,482 | 37,688 | 24,527 |
| Waste diverted from landfill ⁸⁵ | 17,694 | 14,308 | 12,968 | 14,307 |
| Quantity of kerbside recycling ⁸⁶ | 5,483 | 5,159 | 5,397 | 5,386 |
| Community satisfaction with litter control ⁸⁷ | 4.04 | 4.10 | 3.29 | 2.86 |
| Litter collected ⁸⁸ | 2,384 | 2,361 | 2,551 | 2,519 |

⁷⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁸⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

⁸¹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁸² Mean performance score out of seven (source: Community Satisfaction Survey)

⁸³ Tonnes of total waste generated (source: Waste Management KPI Data)

⁸⁴ Tonnes of waste deposited to landfill (source: Waste Management KPI Data)

⁸⁵ Tonnes of waste diverted from landfill (source: Waste Management KPI Data)

⁸⁶ Tonnes of kerbside recycling collected (source: Waste Management KPI Data)

⁸⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

⁸⁸ Tonnes of litter collected

2.3 Parks

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|-------|-------|-------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with playgrounds ⁸⁹ | 4.85 | 5.06 | 4.31 | 3.96 |
| Community satisfaction with beautification of streetscapes ⁹⁰ | 4.45 | 4.40 | 3.62 | 3.30 |
| Community satisfaction with tree planting ⁹¹ | 4.47 | 4.46 | 3.60 | 3.27 |
| Community satisfaction with tree maintenance ⁹² | 4.37 | 4.32 | 3.65 | 3.37 |
| Community satisfaction with the appearance of wetlands ⁹³ | 4.38 | 4.33 | 3.57 | 3.51 |
| Community satisfaction with public open space (including parks, playgrounds and reserves) ⁹⁴ | 5.11 | 5.22 | 4.39 | 4.15 |
| Net increase in trees ⁹⁵ | 2,332 | 1,251 | 1,340 | 1,234 |

⁸⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹¹ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹² Mean performance score out of seven (source: Community Satisfaction Survey)

⁹³ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹⁴ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹⁵ Number of trees planted minus number of trees removed

2.4 Infrastructure, Assets & Facilities

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with the condition of sealed local roads ⁹⁶ | 57 | 57 | 55 | 59 |
| Community satisfaction with maintenance of unsealed roads ⁹⁷ | 3.75 | 3.98 | 3.05 | 2.81 |
| Community satisfaction with footpaths ⁹⁸ | 4.22 | 4.37 | 3.63 | 3.12 |
| Community satisfaction with drainage ⁹⁹ | 4.33 | 4.49 | 3.66 | 3.47 |
| Community satisfaction with maintenance of public buildings and facilities ¹⁰⁰ | 4.55 | 4.81 | 4.10 | 3.80 |

⁹⁶ Index Performance Score (source: Local Government Community Satisfaction Survey)

⁹⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹⁸ Mean performance score out of seven (source: Community Satisfaction Survey)

⁹⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁰⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

2.5 Strategic Land Use

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with land use planning ¹⁰¹ | 3.94 | 4.19 | 3.15 | 2.67 |
| Percentage of strategic land use projects completed ¹⁰² | 80% | 75% | 83% | 88% |
| Community satisfaction with new residential development ¹⁰³ | 4.72 | 4.99 | 4.23 | 3.55 |
| Community satisfaction with riverfront development and accessibility ¹⁰⁴ | 5.26 | 5.32 | 4.76 | 4.26 |
| Community satisfaction with urban environments that are safe, sustainable and healthy ¹⁰⁵ | 24% | 29% | 25% | 16% |
| Community satisfaction with protection of local character ¹⁰⁶ | 4.27 | 4.52 | 3.61 | 3.05 |
| Community satisfaction with protection of local heritage ¹⁰⁷ | 4.68 | 4.86 | 3.97 | 3.37 |

¹⁰¹ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁰² Percentage of strategic plans completed (source: MRCC internal records)

¹⁰³ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁰⁴ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁰⁵ Percentage of respondents who agree – score of six or seven out of seven with the statement: “Ours is a community with urban environments that are safe, sustainable and healthy.” (source: Community Satisfaction Survey)

¹⁰⁶ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁰⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the Budget 2020-2021.

| Major Initiative | Progress |
|--|---|
| Kerbside Food Organics and Garden Organics: Council introduced a kerbside Food Organics and Garden Organics (FOGO service) in mid-2020. A FOGO service involves the kerbside collection of food and garden organic material such as food scraps, vegetables, fruit, meat, tea leaves, paper, lawn clippings, small branches, leaves and weeds. This material would ultimately be sent to an EPA approved processing facility to produce a compost product. A kerbside FOGO service has been introduced to divert organic material from being disposed of into landfill. | Completed |
| Deakin Avenue Redevelopment seventh and eighth street: Council is continuing to develop Deakin Avenue in line with the Deakin Avenue Masterplan between Seventh and Eighth streets. This project will deliver improved urban design through centre aligned pathways, lighting and landscaping while preserving existing limestone and other historical structures. A key element is the management and removal of the existing ageing sugar gums which have reached the end of their useful life. | Council is continuing to develop Deakin Avenue in line with the Deakin Avenue Masterplan between seventh and eighth street. This project will deliver improved urban design through centre aligned pathways, lighting and landscaping while preserving existing limestone and other historical structures. A key element is the management and removal of the existing ageing sugar gums which have reached the end of their useful life. |
| Playground Strategy: Council is a place with a diverse range of accessible play-spaces that provide opportunities for all children and their families to play safely and creatively in public open space. Playgrounds are a key component of our public open space and will reflect the high quality of public open spaces across the municipality. This Playground Strategy is intended to guide the provision of playground facilities and infrastructure in public open space in Mildura Rural City Council for the next five years. | Draft strategy has been developed and is to be adopted in the 2021-2022 financial year. |

| Major Initiative | Progress |
|--|--|
| <p>Public Toilet Strategy: Commence implementation of the public toilet strategy that guides location, design, safety and prioritising delivery of Council owned and managed assets that are well designed, accessible and easy to maintain.</p> | <p>The development of a 10-year capital renewal plan has commenced.</p> <p>Design for renewal of Ninth Street Public Toilets, including incorporation of a changing places facility, has been commissioned.</p> <p>Options are being developed for Kmart public toilet renewal.</p> <p>Lock 11 Rio Vista toilet renewal project grant funded is to be delivered in 2021-2022.</p> <p>An amount of \$156,000 has been spent on toilet facility maintenance repairs.</p> |
| <p>Etiwanda Avenue drainage spur-line upgrade between Sixteenth Street and Fifteenth Street: This project will allow the stormwater generated from future residential developments within the catchment area to be drained to the outfall system via an expanded drainage network. A higher level of flood protection to the community will be achieved from providing an engineered drainage system in this area. This project will be completed over two financial years.</p> | <p>Completed. This major drainage project was completed earlier this year with the assistance of local contractors.</p> |
| <p>Major road reconstruction in Millewa region for roads affected by sand-drift: This program will enable a number of key roads in the Millewa region to be reconstructed to repair damage caused by significant sand drift and to reduce the impact from future sand storm events by rebuilding these roads with sand protection measures.</p> | <p>Completed. All road works associated with this major project have been completed on time and on budget.</p> |

Services

The following statement provides information in relation to the services funded in the Budget 2020-2021 and the persons or sections of the community who are provided the service.

| Service | Description | Net Cost Actual <u>Budget</u> Variance \$000 |
|--|---|--|
| Engineering Services | 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. | 2,231 <u>2,234</u> 3 |
| Asset Management | 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. | 2,240 <u>2,012</u> (228) |
| Works and Infrastructure Services | This service inspects and maintains Council's main civil infrastructure assets in a sustainable and prioritised manner to a defined service level. These include roads , 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. | 7,799 <u>7,067</u> (732) |

| Service | Description | Net Cost Actual Budget Variance \$000 |
|---------------------------------|---|---|
| Statutory Planning | The Statutory Planning service processes all planning applications, provides advice and makes decisions about development proposals that require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal, where necessary. It monitors Council's planning scheme, as well as 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. | 866 <u>1,106</u> 240 |
| Building Facilities | This service is responsible for the maintenance, operations, upgrade and renewal of Council's building asset portfolio. | 6,937 <u>6,918</u> (19) |
| Parks Services | This service is divided into several operational units including tree pruning, planting, removal of vegetation, planning and street tree strategies. It provides for the management of conservation and parkland areas, and other areas of environmental significance. | 6,651 <u>6,752</u> 101 |
| Waste Management | This service provides waste collection and waste management services, including kerbside garbage and recycling collection, the operation of three landfills and eight rural transfer stations, litter bin collection, street sweeping, bin maintenance and event bins. | 9,899 <u>9,963</u> 64 |
| Building and Enforcement | 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. | 159 <u>290</u> 131 |

| Service | Description | Net Cost Actual <u>Budget</u> Variance \$000 |
|-------------------------------------|--|--|
| Environmental Sustainability | 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. | 523 <u>614</u> 91 |
| Strategic Planning | 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. | 1,157 <u>1,380</u> 223 |

Service Performance Indicators

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

| Service/Indicator/Measure | Results | | | |
|---|---------|---------|----------|---------|
| | 2018 | 2019 | 2020 | 2021 |
| Roads | | | | |
| Satisfaction of use | | | | |
| R1 - Sealed local road requests | 15.24 | 10.69 | 11.60 | 9.04 |
| [Number of sealed local road requests / Kilometres of sealed local roads] x 100 | | | | |
| Condition | | | | |
| R2 - Sealed local roads maintained to condition levels | 92.27% | 90.46% | 86.48% | 86.39% |
| [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100 | | | | |
| Service cost | | | | |
| R3 - Cost of sealed local road reconstruction | \$43.46 | \$52.65 | \$135.60 | \$56.92 |
| [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed] | | | | |
| R4 - Cost of sealed local road resealing | | | | |
| [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed] | | | | |
| | \$4.86 | \$5.03 | \$4.85 | \$7.03 |
| Satisfaction | | | | |
| R5 - Satisfaction with sealed local roads | 57 | 57 | 55 | 59 |
| [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads] | | | | |
| Comments: | | | | |
| R1: Less customer requests this year compared to last year could be related to effects of COVID-19 lockdown and less people driving on roads and reporting road defects but also attributed to additional road maintenance efforts on the network. | | | | |
| R2: Similar trend to previous years which reflects consistent maintenance efforts. | | | | |

R3: Significantly more square metres of road reconstruction this financial year than previous year which provides for a more accurate unit rate in comparison to the previous yearly averages.

R4: Slight increase in unit rate than previous year due to higher costs associated with surfacing treatments being used (e.g. micro-surfacing treatments being used in 2020-2021 which were not used in previous years).

R5: Slight increase in satisfaction levels attributed to additional maintenance efforts of the road network which is also supported with the drop-in customer maintenance requests.

| Service/Indicator/Measure | Results | | | |
|--|------------|------------|------------|------------|
| | 2018 | 2019 | 2020 | 2021 |
| Statutory Planning | | | | |
| Timeliness | | | | |
| SP1 - Time taken to decide planning applications | 69.00 | 56.00 | 50.00 | 57.00 |
| [The median number of days between receipt of a planning application and a decision on the application] | | | | |
| Service standard | | | | |
| SP2 - Planning applications decided within 60 days | 70.53% | 79.80% | 86.76% | 77.42% |
| [Number of planning application decisions made within 60 days / Number of planning application decisions made] x 100 | | | | |
| Service cost | | | | |
| SP3 - Cost of Statutory Planning service | \$1,860.88 | \$3,068.34 | \$2,221.22 | \$2,249.98 |
| [Direct cost of Statutory Planning service / Number of planning applications received] | | | | |

| Service/Indicator/Measure | Results | | | |
|---------------------------|---------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |

Decision-making

SP4 - Council planning decisions upheld at the Victorian Civil and Administrative Tribunal (VCAT) 75.00% 83.33% 85.71% 100.00%

[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

Comments:

SP1: The time taken to decide planning applications has increased due to staff vacancies and an increase in the number of applications received.

SP2: The percentage of planning applications decided within the required timeframes has decreased due to staff vacancies and an increase in the number of applications received.

SP3: Cost to deliver the Statutory Planning Service reflects direct costs.

SP4: Council had four applications at VCAT. No decisions were set aside by VCAT.

| Service/Indicator/Measure | Results | | | |
|--|---------|---------|---------|---------|
| | 2018 | 2019 | 2020 | 2021 |
| Waste Collection | | | | |
| Satisfaction | | | | |
| WC1 - Kerbside bin collection requests | 95.81 | 103.60 | 115.26 | 210.54 |
| [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1,000 | | | | |
| Service standard | | | | |
| WC2 - Kerbside collection bins missed | 3.18 | 4.21 | 4.38 | 10.82 |
| [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000 | | | | |
| Service cost | | | | |
| WC3 - Cost of kerbside garbage bin collection service | \$67.16 | \$69.59 | \$71.21 | \$40.16 |
| [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins] | | | | |
| Service cost | | | | |
| WC4 - Cost of kerbside recyclables collection service | \$57.26 | \$90.69 | \$73.76 | \$91.77 |
| [Direct cost of the kerbside recyclables bin collection] | | | | |
| Waste diversion | | | | |
| WC5 - Kerbside collection waste diverted from landfill | 32.25% | 30.36% | 17.83% | 72.19% |
| [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100 | | | | |

Comments:

WC1: There has been an increase in bin collection requests due to the introduction of a new Food and Garden Organics service and the changes to the collection frequency of kerbside garbage collection.

WC2: There has been a significant increase in missed bin requests due to the introduction of a new kerbside Food and Garden Organics service. The highest proportion of missed bins were in July and August at the commencement of the new three bin system.

WC3: Significant reduction as the garbage service has been reduced to a fortnightly collection. There has also been a substantial reduction in waste to landfill which has reduced the state government levy costs. Additionally, in 2019-2020 there was around three months where recycling was landfilled which inflated the cost of the service.

WC4: Costs have increased due to the increase in recycling contract costs. Additionally we have seen higher volumes of recycling being diverted from kerbside bins with the introduction of fortnightly garbage. It is higher than last year as three months' worth of recycling was landfilled which reduced the processing costs.

WC5: The diversion rate of waste to landfill has increased significantly due to the introduction of weekly Food Organics and Garden Organics and fortnightly garbage collections. Recycling rates have also increased as a consequence in conjunction with a reduction in contamination in recycling bin.

Strategic Objective 3: Economy



Strategic Indicators

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

3.1 Economic Development and Tourism

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|---------|--------|----------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with encouragement and growth of business and industry ¹⁰⁸ | 4.17 | 4.18 | 3.13 | 2.84 |
| Building activity ¹⁰⁹ | \$170M | \$174M | \$174M | \$250M |
| Gross Regional Product ¹¹⁰ | \$2.68B | \$2.66B | - | - |
| Jobs created ¹¹¹ | - | - | - | - |
| Investment achievements for the region ¹¹² | \$135.0M | - | - | - |
| Export data by industry ¹¹³ | - | - | - | - |
| Telecommunications uptake ¹¹⁴ | - | - | - | - |
| Yield of tourism ¹¹⁵ | \$313M | \$352M | \$290M | \$222.5M |
| Industry satisfaction with services provided by Mildura Regional Development ¹¹⁶ | - | - | - | - |
| Community satisfaction with tourism services ¹¹⁷ | 4.61 | 4.69 | 3.64 | 3.17 |
| Customer satisfaction with visitor services ¹¹⁸ | 90.88% | 91.02% | 91.47% | 93.10% |
| Industry satisfaction with visitor services ¹¹⁹ | 68.44% | 68.86% | 68.18% | 58.85% |

¹⁰⁸ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁰⁹ Dollar value of applications approved by Council and building industry (source: MRCC internal records)

¹¹⁰ Gross Regional Product for Mildura Rural City (source: REMPLAN economy report, Mildura Regional Development)

¹¹¹ Not being measured

¹¹² Data not available for 2019

¹¹³ Not being measured

- ¹¹⁴ Not being measured
- ¹¹⁵ Tourism visitor dollar spend (source: Mildura Regional Development)
- ¹¹⁶ Not being measured
- ¹¹⁷ Mean performance score out of seven (source: Community Satisfaction Survey)
- ¹¹⁸ Percentage of customers rating Visitor Information Centre staff knowledge as either 'good' or 'very good' (source: Visitor Information Centre Customer Survey)
- ¹¹⁹ The extent to which staff provide professional services to visitors (source: Community Satisfaction Survey undertaken by Mildura Visitor Information Centre with industry, measuring category of excellence)

3.2 Events

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with conferences and major events ¹²⁰ | 4.29 | 4.22 | 3.15 | 2.67 |
| Community satisfaction with small community events ¹²¹ | 4.54 | 4.70 | 3.58 | 3.14 |

¹²⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

¹²¹ Mean performance score out of seven (source: Community Satisfaction Survey)

Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the Budget 2020-2021.

| Major Initiative | Progress |
|--|------------|
| Contributions towards the installation of an Instrument Landing System at the Mildura Airport. | Completed. |

Services

The following statement provides information in relation to the services funded in the Budget 2020-2021 and the persons or sections of the community who are provided the service.

| Service | Description | Net Cost Actual <u>Budget</u> Variance \$000 |
|---|---|--|
| Economic Development and Tourism | <p>The economic development and tourism service assists the organisation:</p> <ul style="list-style-type: none"> to facilitate growth within Council by working with industry and business to grow/sustain existing business and develop new investment opportunities to encourage and form strategic alliances with key stakeholders in industry and government to help build a vibrant and sustainable community to commit to working in partnership with Mildura Regional Development to maximise economic development within the Council region through specialised projects and initiatives to facilitate tourism enquiries and booking of accommodation. The Visitor Information Centre (VIC) is responsible for assistance and providing specialised services that are tailored to meet customer and client needs. | <p>3,549</p> <p><u>3,605</u></p> <p>56</p> |
| Events | <p>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.</p> | <p>961</p> <p><u>1,222</u></p> <p>261</p> |



Strategic Indicators

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

4.1 Leadership & Representation

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with overall performance of Council ¹²² | 59 | 57 | 55 | 53 |
| Community perception of Mildura Rural City as a place to live ¹²³ | 65 | 60 | 41 | 34 |
| Percentage of Community and Council Plan implemented ¹²⁴ | 61 | 59 | 69 | 67 |
| Community satisfaction with advocacy ¹²⁵ | 53 | 55 | 55 | 52 |
| Community satisfaction with the performance of the elected Council ¹²⁶ | 3.95 | 4.02 | 2.65 | 2.69 |
| Community satisfaction with Council's engagement in decision-making ¹²⁷ | 3.88 | 3.93 | 2.58 | 2.38 |

¹²² Index Performance Score (source: Local Government Community Satisfaction Survey)

¹²³ Mean performance score out of seven (source: Community Satisfaction Survey)

¹²⁴ Percentage of annual Community and Council Plan actions implemented (source: Council Plan Reporting System)

¹²⁵ Index Performance Score for: "How has Mildura Rural City Council performed on 'Lobbying on behalf of the community' over the last 12 months?" (source: Local Government Community Satisfaction Survey)

¹²⁶ Mean performance score out of seven (source: Community Satisfaction Survey)

¹²⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

4.2 Communication and Engagement

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with Council newsletters and publications ¹²⁸ | 4.31 | 4.46 | 3.60 | 3.31 |
| Community satisfaction with Council's online presence ¹²⁹ | 4.40 | 4.69 | 3.65 | 3.42 |
| Community satisfaction with information Council provides about its services ¹³⁰ | 4.32 | 4.34 | 3.29 | 3.12 |
| Community satisfaction with overall communication from Council ¹³¹ | 4.14 | 4.26 | 3.11 | 2.89 |
| Community satisfaction with the promotion of Council services, facilities, events and achievements ¹³² | 4.43 | 4.58 | 3.56 | 3.32 |
| Community satisfaction with Council's engagement in decision-making ¹³³ | 3.88 | 3.93 | 2.58 | 2.38 |
| Community satisfaction with community consultation and engagement ¹³⁴ | 56 | 56 | 54 | 50 |
| Community satisfaction with Council's responsiveness to community input and feedback ¹³⁵ | 3.75 | 3.76 | 2.42 | 2.20 |

¹²⁸ Mean performance score out of seven (source: Community Satisfaction Survey)

¹²⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³¹ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³² Mean performance score out of seven (source: Community Satisfaction Survey)

¹³³ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³⁴ Index Performance Score (source: Local Government Community Satisfaction Survey)

¹³⁵ Mean performance score out of seven (source: Community Satisfaction Survey)

4.3 Customer Service

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|---|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with accessibility to whole of Council ¹³⁶ | 4.14 | 4.36 | 3.14 | 3.01 |
| Community satisfaction with responsiveness to complaints ¹³⁷ | 4.04 | 4.20 | 2.86 | 2.76 |
| Community satisfaction with responsiveness to requests ¹³⁸ | 4.09 | 4.27 | 3.10 | 2.81 |
| Community satisfaction with general courtesy of Council staff ¹³⁹ | 5.03 | 5.25 | 4.52 | 4.13 |
| Community satisfaction with general effectiveness of Council staff ¹⁴⁰ | 4.62 | 4.75 | 3.83 | 3.42 |
| Community satisfaction with customer contact ¹⁴¹ | 71 | 70 | 68 | 64 |

¹³⁶ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³⁷ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³⁸ Mean performance score out of seven (source: Community Satisfaction Survey)

¹³⁹ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁴⁰ Mean performance score out of seven (source: Community Satisfaction Survey)

¹⁴¹ Index Performance Score (source: Local Government Community Satisfaction Survey)

4.4 Financial Sustainability

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|--------|--------|--------|
| | 2018 | 2019 | 2020 | 2021 |
| Adjusted underlying position ¹⁴² | 11.62 | 6.69 | 10.51 | 4.92 |
| Asset renewal gap ¹⁴³ | 0.75 | 0.74 | 0.82 | 1.49 |
| Level of internal financing ¹⁴⁴ | 44 | 46 | 47 | 74 |
| Level of borrowings ¹⁴⁵ | 48 | 53 | 54 | 54 |
| Liquidity ¹⁴⁶ | 425.98 | 507.85 | 418.25 | 405.85 |
| Capital replacement ¹⁴⁷ | 1.37 | 1.13 | 2.02 | 3.38 |
| Community satisfaction with value for money ¹⁴⁸ | 3.64 | 3.71 | 2.52 | 2.09 |

¹⁴² *Operating result / Operating revenue x 100 (source: Annual Financial Statements and working papers)*

¹⁴³ *Renewal expenditure / Depreciation (source: Annual Financial Statements and working papers)*

¹⁴⁴ *Net operating cash flows / Own source revenue (source: Annual Financial Statements and working papers)*

¹⁴⁵ *Non-current liabilities / Own-sourced revenue (source: Annual Financial Statements and working papers)*

¹⁴⁶ *Current assets / Current Liabilities x 100 (source: Annual Financial Statements and working papers)*

¹⁴⁷ *Capital spend (Capital Works expenditure) / Depreciation expense (source: Annual Financial Statements and working papers)*

¹⁴⁸ *Mean performance score out of seven (source: Community Satisfaction Survey)*

