

Annual Report

2021-2022



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 2021-2022

As a Council, we are committed to transparent reporting and accountability to our community and the Report of Operations 2021-2022 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: 55,235
- Estimated Mildura population: 33,919
- Aboriginal and Torres Strait Islander population: 2,519
- The majority of the Mildura region's population were born in Australia (78 per cent). 1.9 per cent were born in Malaysia, 1.2 per cent in England, 1.1 per cent in India, 0.9 per cent in Italy and 0.8 per cent in New Zealand.
- 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 2022 update to Australian Bureau of Statistics data.*

Purpose

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

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

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

Fast Facts

- 74 groups assisted by annual community grants totalling \$567,143 (GST exclusive)
- 1,071 km of local sealed roads maintained
- 4,110 km of unsealed local roads maintained
- 30,475 rateable properties comprised of 24,577 residential, 2,484 business, 1,541 dryland farming, 1,788 irrigated farming and 85 cultural and recreation properties
- 1,147 applications received for 170 recruitment processes
- 49,628 hours of aged and disability care support services provided
- 231,589 attendees at aquatic facilities
- 231,576 library items borrowed
- 64,283 calls answered by the customer service call centre
- 626 planning applications received
- 1,185 building permits issued for building works totalling \$254,121,536
- 26 school crossings supervised
- 27,443 rubbish bins collected each fortnight
- 26,825 recycling bins collected each fortnight

- 26,576 organic bins collected each week
- 33 recreation reserves maintained
- 97,892 aeroplane passengers
- 639kW 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: Environment

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

Achievements:

- After signing on to the Victorian Energy Collaboration, took an important step towards our goal of zero net carbon emissions by officially switching over in July 2022 to electricity generated by 100 per cent renewables for all Council buildings, facilities and public/street lighting.
- Secured \$95,000 for a solar PV system at the Mildura Sporting Precinct that will deliver flow-on financial benefits to local community group the Sunraysia Sustainability Network, who will receive 50 per cent of the annual financial savings generated by the solar PV system for the next 10 years.
- Appointed eight community representatives to our inaugural Climate Emergency Community Action Group, which will aim to create community ownership and responsibility regarding climate-related issues and challenges facing our region.
- Successfully bid for the Mildura region to be included in the Victorian Government's Neighbourhood Battery Initiative, which will identify potential locations for community batteries in our municipality.
- In partnership with Greening Mildura, launched the Mildura Riverfront Tree Trail on 26 September 2021 to celebrate and encourage appreciation of the role trees play in our region.
- Released statistics in September 2021 highlighting the resounding success of the introduction of a food and garden organics kerbside bin service July 2020. This almost halved the amount of waste our community sent to landfill from 2019-2020 to 2020-2021, contributing significantly towards Council's aim of zero net emissions by 2050.
- Continued to lead the way in slashing carbon emissions and transitioning to renewable energy with the introduction of our organisation's first three electric vehicles.
- Joined forces with North Central Catchment Management Authority, Mallee Catchment Management Authority, First People of the Millewa-Mallee, NSW Department of Primary Industry - Fisheries, Ozfish and Sunraysia Institute of TAFE on the Mildura Riverfront Threatened Fish Nursery project, which provides two endangered native fish species with a safe, uncontaminated environment in the Ornamental Lakes in which they can breed very close to their natural habitat.

- As part of the Lighting the Regions Stage 2 project, contributed \$450,000 from our 2021-2022 capital works program to the replacement of all street lighting within the Mildura local government area (by the end of March 2022) with LED technology, which will cut Council's energy and maintenance costs by a further \$2.5 million over the next 20 years.
- Invited eligible farm businesses in the Millewa-Carwarp area to apply for a one-off grant of up to \$3,000 (ex-GST) through to 30 June 2022 under the Drought Recovery Grant Program, a new partnership between Mildura Rural City Council and Agriculture Victoria to implement drought restoration and other land management activities.
- Released our annual Environmental Sustainability Report showing Mildura Rural City Council cut its fuel, electricity and water usage, and slashed the amount of organic waste going to landfill, among key achievements for 2020-2021.
- Ran a successful Clean Up Australia Day community event on 6 March 2022, which focused on a major clean-up of bushland between Ranfurly Way and the Murray River near the Merbein boat ramp.
- Announced the receipt of more than \$47,000 in Victorian Government funding through Sustainability Victoria's Community Climate Change and Energy Action program to reduce energy bills and greenhouse gas emissions at six community facilities: Mildura and Workers Bowls Clubs (solar PV installation); Mildura Football Netball Club (solar PV installation); DeGaris Kindergarten (Level 2 Energy Audit); Ouyen Pre-School (Level 2 Energy Audit); Underbool Pre-School (Level 2 Energy Audit); Murrayville Pre-School (Level 2 Energy Audit).
- To support Earth Hour, together with Sunraysia residents and businesses, joined millions across the globe in switching off lights for an hour on 26 March 2022 as a powerful symbolic gesture of solidarity in support of the environment.
- Preceded by the installation of solar, undertook major renovations to both the Red Cliffs and Irymple Swimming Pools, which included the reinstatement of pool shells, renewal of pool decks, and renewal and upgrade of the hydraulic system for the main pool and toddlers pool, to deliver more energy-efficient facilities and reduced operational costs.
- Adopted a new Requests for Free Waste Policy to ensure a fair and reasonable approach in relation to requests for fee waivers, refunds and reductions for the payments of landfill gate fees, requests for free hiring of bins for events and street sweeping services.
- Held a Backyard Chickens Workshop at the Mildura Eco Village on 26 June 2022, which provided the opportunity for residents interested in keeping chickens in their own backyards to learn how to care for chickens in Sunraysia's climate, as well the benefits chickens provide.
- Adopt the Urban Tree Policy, updated to include minor changes.
- Adopted the Urban Tree Strategy 2021-2026.
- Adopted the Waste and Resource Recovery Strategy 2022-2026.