4.5 Organisational Management

| Strategic Indicator/Measure | Result – Financial Year Ending | | | |
|--|--------------------------------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |
| Community satisfaction with overall performance of Council ¹⁴⁹ | 59 | 57 | 55 | 53 |
| Organisational score against the Australian Business Excellence Framework ¹⁵⁰ | - | - | - | - |
| Organisational Alignment ¹⁵¹ | - | 57% | - | - |
| Organisational Engagement ¹⁵² | - | 71% | - | - |
| Percentage of risk audit actions completed on time ¹⁵³ | 21% | 19% | 52% | 23% |
| Overall staff satisfaction ¹⁵⁴ | - | 5.42 | - | - |
| Percentage of staff who would recommend Mildura Rural City Council as a place to work ¹⁵⁵ | - | 71% | - | - |

¹⁴⁹ Index Performance Score (source: Local Government Community Satisfaction Survey)

¹⁵⁰ Score out of 1,000 (source: Business Excellence Awards Feedback Report)

¹⁵¹ Percentage favourable score (Insync Surveys Alignment and Engagement Survey)

¹⁵² Percentage favourable score (Insync Surveys Alignment and Engagement Survey)

¹⁵³ Percentage of risk audit actions completed on time (source: MRCC Audit Committee Tracking Register)

¹⁵⁴ Mean performance score for "My overall satisfaction with Mildura Rural City Council – All Staff" (source: Alignment & Engagement Survey)

¹⁵⁵ Percentage favourable - Score of six and seven out of seven for: "I would recommend Mildura Rural City Council as a workplace to my family and friends." – all staff (source: Alignment and Engagement Survey)

Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the Budget 2020-2021.

| Major Initiative | Progress |
|--|---------------------------------|
| Community recovery plan development and a \$1.5 million community recovery fund. | Plan completed and implemented. |

Services

The following statement provides information in relation to the services funded in the Budget 2020-2021 and the persons or sections of the community who are provided the service.

| Service | Description | Net Cost Actual <u>Budget</u> Variance \$000 |
|-------------------------------------|---|--|
| Chief Executive Office | This area of <u>governance</u> includes the Mayor, Councillors, Chief Executive Officer and associated support. | 2,224 <u>3,207</u> 983 |
| Organisational Development | 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, and occupational health and safety 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. | 2,210 <u>2,154</u> (56) |
| Marketing and Communications | 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. | 839 <u>1,013</u> 174 |
| Customer Service | Customer Service 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, call centre operations, processes customer requests and payments, and issues permits and receipts. Customer Service staff also provide internal administrative support to the whole organisation. | 1,371 <u>1,616</u> 245 |

| Service | Description | Net Cost Actual <u>Budget</u> Variance \$000 |
|------------------------------|---|--|
| Financial Services | This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, raising and collection of rates and charges, and valuation of properties throughout the municipality. | 1,566 <u>1,558</u> (8) |
| Information Systems | 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. | 4,910 <u>4,892</u> (18) |
| Governance and Risk | 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 and business continuity 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. | 2,507 <u>2,534</u> 27 |
| Procurement and Fleet | 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. | (2,422) <u>(2,203)</u> 219 |

Service Performance Indicators

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

| Service/Indicator/Measure | Results | | | |
|--|----------|----------|----------|----------|
| | 2018 | 2019 | 2020 | 2021 |
| Governance | | | | |
| Transparency | | | | |
| G1 - Council resolutions at meetings closed to the public | 22.97% | 14.84% | 30.28% | 25.69% |
| [Number of Council resolutions made at Ordinary or Special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at Ordinary or Special meetings of Council or at meetings of a special committee consisting only of Councillors] x 100 | | | | |
| Consultation and engagement | | | | |
| G2 - Satisfaction with community consultation and engagement | 56 | 56 | 54 | 50 |
| [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement] | | | | |
| Attendance | | | | |
| G3 - Council attendance at Council meetings | 94.07% | 84.31% | 90.74% | 97.53% |
| [The sum of the number of Councillors who attended each Ordinary and Special Council meeting / (Number of Ordinary and Special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100 | | | | |
| Service cost | | | | |
| G4 - Cost of elected representation | \$42,563 | \$41,054 | \$42,292 | \$37,771 |
| [Direct cost of the governance service /Number of councillors elected at the last Council general election] | | | | |

| Service/Indicator/Measure | Results | | | |
|---------------------------|---------|------|------|------|
| | 2018 | 2019 | 2020 | 2021 |

Satisfaction

| | | | | |
|---|----|----|----|----|
| G5 - Satisfaction with Council decisions | 54 | 53 | 50 | 48 |
|---|----|----|----|----|

[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]

Comments:

G1: With the recent increase in the Chief Executive Officer's financial delegation, Council has seen a decrease in the number of contractual reports required to be resolved by Council. Council will continue focusing on how to minimise the number of reports dealt with in Confidential Council, and has implemented a process to review all Confidential Reports and release these from Confidential Council when appropriate.

G2: Council has adopted a new community engagement policy and updated its online engagement platform and consultation approach to further enhance consultation and engagement.

G3: Council has seen an increase in Councillor attendance. This can be attributed to a new incoming Council and the ability to participate virtually during the COVID-19 pandemic.

G4: There has been a decrease in the cost of elected representation, this can be attributed to COVID-19 with reductions in travel expenses and training.

G5: Performance in this area decreased a further two points in 2020-2021. A Community Vision and new Community and Council Plan is being developed. Council will strive to continuously improve community satisfaction with Council decisions.

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 that 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 that 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 Wednesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to Council. For the 2020-2021 year, the following meetings were held:

- 11 Ordinary Council meetings
- seven Special Council meetings.

The following table provides a summary of Councillor attendance at Council meetings and Special Council meetings for the 2020-2021 financial year.

| Councillors | Council Meeting | Special Council Meeting | Total |
|--------------------------------------|-----------------|-------------------------|-------|
| Cr Jason Modica (Mayor) ¹ | 11 | 7 | 18 |
| Cr Helen Healy ¹ | 11 | 7 | 18 |
| Cr Mark Eckel ¹ | 11 | 7 | 18 |
| Cr Glenn Milne ¹ | 11 | 6 | 17 |
| Cr Stefano De Pieri ² | 8 | 5 | 13 |
| Cr Ian Arney ² | 8 | 5 | 13 |
| Cr Cyndi Power ² | 8 | 5 | 13 |
| Cr Jodi Reynolds ² | 8 | 5 | 13 |
| Cr Liam Wood ² | 8 | 5 | 13 |
| Cr Anthony Cirillo ³ | 3 | 1 | 4 |
| Cr Simon Clemence ³ | 3 | 2 | 5 |
| Cr Greg Brown ³ | 3 | 1 | 4 |
| Cr Min Poole ³ | 2 | 2 | 4 |
| Cr Gavin Sedgmen ³ | 3 | 2 | 5 |

Note:

1. Councillors Modica, Healy, Eckel and Milne were eligible to attend 11 Ordinary and seven Special Council meetings during 2020-2021.
2. Councillors De Pieri, Arney, Power, Reynolds and Wood were eligible to attend eight Ordinary and five Special Council meetings during 2020-2021.
3. Councillors Cirillo, Clemence, Brown, Poole and Sedgmen were eligible to attend three Ordinary and two Special Council meetings during 2020-2021.

Special Committees

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

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

There were no special committees established in the 2020-2021 financial year.

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 |
|---|--|
| Aboriginal Action Committee | The purpose of the Aboriginal Action Committee is to improve and enhance the wellbeing of the Aboriginal community in the Mildura Rural City Council municipality. |
| Alliance of Councils for Rail Freight Development | Made up of 24 rural and regional local government councils from central and western Victoria, and southern New South Wales, the Alliance of Councils for Rail Freight Development aims to ensure appropriate rail infrastructure is in place to service our region. |
| 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 Board | An alliance of 13 local governments, to drive action on climate change across central and northwest Victoria. |
| CEO Employment Matters Committee | To assist Council in fulfilling its responsibilities relating to CEO employment matters. |
| 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. |
| Loddon Mallee Waste and Resource Recovery Group | To support its five member councils to plan and manage for waste and recycling for all residents by educating the community about the “three Rs” (reduce, reuse and recycling) as well as how to lessen the impact of waste and litter on the environment. |

| Committee | Purpose |
|--|--|
| Mildura Arts and Culture Advisory Board | To engage with the community on arts issues and actively participate in the promotion of arts-related issues. |
| Mildura Cemetery Trust | To provide burial facilities and services to the community of Mildura and the surrounding areas. |
| 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 | 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. |
| Northern Mallee Community Partnership | To establish the platform for a true community sector partnership incorporating health, education, local government, police, justice and welfare. |
| Northwest Municipalities Group | To combine the strategies and efforts of each council in the north-west region for a more effective approach to achieving common goals and providing a stronger, more complete representation of regional issues for each council. |
| Northwest Rail Alliance | To advocate for the reinstatement of passenger rail between Maryborough and Mildura. |

| Committee | Purpose |
|---|---|
| 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. |
| Sister Cities Association | To provide an umbrella of support and promote the sister city relationships many cities, municipalities and shires in Australia have with a cities or towns overseas, or within Australia. |
| 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. |
| Youth Advisory Committee | The Youth Advisory Committee program aims to get young people actively involved in their local communities by participating in youth-related projects, conducting events and influencing decisions on issues important to young people. |

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 which 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 2020-2021, 29 conflicts of interest were declared at Council meetings and eight conflicts of interest were declared at Assembly of Councillor Meetings.

Councillor Allowances

In accordance with Section 39 of the Act, Councillors are entitled to receive an allowance while performing their duties. The Mayor is also entitled to receive a higher allowance.

The state government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. We are recognised as a category two Council.

The following table contains a summary of the total allowances paid to each Councillor during the 2020-2021 financial year.

| Councillors | Allowance \$ |
|------------------------|-------------------------|
| Cr Jason Modica, Mayor | 68,858.38 |
| Cr Helen Healy | 28,735.50 |
| Cr Mark Eckel | 28,735.50 |
| Cr Glenn Milne | 28,735.50 |
| Cr Stefano De Pieri | 19,156.50 |

| Councillors | Allowance \$ |
|---------------------|-----------------|
| Cr Cyndi Power | 19,156.50 |
| Cr Jodi Reynolds | 19,156.50 |
| Cr Ian Arney | 19,156.50 |
| Cr Liam Wood | 19,156.50 |
| Cr Anthony Cirillo* | 9,579.00 |
| Cr Simon Clemence* | 29,639.84 |
| Cr Greg Brown* | 9,579.00 |
| Cr Min Poole* | 9,579.00 |
| Cr Gavin Sedgmen* | 9,579.00 |

* Outgoing councillors whose four-year term ended in October 2020.

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 paid by the Council for the 2020-2021 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 \$ | CC \$ | Total \$ |
|--|----------|----------|-----------|----------|-----------|----------|-------------|
| Cr Jason Modica, Mayor | 3,934.00 | 0.00 | 92.00 | 458.00 | 1,999.00 | 0.00 | 6,483.00 |
| Cr Helen Healy | 2,135.00 | 55.00 | 125.00 | 731.00 | 1,929.00 | 0.00 | 4,975.00 |
| Cr Mark Eckel | 38.00 | 940.00 | 90.00 | 1,140.00 | 44.00 | 0.00 | 2,252.00 |
| Cr Glenn Milne | 416.00 | 1,438.00 | 242.00 | 1,140.00 | 32.00 | 0.00 | 3,268.00 |
| Cr Stefano De Pieri | 0.00 | 144.00 | 0.00 | 302.00 | 0.00 | 0.00 | 446.00 |
| Cr Cyndi Power | 209.00 | 0.00 | 0.00 | 302.00 | 0.00 | 0.00 | 511.00 |
| Cr Jodi Reynolds | 0.00 | 0.00 | 59.00 | 302.00 | 834.00 | 0.00 | 1,195.00 |
| Cr Ian Arney | 209.00 | 265.00 | 59.00 | 370.00 | 0.00 | 0.00 | 903.00 |
| Cr Liam Wood | 0.00 | 0.00 | 0.00 | 302.00 | 0.00 | 0.00 | 302.00 |
| Cr Simon Clemence* | 0.00 | 0.00 | 0.00 | 88.00 | 0.00 | 0.00 | 88.00 |
| Cr Greg Brown* | 160.00 | 408.00 | 0.00 | 88.00 | 0.00 | 0.00 | 656.00 |
| Cr Anthony Cirillo* | 0.00 | 0.00 | 0.00 | 88.00 | 0.00 | 0.00 | 88.00 |
| Cr Min Poole* | 0.00 | 0.00 | 0.00 | 88.00 | 0.00 | 0.00 | 88.00 |
| Cr Gavin Sedgmen* | 0.00 | 0.00 | 0.00 | 88.00 | 0.00 | 0.00 | 88.00 |
| Legend: TR - Travel and Accommodation CM – Car Mileage M/C – Catering/Meals IC – Information and Communication Expenses TCE – Conferences and Training expenses CC – Child care | | | | | | | |

* Outgoing councillors whose four-year term ended in October 2020.

Management

We have implemented a number of 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 from 2 November 2020)
- Mr Frank Piscioneri
- Ms Maria Carrazza
- Ms Mary Rydberg

and two Councillors:

- Mayor Cr Jason Modica (from November 2020)
- Deputy Mayor Cr Helen Healy (from November 2020)

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 and Manager Financial Services 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 Plan 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 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 2020-2021:

- Mildura Airport Pty Ltd Review
- Information Technology Cyber Security Review
- Fraud Risk Assessment Review
- Procurement Review
- Annual Follow Up of Previous Internal Audit Findings Review.

External Audit

Victorian councils are externally audited by the Victorian Auditor-General. For the 2020–2021 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

The current Risk Management Framework and Policy was adopted in 2015 and provides for the management of business enterprise risks in accordance with best practice guidelines and International Standard ISO 31000.

The Risk Management Framework and Policy addresses items such as:

- Risk management culture and branding
- Communication and training
- Best practice in risk management
- Responsibilities of and to internal and external stakeholders
- Risk registers and risk management software development
- The Council planning cycle, budget cycle and annual audit cycle
- A performance measurement system to determine the effectiveness of the framework.

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. Community engagement policy (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 <input checked="" type="checkbox"/> Date of adoption: 27 January 2021 |
| 2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community) | Current guidelines in operation <input checked="" type="checkbox"/> Date of operation of current guidelines: 27 January 2021 |
| 3. Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years) | Not adopted in accordance with Section 91 of the Act <input type="checkbox"/> Reason for not adopting: Financial Plan is under development and will be adopted by the legislative deadline of 31 October 2021. |
| 4. Asset Plan (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 <input checked="" type="checkbox"/> Date of adoption: Stormwater Drainage: 27 August 2015 Road Network: 28 January 2016 Buildings: 27 June 2018 |
| 5. Revenue and Rating Plan (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 <input checked="" type="checkbox"/> Date of adoption: 23 June 2021 |
| 6. Annual budget (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) | Budget adopted in accordance with Section 94 of the Act <input checked="" type="checkbox"/> Date of adoption: 28 June 2021 |

| Column 1 Governance and Management Items | Column 2 Assessment |
|---|--|
| 7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations) | Current policy in operation <input checked="" type="checkbox"/> Date of commencement of current policy: 28 May 2015 |
| 8. Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud) | Current policy in operation <input checked="" type="checkbox"/> Date of commencement of current policy: 27 June 2018 |
| 9. Municipal emergency management plan (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> <input checked="" type="checkbox"/> Date of preparation: 26 September 2018 |
| 10. Procurement policy (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 <input checked="" type="checkbox"/> Date of adoption: 24 June 2020 |
| 11. Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster) | Current plan in operation <input checked="" type="checkbox"/> Date of operation of current plan: 27 March 2012 |
| 12. Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster) | Current plan in operation <input checked="" type="checkbox"/> Date of operation of current plan: 8 July 2014 |

| Column 1 Governance and Management Items | Column 2 Assessment |
|---|---|
| 13. Risk management framework (framework outlining Council's approach to managing risks to the Council's operations) | Current framework in operation Date of operation of current framework: 7 March 2017 |
| 14. Audit and Risk Committee (see sections 53 and 54 of the Act) | Established in accordance with Section 53 of the Act Date of establishment: 7 November 1996 |
| 15. Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls) | Internal auditor engaged Date of engagement of current provider: 9 June 2016 |
| 16. Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>) | Current framework in operation Date of operation of current framework: 1 July 2014 |
| 17. Council Plan report (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year) | Current reports Annual Plan 2019-2020 Quarter Four Report - 2 September 2020 Strategic Outcome Measures Report 2019-2020 - 17 November 2020 Annual Plan 2020-2021 Quarter One Report - 24 November 2020 Annual Plan 2020-2021 Quarter Two Report - 16 February 2021 Annual Plan 2020-2021 Quarter Three Report - 18 May 2021 |

| Column 1 Governance and Management Items | Column 2 Assessment |
|--|---|
| <p>18. Financial reporting (quarterly statements to Council under section 138(1) of the <i>Local Government Act 1989</i>, comparing actual and budgeted results and an explanation of any material variations)</p> | <p>Quarterly statements presented to Council in accordance with section 138(1) of the <i>Local Government Act 1989</i> <input checked="" type="checkbox"/></p> <p>Date reports presented:</p> <p>Annual Financial Statements: 7 October 2020</p> <p>Quarterly Statement No. 1: 16 December 2020</p> <p>Quarterly Statement No. 2: 26 March 2021</p> <p>Quarterly Statement No. 3: 26 May 2021</p> |
| <p>19. Risk reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</p> | <p>Risk reports prepared and presented <input checked="" type="checkbox"/></p> <p>Dates of reports:</p> <p>Risk Management Report No 1: 30 September 2020</p> <p>Risk Management Report No 2: 31 December 2020</p> <p>Risk Management Report No 3: 31 March 2021</p> <p>Risk Management Report No 4: 30 June 2021</p> |
| <p>20. Performance reporting (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>)</p> | <p>Performance reports prepared and presented <input checked="" type="checkbox"/></p> <p>Date of reports: 23 September 2020 12 May 2021</p> |

| Column 1 Governance and Management Items | Column 2 Assessment |
|---|--|
| 21. Annual report (annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> containing a report of operations and audited financial and performance statements) | Annual report considered at a meeting of Council in accordance with section 134 of the Act <input checked="" type="checkbox"/> Date statements presented: 25 November 2020 |
| 22. Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters) | Code of conduct reviewed and adopted in accordance with section 139 of the Act <input checked="" type="checkbox"/> Date reviewed: 24 February 2021 |
| 23. Delegations (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) | Delegations 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: S5 Instrument of Delegation to the Chief Executive Officer: 24 March 2021 S6 Instrument of Delegation Members of Staff: 28 April 2021 S7 Instrument of Sub-delegation by CEO: 8 June 2021 S12 Instrument of Delegation and Authorisation by Municipal Building Surveyor: 23 April 2021 S13 Instrument of Delegation of CEO Powers, duties and functions: 3 May 2021 S14 Instrument of Delegation by CEO for VicSmart Applications under the <i>Planning and Environment Act 1987</i> : 2 September 2020 |

| Column 1 Governance and Management Items | Column 2 Assessment |
|---|---|
| | <p>Instrument of Delegation from the Waterway Manager to Members of Council Staff: 26 August 2020</p> <p>Instrument of Delegation Children's Services Legislation Council to Members of Staff: 26 August 2020</p> <p>Instrument of Delegation Children's Services Legislation CEO to Members of Staff: 2 September 2020</p> |
| <p>24. Meeting procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)</p> | <p>Governance Rules adopted in accordance with section 60 of the Act <input checked="" type="checkbox"/></p> <p>Date Governance Rules adopted: 26 August 2020</p> |

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



Martin Hawson
Acting Chief Executive Officer

Dated: 28 September 2021



Cr Jason Modica
Mayor

Dated: 28 September 2021

Statutory Information

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

Documents Available for Public Inspection

In accordance with Regulation 12 of the *Local Government (General) Regulations 2015*, the following is a list of the prescribed documents that are available for inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 108 Madden Avenue, Mildura:

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months
- Agendas and minutes of Ordinary and Special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting that was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- The minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- A register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act
- A document containing details of all leases involving land that were entered into by the Council as lessor, including the lessee and the terms and the value of the lease
- A register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- A list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

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 that was 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*.

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, which includes 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 that is 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.

Best Value

In accordance with section 208B(f) of the Act, at least once every year Council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. We incorporate Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation, which is supported by our Sustainable Excellence Program. To further reflect our commitment to Best Value, we have commenced a Service Planning Sustainability Review Program, which is being rolled out to the whole organisation. This program provides additional review and improvement mechanisms to ensure services achieve best practice standards in regard to service performance.

The following Best Value initiatives were undertaken during 2020–2021:
Service sustainability reviews completed:

- Maternal and Child Health

Major continuous improvement activities [eg Plan-Do-Study-Act (PDSA)/Approach-Deployment-Results-Improvement (ADRI)] undertaken during 2020-2021 included:

- Implementation of a digital community engagement platform called The Hive to facilitate community engagement activities and more efficiently manage data.

Carers' Recognition

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement 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:

- Distributing printed material through relevant Council services
- 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 on community projects
- Providing 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
- Working in partnership with the local representative of Carer Support Services (Mildura) to implement local services
- Working in partnership with local providers to develop the Pathways for Carers walk program for carers
- Working in partnership with the local Dementia Australia Service (Mildura) on community projects
- Working in partnership with the Mildura and District Aboriginal Service to provide community services
- Promoting online (due to the COVID-19 pandemic) Seniors' Festival programs aimed at clients and their carers
- Participating in local community events with a carer focus
- Promoting and celebrating National Carers' Week

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 provided the following additional activities and resources to recognise the care relationship:

- Flexible respite services for carers
- Flexible service delivery and increased support for clients and carers during the COVID-19 pandemic
- Carers Support Services (Mildura) provided with information regarding the Community Relief Program and supports for carers during COVID-19 pandemic
- 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 Quality Aged Care Standards
- Support for carers to link in with the local area coordination team regarding National Disability Insurance Scheme eligibility
- 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.
- Development and implementation of individual care plans to meet the care recipient and carer's needs
- Provision of resources regarding support for carers
- Development of an Annual Calendar, and Young at Heart community newsletter to promote carers support services, Carers' Gateway and National Carers' Week.

Contracts

In 2020-2021, one contract was entered into valued at \$150,000 or more for goods and services, or \$200,000 or more for works of a kind, specified in section 186(5)(a) and (c) of the Act, without engaging in a competitive process.

The contract was for \$153,000 and upon realisation of the breach, the goods were tendered.

Disability Action Plan

In accordance with section 38 of the *Disability Act 2006*, as Council has prepared a Disability Action Plan (called the Community Access and Inclusion Plan 2014-2018), we must report on the implementation of the plan in our annual report. We have commenced the development of the Community Health and Well Being Plan that will require the preparation of an annual Disability Action Plan. Actions completed in 2020-2021 that align with our previous Community Access and Inclusion Plan include:

- The identification of 97 trip hazards
- Addressing 15 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 Writeability Victoria sessions, Mental Health Awareness for Parents, National Disability Insurance Scheme (NDIS) Planning Workshops and the Crime Stoppers program.
- Commencement of placement opportunity for person with a disability to be employed by Mildura Rural City Council to share the experience of working in a Council across various departments and to get an understanding of Council's services
- Purchase of an aquatic wheelchair, major renovations in the family room and the provision of a hoist in the toilet/shower area of the Mildura Waves facility to cater for people with disabilities, along with training of Mildura Waves staff and Council staff in the use of the hoist
- Responding to community requests with advice on a wide range of disability support services and facilities available

- Promoting further awareness of disability services to the community through the posting of 85 events/information on the Yammer site/emails and facilitation of local NDIS sessions, Infection Control and Autism Connect online sessions
- Attendance at the Mildura Field Days to share information and partnering with Roadsafes and Ambulance Victoria in the use of automated external defibrillators and the Ambulance Call, Push, Shock Program and Road Safety
- Development of Relief and Recovery Plan for COVID for emergency response
- Development of Water Safety information into easy English and translation into four different languages
- Supported local carers' group with information on mental health services
- Assisted various people with disabilities in the community to access My Aged Care, autism services, information about bullying, requests from Vision Australia around traffic light sounds and identifying hazards along walking trails
- Three additional crossings across major thoroughfare of Deakin Avenue, new Median strips at Thirteenth Street shopping area with pedestrian safe areas, alteration to walking paths at railway tracks to assist people in gophers, accessible change table added to Family Room at Ninth Street toilets with Master Locksmiths Access Key after previous table damaged and additional works at dog park to assist with opening gates
- Completion of CBD Access and Mobility Plan
- Awarded six grants to allow community groups to support people with a disability. This grants program was reduced as our second grants program was held over until August 2021.
- Awarded 40 grants to allow community groups to purchase equipment and uniforms, learn stagecraft and support events and programs for our community.

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 2017-2021 has been adopted and in place for the past four years. A new (reviewed) DAMP is being prepared for the 2021-2025 period. This is due for submission to Agriculture Victoria in December 2021.

Current plan actions include the ongoing success of the Responsible Pet Ownership Program. In accordance with this program, in 2020-2021 we distributed a further 200 vouchers totalling \$25,000 in value to dog and cat owners within the municipality to assist them with de-sexing and microchipping of their pets. It is an ongoing commitment by Council to Responsible Pet Ownership within our municipality.

Our Civic Compliance Department has also taken a proactive approach to dogs off leash and dog litter issues. Daily patrols throughout the municipality have occurred over the past 12 months with many animal owners unaware of the laws regarding these issues.

Ongoing work at the now upgraded and improved dog park is continuing, with new fencing and a large and small dog area clearly separated and defined. Further planned works to signage, water availability, grassed and sand areas, seating and shade will all be a priority over the next 12 months.

The development of the Mildura Animal Pound Masterplan, which will outline our vision for the Pound, has continued. Under the Masterplan, it is intended to enhance the capabilities of Mildura Pound to meet emerging community expectations, while continuing to meet statutory requirements such as the Code of Practice for Shelters and Pounds, moving forward.

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).

Further information regarding FOI can be found at www.ovic.vic.gov.au and on the Mildura Rural City Council 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 were no public interest disclosures made during the 2020-2021 financial year.

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 a Council's annual report.

For the 2020-2021 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 2020-2021

| DCP Name (Year Approved) | Levies Received in 2020-2021 Financial Year | \$ |
|--------------------------|---|----|
| DCP01 (2005) | 2,520,966.35 | |
| DCP02 (2006) | 767,338.60 | |
| DCP03 (2007) | 1,785.41 | |
| Total | 3,288,597.17 | |

DCP Land, Works, Services or Facilities Accepted as Works In-Kind in 2020-2021

| DCP Name (Year Approved) | Project ID | Project Description | Item Purpose | Total Project Value \$ |
|--------------------------------|------------|---|----------------------------------|------------------------------|
| DCP01 (2005) | DG001 | Mildura South Scheme DG001 | Drainage infrastructure | 584,500.00 |
| DCP02 (2006) | DG006 | Irymple Drainage Works | Drainage infrastructure | 196,135.66 |
| DCP01 (2005) | OS002 | Stormwater Retention - Mildura South OS002 | Drainage infrastructure | 402,100.00 |
| DCP02 (2006) | OS006 | Stormwater Retention - Irymple | Land for public open space | 122,055.50 |
| DCP02 (2006) | OS008 | Linear Reserves & Parks - Irymple | Public open space landscaping | 54,829.27 |
| Total | | | | 1,359,620.43 |

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 2020-2021 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 Scheme DG001 | DG001 | DCP01 (2005) | 1,523,181.54 | 584,500.00 | 140,389.06 | | 2,248,070.60 | 3.45% |
| San Mateo to Benetook near Fifteenth Street Drainage Scheme DG002 | DG002 | DCP01 (2005) | 382,783.60 | 0.00 | 154,530.40 | | 537,314.00 | 5.35% |
| Irymple Drainage Works | DG006 | DCP02 (2006) | 301,939.85 | 196,135.66 | -54,096.85 | | 443,978.66 | 1.54% |
| Irymple Pump Station | DG007 | DCP02 (2006) | 116,946.37 | 0.00 | 155,810.63 | | 272,757.00 | 3.13% |
| Mildura/Irymple Transition - Construction | DG050 | DCP03 (2007) | 415,164.08 | 0.00 | -47,527.08 | | 367,637.00 | 1.67% |
| Stormwater Retention – Mildura South OS002 | OS002 | DCP01 (2005) | 402,100.00 | 402,100.00 | -402,100.00 | | 402,100.00 | 2.21% |
| Stormwater Retention - Irymple | OS006 | DCP02 (2006) | 192,495.26 | 122,055.50 | -15,263.24 | | 299,287.52 | 5.71% |
| Linear Reserves & Parks - Irymple | OS008 | DCP02 (2006) | 54,829.27 | 54,829.27 | -54,829.27 | | 54,829.27 | 1.72% |
| Total | | | 3,389,439.97 | 1,359,620.43 | -123,086.35 | 0.00 | 4,625,974.05 | |

Part 2: Financial Statements



Mildura Rural City Council

Annual Financial Report
For the Year Ended 30 June 2021



Mildura Rural City Council

Financial Report

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Mildura Rural City Council


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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 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.


Mark McMillan CPA 
Principal Accounting Officer

Date : 28 September 2021
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 2021 and the financial position of the Mildura Rural City Council Group and Mildura Rural City Council as at that date.

As 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 2014* to certify the financial statements in their final form.

Jason Modica 
Mayor
Date : 28 September 2021
Mildura

Helen Healy 
Deputy Mayor
Date : 28 September 2021
Mildura

Martin Hawson 
Acting Chief Executive Officer

Date : 28 September 2021
Mildura

Independent Auditor's Report

To the Councillors of Mildura Rural City Council

| | |
|---|---|
| Opinion | <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"> • consolidated entity and council balance sheet as at 30 June 2021 • consolidated entity and council comprehensive income statement for the year then ended • consolidated entity and council statement of changes in equity for the year then ended • consolidated entity and council statement of cash flows for the year then ended • consolidated entity and council statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of financial statements. <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 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p> |
| Basis for Opinion | <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> |
| Councillors' responsibilities for the financial report | <p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</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 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> |

| | |
|---|--|
| Auditor's responsibilities for the audit of the financial report | <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"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council and the consolidated entity's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors • 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 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. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the council and 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. <p>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.</p> |
|---|--|

MELBOURNE
1 October 2021


 Sanchu Chummar
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2021

| | | Consolidated | | Council | |
|--|--------|------------------|------------------|------------------|------------------|
| | Note | 2021 | 2020 | 2021 | 2020 |
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | | | | | |
| Rates and charges | 3.1 | 76,576 | 72,432 | 76,576 | 72,580 |
| Statutory fees and fines | 3.2 | 2,293 | 2,203 | 2,293 | 2,203 |
| User fees | 3.3 | 7,344 | 10,334 | 5,548 | 5,712 |
| Grants - operating | 3.4 | 27,333 | 25,816 | 26,070 | 25,816 |
| Grants - capital | 3.4 | 40,315 | 8,388 | 40,273 | 8,388 |
| Contributions - monetary | 3.5 | 1,402 | 1,412 | 1,222 | 1,312 |
| Contributions - non monetary | 3.5 | 1,238 | 924 | 1,238 | 924 |
| Net gain/(or loss) on disposal of property, infrastructure, plant and equipment | 3.6 | (899) | (3,365) | (916) | (3,194) |
| Other income | 3.7 | 6,193 | 7,387 | 6,025 | 6,816 |
| Asset recognition | 3.8 | 3,367 | 1,024 | 3,367 | 1,024 |
| Total income | | 165,162 | 126,555 | 161,696 | 121,581 |
| Expenses | | | | | |
| Employee costs | 4.1 | (53,214) | (50,989) | (50,266) | (47,589) |
| Materials and services | 4.2 | (39,104) | (37,056) | (40,200) | (36,443) |
| Depreciation | 4.3 | (19,056) | (18,253) | (17,426) | (16,827) |
| Amortisation - intangible assets | 4.4 | (221) | (157) | (221) | (157) |
| Amortisation - right of use assets | 4.5 | (98) | (85) | (68) | (76) |
| Bad and doubtful debts | 4.6 | (56) | (194) | (104) | (80) |
| Borrowing costs | 4.7 | (958) | (1,082) | (943) | (1,031) |
| Finance costs - leases | 4.8 | (62) | (56) | (51) | (53) |
| Other expenses | 4.9 | (1,829) | (1,350) | (1,719) | (1,201) |
| Total expenses | | (114,598) | (109,222) | (110,998) | (103,457) |
| Surplus/(deficit) for the year | | 50,564 | 17,333 | 50,698 | 18,124 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to surplus or deficit in future periods | | | | | |
| Net asset revaluation increment/(decrement) | 9.1(a) | 14,978 | 15,304 | 14,978 | 15,292 |
| Share of other comprehensive income of associates and joint ventures | 9.1(c) | - | - | (134) | (779) |
| Total comprehensive result | | 65,542 | 32,637 | 65,542 | 32,637 |

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

Balance Sheet As at 30 June 2021

| | | Consolidated | | Council | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | Note | \$'000 | \$'000 | \$'000 | \$'000 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 5.1 | 31,686 | 81,823 | 27,054 | 76,328 |
| Trade and other receivables | 5.1 | 9,044 | 6,932 | 9,206 | 7,178 |
| Other financial assets | 5.1 | 59,350 | 2,850 | 59,350 | 2,850 |
| Inventories | 5.2 | 593 | 569 | 586 | 563 |
| Other assets | 5.2 | 297 | 1,378 | 262 | 1,340 |
| Total current assets | | 100,970 | 93,552 | 96,458 | 88,259 |
| Non-current assets | | | | | |
| Trade and other receivables | 5.1 | - | - | 4,095 | 4,476 |
| Other financial assets | 5.1 | 1,750 | 1,750 | 1,750 | 1,750 |
| Right-of-use assets | 5.8 | 1,398 | 1,403 | 1,164 | 1,112 |
| Other assets | 5.2 | - | - | 51,457 | 51,641 |
| Property, infrastructure, plant and equipment | 6.2 | 962,736 | 898,039 | 909,974 | 846,633 |
| Intangible assets | 5.2 | 11,181 | 11,421 | 11,060 | 11,300 |
| Total non-current assets | | 977,065 | 912,613 | 979,500 | 916,912 |
| Total assets | | 1,078,035 | 1,006,165 | 1,075,958 | 1,005,171 |
| Liabilities | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | 5.3 | 4,308 | 3,045 | 3,117 | 2,704 |
| Trust funds and deposits | 5.3 | 3,182 | 1,518 | 3,175 | 1,511 |
| Unearned income | 5.3 | 1,154 | 3,797 | 1,154 | 3,778 |
| Provisions | 5.5 | 13,215 | 12,023 | 12,996 | 11,869 |
| Interest-bearing liabilities | 5.4 | 3,325 | 1,106 | 3,231 | 1,154 |
| Lease liabilities | 5.8 | 121 | 351 | 94 | 86 |
| Total current liabilities | | 25,305 | 21,840 | 23,767 | 21,102 |
| Non-current liabilities | | | | | |
| Provisions | 5.5 | 33,654 | 27,905 | 33,607 | 27,842 |
| Interest-bearing liabilities | 5.4 | 14,560 | 17,644 | 14,281 | 17,478 |
| Lease liabilities | 5.8 | 1,710 | 1,512 | 1,496 | 1,484 |
| Total non-current liabilities | | 49,924 | 47,061 | 49,384 | 46,804 |
| Total liabilities | | 75,229 | 68,901 | 73,151 | 67,906 |
| Net assets | | 1,002,806 | 937,264 | 1,002,807 | 937,265 |
| Equity | | | | | |
| Accumulated surplus | | 442,121 | 387,851 | 408,062 | 353,658 |
| Reserves | 9.1 | 560,685 | 549,413 | 594,745 | 583,607 |
| Total Equity | | 1,002,806 | 937,264 | 1,002,807 | 937,265 |

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

Statement of Changes in Equity For the Year Ended 30 June 2021

| Consolidated | Note | Accumulated | | Revaluation | Other |
|--|-------------------|------------------|----------------|----------------|---------------|
| | | Total | Surplus | Reserve | Reserves |
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| 2021 | | | | | |
| Balance at beginning of the financial year | | 937,264 | 387,851 | 506,144 | 43,269 |
| Surplus/(deficit) for the year | | 50,564 | 50,564 | - | - |
| Net asset revaluation increment/(decrement) | 6.2, 5.2(b), 9.1 | 14,978 | - | 14,978 | - |
| Transfers to other reserves | 9.1(b) | - | 24,181 | - | (24,181) |
| Transfers from other reserves | 9.1(b) | - | (20,475) | - | 20,475 |
| | | 65,542 | 54,270 | 14,978 | (3,706) |
| Balance at end of the financial year | | 1,002,806 | 442,121 | 521,122 | 39,563 |
| 2020 | | | | | |
| Balance at beginning of the financial year | | 905,095 | 375,611 | 490,840 | 38,644 |
| Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers | 10 | (3,379) | (3,379) | - | - |
| Impact in change in accounting policy - AASB 16 Leases | 5.8 | (465) | (465) | - | - |
| Prior period adjustment | 5.5 (b) & 9.1 (a) | 3,376 | 3,376 | - | - |
| Adjusted opening balance | | 904,627 | 375,143 | 490,840 | 38,644 |
| Surplus/(deficit) for the year | | 17,333 | 17,333 | - | - |
| Net asset revaluation increment/(decrement) | 6.2 | 15,304 | - | 15,304 | - |
| Transfers to other reserves | 9.1(b) | - | 26,237 | - | (26,237) |
| Transfers from other reserves | 9.1(b) | - | (30,862) | - | 30,862 |
| Balance at end of the financial year | | 937,264 | 387,851 | 506,144 | 43,269 |

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 2021

| Council | Note | Accumulated Revaluation | | Other |
|---|------------------|-------------------------|----------------|----------------|
| | | Total | Surplus | Reserve |
| | | \$'000 | \$'000 | \$'000 |
| 2021 | | | | |
| Balance at beginning of the financial year | | 937,265 | 353,658 | 505,959 |
| Surplus/(deficit) for the year | | 50,698 | 50,698 | - |
| Net asset revaluation increment/(decrement) | 6.2, 5.2(b), 9.1 | 14,844 | - | 14,978 |
| Transfers to other reserves | 9.1(b) | - | 24,181 | - |
| Transfers from other reserves | 9.1(b) | - | (20,475) | - |
| | | 65,542 | 54,404 | 14,978 |
| Balance at end of the financial year | | 1,002,807 | 408,062 | 520,937 |
| 2020 | | | | |
| Balance at beginning of the financial year | | 905,096 | 340,627 | 490,667 |
| Impact of change in accounting policy - AASB 15 | | | | |
| Revenue from Contracts with Customers | 10 | (3,379) | (3,379) | - |
| Impact of change in accounting policy - AASB 16 | | | | |
| Leases | 5.8 | (465) | (465) | - |
| Prior period adjustment | 5.5(b) & 9.1(a) | 3,376 | 3,376 | - |
| Adjusted opening balance | | 904,628 | 340,159 | 490,667 |
| Surplus/(deficit) for the year | | 18,124 | 18,124 | - |
| Net asset revaluation increment/(decrement) | 6.2 | 14,513 | - | 15,292 |
| Transfers to other reserves | 9.1(b) | - | 26,237 | - |
| Transfers from other reserves | 9.1(b) | - | (30,862) | - |
| | | 937,265 | 353,658 | 505,959 |
| Balance at end of the financial year | | 937,265 | 353,658 | 505,959 |

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 2021

| | Note | Consolidated | | Council | |
|---|------|------------------------|------------------------|------------------------|------------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | Inflows/ (Outflows) | Inflows/ (Outflows) | Inflows/ (Outflows) | Inflows/ (Outflows) |
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | | |
| Rates and charges | | 76,115 | 71,360 | 76,115 | 71,508 |
| Statutory fees and fines | | 2,293 | 2,203 | 2,293 | 2,203 |
| User fees | | 6,099 | 13,132 | 4,012 | 6,351 |
| Grants - operating | | 29,002 | 27,799 | 27,374 | 27,108 |
| Grants - capital | | 39,705 | 9,206 | 39,663 | 9,206 |
| Contributions - monetary | | 1,283 | 1,364 | 1,283 | 1,378 |
| Interest received | | 962 | 1,415 | 1,069 | 1,494 |
| Trust funds and deposits taken | | 7,209 | 4,818 | 7,209 | 4,818 |
| Other receipts | | 5,109 | 5,583 | 5,254 | 5,686 |
| Net GST refund/(payment) | | 1,998 | 1,161 | 2,027 | 1,597 |
| Employee costs | | (51,622) | (49,263) | (49,424) | (46,485) |
| Materials and services | | (41,566) | (42,085) | (42,230) | (39,578) |
| Short-term, low value and variable lease payments | | (405) | (231) | (405) | (231) |
| Trust funds and deposits repaid | | (5,545) | (4,098) | (5,545) | (4,098) |
| Other payments | | (1,044) | (842) | (1,044) | (842) |
| Net cash provided by/(used in) operating activities | 9.2 | 69,593 | 41,522 | 67,651 | 40,115 |
| Cash flows from investing activities | | | | | |
| Payments for property, infrastructure, plant and equipment | 6.2 | (61,859) | (35,286) | (58,870) | (34,416) |
| Proceeds from sale of property, infrastructure, plant and equipment | | 558 | 517 | 558 | 508 |
| Net proceeds from sale of financial assets | | - | - | - | - |
| Payments for investments | | (56,500) | - | (56,500) | - |
| Net cash provided by/(used in) investing activities | | (117,801) | (34,769) | (114,812) | (33,908) |

Statement of Cash Flows For the Year Ended 30 June 2021

| | Note | Consolidated | | Council | |
|---|------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | Inflows/ (Outflows) \$'000 | Inflows/ (Outflows) \$'000 | Inflows/ (Outflows) \$'000 | Inflows/ (Outflows) \$'000 |
| Cash flows from financing activities | | | | | |
| Finance costs | | (953) | (1,044) | (943) | (1,033) |
| Repayment of borrowings | | (901) | (1,103) | (1,120) | (1,103) |
| Interest paid - lease liability | | (50) | (53) | (50) | (53) |
| Repayment of lease liabilities | | (25) | (93) | - | (83) |
| Net cash provided by/(used in) financing activities | | (1,929) | (2,293) | (2,113) | (2,272) |
| Net increase/(decrease) in cash and cash equivalents | | (50,137) | 4,460 | (49,274) | 3,935 |
| Cash and cash equivalents at the beginning of the financial year | | 81,823 | 77,363 | 76,328 | 72,393 |
| Cash and cash equivalents at the end of the financial year | 5.1 | 31,686 | 81,823 | 27,054 | 76,328 |

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 2021

| | Consolidated | | Council | |
|--|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Property | | | | |
| Land | 577 | 1,023 | 577 | 1,023 |
| Total land | 577 | 1,023 | 577 | 1,023 |
| Buildings | 22,194 | 11,254 | 22,177 | 11,202 |
| Total buildings | 22,194 | 11,254 | 22,177 | 11,202 |
| Total property | 22,771 | 12,277 | 22,754 | 12,225 |
| Plant and equipment | | | | |
| Computers and telecommunications | 433 | 146 | 413 | 136 |
| Fixtures, fittings and furniture | 833 | 230 | 738 | 143 |
| Library books and art works | 297 | 288 | 297 | 288 |
| Plant, machinery and equipment | 3,727 | 4,616 | 3,247 | 4,036 |
| Total plant and equipment | 5,290 | 5,280 | 4,695 | 4,603 |
| Infrastructure | | | | |
| Roads | 21,823 | 10,229 | 21,823 | 10,229 |
| Footpaths and cycle ways | 1,018 | 599 | 1,018 | 599 |
| Drainage | 4,994 | 2,576 | 4,994 | 2,576 |
| Recreational, leisure and community facilities | 1,827 | 1,621 | 1,827 | 1,621 |
| Waste management | 89 | 219 | 89 | 219 |
| Parks, open space and streetscapes | 1,201 | 1,219 | 1,072 | 1,219 |
| Kerb and channel | 373 | 69 | 373 | 69 |
| Off street car parks | 215 | 1,055 | 215 | 1,055 |
| Other infrastructure | 2,271 | 178 | - | - |
| Total infrastructure | 33,811 | 17,765 | 31,411 | 17,587 |
| Intangible | | | | |
| Software | 11 | 1 | 11 | 1 |
| Total intangible | 11 | 1 | 11 | 1 |
| Total capital works expenditure | 61,883 | 35,323 | 58,871 | 34,416 |

Statement of Capital Works For the Year Ended 30 June 2021

| | Consolidated | | Council | |
|--|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Represented by: | | | | |
| New asset expenditure | 28,469 | 13,816 | 25,641 | 13,137 |
| Asset renewal expenditure | 26,091 | 14,135 | 26,030 | 14,059 |
| Asset expansion expenditure | 730 | 3,110 | 669 | 3,034 |
| Asset upgrade expenditure | 6,582 | 4,261 | 6,520 | 4,185 |
| Intangible asset | 11 | 1 | 11 | 1 |
| Total capital works expenditure | 61,883 | 35,323 | 58,871 | 34,416 |

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 2021

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.

The Mildura Rural City 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 2014*.

Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, 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.

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.

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:

- 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 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)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable (refer to Note 8.2)
- other areas requiring judgments

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

Notes to the Financial Report For the Year Ended 30 June 2021

(a) Basis of accounting (cont'd)

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on Council based on known information. The consideration extends to the nature of services offered, facilities and assets Council manages and operates, Council staffing, ratepayers and the geographic area that Council operates in. The key area of estimate and judgement associated with COVID-19 and Council's financial statements, is detailed in Note 6.2 regarding fair value of property, infrastructure, plant and equipment.

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.