Strategic Objective: Community

We will be a healthy, respectful and connected community.

Achievements:

- Following suggestions from the community, in July 2021 Councillors endorsed Mildura Sporting Precinct as the preferred name for the Mildura region's biggest and most eagerly-awaited community sporting venue.
- Mildura Library continued to support problem gamblers by extending its opening hours on Thursdays as part of its inclusion in the Libraries After Dark program - a state-wide initiative aimed at providing problem gamblers with alternative options and venues for socialising through extended evening opening hours at libraries.
- Launched Pathways for Carers Walking Group, a joint project between Council, Interchange Outer East and the Victorian Government, on 18 August 2021 to offer support and time out for local residents caring for loved ones.
- The *Sunday Jazz* program featured a performance at the Mildura Arts Centre from singer-songwriter Natalija Havralenko and Penn Farmer on guitar on 22 August 2022, marking the second time in 12 months the pair has graced the Mildura Arts Centre stage.
- Distributed 4,000 books to local kindergartens, early learning centres and Supported Playgroups in time for Book Week (21–27 August 2021), enabling close to 2,000 local children to receive free books thanks to a partnership between 123Read2Me; The Free Children's Book Charity and Lions Clubs.
- In October 2021, announced almost \$120,000 in funding for more than 20 local organisations and businesses through our Community Activation Funding program, which aims to increase community participation and connection to lessen the ongoing social impacts of the COVID-19 pandemic through a range of innovative projects, programs and activities.
- In November 2021, announced 31 different community groups and sporting clubs to share in more than \$229,000 in grant funding, under the latest round of Mildura Rural City Council's Community Grant program, to deliver important projects and initiatives that will benefit the wider community.
- Mildura Arts Centre hosted *Earth Canvas*, a touring exhibition linking leading artists with regenerative farmers that demonstrates that from a regenerative farming perspective, good land management is part of the climate solution.
- Held a special Community Day that included sporting competitions, guided tours, live entertainment and a kick-to-kick under lights at the Mildura Sporting Precinct - regional Victoria's newest multipurpose facility - on 12 December 2021 to help mark the precinct's official opening.

- Joined forces with Lower Murray Water and SuniTAFE to support Respect Victoria's 16 Days of Activism Against Gender Based Violence from 25 November to 10 December 2021 with a range of initiatives targeted at raising community awareness about gender inequality and preventing gender-based violence before it starts.
- Announced Mildura Rural City Council's 2022 Australia Day Award recipients: Citizen of the Year, Carly Heintze; Young Citizen of the Year, Lily Milsom; Community Event or Project of the Year, Mildura Eisteddfod Society Inc. for the 42nd Mildura Eisteddfod,
- Normally held as part of NAIDOC Week in July each year, celebrated Aboriginal and Torres Strait Islander cultures with a corroboree at Nowingi Place, included for the first time as part of Mildura's suite of Easter Long Weekend community activities.
- Melbourne Symphony Orchestra performed Beethoven's Symphony No. 7 live at the Mildura Arts Centre for Sunraysia audiences on 5 March 2022.
- The Mildura Library ran a StoryWalk event at Nowingi Place in March 2022, allowing Sunraysia residents the chance to combine reading, gentle exercise and the joy of sharing stories in a unique and fun way.
- Joined with the Mildura English Language Centre to celebrate Harmony Day on 22 March 2022, which honours the cultural diversity of our country, with Council officers providing a short classroom lesson explaining our country's government system, including the difference between federal, state and local government, with a focus on local government.
- Brought together by the Mildura Anti-Racism Community Yarning Circle, a partnership between Mildura Rural City Council's Ngiwa Yarna (Aboriginal Action) Committee and Yuranga Local Aboriginal Network Mildura, hosted a diverse panel of speakers at the Mildura Sporting Precinct on 6 April 2022, led by award-winning journalist and writer Stan Grant, who shared their personal experiences with racism and discussed how our community can best tackle it.
- Launched the Baby Makes 3 program on 26 April 2022 to help families sustain healthy, equitable and equal relationships after the birth of their baby.
- Awarded respected local First Nations resident Willie Hannah-Rodgers the 2021 Elliott Award in recognition of his lifelong contribution to preserving, protecting and promoting the living Aboriginal culture of our region.
- Mildura Library launched the *100 Years of Soldier Settlement* project, making the library's collection of Sunraysia Daily newspapers from the 1920s and 1930s available in digitised format on the National Library of Australia's TROVE website, allowing anyone locally, nationally or internationally to easily search and access them from one central location, free-of-charge.
- Mildura Arts Centre hosted a performance by talented Indigenous Australian singer/song-writer Kutcha Edwards, who took to stage on 21 June 2022, bringing his powerful new music theatre creation *Circling Time – Songs & Stories* to the region.
- Announced our successful application for a Changing Places facility in the Powerhouse Precinct, which will enable people with disabilities to fully access public toilets with special features including change tables and hoists.