(b) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2021, 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 2021

(c) Impact of Covid-19

On 16 March 2020 a state of emergency was declared in Victoria due to the Coronavirus (COVID-19) pandemic. A state of disaster was subsequently declared on 2 August 2020. While the impacts of the pandemic have abated somewhat through the 2020-21 year, Council has noted the following significant impacts on its financial operations:

- **Additional revenue** – Council has received additional operating grants in the areas of Community Health, Social Development and Projects, Economic Development and Tourism and Critical Community Services. These include support programs to assist with community support, economic recovery and directly with COVID-19. These include:
 - Community Employment Program
 - Vulnerable People Program
 - Stronger place and people
 - Community Activation and Social Isolation.
- **Revenue reductions** – User fees have reduced due to COVID-19 and related restrictions including capacity limits, lockdowns and activity restrictions. Council has incurred reduced admission fees and hiring fees associated with Mildura Arts Centre, Mildura Visitor Information Centre, and other hiring facilities. In addition interest earned on investments reduced by \$0.50 million due to a reduction in Reserve Bank of Australia interest rates to 0.10%.
- **Revenue foregone** – As part of efforts to support the Community recovery from COVID-19 revenue for user fees were waived including food, beauty and premises registration fees, rental charges, community leasing fees and alfresco outdoor dining fees. These reduction were funding in part from the \$1.5 million Community Recovery Fund. In addition Council didn't pursue parking infringements for a period of 9 months.
- **Cost reductions** – Bad and doubtful debts has reduced slightly due to deferments of debtors payments and other support measures implemented by Council. Legal fees and debt collection expenses have also reduced due to similar support measures for the Community, and other expenses have reduced due to reduction in event payments for performances at Mildura Arts Centre which have been impacted by closures and Victorian lockdowns.
- **Other** – Council's net gain/loss on disposal was less than budgeted due to supply constraints associated with COVID-19 which has directly impacted our fleet and plant replacement program. These issues with procurement of goods and services has also led to additional carried forward capital works projects due to supply constraints. It must also be noted that provisions for annual leave and RDO's have also increased, which is the result of employees being unable to travel either locally or internationally due to travel restrictions relating to COVID-19.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 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 2014* 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.

The budget figures detailed below are those adopted by Council on 29 July 2020. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2014*.

| | Council Budget 2021 \$'000 | Council Actual 2021 \$'000 | Variance 2021 \$'000 | Variance % Ref |
|---|-------------------------------------|-------------------------------------|----------------------------|-------------------|
| 1.1 Income and expenditure | | | | |
| Income | | | | |
| Rates and charges | 76,878 | 76,576 | (302) | - |
| Statutory fees and fines | 2,271 | 2,293 | 22 | 1 |
| User fees | 7,123 | 5,548 | (1,575) | (22) 1 |
| Grants - operating | 24,161 | 26,070 | 1,909 | 8 |
| Grants - capital | 5,691 | 40,273 | 34,582 | 608 2 |
| Contributions - monetary | 1,892 | 1,222 | (670) | (35) 3 |
| Contributions - non monetary | 1,839 | 1,238 | (601) | (33) 4 |
| Net gain/(or loss) on disposal of property, infrastructure, plant and equipment | (1,843) | (916) | 927 | (50) 5 |
| Other income | 5,455 | 6,025 | 570 | 10 6 |
| Asset recognition | - | 3,367 | 3,367 | 100 7 |
| Total income | 123,467 | 161,696 | 38,229 | 31 |
| Expenses | | | | |
| Employee costs | (50,581) | (50,266) | 315 | (1) |
| Materials and services | (43,760) | (40,200) | 3,560 | (8) |
| Depreciation | (18,711) | (17,426) | 1,285 | (7) |
| Amortisation - intangible assets | (230) | (221) | 9 | (4) |
| Amortisation - right of use assets | - | (68) | (68) | - |
| Bad and doubtful debts | (133) | (104) | 29 | (22) 8 |
| Borrowing costs | (1,273) | (943) | 330 | (26) 9 |
| Finance costs - leases | - | (51) | (51) | - |
| Other expenses | (1,478) | (1,719) | (241) | 16 10 |
| Total expenses | (116,166) | (110,998) | 5,168 | (4) |
| Surplus/(deficit) for the year | 7,301 | 50,698 | 43,397 | 594 |

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 Performance against budget (cont'd)

(i) Explanation of material variations

| Variance | | |
|----------|---|--|
| Ref | Item | Explanation |
| 1 | User Fees | The COVID-19 pandemic and related economic impacts have led to reductions in some fees e.g. admission and hiring fees. Council also provided support through a \$1.5m Community Recovery Fund with fees waived for local businesses and community groups including food, beauty and premises registration, rental, leases and alfresco outdoor fees. |
| 2 | Grants - capital | Variance predominantly relates to the timing of grant funding for Mildura Sporting Precinct which was budgeted in 2019-20, but subsequently received in the 2020-21 financial year. Council also received additional grants for Stage 2 of Mildura Sporting Precinct, Village Square, Roads to Recovery and other grants. |
| 3 | Contributions - monetary | Reduction in developer contributions which are typically difficult to predict the timing of, and reduction in contributions from community groups for joint/part funding of projects which have been impacted by COVID-19 and related restrictions. |
| 4 | Contributions - non monetary | These contributions are due to works completed predominantly residential sub-divisions. These are received in lieu of cash, and are recognised when handed over to Council and are considered to be under control of Council. This is obviously difficult to predict timing of and results in timing variances from most years. |
| 5 | Net gain/(or loss) on disposal of property, infrastructure, plant and equipment | Due to impacts of COVID-19 and related restrictions, Council was unable to dispose of assets due to supply and economic constraints. This mostly included plant, vehicles and equipment. |
| 6 | Other income | Community support programs to aid the community due to COVID-19 are reimbursed through Government funding, this causes an increase in other income which also has corresponding increase in Council expenditure. |

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 Performance against budget (cont'd)

(i) Explanation of material variations

Variance

| Ref | Item | |
|-----|------------------------|--|
| 7 | 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. |
| 8 | Bad and doubtful debts | This is slightly reduced due to community relief and support measures such as deferments, and waiving of fees due to COVID-19 support measures. |
| 9 | Borrowing cost | Due to early receipt of capital grants, Council did not proceed with budgeted borrowings. This has resulted in reduced interest cost on loan borrowings. |
| 10 | Other expenses | Community support measures with COVID-19 with legal fees and debt collection not occurring, there was also a reduction in Arts Centre performances resulting in reduced payments to external parties/performances. |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| 1.2 Capital works | Council Budget 2021 \$'000 | Council Actual 2021 \$'000 | Variance 2021 \$'000 | Variance % | Ref |
|--|-------------------------------------|-------------------------------------|----------------------------|---------------|-----|
| Property | | | | | |
| Land | 509 | 577 | 68 | 13 | 1 |
| Total land | 509 | 577 | 68 | 100 | |
| Buildings | 24,324 | 22,177 | (2,147) | (9) | |
| Total buildings | 24,324 | 22,177 | (2,147) | (9) | |
| Total property | 24,833 | 22,754 | (2,079) | (8) | |
| Plant and equipment | | | | | |
| Computers and telecommunications | 354 | 413 | 59 | 17 | 2 |
| Fixtures, fittings and furniture | 45 | 738 | 693 | 1,540 | 3 |
| Library books and artworks | 350 | 297 | (53) | (15) | 4 |
| Plant, machinery and equipment | 2,481 | 3,247 | 766 | 31 | 5 |
| Total plant and equipment | 3,230 | 4,695 | 1,465 | 45 | |
| Infrastructure | | | | | |
| Roads | 13,253 | 21,823 | 8,570 | 65 | 6 |
| Footpaths and cycle ways | 150 | 1,018 | 868 | 579 | 7 |
| Drainage | 5,981 | 4,994 | (987) | (17) | 8 |
| Recreational, leisure and community facilities | 1,351 | 1,827 | 476 | 35 | 9 |
| Waste management | 650 | 89 | (561) | (86) | 10 |
| Parks, open space and streetscapes | 1,163 | 1,072 | (91) | (8) | |
| Kerb and channel | 111 | 373 | 262 | 236 | 11 |
| Off street car parks | 17 | 215 | 198 | 1,165 | 12 |
| Total infrastructure | 22,676 | 31,411 | 8,735 | 39 | |
| Intangible | | | | | |
| Software | - | 11 | 11 | - | |
| Total intangible | - | 11 | 11 | - | |
| Total capital works expenditure | 50,739 | 58,871 | 8,132 | 16 | |
| Represented by: | | | | | |
| New asset expenditure | 27,588 | 25,641 | (1,947) | (7) | |
| Asset renewal expenditure | 18,260 | 26,030 | 7,770 | 43 | |
| Asset expansion expenditure | 212 | 669 | 457 | 216 | |
| Asset upgrade expenditure | 4,679 | 6,520 | 1,841 | 39 | |
| Intangible asset | - | 11 | 11 | - | |
| Total capital works expenditure | 50,739 | 58,871 | 8,132 | 16 | |

Notes to the Financial Report For the Year Ended 30 June 2021

Performance against budget (cont'd)

(i) Explanation of material variations

| Variance Ref | Item | Explanation |
|-----------------|----------------------------------|--|
| 1 | Land | Council has a strategic land purchase reserve which is used to acquire land for future drainage and projects. There were two land purchases during the financial year which were more than budgeted. |
| 2 | Computers and telecommunications | Telecom communications were delayed in the previous financial year due to impacts of COVID-19 with expenditure occurring in 2020-2021 Financial year. |
| 3 | Fixtures, fittings and furniture | Additional grants were received during the financial year for the Local Councils Outdoor Eating and Entertainment Grant, with expenditure on outdoor alfresco areas and bench seats and tables occurring. |
| 4 | Library books and artworks | Council budgets for strategic art acquisitions which is funded via reserve funding, however timing of purchase is dependent on availability of suitable pieces of art. Expenditure subsequently occurred in July 2021. |
| 5 | Plant, machinery and equipment | Machinery and equipment purchases were delayed in previous financial year due to impacts of COVID-19 and supply constraints. Carried forward capital works therefore has resulted in additional expenditure occurring this financial year. |
| 6 | Roads | Council was successful in receiving additional funding as part of the Local Roads and Community Infrastructure Grant, resulting in large increase in overall roads expenditure. |
| 7 | Footpaths and cycle ways | The footpaths and cycle ways program was delayed in previous year due to impacts of COVID-19 and related restrictions which prevented the capital works from being completed, this expenditure has now occurred during the 2020-2021 Financial year. |

Notes to the Financial Report For the Year Ended 30 June 2021

Performance against budget (cont'd)

(i) Explanation of material variations

| | | |
|----|--|---|
| 8 | Drainage | Variation is due to works being allocated to the Developer Contribution Plan (DCP), rather than normal capital works budget. |
| 9 | Recreational, leisure and community facilities | There were delays in the Installation of competition standard lights at the Old Aerodrome Sporting Complex Oval, which was pending outcome of grant funding in 2019-2020. This has since been successful with expenditure occurring during 2020-2021. |
| 10 | Waste management | The waste management program and specifically landfill capping was delayed in the previous year, this was carried forward with the expenditure occurring this financial year. |
| 11 | Kerb and channel | Delays in the previous year occurred due to lack of tender submissions for capital works projects, these works were carried out in 2020-2021 financial year. |
| 12 | Off-street carpark | Relates to car park design works being completed during 2020-2021 with capital works to be completed in 2021-2022 financial year. |

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 Analysis of Council

2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

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 and Library Services units. The Community Care Services branch encompasses Disability, Early Years and Community Health units. The Community Department also includes Hands up Mallee and Grants.

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, Corporate Administration, 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. Corporate Administration encompasses Customer Relations, Governance and Risk, Revenue and Property Services units. The Information Systems branch is made up of teams from the Systems and Information Management Units. The Financial Services branch includes Financial Accounting, Asset 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, Asset Services Management 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 the Chief Executive Officer is for the Council CEO.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 Analysis of Council (cont'd)

(a) Summary of revenues, expenses, assets and capital expenses by program

| | Income | Expenses | Surplus/ (Deficit) | Grants included in income | Total assets |
|----------------------|----------------|------------------|-----------------------|---------------------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2021 | | | | | |
| Community | 11,793 | (24,743) | (12,950) | 7,582 | 239,846 |
| Financial management | 140,467 | (22,128) | 118,339 | 57,453 | 214,498 |
| Corporate | 2,885 | (18,752) | (15,867) | 993 | 181,772 |
| Development | 6,551 | (44,404) | (37,853) | 315 | 430,430 |
| Executive | - | (971) | (971) | - | 9,412 |
| | 161,696 | (110,998) | 50,698 | 66,343 | 1,075,958 |
| | | | | | |
| | Income | Expenses | Surplus/ (Deficit) | Grants included in income | Total assets |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2020 | | | | | |
| Community | 11,126 | (23,976) | (12,850) | 6,224 | 232,947 |
| Financial management | 99,751 | (22,375) | 77,376 | 24,911 | 217,391 |
| Corporate | 4,266 | (15,815) | (11,549) | 2,617 | 153,656 |
| Development | 6,438 | (40,283) | (33,845) | 452 | 391,383 |
| Executive | - | (1,008) | (1,008) | - | 9,794 |
| | 121,581 | (103,457) | 18,124 | 34,204 | 1,005,171 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| Consolidated | | Council | |
|--------------|--------|---------|--------|
| 2021 | 2020 | 2021 | 2020 |
| \$'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 (2020/21 is \$10.493 billion)

| | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|
| General rates | 40,498 | 39,161 | 40,498 | 39,161 |
| Waste management charge | 11,657 | 9,765 | 11,657 | 9,765 |
| Cultural/recreational land | - | 17 | - | 17 |
| Mildura City Heart special rate | 616 | 599 | 616 | 599 |
| Business differential rate | 13,179 | 13,586 | 13,179 | 13,734 |
| Farming differential rate | 10,498 | 9,138 | 10,498 | 9,138 |
| Payment in lieu of rates | 128 | 166 | 128 | 166 |
| Total rates and charges | 76,576 | 72,432 | 76,576 | 72,580 |

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation will be first applied in the rating year commencing 1 July 2021.

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 | 349 | 584 | 349 | 584 |
| Land information certificates | 65 | 51 | 65 | 51 |
| Permits | 501 | 428 | 501 | 428 |
| Other statutory fees and fines | 314 | 238 | 314 | 238 |
| Valuations database | 249 | 244 | 249 | 244 |
| Statutory planning fees | 815 | 658 | 815 | 658 |
| Total statutory fees and fines | 2,293 | 2,203 | 2,293 | 2,203 |

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 2021**

| | Consolidated | | Council | |
|--------------------------------|--------------|---------------|--------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 3.3 User fees | | | | |
| Aged and health services | 839 | 891 | 839 | 891 |
| Child care/children's programs | 408 | 336 | 408 | 336 |
| Waste management services | 1,897 | 1,692 | 1,897 | 1,692 |
| Other fees and charges | 232 | 351 | 232 | 351 |
| Rent/lease fees | 534 | 909 | 259 | 573 |
| Animal control and local laws | 652 | 529 | 652 | 529 |
| Environmental health services | 10 | 265 | 10 | 265 |
| Airport fees and charges | 1,521 | 4,286 | - | - |
| Contract works | 941 | 468 | 941 | 468 |
| Entrance charges | 178 | 432 | 178 | 432 |
| Commission/agency fees | 132 | 175 | 132 | 175 |
| Total user fees | 7,344 | 10,334 | 5,548 | 5,712 |

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 | 45,880 | 25,509 | 45,458 | 25,509 |
| State funded grants | 21,768 | 8,695 | 20,885 | 8,695 |
| Total grants received | 67,648 | 34,204 | 66,343 | 34,204 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|---|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 3.4 Funding from other levels of government (cont'd) | | | | |
| (a) Operating grants | | | | |
| <i>Recurrent - Commonwealth government</i> | | | | |
| Hands up Mallee | 310 | 155 | 310 | 155 |
| Early years | 136 | 180 | 136 | 180 |
| Aged and disability services | 2,201 | 2,105 | 2,201 | 2,105 |
| Financial assistance grants - general purpose | 11,033 | 11,687 | 11,033 | 11,687 |
| Financial assistance grants - local roads | 4,249 | 4,292 | 4,249 | 4,292 |
| <i>Recurrent - State government</i> | | | | |
| Hands up Mallee | 361 | 354 | 361 | 354 |
| Aged and disability services | 513 | 501 | 513 | 501 |
| Libraries | 391 | 401 | 391 | 401 |
| Community health | 1,262 | 1,072 | 1,262 | 1,072 |
| Early years | 298 | 243 | 298 | 243 |
| Youth services | 261 | 311 | 261 | 311 |
| Environmental health | 31 | 34 | 31 | 34 |
| Social development and projects | - | 75 | - | 75 |
| Local laws | 151 | 173 | 151 | 173 |
| Arts and culture | 190 | 190 | 190 | 190 |
| Works and infrastructure services | 123 | 122 | 123 | 122 |
| Total recurrent operating grants | 21,510 | 21,895 | 21,510 | 21,895 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|---|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 3.4 Funding from other levels of government (cont'd) | | | | |
| <i>Non-recurrent - Commonwealth government</i> | | | | |
| Airport operations | 1,380 | - | 1,000 | - |
| Asset management | - | 67 | - | 67 |
| Natural disaster - drought | - | 1,000 | - | 1,000 |
| Social development and projects | 279 | - | 279 | - |
| <i>Non-recurrent - State government</i> | | | | |
| Youth services | 4 | - | 4 | - |
| Hands up Mallee | 110 | 12 | 110 | 12 |
| Community development | 167 | 163 | 167 | 163 |
| Social development and projects | 1,090 | 580 | 1,090 | 580 |
| Environmental sustainability | 241 | 160 | 241 | 160 |
| Governance and risk | 266 | 120 | 266 | 120 |
| Aged and disability services | 65 | 67 | 65 | 67 |
| Early years | 22 | 108 | 22 | 108 |
| Asset management | - | 50 | - | 50 |
| Economic development and tourism | 120 | 9 | 120 | 9 |
| Libraries | 15 | 2 | 15 | 2 |
| Sunraysia Pest Free | 241 | 774 | 241 | 774 |
| Critical community services - COVID-19 response | 486 | 53 | 486 | 53 |
| Rates farm subsidy | - | 670 | - | 670 |
| Parks and waste services | - | 1 | - | 1 |
| Planning and development | - | 5 | - | 5 |
| Airport operations | 883 | - | - | - |
| Arts and culture | 1 | 80 | 1 | 80 |
| Recreation and sport | 453 | - | 453 | - |
| Total non-recurrent operating grants | 5,823 | 3,921 | 4,560 | 3,921 |
| Total operating grants | 27,333 | 25,816 | 26,070 | 25,816 |
| (b) Capital grants | | | | |
| <i>Recurrent - Commonwealth government</i> | | | | |
| Roads to recovery | 5,121 | 4,057 | 5,121 | 4,057 |
| Total recurrent capital grants | 5,121 | 4,057 | 5,121 | 4,057 |

Notes to the Financial Report
For the Year Ended 30 June 2021

| | Consolidated | | Council | |
|---|---------------|--------------|---------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 3.4 Funding from other levels of government (cont'd) | | | | |
| <i>Non-recurrent - Commonwealth government</i> | | | | |
| Buildings | 15,046 | 551 | 15,046 | 551 |
| Plant, machinery and equipment | - | 15 | - | 15 |
| Roads | 5,583 | 900 | 5,583 | 900 |
| Airport operations | 42 | - | - | - |
| Drainage | 500 | 500 | 500 | 500 |
| <i>Non-recurrent - State government</i> | | | | |
| Computers and telecomm | 290 | - | 290 | - |
| Footpaths and cycleways | 242 | - | 242 | - |
| Libraries | 11 | 11 | 11 | 11 |
| Recreation and sport | 884 | 750 | 884 | 750 |
| Buildings | 9,861 | 215 | 9,861 | 215 |
| Drainage | - | 9 | - | 9 |
| Waste management | 40 | 190 | 40 | 190 |
| Parks open space and streetscapes | 893 | 23 | 893 | 23 |
| Early years | 15 | - | 15 | - |
| Roads | 1,787 | 1,167 | 1,787 | 1,167 |
| Total non-recurrent capital grants | 35,194 | 4,331 | 35,152 | 4,331 |
| Total capital grants | 40,315 | 8,388 | 40,273 | 8,388 |
| (c) Unspent grants received on condition that they be spent in a specific manner | | | | |
| <i>Operating</i> | | | | |
| Balance at start of year | 641 | 1,715 | 641 | 1,696 |
| Received during the financial year and remained unspent at balance date | 557 | 330 | 557 | 330 |
| Received in prior years and spent during the financial year | (414) | (1,385) | (414) | (1,385) |
| Balance at year end | 784 | 660 | 784 | 641 |
| <i>Capital</i> | | | | |
| Balance at start of year | 3,137 | 3,379 | 3,137 | 3,379 |
| Received during the financial year and remained unspent at balance date | 370 | 3,137 | 370 | 3,137 |
| Received in prior years and spent during the financial year | (3,137) | (3,379) | (3,137) | (3,379) |
| Balance at year end | 370 | 3,137 | 370 | 3,137 |
| Total | 1,154 | 3,797 | 1,154 | 3,778 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| Consolidated | | Council | |
|--------------|--------|---------|--------|
| 2021 | 2020 | 2021 | 2020 |
| \$'000 | \$'000 | \$'000 | \$'000 |

3.4 Funding from other levels of government (cont'd)

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

3.5 Contributions

| | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Other contributions | 448 | 693 | 268 | 593 |
| Capital contributions | 149 | 212 | 149 | 212 |
| Developer contributions | 805 | 507 | 805 | 507 |
| Total monetary contributions | 1,402 | 1,412 | 1,222 | 1,312 |
| Non-monetary contributions | 1,238 | 924 | 1,238 | 924 |
| Total contributions | 2,640 | 2,336 | 2,460 | 2,236 |

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

| | | | | |
|---|--------------|------------|--------------|------------|
| Drainage | 1,183 | 824 | 1,183 | 824 |
| Parks open space and streetscapes | 55 | 100 | 55 | 100 |
| Total non-monetary contributions | 1,238 | 924 | 1,238 | 924 |

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

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

| | | | | |
|---|--------------|----------------|--------------|----------------|
| Proceeds of sale | 575 | 517 | 558 | 508 |
| Written down value of assets disposed | (1,474) | (3,882) | (1,474) | (3,702) |
| Total net gain/(loss) on disposal of property, infrastructure, plant and equipment | (899) | (3,365) | (916) | (3,194) |

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

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|-------------------------------------|--------------|--------------|--------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 3.7 Other income | | | | |
| Interest | 502 | 1,367 | 566 | 1,389 |
| Interest on rates | 503 | 366 | 503 | 366 |
| Sales | 452 | 886 | 266 | 301 |
| Other income | 186 | 118 | 9 | 7 |
| Child care reimbursement | 1,554 | 1,506 | 1,554 | 1,506 |
| Fuel tax rebate | 223 | 234 | 223 | 234 |
| WorkCover costs reimbursements | 479 | 425 | 479 | 425 |
| Legal costs recouped | - | 43 | - | 43 |
| Airport reimbursement | - | - | 23 | 16 |
| Cemetery reimbursement | 473 | 373 | 473 | 373 |
| Utilities reimbursement | 8 | 4 | 8 | 4 |
| Youth case management reimbursement | 452 | 538 | 452 | 538 |
| Insurance reimbursement | 52 | 64 | 160 | 64 |
| Other costs reimbursed | 1,309 | 1,463 | 1,309 | 1,550 |
| Total other income | 6,193 | 7,387 | 6,025 | 6,816 |

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.

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 | 3,367 | 1,024 | 3,367 | 1,024 |
| Total asset recognition | 3,367 | 1,024 | 3,367 | 1,024 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| Consolidated | | Council | |
|--------------|--------|---------|--------|
| 2021 | 2020 | 2021 | 2020 |
| \$'000 | \$'000 | \$'000 | \$'000 |

Note 4 The cost of delivering services

4.1. (a) Employee costs

| | | | | |
|-----------------------------|---------------|---------------|---------------|---------------|
| Wages and salaries | 48,521 | 46,550 | 45,753 | 43,352 |
| Payroll tax | 9 | 1 | 8 | 3 |
| Superannuation | 4,486 | 4,233 | 4,307 | 4,029 |
| Fringe benefits tax | 198 | 205 | 198 | 205 |
| Total employee costs | 53,214 | 50,989 | 50,266 | 47,589 |

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities
Superannuation Fund (Vision Super)

| | | | | |
|---|------------|------------|------------|------------|
| | 242 | 285 | 242 | 285 |
| Total defined benefit fund contributions | 242 | 285 | 242 | 285 |

Accumulation funds

Employer contributions to Local Authorities
Superannuation Fund (Vision Super)

| | | | | |
|---|--------------|--------------|--------------|--------------|
| | 2,003 | 1,954 | 2,003 | 1,954 |
| Employer contributions - other funds | 1,858 | 1,625 | 1,858 | 1,625 |
| Total accumulation funds contributions | 3,861 | 3,579 | 3,861 | 3,579 |
| Employer contributions payable at reporting date. | - | 167 | - | 167 |

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 2021**

| | Consolidated | | Council | |
|---|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 4.2 Materials and services | | | | |
| Contracts other | 5,234 | 6,008 | 5,057 | 5,787 |
| Waste management contracts | 5,855 | 3,049 | 5,855 | 3,049 |
| Swimming pools | 1,444 | 1,359 | 1,444 | 1,359 |
| Building maintenance | 2,168 | 1,799 | 2,168 | 1,799 |
| General maintenance | 410 | 405 | 410 | 405 |
| Environmental protection waste levy | 1,448 | 1,937 | 1,448 | 1,937 |
| Grants, contributions and donations | 2,193 | 1,683 | 5,557 | 2,918 |
| Utilities | 3,497 | 3,078 | 3,344 | 3,173 |
| Office administration | 1,197 | 1,216 | 816 | 853 |
| Materials purchased * | 5,467 | 7,036 | 5,348 | 6,766 |
| Plant and vehicle costs | 2,776 | 3,010 | 2,510 | 2,662 |
| Information technology | 1,942 | 1,416 | 1,841 | 1,320 |
| Insurance | 1,302 | 1,176 | 1,327 | 1,185 |
| Consultants | 1,735 | 1,780 | 1,735 | 1,780 |
| Training | 860 | 995 | 827 | 902 |
| Other materials and contractors | 1,576 | 1,109 | 513 | 548 |
| Total materials and services | 39,104 | 37,056 | 40,200 | 36,443 |
| 4.3 Depreciation | | | | |
| Buildings | 2,841 | 2,723 | 2,618 | 2,503 |
| Plant and equipment | 3,377 | 3,070 | 2,936 | 2,821 |
| Infrastructure | 12,838 | 12,460 | 11,872 | 11,503 |
| Total depreciation | 19,056 | 18,253 | 17,426 | 16,827 |
| 4.4 Amortisation - intangible assets | | | | |
| Intangible assets | 221 | 157 | 221 | 157 |
| Total amortisation - intangible assets | 221 | 157 | 221 | 157 |

* Materials purchased includes asset write-offs of \$1.7 million (For 2019-20 this was also \$1.7 million).
Refer to note 6.2 for more information.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| Consolidated | | Council | |
|--------------|--------|---------|--------|
| 2021 | 2020 | 2021 | 2020 |
| \$'000 | \$'000 | \$'000 | \$'000 |

4.5 Amortisation - right of use assets

| | | | | |
|---|-----------|-----------|-----------|-----------|
| Property | 98 | 85 | 68 | 76 |
| Total amortisation - right of use assets | 98 | 85 | 68 | 76 |

4.6 Bad and doubtful debts

| | | | | |
|-------------------------------------|-----------|------------|------------|-----------|
| Infringement debtors | 91 | 69 | 91 | 69 |
| Other debtors | (35) | 125 | 13 | 11 |
| Total bad and doubtful debts | 56 | 194 | 104 | 80 |

Movement in provisions for doubtful debts

| | | | | |
|---|------------|------------|------------|------------|
| Balance at the beginning of the year | 679 | 613 | 679 | 613 |
| New provisions recognised during the year | 104 | 185 | 104 | 71 |
| Amounts already provided for and written off as uncollectible | (13) | (5) | (13) | (5) |
| Balance at end of year | 770 | 793 | 770 | 679 |

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Borrowing costs

| | | | | |
|------------------------------|------------|--------------|------------|--------------|
| Interest - borrowings | 958 | 1,082 | 943 | 1,031 |
| Total borrowing costs | 958 | 1,082 | 943 | 1,031 |

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.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|---|--------------|--------------|--------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 4.8 Finance costs - leases | | | | |
| Interest - lease liabilities | 62 | 56 | 51 | 53 |
| Total finance costs | 62 | 56 | 51 | 53 |
| 4.9 Other expenses | | | | |
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals | 94 | 91 | 75 | 69 |
| Auditors' remuneration - internal | 88 | 59 | 88 | 59 |
| Councillors' allowances | 323 | 333 | 323 | 333 |
| Directors' fees | 80 | 83 | - | - |
| Refunds | 88 | 67 | 88 | 67 |
| Operating lease rentals | 416 | 275 | 405 | 231 |
| Asset written-off / impaired | 670 | - | 670 | - |
| Others | 70 | 442 | 70 | 442 |
| Total other expenses | 1,829 | 1,350 | 1,719 | 1,201 |

Note 5 Our financial position

5.1 Financial assets

(a) Cash and cash equivalents

| | | | | |
|--|---------------|---------------|---------------|---------------|
| Cash on hand | 33 | 27 | 11 | 11 |
| Cash at bank | 28,213 | 9,424 | 26,543 | 7,317 |
| Term deposits | 3,440 | 72,372 | 500 | 69,000 |
| Total cash and cash equivalents | 31,686 | 81,823 | 27,054 | 76,328 |

(b) Other financial assets

| | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Term deposits - current | 59,350 | 2,850 | 59,350 | 2,850 |
| Floating notes - non-current | 1,750 | 1,750 | 1,750 | 1,750 |
| Total other financial assets | 61,100 | 4,600 | 61,100 | 4,600 |
| Total financial assets | 92,786 | 86,423 | 88,154 | 80,928 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| Consolidated | | Council | |
|--------------|--------|---------|--------|
| 2021 | 2020 | 2021 | 2020 |
| \$'000 | \$'000 | \$'000 | \$'000 |

Note 5 Our financial position (cont'd)

5.1 Financial assets

Councils 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)) | 3,182 | 1,518 | 3,175 | 1,511 |
| - Statutory reserve funds (note 9.1(b)) | 2,810 | 2,658 | 2,818 | 2,666 |
| Total restricted funds | <u>5,992</u> | <u>4,176</u> | <u>5,993</u> | <u>4,177</u> |
| Total unrestricted cash and cash equivalents | <u>25,694</u> | <u>77,647</u> | <u>21,061</u> | <u>72,151</u> |

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 | 16,444 | 9,648 | 16,444 | 9,648 |
| - Unexpended grants (note 3.4) | 1,154 | 3,797 | 1,154 | 3,778 |
| - Discretionary reserves (note 9.1(b)) | 36,753 | 40,611 | 36,753 | 40,611 |
| - Long service leave 25% (note 5.5) | 2,054 | 2,085 | 2,035 | 2,085 |
| Total funds subject to intended allocations | <u>56,405</u> | <u>56,141</u> | <u>56,386</u> | <u>56,122</u> |

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days 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.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|---|--------------|--------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 5 Financial assets (cont'd) | | | | |
| (c) Trade and other receivables | | | | |
| Current | | | | |
| <i>Statutory receivables</i> | | | | |
| Rates debtors | 4,735 | 4,273 | 4,735 | 4,273 |
| Infringement debtors | 881 | 821 | 881 | 821 |
| Provision for doubtful debts - infringements | (764) | (673) | (764) | (673) |
| <i>Non statutory receivables</i> | | | | |
| General debtors | 3,027 | 1,016 | 2,830 | 820 |
| Accrued income | 542 | 491 | 542 | 491 |
| GST receivable | 629 | 1,124 | 629 | 1,124 |
| Loan to Mildura Airport Pty Ltd | - | - | 359 | 328 |
| Provision for doubtful debts - other debtors | (6) | (120) | (6) | (6) |
| Total current trade and other receivables | 9,044 | 6,932 | 9,206 | 7,178 |
| Non-current | | | | |
| <i>Non statutory receivables</i> | | | | |
| Loan to Mildura Airport Pty Ltd | - | - | 4,095 | 4,476 |
| Total non-current trade and other receivables | - | - | 4,095 | 4,476 |
| Total trade and other receivables | 9,044 | 6,932 | 13,301 | 11,654 |

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:

| | | | | |
|--|--------------|--------------|--------------|------------|
| Current (not yet due) | 1,327 | 724 | 1,643 | 541 |
| Past due by up to 60 days | 287 | 210 | 288 | 212 |
| Past due between 61 and 180 days | 1,017 | 30 | 503 | 15 |
| Past due between 181 and 365 days | 396 | 52 | 396 | 52 |
| Total trade and other receivables | 3,027 | 1,016 | 2,830 | 820 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|-----------------------------|--------------|--------|---------|--------|
| | 2021 | 2020 | 2021 | 2020 |
| 5 Financial assets (cont'd) | \$'000 | \$'000 | \$'000 | \$'000 |

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$2,830 were impaired. The amount of the provision raised against these debtors was \$104. 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:

| | | | | |
|--|------------|-----------|------------|-----------|
| Past due between 91 and 180 days | 13 | 8 | 13 | 8 |
| Past due between 181 and 365 days | - | 3 | - | 3 |
| Past due by more than 1 year | 91 | 69 | 91 | 69 |
| Total trade and other receivables | 104 | 80 | 104 | 80 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|---|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 5.2 Non-financial assets | | | | |
| (a) Inventories | | | | |
| Inventories held for distribution | 530 | 501 | 530 | 501 |
| Inventories held for sale | 63 | 68 | 56 | 62 |
| Total inventories | 593 | 569 | 586 | 563 |
| 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) Other assets | | | | |
| Current | | | | |
| Prepayments | 297 | 1,378 | 262 | 1,340 |
| Total | 297 | 1,378 | 262 | 1,340 |
| Non-current | | | | |
| Interest in Mildura Airport Pty Ltd | - | - | 50,945 | 50,877 |
| Interest in Mildura Regional Development | - | - | 512 | 764 |
| Total | - | - | 51,457 | 51,641 |
| Total other assets | 297 | 1,378 | 51,719 | 52,981 |
| (c) Intangible assets | | | | |
| Software | 612 | 852 | 612 | 852 |
| Water rights at valuation 30 June 2020 | - | 10,569 | - | 10,448 |
| Water rights at valuation 30 June 2021 | 10,569 | - | 10,448 | - |
| Total intangible assets | 11,181 | 11,421 | 11,060 | 11,300 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

5.2 Non-financial assets (cont'd)

(c) Intangible assets

| | Software | Water right | Total |
|--|-----------------|--------------------|---------------|
| Consolidated | \$'000 | \$'000 | \$'000 |
| Gross carrying amount | | | |
| Balance at 1 July 2020 | 3,079 | 10,569 | 13,648 |
| Transfer | 11 | - | 11 |
| Balance at 30 June 2021 | 3,090 | 10,569 | 13,659 |
| Accumulated amortisation and impairment | | | |
| Balance at 1 July 2020 | 2,227 | - | 2,227 |
| Amortisation expense | 221 | - | 221 |
| Transfer | 30 | - | 30 |
| Balance at 30 June 2021 | 2,478 | - | 2,478 |
| Net book value at 30 June 2020 | 852 | 10,569 | 11,421 |
| Net book value at 30 June 2021 | 612 | 10,569 | 11,181 |
| Council | Software | Water right | Total |
| | \$'000 | \$'000 | \$'000 |
| Gross carrying amount | | | |
| Balance at 1 July 2020 | 3,079 | 10,448 | 13,527 |
| Transfer | 11 | - | 11 |
| Balance at 30 June 2021 | 3,090 | 10,448 | 13,538 |
| Accumulated amortisation and impairment | | | |
| Balance at 1 July 2020 | 2,227 | - | 2,227 |
| Amortisation expense | 221 | - | 221 |
| Transfer | 30 | - | 30 |
| Balance at 30 June 2021 | 2,478 | - | 2,478 |
| Net book value at 30 June 2020 | 852 | 10,448 | 11,300 |
| Net book value at 30 June 2021 | 612 | 10,448 | 11,060 |

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 2021**

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 2021 are as follows:

| | Level 1 | Level 2 | Level 3 |
|--------------|----------|---------------|----------|
| | \$'000 | \$'000 | \$'000 |
| Water rights | - | 10,448 | - |
| Total | - | 10,448 | - |

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 Con Demis AAPI, Certified Practising Valuer, recognised Valuer, (Council Officer), as at 30 June 2021.

5.3 Payables

(a) Trade and other payables

| | Consolidated | | Council | |
|---------------------------------------|--------------|--------------|--------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Trade payables | 919 | 138 | - | 2 |
| Accrued expenses | 3,389 | 2,907 | 3,117 | 2,702 |
| Total trade and other payables | 4,308 | 3,045 | 3,117 | 2,704 |

(b) Trust funds and deposits

| | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|
| Refundable contract deposits | 481 | 110 | 481 | 110 |
| Fire services levy | 1,392 | 32 | 1,392 | 32 |
| Refundable civic facilities deposits | 4 | 5 | 4 | 5 |
| Retention amounts | 459 | 363 | 459 | 363 |
| Income received in advance | 7 | 7 | - | - |
| Other refundable deposits | 839 | 1,001 | 839 | 1,001 |
| Total trust funds and deposits | 3,182 | 1,518 | 3,175 | 1,511 |

(c) Unearned income

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Grants received in advance - operating | 784 | 660 | 784 | 641 |
| Grants received in advance - capital | 370 | 3,137 | 370 | 3,137 |
| Total unearned income | 1,154 | 3,797 | 1,154 | 3,778 |

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.

Notes to the Financial Report For the Year Ended 30 June 2021

5.3 Payables (cont'd)

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 | |
|---|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 5.4 Interest-bearing liabilities | | | | |
| Current | | | | |
| Borrowings - secured | 3,325 | 1,106 | 3,231 | 1,154 |
| Total current interest-bearing liabilities | 3,325 | 1,106 | 3,231 | 1,154 |
| Non-current | | | | |
| Borrowings - secured | 14,281 | 17,528 | 14,281 | 17,478 |
| Finance leases | 279 | 116 | - | - |
| Total non-current interest-bearing liabilities | 14,560 | 17,644 | 14,281 | 17,478 |
| Total interest-bearing liabilities | 17,885 | 18,750 | 17,512 | 18,632 |

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

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|--|---------------------|---------------|----------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 5.4 Interest-bearing liabilities (cont'd) | | | | |

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

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Not later than one year | 3,325 | 1,106 | 3,231 | 1,154 |
| Later than one year and not later than five years | 2,883 | 5,484 | 3,012 | 5,318 |
| Later than five years | 11,677 | 12,160 | 11,269 | 12,160 |
| | 17,885 | 18,750 | 17,512 | 18,632 |

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 2021**

5.5 Provisions

| Consolidated | Employee | Landfill | Total |
|---|-----------------|--------------------|----------------|
| 2021 | \$ '000 | restoration | \$ '000 |
| | | \$ '000 | \$ '000 |
| Balance at beginning of the financial year | 13,347 | 26,581 | 39,928 |
| Prior year adjustment | - | - | - |
| Additional provisions | 6,929 | 5,933 | 12,862 |
| Amounts used | (6,089) | - | (6,089) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | 201 | - | 201 |
| Balance at the end of the financial year | 14,388 | 32,514 | 46,902 |
| 2020 | | | |
| Balance at beginning of the financial year | 12,724 | 25,852 | 38,576 |
| Prior year adjustment | - | (3,761) | (3,761) |
| Additional provisions | 7,068 | 4,490 | 11,558 |
| Amounts used | (5,801) | - | (5,801) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (644) | - | (644) |
| Balance at the end of the financial year | 13,347 | 26,581 | 39,928 |
| Council | Employee | Landfill | Total |
| 2021 | \$ '000 | restoration | \$ '000 |
| | | \$ '000 | \$ '000 |
| Balance at beginning of the financial year | 13,130 | 26,581 | 39,711 |
| Prior year adjustment | - | - | - |
| Additional provisions | 6,756 | 5,933 | 12,689 |
| Amounts used | (5,998) | - | (5,998) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | 201 | - | 201 |
| Balance at the end of the financial year | 14,089 | 32,514 | 46,603 |
| 2020 | | | |
| Balance at beginning of the financial year | 12,466 | 25,852 | 38,318 |
| Prior year adjustment | - | (3,761) | (3,761) |
| Additional provisions | 6,883 | 4,490 | 11,373 |
| Amounts used | (5,558) | - | (5,558) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (661) | - | (661) |
| Balance at the end of the financial year | 13,130 | 26,581 | 39,711 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|--|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 5.5 Provisions (cont'd) | | | | |
| (a) Employee provisions | | | | |
| Current provisions expected to be wholly settled within 12 months | | | | |
| Annual leave | 3,321 | 3,139 | 3,131 | 2,985 |
| Long service leave | 626 | 627 | 597 | 627 |
| Redundancy | - | 128 | - | 128 |
| Rostered day off and time off in lieu | 915 | 883 | 915 | 883 |
| Total | 4,862 | 4,777 | 4,643 | 4,623 |
| Current provisions expected to be wholly settled after 12 months | | | | |
| Annual leave | 1,903 | 793 | 1,903 | 793 |
| Long service leave | 6,450 | 6,453 | 6,450 | 6,453 |
| Total | 8,353 | 7,246 | 8,353 | 7,246 |
| Total current employee provisions | 13,215 | 12,023 | 12,996 | 11,869 |
| Non-current | | | | |
| Long service leave | 1,140 | 1,324 | 1,093 | 1,261 |
| Total non-current employee provisions | 1,140 | 1,324 | 1,093 | 1,261 |
| Aggregate carrying amount of employee provisions: | | | | |
| Current | 13,215 | 12,023 | 12,996 | 11,869 |
| Non-current | 1,140 | 1,324 | 1,093 | 1,261 |
| Total aggregate carrying amount of employee provisions | 14,355 | 13,347 | 14,089 | 13,130 |

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

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

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 2021

5.5 Provisions (cont'd)

(a) Employee provisions

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. 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.

| | Consolidated | | Council | |
|-----------------------------------|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| Key assumptions: | | | | |
| - discount rate | 1.49% | 0.87% | 1.49% | 0.87% |
| - wage inflation rate | 2.95% | 4.25% | 2.95% | 4.25% |
| - settlement period | 12 | 12 | 12 | 12 |
| (b) Landfill restoration | \$'000 | \$'000 | \$'000 | \$'000 |
| Non-current | 32,514 | 26,581 | 32,514 | 26,581 |
| Total landfill restoration | 32,514 | 26,581 | 32,514 | 26,581 |

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.

| | Consolidated | | Council | |
|----------------------------------|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| Key assumptions: | | | | |
| - weighted average Melbourne CPI | 2.90% | 1.90% | 2.90% | 1.90% |
| - wage inflation rate | 2.95% | 4.25% | 2.95% | 4.25% |
| - discount rate | 1.49% | 0.87% | 1.49% | 0.87% |
| (c) Total provisions | \$'000 | \$'000 | \$'000 | \$'000 |
| Current | 13,215 | 12,023 | 12,996 | 11,869 |
| Non-current | 33,654 | 27,905 | 33,607 | 27,842 |
| | 46,869 | 39,928 | 46,603 | 39,711 |

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2021.

| | Consolidated | | Council | |
|--------------------------------|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Loans and borrowing facilities | 17,885 | 18,750 | 17,512 | 18,632 |
| Credit card facilities | 800 | 800 | 800 | 800 |
| Total facilities | 18,685 | 19,550 | 18,312 | 19,432 |
| Used facilities | 18,391 | 19,256 | 18,018 | 19,138 |
| Unused facilities | 294 | 294 | 294 | 294 |

Notes to the Financial Report For the Year Ended 30 June 2021

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.

| | 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 |
| Consolidated 2021 | | | | | |
| Operating | | | | | |
| Swimming pool management | 1,589 | 1,608 | - | - | 3,197 |
| Waste management | 11 | 11 | - | - | 22 |
| Cleaning services | 508 | - | - | - | 508 |
| Security services | 443 | - | - | - | 443 |
| Project design | 29 | - | - | - | 29 |
| Corporate expenditure | 353 | 304 | 307 | - | 964 |
| Building services | 318 | 298 | - | - | 616 |
| Other | 159 | 109 | - | - | 268 |
| Total | 3,410 | 2,330 | 307 | - | 6,047 |

| | 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 |
| Consolidated 2021 | | | | | |
| Capital | | | | | |
| Fixtures, fittings and furniture | 56 | - | - | - | 56 |
| Buildings | 5,567 | - | - | - | 5,567 |
| Library books and artworks | 284 | - | - | - | 284 |
| Waste management | 104 | - | - | - | 104 |
| Plant machinery and equipment | 2,043 | - | - | - | 2,043 |
| Roads | 2,467 | - | - | - | 2,467 |
| Drainage | 689 | - | - | - | 689 |
| Parks, open spaces and streetscapes | 1,505 | - | - | - | 1,505 |
| Rec, leisure and community facilities | 134 | - | - | - | 134 |
| Footpaths and cycleways | 1 | - | - | - | 1 |
| Kerb and channel | 47 | - | - | - | 47 |
| Computers and telecomm | 133 | - | - | - | 133 |
| Total | 13,030 | - | - | - | 13,030 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

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 |
| Consolidated | | | | | |
| 2020 | | | | | |
| Operating | | | | | |
| Swimming pool management | 217 | 18 | - | - | 235 |
| Waste management | 2,717 | 1,392 | 311 | - | 4,420 |
| Cleaning services | 423 | - | - | - | 423 |
| Security services | 444 | - | - | - | 444 |
| Temporary labour hire | 2,188 | 381 | - | - | 2,569 |
| Electricity | 2,740 | - | - | - | 2,740 |
| Project design | 104 | - | - | - | 104 |
| Corporate expenditure | 2,500 | 281 | 549 | - | 3,330 |
| Building services | 1,773 | 145 | - | - | 1,918 |
| Corporate training | 240 | 44 | - | - | 284 |
| Drainage | 3 | 1 | - | - | 4 |
| Parks and gardens | 1,875 | 60 | - | - | 1,935 |
| Plant | 241 | - | - | - | 241 |
| Works and infrastructure | 9,980 | 2,713 | - | - | 12,693 |
| Other | 21 | - | - | - | 21 |
| Total | 25,466 | 5,035 | 860 | - | 31,361 |

| | 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 |
| Consolidated | | | | | |
| 2020 | | | | | |
| Capital | | | | | |
| Fixtures, fittings and furniture | 30 | - | - | - | 30 |
| Buildings | 11,352 | - | - | - | 11,352 |
| Library books and artworks | 272 | - | - | - | 272 |
| Waste management | 371 | - | - | - | 371 |
| Plant machinery and equipment | 4,168 | - | - | - | 4,168 |
| Roads | 12,357 | - | - | - | 12,357 |
| Drainage | 2,275 | - | - | - | 2,275 |
| Parks, open spaces and streetscapes | 4,146 | - | - | - | 4,146 |
| Land | 1,336 | - | - | - | 1,336 |
| Total | 36,307 | - | - | - | 36,307 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

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 |
| Council | | | | | |
| 2021 | | | | | |
| Operating | | | | | |
| Swimming pool management | 1,589 | 1,608 | - | - | 3,197 |
| Waste management | 11 | 11 | - | - | 22 |
| Cleaning services | 508 | - | - | - | 508 |
| Security services | 443 | - | - | - | 443 |
| Project design | 29 | - | - | - | 29 |
| Corporate expenditure | 353 | 304 | 307 | - | 964 |
| Building services | 318 | 298 | - | - | 616 |
| Other | 159 | 109 | - | - | 268 |
| Total | 3,410 | 2,330 | 307 | - | 6,047 |

| | 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 |
| Council | | | | | |
| 2021 | | | | | |
| Capital | | | | | |
| Fixtures, fittings and furniture | 56 | - | - | - | 56 |
| Buildings | 5,567 | - | - | - | 5,567 |
| Library books and artworks | 284 | - | - | - | 284 |
| Waste management | 104 | - | - | - | 104 |
| Plant machinery and equipment | 2,043 | - | - | - | 2,043 |
| Roads | 2,467 | - | - | - | 2,467 |
| Drainage | 689 | - | - | - | 689 |
| Parks, open spaces and streetscapes | 1,505 | - | - | - | 1,505 |
| Rec, leisure and community facilities | 134 | - | - | - | 134 |
| Footpaths and cycleways | 1 | - | - | - | 1 |
| Kerb and channel | 47 | - | - | - | 47 |
| Computers and telecomm | 133 | - | - | - | 133 |
| Total | 13,030 | - | - | - | 13,030 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

5.7 Commitments (cont'd)

| Council | 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 |
|-------------------------------------|------------------------------|---|--|---------------------------|---------------|
| 2020 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating | | | | | |
| Swimming pool management | 217 | 18 | - | - | 235 |
| Waste management | 2,717 | 1,392 | 311 | - | 4,420 |
| Cleaning services | 423 | - | - | - | 423 |
| Security services | 444 | - | - | - | 444 |
| Temporary labour hire | 2,188 | 381 | - | - | 2,569 |
| Electricity | 2,740 | - | - | - | 2,740 |
| Project design | 104 | - | - | - | 104 |
| Corporate expenditure | 2,500 | 281 | 549 | - | 3,330 |
| Building services | 1,773 | 145 | - | - | 1,918 |
| Corporate training | 240 | 44 | - | - | 284 |
| Drainage | 3 | 1 | - | - | 4 |
| Parks and gardens | 1,875 | 60 | - | - | 1,935 |
| Plant | 241 | - | - | - | 241 |
| Works and infrastructure | 9,980 | 2,713 | - | - | 12,693 |
| Other | 21 | - | - | - | 21 |
| Total | 25,466 | 5,035 | 860 | - | 31,361 |
| Council | 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 |
| 2020 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Capital | | | | | |
| Fixtures, fittings and furniture | 30 | - | - | - | 30 |
| Buildings | 11,352 | - | - | - | 11,352 |
| Library books and artworks | 272 | - | - | - | 272 |
| Waste management | 371 | - | - | - | 371 |
| Plant machinery and equipment | 4,168 | - | - | - | 4,168 |
| Roads | 12,357 | - | - | - | 12,357 |
| Drainage | 2,275 | - | - | - | 2,275 |
| Parks, open spaces and streetscapes | 4,146 | - | - | - | 4,146 |
| Land | 1,336 | - | - | - | 1,336 |
| Total | 36,307 | - | - | - | 36,307 |

Notes to the Financial Report For the Year Ended 30 June 2021

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.