- Council adopted a new Sport and Recreation Facilities Funding and Capital Contributions Policy to provide principles for prioritising external grant applications and internal capital works applications for sport and recreation projects across our municipality.
- Council adopted the Recreation Assistance Grant Scheme Policy, updated to take into account new funding streams for recreation planning grants and major facility upgrade grants.
- Adopted an updated version of the Aboriginal Recognition Policy, which provides the mechanism for respect and recognition of the Aboriginal communities within our municipality.
- Council adopted the Community Vision 2021-2040 and Council Plan 2021-2025, developed following a broad and extensive deliberative engagement process undertaken with the community in accordance with the *Local Government Act 2020* and Council's Community Engagement Policy.
- Adopted the Domestic Animal Management Plan 2021-2025.
- Adopted the Community Health and Wellbeing Plan 2021-2025.

Strategic Objective: Place

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

Achievements:

- Made possible through \$268,341 from the Victorian Government's Community Crime Prevention Program, in late July/early August 2021 announced a series of planned upgrades to transform Rio Vista Park, including new public toilets, reactive public lighting to improve security and safety, CCTV cameras and linkages to the nearby Off Leash Dog Park.
- In August 2021, unveiled design concepts for a \$195,000 project to be funded through the Australian Government's Drought Communities Program to redevelop the Lake Cullulleraine foreshore at Johansen Memorial Recreation Reserve to include new paths, lighting, seating and picnic benches, upgrades to the existing rotunda, a new barbecue area and a nature-based play space inspired by the local landscape and heritage.
- Following a comprehensive community engagement process, in September 2021 unveiled plans for flexible event spaces and an exciting new purpose-built basement venue for the Powerhouse precinct that will sit within new landscaping, matching the rest of the redeveloped riverfront area.
- Following our successful application for \$1.15 million in Australian Government Building Better Regions funding, announced a major suite of projects totalling \$2.3 million that will benefit communities along the Mallee Track: Murrayville Recreation Reserve Community Complex and Change Rooms - \$1.7 million; Murrayville Wetlands Project - \$150,000; Ouyen Fitness, Health and Wellbeing Centre - \$150,000; Underbool Bowls Artificial Turf Project - \$265,716; Walpeup Hall Restoration Final Stage - \$25,125.
- As part of the Transport Accident Commission's Toward Zero initiative, implemented a suite of measures in Karadoc Avenue and Irymple residential streets to improve road safety for pedestrians and cyclists, including the installation of a raised pedestrian crossing in Karadoc Avenue and raised traffic islands on the entrance to residential streets, as well as reduced speed limits in Karadoc Avenue and other Irymple residential streets deemed higher risk.
- Stage 1 of the Mildura Sporting Precinct project, made possible with combined state and federal government funding of more than \$20 million, was officially opened on 10 December 2021 by representatives of the Australian and Victorian governments.
- Celebrated the official opening of the Rio Vista Off Leash Dog Park on 17 December 2021 with local pet owners, who were invited to join together and enjoy the park with their four-legged friends.
- In February 2022, announced Council approval of tenders to enable the commencement in the coming months of around \$20 million in construction works on two of the most eagerly awaited major projects in our region – the Powerhouse Precinct and Stage 2 of the Mildura Sporting Precinct.

- Marked the official sod-turning for Stage 2 of the Mildura Sporting Precinct on 10 May 2022 with representatives from Mildura Rural City Council, the Victorian Government, Member for Mildura Ali Cupper and local sporting user groups in attendance.
- Made possible by funding contributions from the Victorian Government through Sport and Recreation Victoria's 2021-2022 Country Football Netball Program, the Australian Cricket Infrastructure Fund and the Irymple community, announced an \$810,000 project to commence in 2022 to upgrade the lighting at Irymple's Henshilwood Recreation Reserve.
- To meet the requirements of the *Local Government Act 2020*, Council adopted the Asset Plan 2022-2031, which provides a strategic and financial view of how Council proposes to manage the assets that it owns and controls.
- As part of a broader plan to reactivate and transform the