Notes to the Financial Report For the Year Ended 30 June 2021

5.8 Leases (cont'd)

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.

| | Consolidated | | Council | |
|----------------------------|--------------|--------------|--------------|--------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Right-of-Use Assets | | | | |
| Balance at 1 July 2020 | 1,403 | 1,188 | 1,112 | 1,188 |
| Additions | 93 | 300 | 120 | - |
| Amortisation charge | (98) | (85) | (68) | (76) |
| Balance at 30 June 2021 | 1,398 | 1,403 | 1,164 | 1,112 |

Lease Liabilities

Maturity analysis - contractual undiscounted cash flows

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Less than one year | 182 | 140 | 146 | 136 |
| One to five years | 779 | 632 | 633 | 472 |
| More than five years | 1,521 | 1,757 | 1,419 | 1,604 |
| Total undiscounted lease liabilities as at 30 June: | 2,482 | 2,529 | 2,198 | 2,212 |

Lease liabilities included in the Balance Sheet at 30 June:

| | | | | |
|-------------------------|--------------|--------------|--------------|--------------|
| Current | 121 | 351 | 94 | 86 |
| Non-current | 1,710 | 1,512 | 1,496 | 1,484 |
| Total lease liabilities | 1,831 | 1,863 | 1,590 | 1,570 |

Notes to the Financial Report For the Year Ended 30 June 2021

5.8 Leases (cont'd)

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.

| | 2021 | 2020 |
|----------------------------|------------|------------|
| Expenses relating to: | \$'000 | \$'000 |
| Leases of low value assets | 246 | 207 |
| Total | 246 | 207 |

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: | 2021 | 2020 |
|---|------------|------------|
| Within one year | 93 | 207 |
| Later than one year but not later than five years | 33 | 53 |
| Total lease commitments | 126 | 260 |

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 2021

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 2021

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

| Consolidated | At fair value 30 June 2020 \$'000 | First time recognition of assets \$'000 | Additions \$'000 | Contributions \$'000 | Revaluation \$'000 | Depreciation \$'000 | Disposal \$'000 | Write-off \$'000 | Transfers \$'000 | Transfers from Provisions \$'000 | At fair value 30 June 2021 \$'000 |
|---------------------|---|--|---------------------|-------------------------|-----------------------|------------------------|--------------------|---------------------|---------------------|---|---|
| Land | 69,728 | 440 | 577 | - | 5,642 | - | (120) | - | 74 | - | 76,341 |
| Buildings | 108,304 | 72 | 304 | - | 1,651 | (2,841) | (50) | - | 3,520 | - | 110,960 |
| Plant and equipment | 47,447 | - | 3,066 | - | - | (3,363) | (703) | - | 2,138 | - | 48,585 |
| Infrastructure | 627,503 | 2,855 | 16,354 | 1,238 | 7,685 | (12,838) | (627) | (241) | 14,058 | 5,504 | 661,491 |
| Work in progress | 45,057 | - | 41,557 | - | - | - | - | (1,465) | (19,790) | - | 65,359 |
| | 898,039 | 3,367 | 61,858 | 1,238 | 14,978 | (19,042) | (1,500) | (1,706) | - | 5,504 | 962,736 |

| Summary of work in progress | Opening WIP \$'000 | Additions \$'000 | Write-off \$'000 | Transfers \$'000 | Closing WIP \$'000 |
|--------------------------------|-----------------------|---------------------|---------------------|---------------------|-----------------------|
| Property | 11,385 | 21,890 | (96) | (3,594) | 29,585 |
| Plant and equipment | 3,100 | 2,210 | (63) | (2,138) | 3,109 |
| Infrastructure | 30,572 | 17,457 | (1,306) | (14,058) | 32,665 |
| Total | 45,057 | 41,557 | (1,465) | (19,790) | 65,359 |

Notes to the Financial Report
For the Year Ended 30 June 2021

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 2020 | 43,446 | 13,170 | 13,112 | 69,728 | 210,593 | 9,022 | 219,615 | 11,385 | 300,728 |
| Accumulated depreciation at 1 July 2020 | - | - | - | - | (107,560) | (3,751) | (111,311) | - | (111,311) |
| | 43,446 | 13,170 | 13,112 | 69,728 | 103,033 | 5,271 | 108,304 | 11,385 | 189,417 |
| Movements in fair value | | | | | | | | | |
| Additions | 177 | 400 | - | 577 | 16 | 288 | 304 | 21,890 | 22,771 |
| Recognitions | 374 | 64 | 2 | 440 | 72 | - | 72 | - | 512 |
| Revaluation | 2,439 | (76) | 3,279 | 5,642 | 9,007 | 1,422 | 10,429 | - | 16,071 |
| Disposal | (120) | - | - | (120) | (1,036) | - | (1,036) | - | (1,156) |
| Write-off | - | - | - | - | - | - | - | (96) | (96) |
| Transfers | - | 74 | - | 74 | 3,198 | 322 | 3,520 | (3,594) | - |
| | 2,870 | 462 | 3,281 | 6,613 | 11,257 | 2,032 | 13,289 | 18,200 | 38,102 |
| Movements in accumulated depreciation | | | | | | | | | |
| Depreciation and amortisation | - | - | - | - | (2,663) | (178) | (2,841) | - | (2,841) |
| Accumulated depreciation of disposals | - | - | - | - | 986 | - | 986 | - | 986 |
| Accumulated depreciation of revaluations | - | - | - | - | (7,733) | (1,045) | (8,778) | - | (8,778) |
| | - | - | - | - | (9,410) | (1,223) | (10,633) | - | (10,633) |
| At fair value 30 June 2021 | 46,316 | 13,632 | 16,393 | 76,341 | 221,850 | 11,054 | 232,904 | 29,585 | 338,830 |
| Accumulated depreciation at 30 June 2021 | - | - | - | - | (116,970) | (4,974) | (121,944) | - | (121,944) |
| | 46,316 | 13,632 | 16,393 | 76,341 | 104,880 | 6,080 | 110,960 | 29,585 | 216,886 |

Notes to the Financial Report
For the Year Ended 30 June 2021

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

(b) Plant and Equipment

Consolidated

| | Plant machinery and equipment | Fixtures fittings and furniture | Computer and telecommunic ations | 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 2020 | 36,121 | 1,241 | 2,702 | 27,818 | 4,756 | 72,638 | 3,100 | 75,738 |
| Accumulated depreciation at 1 July 2020 | (19,361) | (474) | (2,007) | - | (3,349) | (25,191) | - | (25,191) |
| | 16,760 | 767 | 695 | 27,818 | 1,407 | 47,447 | 3,100 | 50,547 |
| Movements in fair value | | | | | | | | |
| Additions | 2,733 | 95 | 20 | - | 232 | 3,080 | 2,210 | 5,290 |
| Disposal | (2,864) | - | - | - | - | (2,864) | - | (2,864) |
| Write-off | - | - | - | - | - | - | (63) | (63) |
| Transfers | 1,970 | 26 | 25 | - | 117 | 2,138 | (2,138) | - |
| | 1,839 | 121 | 45 | - | 349 | 2,354 | 9 | 2,363 |
| Movements in accumulated depreciation | | | | | | | | |
| Depreciation and amortisation | (2,684) | (237) | (188) | - | (268) | (3,377) | - | (3,377) |
| Accumulated depreciation of disposals | 2,161 | - | - | - | - | 2,161 | - | 2,161 |
| | (523) | (237) | (188) | - | (268) | (1,216) | - | (1,216) |
| At fair value 30 June 2021 | 37,960 | 1,362 | 2,747 | 27,818 | 5,105 | 74,992 | 3,109 | 78,101 |
| Accumulated depreciation at 30 June 2021 | (19,884) | (711) | (2,195) | - | (3,617) | (26,407) | - | (26,407) |
| | 18,076 | 651 | 552 | 27,818 | 1,488 | 48,585 | 3,109 | 51,694 |

Notes to the Financial Report
For the Year Ended 30 June 2021

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

| Consolidated | 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 |
|--|-----------|------------------|--------------------------|----------|-------------------------------------|------------------|------------------------------------|------------|----------------------|----------------------|------------------|----------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2020 | 508,931 | 22,362 | 52,833 | 166,045 | 54,022 | 17,062 | 19,309 | 43,118 | 14,431 | 898,113 | 30,572 | 928,685 |
| Accumulated depreciation at 1 July 2020 | (169,610) | (7,544) | (33,495) | (32,257) | (10,865) | (3,101) | (3,846) | (4,963) | (4,929) | (270,610) | - | (270,610) |
| | 339,321 | 14,818 | 19,338 | 133,788 | 43,157 | 13,961 | 15,463 | 38,155 | 9,502 | 627,503 | 30,572 | 658,075 |
| Movements in fair value | | | | | | | | | | | | |
| Additions | 12,342 | 347 | 675 | 2,460 | - | - | 286 | 38 | 206 | 16,354 | 17,457 | 33,811 |
| Contributions | - | - | - | 1,183 | - | - | 55 | - | - | 1,238 | - | 1,238 |
| Recognitions | 906 | 306 | 515 | 1,242 | - | - | 9 | - | - | 2,978 | - | 2,978 |
| Revaluation | 5,987 | (320) | 220 | (5) | 69 | (27) | (4,001) | - | (912) | 1,011 | - | 1,011 |
| Disposal | (1,413) | (284) | (590) | (85) | - | - | (144) | - | (23) | (2,539) | - | (2,539) |
| Write-off | - | - | - | - | - | (49) | - | - | (192) | (241) | (1,306) | (1,547) |
| Transfers | 2,511 | 1,076 | 1,690 | 2,226 | 646 | 10 | 4,038 | - | 1,861 | 14,058 | (14,058) | - |
| Transfers from Provisions | - | - | - | - | - | 5,504 | - | - | - | 5,504 | - | 5,504 |
| | 20,333 | 1,125 | 2,510 | 7,021 | 715 | 5,438 | 243 | 38 | 940 | 38,363 | 2,093 | 40,456 |
| Movements in accumulated depreciation | | | | | | | | | | | | |
| Depreciation and amortisation | (7,354) | (318) | (846) | (1,190) | (754) | (561) | (719) | (858) | (238) | (12,838) | - | (12,838) |
| Accumulated depreciation of disposals | 1,134 | 113 | 501 | 29 | - | - | 129 | - | 6 | 1,912 | - | 1,912 |
| Accumulated depreciation of recognitions | (22) | (4) | (8) | (89) | - | - | - | - | - | (123) | - | (123) |
| Accumulated depreciation of revaluations | (1,517) | 83 | 11,637 | (487) | 643 | 27 | 438 | - | (4,150) | 6,674 | - | 6,674 |
| | (7,759) | (126) | 11,284 | (1,737) | (111) | (534) | (152) | (858) | (4,382) | (4,375) | - | (4,375) |
| At fair value 30 June 2021 | 529,264 | 23,487 | 55,343 | 173,066 | 54,737 | 22,500 | 19,552 | 43,156 | 15,371 | 936,476 | 32,665 | 969,141 |
| Accumulated depreciation at 30 June 2021 | (177,369) | (7,670) | (22,211) | (33,994) | (10,976) | (3,635) | (3,998) | (5,821) | (9,311) | (274,985) | - | (274,985) |
| | 351,895 | 15,817 | 33,132 | 139,072 | 43,761 | 18,865 | 15,554 | 37,335 | 6,060 | 661,491 | 32,665 | 694,156 |

Notes to the Financial Report
For the Year Ended 30 June 2021

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

| Council | At fair value 30 June 2020 | First time recognition of assets | Additions | Contributions | Revaluation | Depreciation | Disposal | Write-off | Transfers | Transfers from Provisions | At fair value 30 June 2021 |
|---------------------|-------------------------------|--|---------------|---------------|---------------|-----------------|----------------|----------------|-----------|---------------------------------|-------------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | | \$'000 |
| Land | 69,728 | 440 | 577 | - | 5,642 | - | (120) | - | 74 | - | 76,341 |
| Buildings | 99,421 | 72 | 287 | - | 1,651 | (2,618) | (50) | - | 3,520 | - | 102,283 |
| Plant and equipment | 45,617 | - | 2,491 | - | - | (2,936) | (677) | - | 2,107 | - | 46,602 |
| Infrastructure | 586,876 | 2,855 | 16,187 | 1,238 | 7,685 | (11,872) | (627) | (241) | 14,058 | 5,504 | 621,663 |
| Work in progress | 44,991 | - | 39,318 | - | - | - | - | (1,465) | (19,759) | - | 63,085 |
| | 846,633 | 3,367 | 58,860 | 1,238 | 14,978 | (17,426) | (1,474) | (1,706) | - | 5,504 | 908,974 |

| Summary of work in progress | Opening WIP | Additions | Write-off | Transfers | Closing WIP |
|--------------------------------|---------------|---------------|----------------|-----------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Property | 11,800 | 21,890 | (96) | (3,594) | 30,000 |
| Plant and equipment | 3,075 | 2,204 | (63) | (2,107) | 3,109 |
| Infrastructure | 30,116 | 15,224 | (1,306) | (14,058) | 29,976 |
| Total | 44,991 | 39,318 | (1,465) | (19,759) | 63,085 |

Notes to the Financial Report
For the Year Ended 30 June 2021

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

| Council | Land - specialised | Land - non specialised | Land under roads | Total land and land improvement | 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 2020 | 43,446 | 13,170 | 13,112 | 69,728 | 200,659 | 8,396 | 209,055 | 11,800 | 290,583 |
| Accumulated depreciation at 1 July 2020 | - | - | - | - | (106,246) | (3,388) | (109,634) | - | (109,634) |
| | 43,446 | 13,170 | 13,112 | 69,728 | 94,413 | 5,008 | 99,421 | 11,800 | 180,949 |
| Movements in fair value | | | | | | | | | |
| Additions | 177 | 400 | - | 577 | 10 | 277 | 287 | 21,890 | 22,754 |
| Recognitions | 374 | 64 | 2 | 440 | 72 | - | 72 | - | 512 |
| Revaluation | 2,439 | (76) | 3,279 | 5,642 | 9,007 | 1,422 | 10,429 | - | 16,071 |
| Disposal | (120) | - | - | (120) | (1,036) | - | (1,036) | - | (1,156) |
| Write-off | - | - | - | - | - | - | - | (96) | (96) |
| Transfers | - | 74 | - | 74 | 3,198 | 322 | 3,520 | (3,594) | - |
| | 2,870 | 462 | 3,281 | 6,613 | 11,251 | 2,021 | 13,272 | 18,200 | 38,085 |
| Movements in accumulated depreciation | | | | | | | | | |
| Depreciation and amortisation | - | - | - | - | (2,484) | (134) | (2,618) | - | (2,618) |
| Accumulated depreciation of disposals | - | - | - | - | 986 | - | 986 | - | 986 |
| Accumulated depreciation of revaluations | - | - | - | - | (7,733) | (1,045) | (8,778) | - | (8,778) |
| | - | - | - | - | (9,231) | (1,179) | (10,410) | - | (10,410) |
| At fair value 30 June 2021 | 46,316 | 13,632 | 16,393 | 76,341 | 211,910 | 10,417 | 222,327 | 30,000 | 328,668 |
| Accumulated depreciation at 30 June 2021 | - | - | - | - | (115,477) | (4,567) | (120,044) | - | (120,044) |
| | 46,316 | 13,632 | 16,393 | 76,341 | 96,433 | 5,850 | 102,283 | 30,000 | 208,624 |

Notes to the Financial Report
For the Year Ended 30 June 2021

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 2020 | 32,943 | 540 | 2,217 | 27,818 | 4,756 | 68,274 | 3,075 | 71,349 |
| Accumulated depreciation at 1 July 2020 | (17,449) | (328) | (1,531) | - | (3,349) | (22,657) | - | (22,657) |
| | 15,494 | 212 | 686 | 27,818 | 1,407 | 45,617 | 3,075 | 48,692 |
| Movements in fair value | | | | | | | | |
| Additions | 2,259 | - | - | - | 232 | 2,491 | 2,204 | 4,695 |
| Disposal | (2,773) | - | - | - | - | (2,773) | - | (2,773) |
| Write-off | - | - | - | - | - | - | (63) | (63) |
| Transfers | 1,939 | 26 | 25 | - | 117 | 2,107 | (2,107) | - |
| | 1,425 | 26 | 25 | - | 349 | 1,825 | 34 | 1,859 |
| Movements in accumulated depreciation | | | | | | | | |
| Depreciation and amortisation | (2,425) | (60) | (183) | - | (268) | (2,936) | - | (2,936) |
| Accumulated depreciation of disposals | 2,096 | - | - | - | - | 2,096 | - | 2,096 |
| | (329) | (60) | (183) | - | (268) | (840) | - | (840) |
| At fair value 30 June 2021 | 34,368 | 566 | 2,242 | 27,818 | 5,105 | 70,099 | 3,109 | 73,208 |
| Accumulated depreciation at 30 June 2021 | (17,778) | (388) | (1,714) | - | (3,617) | (23,497) | - | (23,497) |
| | 16,590 | 178 | 528 | 27,818 | 1,488 | 46,602 | 3,109 | 49,711 |

Notes to the Financial Report
For the Year Ended 30 June 2021

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

| Council | 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 |
|--|-----------|------------------|--------------------------|----------|-------------------------------------|------------------|------------------------------------|------------|----------------------|----------------------|------------------|----------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2020 | 508,931 | 22,362 | 52,833 | 165,583 | 53,754 | 17,062 | 18,883 | - | 11,987 | 851,395 | 30,116 | 881,511 |
| Accumulated depreciation at 1 July 2020 | (169,610) | (7,544) | (33,495) | (32,186) | (10,799) | (3,101) | (3,567) | - | (4,217) | (264,519) | - | (264,519) |
| | 339,321 | 14,818 | 19,338 | 133,397 | 42,955 | 13,961 | 15,316 | - | 7,770 | 586,876 | 30,116 | 616,992 |
| Movements in fair value | | | | | | | | | | | | |
| Additions | 12,342 | 347 | 675 | 2,460 | - | - | 157 | - | 206 | 16,187 | 15,224 | 31,411 |
| Contributions | - | - | - | 1,183 | - | - | 55 | - | - | 1,238 | - | 1,238 |
| Recognitions | 906 | 306 | 515 | 1,242 | - | - | 9 | - | - | 2,978 | - | 2,978 |
| Revaluation | 5,987 | (320) | 220 | (5) | 69 | (27) | (4,001) | - | (912) | 1,011 | - | 1,011 |
| Disposal | (1,413) | (284) | (590) | (85) | - | - | (144) | - | (23) | (2,539) | - | (2,539) |
| Write-off | - | - | - | - | - | (49) | - | - | (192) | (241) | (1,306) | (1,547) |
| Transfers | 2,511 | 1,076 | 1,690 | 2,226 | 646 | 10 | 4,038 | - | 1,861 | 14,058 | (14,058) | - |
| Transfers from Provisions | - | - | - | - | - | 5,504 | - | - | - | 5,504 | - | 5,504 |
| | 20,333 | 1,125 | 2,510 | 7,021 | 715 | 5,438 | 114 | - | 940 | 38,196 | (140) | 38,056 |
| Movements in accumulated depreciation | | | | | | | | | | | | |
| Depreciation and amortisation | (7,354) | (318) | (846) | (1,190) | (754) | (561) | (685) | - | (164) | (11,872) | - | (11,872) |
| Accumulated depreciation of disposals | 1,134 | 113 | 501 | 29 | - | - | 129 | - | 6 | 1,912 | - | 1,912 |
| Accumulated depreciation of recognitions | (22) | (4) | (8) | (89) | - | - | - | - | - | (123) | - | (123) |
| Accumulated depreciation of revaluations | (1,517) | 83 | 11,637 | (487) | 643 | 27 | 438 | - | (4,150) | 6,674 | - | 6,674 |
| | (7,759) | (126) | 11,284 | (1,737) | (111) | (534) | (118) | - | (4,308) | (3,409) | - | (3,409) |
| At fair value 30 June 2021 | 529,264 | 23,487 | 55,343 | 172,604 | 54,469 | 22,500 | 18,997 | - | 12,927 | 889,591 | 29,976 | 919,567 |
| Accumulated depreciation at 30 June 2021 | (177,369) | (7,670) | (22,211) | (33,923) | (10,910) | (3,635) | (3,685) | - | (8,525) | (267,928) | - | (267,928) |
| | 351,895 | 15,817 | 33,132 | 138,681 | 43,559 | 18,865 | 15,312 | - | 4,402 | 621,663 | 29,976 | 651,639 |

Notes to the Financial Report For the Year Ended 30 June 2021

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 | 10 - 50 years | 10 |
| road kerb and channel | 50 years | 10 |
| road pavements | 20 - 50 years | 10 |
| road seals | 5 - 50 years | 10 |
| Drainage | 50 - 150 years | 10 |
| Waste management | 10 - 30 years | 10 |
| Aerodromes | 50 years | 10 |
| Off street carparks | 50 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 2021

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 are not depreciated on the basis that 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 Con Demis 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 unserviced) 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.

The fair value assessed may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that Council could not reasonably have been aware of as at the date of valuation). Refer to Significant accounting policies under Overview section and Note 8.4 for further information on fair value measurement.

Notes to the Financial Report For the Year Ended 30 June 2021

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 2021 are as follows:

| | Level 1 | Level 2 | Level 3 | Date of Valuation |
|------------------|----------|---------------|----------------|-------------------|
| Land | - | 13,632 | 46,316 | Dec-20 |
| Specialised land | - | - | 16,393 | Dec-20 |
| Buildings | - | 5,850 | 96,433 | Dec-20 |
| Total | - | 19,482 | 159,142 | |

Valuation of infrastructure

Valuation of infrastructure assets has been undertaken by Danny Barnes, (B Env Mgmt.) (Council Officer).

The date of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year, this valuation was based on Rawlinson's indexation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2021 are as follows:

| | Level 1 | Level 2 | Level 3 | Date of Valuation |
|--|----------|----------|----------------|-------------------|
| Roads | - | - | 351,895 | Jun-21 |
| Kerb and channel | - | - | 15,817 | Jun-21 |
| Footpaths and cycle ways | - | - | 33,132 | Jun-21 |
| Drainage | - | - | 138,681 | Jun-21 |
| Recreational, leisure and community facilities | - | - | 43,559 | Jun-21 |
| Waste management | - | - | 18,865 | Jun-21 |
| Parks, open space and streetscapes | - | - | 15,312 | Jun-21 |
| Off street car parks | - | - | 4,402 | Jun-21 |
| Total | - | - | 621,663 | |

Aerodrome infrastructure assets are held under the cost model and are carried at historic cost less accumulated depreciation and any accumulated impairment losses.

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 \$0.003 and \$600.10 per square metre.

Notes to the Financial Report For the Year Ended 30 June 2021

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

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 \$66 to \$6,542.32 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 depreciated 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.

| | 2021 | 2020 |
|------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Reconciliation of specialised land | | |
| Land under roads | 16,393 | 13,112 |
| Land - Parks and reserves, etc. | 46,316 | 43,446 |
| Total specialised land | 62,709 | 56,558 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

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

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Councillors

| | | | |
|---------------------------|-----------------|--------------|------------|
| Councillor (Mayor) | Simon Clemence | 1/07/2020 to | 23/10/2020 |
| Councillor (Deputy Mayor) | Min Poole | 1/07/2020 to | 23/10/2020 |
| Councillor | Jason Modica | 1/07/2020 to | 23/10/2020 |
| Councillor | Anthony Cirillo | 1/07/2020 to | 23/10/2020 |
| Councillor | Gavin Sedgmen | 1/07/2020 to | 23/10/2020 |
| Councillor | Glenn Milne | 1/07/2020 to | 23/10/2020 |
| Councillor | Greg Brown | 1/07/2020 to | 23/10/2020 |
| Councillor | Helen Healy | 1/07/2020 to | 23/10/2020 |
| Councillor | Mark Eckel | 1/07/2020 to | 23/10/2020 |

Please note that due to Council Elections in October 2020, Council was in "caretaker period" from Tuesday 22 September to Saturday 24 October 2020.

The new term of Councillor were sworn into office at a Special Council Meeting held on Thursday 19 November 2020.

| | | | |
|---------------------------|------------------|---------------|------------|
| Councillor (Mayor) | Jason Modica | 19/11/2020 to | 30/06/2021 |
| Councillor (Deputy Mayor) | Helen Healy | 19/11/2020 to | 30/06/2021 |
| Councillor | Glenn Milne | 19/11/2020 to | 30/06/2021 |
| Councillor | Mark Eckel | 19/11/2020 to | 30/06/2021 |
| Councillor | Liam Wood | 19/11/2020 to | 30/06/2021 |
| Councillor | Ian Arney | 19/11/2020 to | 30/06/2021 |
| Councillor | Stefano de Pieri | 19/11/2020 to | 30/06/2021 |
| Councillor | Cyndi Power | 19/11/2020 to | 30/06/2021 |
| Councillor | Jodi Reynolds | 19/11/2020 to | 30/06/2021 |

Notes to the Financial Report For the Year Ended 30 June 2021

7.1 Council and key management remuneration (cont'd)

Chief Executive Officer and key management personnel

| | | |
|-----------------|-----------------------------------|--------------------------|
| Sarah Philpott | Chief Executive Officer | 1/07/2020 to 28/05/2021 |
| Philip Shanahan | Chief Executive Officer (Interim) | 24/05/2021 to 30/06/2021 |
| Chris Parham | General Manager Corporate | 1/07/2020 to 30/06/2021 |
| Mandy Whelan | General Manager Development | 1/07/2020 to 30/06/2021 |
| Martin Hawson | General Manager Community | 1/07/2020 to 30/06/2021 |

During the financial year none of the senior officers acted in positions that made them key management personnel for short periods. During these periods no related party transactions were entered into by any related party of these senior officers.

| | 2021 No. | 2020 No. |
|---|-------------|-------------|
| Total number of Councillors | 14 | 9 |
| Total of Chief Executive Officer and other Key Management Personnel | 5 | 5 |
| Total key management personnel | 19 | 14 |

(c) Remuneration of key management personnel

| | 2021 \$'000 | 2020 \$'000 |
|--|----------------|----------------|
| Total remuneration of key management personnel was as follows: | | |
| Short-term benefits | 1,395 | 1,342 |
| Post employment benefits | 96 | 94 |
| Termination benefits | - | - |
| Total | 1,491 | 1,436 |

| | 2021 No. | 2020 No. |
|--|-------------|-------------|
| The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands: | | |
| \$1 - \$9,999 | 4 | - |
| \$10,000 - \$19,999 | 5 | - |
| \$20,000 - \$29,999 | 5 | 8 |
| \$40,000 - \$49,999 | - | 1 |
| \$60,000 - \$69,999 | 1 | - |
| \$80,000 - \$89,999 | - | 1 |
| \$250,000 - \$259,999 | - | 1 |
| \$260,000 - \$269,999 | 1 | 2 |
| \$270,000 - \$279,999 | 2 | - |
| \$290,000 - \$299,999 | - | 1 |
| \$330,000 - \$339,999 | 1 | - |
| | 19 | 14 |

Notes to the Financial Report For the Year Ended 30 June 2021

7.1 Council and key management remuneration (cont'd)

(d) Senior officer remuneration

A senior officer is an officer of council, other than key management personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000

The number of senior officers are shown below in their relevant income bands:

| | 2021 | 2020 |
|-----------------------|-----------|-----------|
| Income Range: | No. | No. |
| \$151,000 - \$159,999 | 1 | 3 |
| \$160,000 - \$169,999 | 4 | 1 |
| \$170,000 - \$179,999 | 4 | 7 |
| \$180,000 - \$189,999 | 1 | 5 |
| \$190,000 - \$199,999 | 7 | - |
| | <u>17</u> | <u>16</u> |

| | \$'000 | \$'000 |
|--|--------------|--------------|
| Total remuneration for the reporting year for senior officers included above, amounted to: | <u>3,085</u> | <u>2,797</u> |

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 *

| | |
|-----------|-----------|
| 39 | 38 |
| <u>39</u> | <u>38</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 636 staff of which only 1 is 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 2020-21 financial year the amount funding was \$1.24 million. Please note this is not a loan to related party but an annual funding contribution.

Council was the auspice body for the Mildura Airport Pty Ltd construction of the Instrument Landing System. Council onpaid \$1.00 million in grant funding received as well as contributing \$1.00 million in Council contributions.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

(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.

7.2 Related party disclosure (cont'd)

(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 airport runway. 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 2021

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

(a) Contingent assets

Operating lease receivables

The Council has entered into commercial property leases on its 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 consumer price index (CPI) based revision of the rental charge annually.

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

| | Consolidated | | Council | |
|---|--------------|--------|---------|--------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Not later than one year | 698 | 641 | 262 | 271 |
| Later than one year and not later than five years | 1,863 | 1,863 | 759 | 773 |
| Later than five years | 2,155 | 1,932 | 1,185 | 1,319 |
| | 4,716 | 4,436 | 2,206 | 2,363 |

(b) Contingent 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.

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.

Municipal Association of Victoria (MAV) Work care

In November 2017, the Victorian WorkCover Authority (the Authority) granted the Municipal Association of Victoria (MAV) a three-year-self-insurance licence allowing it to provide workers' compensation insurance to Victorian councils. When the MAV WorkCare Scheme commenced, there were 31 inaugural members, including the MAV.

In accordance with the Authority's decision not to renew the MAV's self-insurance license, the MAV WorkCare Scheme ceased operation on 30 June 2021. The MAV is continuing to support the orderly transition of claims management responsibilities to the Authority.

Council was a participant of the MAV WorkCare Scheme.

The MAV WorkCare Scheme participation agreement stated that each participant would 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 would continue whether or not the participant remained a participant in future insurance years.

Notes to the Financial Report For the Year Ended 30 June 2021

Municipal Association of Victoria (MAV) Work care (cont'd)

The net financial impact on Council as a result of the cessation of the MAV WorkCare Scheme for the 2020-21 financial year is yet to be determined. Any obligation is dependent upon the Authority's initial actuarial assessment of the tail claims liabilities of the MAV WorkCare Scheme.

In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six-year liability period following the cessation of the MAV WorkCare Scheme. During the liability period, adjustment payments may be required (or received) by Council. The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by the Authority.

Support for financial subsidiaries

The COVID-19 pandemic has rapidly changed, developed and 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 support includes financial support through the COVID-19 Community Relief Fund, deferment of loan repayments 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.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

Notes to the Financial Report For the Year Ended 30 June 2021

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 1989*. 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.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

Notes to the Financial Report For the Year Ended 30 June 2021

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 2021

8.3 Financial instruments (cont'd)

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council does not believe there will be any shift in market interest rates from year end rates. Therefore, 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.

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.

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.

AASB 13 defines fair value as 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. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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 2021

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. 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.

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.

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

There have been no significant events occurring after the balance date which may affect the Council's operations or the results of those operations, except for noting that the COVID-19 pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

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 |
| Consolidated | | | |
| 2021 | | | |
| Property | | | |
| Land | 20,700 | 5,642 | 26,342 |
| Buildings | 58,495 | 1,651 | 60,146 |
| | 79,195 | 7,293 | 86,488 |
| Plant and equipment | | | |
| Artwork | 14,595 | - | 14,595 |
| | 14,595 | - | 14,595 |
| Infrastructure | | | |
| Roads | 249,910 | 4,470 | 254,380 |
| Drainage | 51,349 | (1,021) | 50,328 |
| Drainage basins | 4,190 | 529 | 4,719 |
| Recreational, leisure and community facilities | 42,669 | 712 | 43,381 |
| Parks, open space and streetscapes | 5,403 | (3,563) | 1,840 |
| Aerodromes | 9,594 | - | 9,594 |
| Off-street car parks | 5,062 | (5,062) | - |
| Footpaths | 17,997 | 11,857 | 29,854 |
| Kerb and channel | 17,650 | (237) | 17,413 |
| | 403,824 | 7,685 | 411,509 |
| Water rights | | | |
| Water rights | 8,530 | - | 8,530 |
| | 8,530 | - | 8,530 |
| Total asset revaluation reserves | 506,144 | 14,978 | 521,122 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(a) Asset revaluation reserves

| Consolidated 2020 | Balance at beginning of reporting period \$'000 | Increment (decrement) \$'000 | Balance at end of reporting period \$'000 |
|--|--|---|--|
| Property | | | |
| Land | 20,700 | - | 20,700 |
| Buildings | 58,495 | - | 58,495 |
| | 79,195 | - | 79,195 |
| Plant and equipment | | | |
| Artwork | 14,595 | - | 14,595 |
| | 14,595 | - | 14,595 |
| Infrastructure | | | |
| Roads | 240,655 | 9,255 | 249,910 |
| Drainage | 52,789 | (1,440) | 51,349 |
| Drainage basins | 3,687 | 503 | 4,190 |
| Recreational, leisure and community facilities | 40,629 | 2,040 | 42,669 |
| Waste management | (385) | 385 | - |
| Parks, open space and streetscapes | 3,043 | 2,360 | 5,403 |
| Aerodromes | 9,594 | - | 9,594 |
| Off-street car parks | 5,194 | (132) | 5,062 |
| Footpaths | 17,295 | 702 | 17,997 |
| Kerb and channel | 16,728 | 922 | 17,650 |
| | 389,229 | 14,595 | 403,824 |
| Water rights | | | |
| Water rights | 7,821 | 709 | 8,530 |
| | 7,821 | 709 | 8,530 |
| Total asset revaluation reserves | 490,840 | 15,304 | 506,144 |

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(a) Asset revaluation reserves

| Council 2021 | Balance at beginning of reporting period \$'000 | Increment (decrement) \$'000 | Balance at end of reporting period \$'000 |
|--|--|------------------------------------|--|
| Property | | | |
| Land | 20,700 | 5,642 | 26,342 |
| Buildings | 58,358 | 1,651 | 60,009 |
| | 79,058 | 7,293 | 86,351 |
| Plant and equipment | | | |
| Artwork | 14,595 | - | 14,595 |
| | 14,595 | - | 14,595 |
| Infrastructure | | | |
| Roads | 249,910 | 4,470 | 254,380 |
| Drainage | 51,349 | (1,021) | 50,328 |
| Drainage basins | 4,190 | 529 | 4,719 |
| Recreational, leisure and community facilities | 42,669 | 712 | 43,381 |
| Parks, open space and streetscapes | 5,403 | (3,563) | 1,840 |
| Aerodromes | 9,594 | - | 9,594 |
| Off-street car parks | 5,062 | (5,062) | - |
| Footpaths | 17,997 | 11,857 | 29,854 |
| Kerb and channel | 17,650 | (237) | 17,413 |
| | 403,824 | 7,685 | 411,509 |
| Water rights | | | |
| Water rights | 8,482 | - | 8,482 |
| | 8,482 | - | 8,482 |
| Total asset revaluation reserves | 505,959 | 14,978 | 520,937 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(a) Asset revaluation reserves

| Council 2020 | Balance at beginning of reporting period \$'000 | Increment (decrement) \$'000 | Balance at end of reporting period \$'000 |
|--|--|------------------------------------|--|
| Property | | | |
| Land | 20,700 | - | 20,700 |
| Buildings | 58,358 | - | 58,358 |
| | 79,058 | - | 79,058 |
| Plant and equipment | | | |
| Artwork | 14,595 | - | 14,595 |
| | 14,595 | - | 14,595 |
| Infrastructure | | | |
| Roads | 240,655 | 9,255 | 249,910 |
| Drainage | 52,789 | (1,440) | 51,349 |
| Drainage Basins | 3,687 | 503 | 4,190 |
| Recreational, leisure and community facilities | 40,629 | 2,040 | 42,669 |
| Waste management | (385) | 385 | - |
| Parks, open space and streetscapes | 3,043 | 2,360 | 5,403 |
| Aerodromes | 9,594 | - | 9,594 |
| Off-street car parks | 5,194 | (132) | 5,062 |
| Footpaths | 17,295 | 702 | 17,997 |
| Kerb and channel | 16,728 | 922 | 17,650 |
| | 389,229 | 14,595 | 403,824 |
| Water rights | | | |
| Water rights | 7,785 | 697 | 8,482 |
| | 7,785 | 697 | 8,482 |
| Total asset revaluation reserves | 490,667 | 15,292 | 505,959 |

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(b) Other reserves

| | Balance at beginning of reporting period | Transfer from accumulated surplus | Transfer to accumulated surplus | Balance at end of reporting period |
|---|--|---|---------------------------------------|--|
| Consolidated | \$'000 | \$'000 | \$'000 | \$'000 |
| 2021 | | | | |
| Non discretionary reserves | | | | |
| Apex Park reserve | 453 | 73 | (7) | 519 |
| Drainage | 186 | - | (186) | - |
| Developer contribution reserve | 1,871 | 2,335 | (2,093) | 2,113 |
| Library book bequest reserve | 5 | 30 | - | 35 |
| DGR donations reserve - MAC Theatre | 58 | - | - | 58 |
| Merbein Caravan Park reserve | 68 | - | - | 68 |
| Lake Cullulleraine Caravan Park reserve | 17 | - | - | 17 |
| Total | 2,658 | 2,438 | (2,286) | 2,810 |
| Discretionary reserves | | | | |
| Artwork acquisition reserve | 92 | 30 | (8) | 114 |
| Landfill redevelopment | 8,864 | 2,752 | (484) | 11,132 |
| Landfill rehabilitation reserve | 643 | 165 | (808) | - |
| Hands up Mallee | 614 | 401 | (305) | 710 |
| Small towns redevelopment reserve | 215 | 95 | (66) | 244 |
| Street light pole | 8 | - | (8) | - |
| VGC advance grants reserve | 8,266 | 7,927 | (8,266) | 7,927 |
| Land acquisition reserve | 829 | 450 | (677) | 602 |
| Water transfer proceeds reserve | 44 | 21 | - | 65 |
| Defined benefits reserve | 2,000 | - | - | 2,000 |
| Capital funding reserve | 14,491 | 1,844 | (10,458) | 5,877 |
| MRCC community drought reserve | 1,000 | - | - | 1,000 |
| MRCC developer contribution plan reserve | 3,545 | 4,200 | (815) | 6,930 |
| Unspent events grant reserve | - | 113 | - | 113 |
| Murrayville Swimming pool reserve | - | 25 | - | 25 |
| Underbool Swimming pool reserve | - | 14 | - | 14 |
| Total | 40,611 | 18,037 | (21,895) | 36,753 |
| Total other reserves | 43,269 | 20,475 | (24,181) | 39,563 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(b) Other reserves

| Consolidated | Balance at beginning of reporting period | Transfer from accumulated surplus | Transfer to accumulated surplus | Balance at end of reporting period |
|---|---|--|--|---|
| 2020 | \$'000 | \$'000 | \$'000 | \$'000 |
| Non discretionary reserves | | | | |
| Apex Park reserve | 412 | 41 | - | 453 |
| Drainage | 186 | - | - | 186 |
| Developer contribution reserve | 2,044 | 482 | (655) | 1,871 |
| Library book bequest reserve | 15 | - | (10) | 5 |
| DGR donations reserve - MAC Theatre | 57 | 1 | - | 58 |
| Merbein Caravan Park reserve | 38 | 30 | - | 68 |
| Lake Cullulleraine Caravan Park reserve | 10 | 7 | - | 17 |
| Total | 2,762 | 561 | (665) | 2,658 |
| Discretionary reserves | | | | |
| Artwork acquisition reserve | 56 | 45 | (9) | 92 |
| Landfill redevelopment | 8,795 | 2,000 | (1,931) | 8,864 |
| Landfill rehabilitation reserve | 492 | 165 | (14) | 643 |
| Hands up Mallee | 333 | 281 | - | 614 |
| Small towns redevelopment reserve | 427 | 18 | (230) | 215 |
| Street light pole | 8 | - | - | 8 |
| VGC advance grants reserve | 7,812 | 8,266 | (7,812) | 8,266 |
| Land acquisition reserve | 807 | 1,000 | (978) | 829 |
| Water transfer proceeds reserve | 44 | - | - | 44 |
| Defined benefits reserve | 1,000 | 1,000 | - | 2,000 |
| Capital renewal reserve | 7,014 | - | (7,014) | - |
| Capital funding reserve | 9,094 | 12,326 | (6,929) | 14,491 |
| MRCC community drought reserve | - | 1,000 | - | 1,000 |
| MRCC developer contribution plan | - | 4,200 | (655) | 3,545 |
| Total | 35,882 | 30,301 | (25,572) | 40,611 |
| Total other reserves | 38,644 | 30,862 | (26,237) | 43,269 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(b) Other reserves

| Council | Balance at beginning of reporting period | Transfer from accumulated surplus | Transfer to accumulated surplus | Balance at end of reporting period |
|--|---|--|--|---|
| 2021 | \$'000 | \$'000 | \$'000 | \$'000 |
| Non discretionary reserves | | | | |
| Apex Park reserve | 453 | 73 | (7) | 519 |
| Drainage | 186 | - | (186) | - |
| Developer contribution reserve | 1,871 | 2,335 | (2,093) | 2,113 |
| Library book bequest reserve | 13 | 30 | - | 43 |
| DGR donations reserve - MAC Theatre | 58 | - | - | 58 |
| Merbein Caravan Park reserve | 68 | - | - | 68 |
| Lake Cullulleraine Caravan Park reserve | 17 | - | - | 17 |
| Total | 2,666 | 2,438 | (2,286) | 2,818 |
| Discretionary reserves | | | | |
| Artwork acquisition reserve | 92 | 30 | (8) | 114 |
| Landfill redevelopment | 8,864 | 2,752 | (484) | 11,132 |
| Landfill rehabilitation reserve | 643 | 165 | (808) | - |
| Hands up Mallee | 614 | 401 | (305) | 710 |
| Small towns redevelopment reserve | 215 | 95 | (66) | 244 |
| Street light pole | 8 | - | (8) | - |
| VGC advance grants reserve | 8,266 | 7,927 | (8,266) | 7,927 |
| Land acquisition reserve | 829 | 450 | (677) | 602 |
| Water transfer proceeds reserve | 44 | 21 | - | 65 |
| Defined benefits reserve | 2,000 | - | - | 2,000 |
| Capital funding reserve | 14,491 | 1,844 | (10,458) | 5,877 |
| MRCC community drought reserve | 1,000 | - | - | 1,000 |
| MRCC developer contribution plan reserve | 3,545 | 4,200 | (815) | 6,930 |
| Unspent events grant reserve | - | 113 | - | 113 |
| Murrayville Swimming pool reserve | - | 25 | - | 25 |
| Underbool Swimming pool reserve | - | 14 | - | 14 |
| Total | 40,611 | 18,037 | (21,895) | 36,753 |
| Total other reserves | 43,277 | 20,475 | (24,181) | 39,571 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

9.1 Reserves (cont'd)

(b) Other reserves

| Council | Balance at beginning of reporting period \$'000 | Transfer from accumulated surplus \$'000 | Transfer to accumulated surplus \$'000 | Balance at end of reporting period \$'000 |
|--|--|---|---|--|
| 2020 | | | | |
| Non discretionary reserves | | | | |
| Apex Park reserve | 412 | 41 | - | 453 |
| Drainage | 186 | - | - | 186 |
| Developer contribution reserve | 2,044 | 482 | (655) | 1,871 |
| Library book bequest reserve | 23 | - | (10) | 13 |
| DGR donations reserve - MAC Theatre | 57 | 1 | - | 58 |
| Merbein Caravan Park reserve | 38 | 30 | - | 68 |
| Lake Cullulleraine Caravan Park reserve | 10 | 7 | - | 17 |
| Total | 2,770 | 561 | (665) | 2,666 |
| Discretionary reserves | | | | |
| Artwork acquisition reserve | 56 | 45 | (9) | 92 |
| Landfill redevelopment | 8,795 | 2,000 | (1,931) | 8,864 |
| Landfill rehabilitation reserve | 492 | 165 | (14) | 643 |
| Hands up Mallee | 333 | 281 | - | 614 |
| Small towns redevelopment reserve | 427 | 18 | (230) | 215 |
| Street light pole | 8 | - | - | 8 |
| VGC advance grants reserve | 7,812 | 8,266 | (7,812) | 8,266 |
| Land acquisition reserve | 807 | 1,000 | (978) | 829 |
| Water transfer proceeds reserve | 44 | - | - | 44 |
| Defined benefits reserve | 1,000 | 1,000 | - | 2,000 |
| Capital renewal reserve | 7,014 | - | (7,014) | - |
| Capital funding reserve | 9,094 | 12,326 | (6,929) | 14,491 |
| MRCC community drought reserve | - | 1,000 | - | 1,000 |
| MRCC developer contribution plan reserve | - | 4,200 | (655) | 3,545 |
| Total | 35,882 | 30,301 | (25,572) | 40,611 |
| Total other reserves | 38,652 | 30,862 | (26,237) | 43,277 |

Notes to the Financial Report For the Year Ended 30 June 2021

9.1 Reserves (cont'd)

| Name of reserve | Nature and purpose |
|---|---|
| Non discretionary reserves | |
| 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. |
| Car parking reserve | Statutory contributions under development plans to be used for the advancement of car parking facilities within the municipality. |
| 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. |
| Drainage reserve | Developer contributions and Environmental Protection Agency, to be used for drainage studies. |
| Nature strips and trees reserve | Statutory developer contributions to be spent on street beautification. |
| Resort/recreation/open space reserve | Statutory developer contributions to be used for parks development. |
| 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. |
| Lake Cullulleraine Caravan Park reserve | Set up where surplus funds are to be set aside for improvements to the park lands. |
| Discretionary reserves | |
| 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. |
| Landfill redevelopment reserve | Surplus on waste management operations, to be used for landfill reinstatement and purchase of new landfill sites. |
| Landfill rehabilitation reserve | A reserve created to provide for future landfill rehabilitation expenditure. |
| Hands up Mallee | A reserve created to account for the unspent portion of Primary Care Partnership 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 2021

9.1 Reserves (cont'd)

| Name of reserve | Nature and purpose |
|--|---|
| Discretionary reserves | |
| 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 renewal reserve | Reserve was established to hold rates funded capital works projects identified from 2017-2018 financial year. |
| 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 Annual 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. |
| Murrayville Swimming pool reserve | This reserve is created to hold funds from the Murrayville Swimming Pool S.86 committee. |
| Underbool Swimming pool reserve | This reserve is created to hold funds from the Underbool Swimming Pool S.86 committee. |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

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 |
|---|--|------------------------------------|---|--|
| Council | | | | |
| 2021 | | | | |
| Interest in Mildura Airport Pty Ltd | 33,606 | 68 | - | 33,674 |
| Interest in Mildura Regional Development | 765 | (202) | - | 563 |
| | 34,371 | (134) | - | 34,237 |
| Total financial assets revaluation | 34,371 | (134) | - | 34,237 |
| 2020 | | | | |
| Interest in Mildura Airport Pty Ltd | 34,399 | (807) | 14 | 33,606 |
| Interest in Mildura Regional Development | 751 | 14 | - | 765 |
| | 35,150 | (793) | 14 | 34,371 |
| Total financial assets revaluation | 35,150 | (793) | 14 | 34,371 |

**Notes to the Financial Report
For the Year Ended 30 June 2021**

| | Consolidated | | Council | |
|--|---------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 9.2 Reconciliation of cash flows from operating activities to surplus/(deficit) | | | | |
| Surplus/(deficit) for the year | 50,564 | 17,333 | 50,698 | 18,124 |
| Depreciation/amortisation | 19,375 | 18,495 | 17,715 | 17,060 |
| (Profit)/loss on disposal of property, infrastructure, plant and equipment | 899 | 3,365 | 916 | 3,194 |
| Decrease in carrying amount of assets | 1,736 | 1,377 | 1,736 | 1,377 |
| (Gain)/loss on recognition of non current assets | (3,367) | (1,024) | (3,367) | (1,024) |
| Contributions - non-monetary assets | (1,238) | (924) | (1,238) | (924) |
| Interest expense | 958 | 1,082 | 942 | 1,034 |
| Prior period adjustment | - | (3,379) | - | (3,379) |
| (Increase)/decrease in landfill provision discount amount | 429 | (13) | 429 | (13) |
| <i>Change in assets and liabilities:</i> | | | | |
| (Increase)/decrease in trade and other receivables | (2,112) | 615 | (1,647) | (2) |
| (Increase)/decrease in prepayments | 1,081 | 219 | 1,078 | 214 |
| (Decrease)/increase unearned income | (2,643) | 3,797 | (2,624) | 3,778 |
| Increase/(decrease) in trust fund deposits | 1,664 | (719) | 1,664 | (720) |
| Increase/(decrease) in trade and other payables | 1,263 | 662 | 413 | 721 |
| (Increase)/decrease in inventories | (24) | 13 | (23) | 11 |
| Increase/(decrease) in provisions | 1,008 | 623 | 959 | 664 |
| Net cash provided by operating activities | 69,593 | 41,522 | 67,651 | 40,115 |

Notes to the Financial Report For the Year Ended 30 June 2021

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 categories, Vision My Super / Vision Super Saver, receive 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 2021, this was 9.5% as required under Superannuation Guarantee legislation. Our commitment to accumulation plans is limited to making contributions in accordance with our minimum statutory requirements. No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

The Superannuation Guarantee (SG) rate will increase from 9.5% to 10% for the next year, increasing to 10.5% from 1 July 2022, and eventually to 12% from 1 July 2025.

Defined Benefit

As provided under Paragraph 34 of AASB 119 - Employee Benefits, 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.

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, 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. While there is an agreed methodology to allocate any shortfalls identified by the Funds Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 because of the pooled nature of the Fund's Defined Benefit category.

Notes to the Financial Report For the Year Ended 30 June 2021

9.3 Superannuation (cont'd)

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 review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

| | |
|------------------------|---|
| Net investment returns | 5.6% pa |
| Salary information | 2.5% pa for two years and 2.75% pa thereafter |
| Price inflation (CPI) | 2.0% pa |

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the estimated VBI index as at 30 June 2021 was 109.7%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 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

Regular contributions

On the basis of the results of the 2020 triennial 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 2021, this rate was 9.5% of members' salaries (9.5% in 2019/2020). 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 2020 triennial 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.

Notes to the Financial Report For the Year Ended 30 June 2021

9.3 Superannuation (cont'd)

Funding calls

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 limit at 97%.

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.

Notes to the Financial Report For the Year Ended 30 June 2021

The 2020 triennial 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. A 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:

| | 2020 (Triennial) | 2019 (Interim) |
|---------------------------------------|---------------------|-------------------|
| | \$m | \$m |
| A VBI surplus | 100.0 | 151.3 |
| A total service liability surplus | 200.0 | 233.4 |
| A discounted accrued benefits surplus | 217.8 | 256.7 |

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 2020.

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 2020.

The discounted accrued benefit 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 2020.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

The 2021 interim actuarial investigation

A interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021.

Notes to the Financial Report For the Year Ended 30 June 2021

10 Change in accounting policy

a) AASB 1059 Service Concession Arrangements: Grantors

Council has adopted AASB 1059 Service Concession Arrangements: Grantors, from 1 July 2020. It involves the accounting for a service concession arrangement by a grantor that is a public sector entity.

The standard requires a grantor to:

- Recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor when the grantor controls the asset.
- Reclassify an existing asset as a service concession asset when it meets the criteria for recognition as a service concession asset.
- Initially measure a service concession asset at current replacement cost in accordance with the cost approach to fair value in AASB 13 and subsequent to the initial recognition.

Council has conducted an assessment under this accounting standard, and determined we currently have no arrangements / grantors, and therefore there is no impact on financial statements for 2020-21 financial year.

b) AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material, from 1 July 2020. This amendment clarifies that materiality will depend on the nature or magnitude of information or both. An entity needs to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

Council has conducted a review of this standard and has assessed that all information, either individually or combined, have been included in the financial statements that would be of a material nature.

Part 3: Performance Statement

Mildura Rural City Council

Performance Statement

For the year ended 30 June 2021



Mildura Rural City Council

Performance Statement

For the year ended 30 June 2021

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 22,330 square kilometres, making it the largest in Victoria and has an estimated resident population of 55,937¹ which is projected to grow to 65,500 by the year 2036².

Operational summary

This year's performance results have been affected by a number of factors.

Due to the Coronavirus pandemic (COVID-19), the State and Federal Government continue to provide additional funding to enable Council's to support the Community and provide economic stimulus. Council's operating grants have increased compared to budget by \$1.9 million.

Materials and services expenditure has also been lower than budgeted. This is due to receipt of additional grants with related expenditure to occur in 2021-22 financial year. The Coronavirus pandemic (COVID-19) has also impacted the supply of goods and services due to related restrictions and lockdowns. This has contributed to the operating surplus with expenditure now occurring in 2020-21 financial year.

The Coronavirus pandemic (COVID-19) restrictions have also affected our ability to provide business as usual (see commentary below).

COVID-19

The COVID-19 pandemic has affected everyone in our community including front-line workers who deliver our services. To keep everyone safe, some Council services such as events, art centre, library and playgrounds were closed, while others took their programs online. Fortunately, some of the Council's front-line services, such as waste collections and road construction, were able to continue as normal with little impact on services. Some of the actions in this report have been affected by the COVID-19 pandemic in some way, mostly as the result of some operations being closed and scheduled community events being cancelled. However, a significant amount of actions and services were able to continue through a shift to remote delivery.

¹ Source: Australian Bureau of Statistics Catalogue 3218.0 Population Estimates by Local Government Area (ERP at 30 June 2020)

² Source: Victoria in Future 2019: Population projections 2016 to 2056, July 2019 (DELWP)

Sustainable Capacity Indicators

For the year ended 30 June 2021

| | Results | | | | |
|--|-------------|-------------|-------------|-------------|---------------------|
| Indicator / measure | 2018 | 2019 | 2020 | 2021 | Material Variations |
| Population | | | | | |
| C1 - Expenses per head of municipal population [Total expenses / Municipal population] | \$1,971.98 | \$1,938.74 | \$1,912.10 | \$2,000.72 | |
| C2 - Infrastructure per head of municipal population [Value of infrastructure / Municipal population] | \$12,404.80 | \$13,438.60 | \$13,928.77 | \$14,903.07 | |
| C3 - Population density per length of road [Municipal population / Kilometres of local roads] | 10.82 | 10.76 | 10.81 | 10.82 | |
| Own-source revenue | | | | | |
| C4 - Own-source revenue per head of municipal population [Own-source revenue / Municipal population] | \$1,550.91 | \$1,583.28 | \$1,583.72 | \$1,677.05 | |

| | | | | | |
|---|----------|----------|----------|----------|--|
| Recurrent grants | | | | | |
| <i>C5 - Recurrent grants per head of municipal population</i> | \$450.36 | \$419.90 | \$465.28 | \$476.09 | |
| [Recurrent grants / Municipal population] | | | | | |
| Disadvantage | | | | | |
| <i>C6 - Relative socio-economic disadvantage</i> | 1.00 | 1.00 | 1.00 | 1.00 | |
| [Index of relative socio-economic disadvantage by decile] | | | | | |
| Workforce Turnover | | | | | |
| <i>C7 - Percentage of staff turnover</i> | 14.6% | 22.9% | 9.8% | 12.7% | |
| [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 | | | | | |
| | | | | | Staff turnover rate in 2020-21 is comparable with long term average. There was higher turnover in 2018/19 when Council outsourced aquatic services and a slightly lower turnover rate in 2019/20 which can be attributed to a more stable workforce (less resignations) due to COVID-19. |

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 2021

| Service/indicator/measure | Results | | | | Material Variations |
|--|-------------|-------------|------|------|--|
| | 2018 | 2019 | 2020 | 2021 | |
| Aquatic Facilities | | | | | The reduction is primarily due to the on-going impact of COVID-19. Five of the twelve months during the reporting period were impacted due to the forced closure of the facility or the heavily reduced operating capacity. The months that were not impacted by COVID-19 suggests strong community use and consistent with average attendance of previous years |
| Utilisation | | | | | |
| AF6 - Utilisation of aquatic facilities | 8.71 | 3.72 | 5.55 | 3.81 | |
| [Number of visits to aquatic facilities / Municipal population] | | | | | |
| Animal Management | | | | | One prosecution in 2020-21 which was successful. There were no prosecutions in 2019-20. |
| Health and safety | | | | | |
| AM7 - Animal management prosecutions | | | | | |
| [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100 | New in 2020 | New in 2020 | 0% | 100% | |

| | | | | | | |
|--|--------|--------|--------|--------|--|--|
| Food Safety | | | | | | |
| Health and safety | | | | | | |
| FS4 - Critical and major non-compliance outcome notifications | 89.00% | 92.86% | 74.55% | 80.49% | | |
| [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 | | | | | | |
| Governance | | | | | | |
| Satisfaction | | | | | | |
| G5 - Satisfaction with council decisions | 54 | 53 | 50 | 48 | | |
| [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community] | | | | | | |
| Libraries | | | | | | |
| Participation | | | | | | |
| LB4 - Active library borrowers in municipality | 12.28% | 11.33% | 11.09% | 9.38% | This indicator now measures number of active library borrowers instead of number of active library members. Social distancing restrictions and library closures due to COVID-19 has impacted both our 2019/20 and 2021/21 results. | |
| [The sum of the number of active library borrowers in the last 3 financial years / The sum of the population in the last 3 financial years] x100 | | | | | | |
| Maternal and Child Health (MCH) | | | | | | |
| Participation | | | | | | |
| MC4 -Participation in the MCH service | 79.90% | 81.17% | 73.05% | 74.66% | | |
| [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 | | | | | | |

| | | | | | |
|---|--------|--------|--------|---------|--|
| Participation | | | | | |
| MC5 - Participation in the MCH service by Aboriginal children [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 | 58.96% | 67.53% | 68.94% | 77.21% | The current role vacancy for a Maternal and Child Health Nurse at Mallee District Aboriginal Services has seen an increase in participation in Councils Maternal and Child Health Service. Underlying this is the trend of increased participation in the service by Aboriginal children continuing. |
| Roads | | | | | |
| Satisfaction | | | | | |
| R5 - Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads] | 57 | 57 | 55 | 59 | Slight increase in satisfaction levels attributed to additional maintenance efforts of the road network which is also supported with the drop in customer maintenance requests. |
| Statutory Planning | | | | | |
| Decision making | | | | | |
| SP4 - Council planning decisions upheld at VCAT [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 | 75.00% | 83.33% | 85.71% | 100.00% | Council had 4 permit applications determined at VCAT in 2020-21, with all 4 decisions upheld (not set aside). |
| Waste Collection | | | | | |
| Waste diversion | | | | | |
| WC5 - Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 32.25% | 30.37% | 17.83% | 72.19% | The diversion rate of waste to landfill has increased significantly due to the introduction of weekly Food Organics and Garden Organics and fortnightly garbage collections. Recycling rates have also increased as a consequence in conjunction with a reduction in contamination in recycling bin. |

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 2021

| Dimension/ indicator/ measure | Results | | | | Forecasts | | | | Material Variations |
|--|-------------|-------------|------------|------------|------------|------------|------------|------------|------------------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | |
| Efficiency | | | | | | | | | |
| Expenditure level | | | | | | | | | |
| <i>E2 - Expenses per property assessment</i> | \$3,744.79 | \$3,667.96 | \$3,598.33 | \$3,777.05 | \$4,034.44 | \$4,097.54 | \$4,182.90 | \$4,266.71 | 1. |
| [Total expenses / Number of property assessments] | | | | | | | | | |
| <i>E4 - Average rate per property assessment</i> | New in 2020 | New in 2020 | \$2,092.95 | \$2,165.88 | \$2,208.12 | \$2,259.13 | \$2,318.72 | \$2,378.30 | |
| [General rates and Municipal charges / Number of property assessments] | | | | | | | | | |

| | | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|----|--|
| Liquidity | | | | | | | | | | |
| Working capital | | | | | | | | | | |
| <i>L1 - Current assets compared to current liabilities</i> | 425.98% | 507.85% | 418.25% | 405.85% | 287.97% | 300.85% | 302.34% | 299.22% | 2. | |
| [Current assets / Current liabilities] x100 | | | | | | | | | | |
| Unrestricted cash | | | | | | | | | | |
| <i>L2 - Unrestricted cash compared to current liabilities</i> | 257.91% | 392.97% | 337.52% | 321.48% | 209.64% | 216.69% | 215.85% | 212.39% | 3. | |
| [Unrestricted cash / Current liabilities] x100 | | | | | | | | | | |
| Obligations | | | | | | | | | | |
| Loans and borrowings | | | | | | | | | | |
| <i>O2- Loans and borrowings compared to rates</i> | 30.86% | 28.34% | 25.75% | 22.90% | 28.00% | 25.11% | 22.86% | 20.66% | 4. | |
| [Interest bearing loans and borrowings / Rate revenue] x100 | | | | | | | | | | |
| <i>O3 - Loans and borrowings repayments compared to rates</i> | 1.74% | 2.62% | 2.95% | 2.70% | 5.39% | 3.31% | 2.60% | 2.52% | 5. | |
| [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 | | | | | | | | | | |

| | | | | | | | | | |
|--|-------------|-------------|---------|---------|---------|--------|--------|--------|----|
| Indebtedness | | | | | | | | | |
| O4 - Non-current liabilities compared to own source revenue | 47.10% | 51.98% | 52.98% | 52.64% | 52.32% | 51.71% | 50.55% | 48.93% | |
| [Non-current liabilities / Own source revenue] x100 | | | | | | | | | |
| Asset renewal and upgrade | | | | | | | | | |
| O5 -Asset renewal and upgrade compared to depreciation | New in 2020 | New in 2020 | 108.43% | 186.85% | 108.59% | 82.25% | 77.93% | 77.69% | 6. |
| [Asset renewal and asset upgrade expense/ Asset depreciation] x100 | | | | | | | | | |
| Operating position | | | | | | | | | |
| Adjusted underlying result | | | | | | | | | |
| OP1 - Adjusted underlying surplus (or deficit) | 11.44% | 6.61% | 10.23% | 10.67% | 0.18% | 0.27% | -0.48% | -0.57% | 7. |
| [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100 | | | | | | | | | |

| | | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| Stability | | | | | | | | |
| Rates concentration | | | | | | | | |
| <i>S1 - Rates compared to adjusted underlying revenue</i> | 54.10% | 60.42% | 60.90% | 61.04% | 65.10% | 65.39% | 66.15% | 66.49% |
| [Rate revenue / Adjusted underlying revenue] x100 | | | | | | | | |
| Rates effort | | | | | | | | |
| <i>S2 - Rates compared to property values</i> | 0.82% | 0.76% | 0.73% | 0.72% | 0.70% | 0.71% | 0.72% | 0.73% |
| [Rate revenue / Capital improved value of rateable properties in the municipality] x100 | | | | | | | | |

Material Variation Comments

- E2 - Expenses per property assessment** - This trend had been reducing due to expenditure in prior years being influenced by being the auspice body for grant funding for Mildura Airport Pty Ltd (MAPL). The trend has increased in the past year primarily due to the COVID-19 global pandemic and also being the auspice body for grant funding received and on paid to MAPL for the implementation of the Instrument Landing System.
- L1 - Current assets compared to current liabilities** - This result is influenced by forward payment of 50% of the financial assistance grant funding and the timing associated with financial completion of capital works projects, some of which are large scale and may span multiple financial years.
- L2 - Unrestricted cash compared to current liabilities** - This result is influenced by forward payment of 50% of the financial assistance grant funding.
- O2 - Loans and borrowings compared to rates** - Council is looking at borrowings to help fund initiatives from Mildura Future Ready.
- O3 - Loans and borrowings repayments compared to rates** - Council is looking at borrowings to help fund initiatives from Mildura Future Ready.
- O5 - Asset renewal and upgrade compared to depreciation** - 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.
- OP1 - Adjusted underlying surplus (or deficit)** - The underlying surplus aims for a breakeven result. The past year is influenced by forward payment of our financial assistance grant funding as well as other grant funding paid to assist recovery from the COVID-19 global pandemic.

Retired Measures

| Service/Dimension <i>indicator/measure</i> | Results | | | | Material Variations |
|--|------------|------------|-----------------|-----------------|--|
| | 2018 | 2019 | 2020 | 2021 | |
| Animal Management | | | | | This measure was replaced by AM7 from 1 July 2019. |
| Health and safety | | | | | |
| <i>AM4 - Animal management prosecutions</i> | 0 | 0 | Retired in 2020 | Retired in 2020 | |
| [Number of successful animal management prosecutions] | | | | | |
| Efficiency | | | | | This measure was replaced by E4 from 1 July 2019. |
| Revenue level | | | | | |
| <i>E1 - Average residential rate per residential property assessment</i> | \$1,917.78 | \$1,914.97 | Retired in 2020 | Retired in 2020 | |
| [Residential rate revenue / Number of residential property assessments] | | | | | |
| Obligations | | | | | This measure was replaced by O5 from 1 July 2019. |
| Asset renewal | | | | | |
| <i>O1 - Asset renewal compared to depreciation</i> | 75.35% | 73.92% | Retired in 2020 | Retired in 2020 | |
| [Asset renewal expense / Asset depreciation] 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

"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 2021

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 1989* and Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the *Local Government Act 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).

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 2014 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 Budget on 28 July 2021. The Budget 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 Budget can be obtained by contacting Council.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the *Local Government Act 2020*).



Mark McMillan, BBus
Principal Accounting Officer

Date: 28 September 2021
Mildura

In our opinion, the accompanying performance statement of the Mildura Rural City Council for the year ended 30 June 2021 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the *Local Government Act 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 2014 to certify this performance statement in its final form.



Cr Jason Modica
Councillor

Date: 28 September 2021
Mildura



Cr Helen Healy
Councillor

Date: 28 September 2021
Mildura



Martin Hawson
Acting Chief Executive Officer

Date: 28 September 2021
Mildura

Independent Auditor's Report

To the Councillors of Mildura Rural City Council

| | |
|--|---|
| Opinion | <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"> • description of municipality for the year ended 30 June 2021 • sustainable capacity indicators for the year ended 30 June 2021 • service performance indicators for the year ended 30 June 2021 • financial performance indicators for the year ended 30 June 2021 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p> |
| Basis for Opinion | <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>. I and my staff 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 and 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> |
| Councillors' responsibilities for the performance statement | <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 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p> |
| Auditor's responsibilities for the audit of the performance statement | <p>As required by the <i>Audit Act 1994</i>, 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.</p> |

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.

MELBOURNE
1 October 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria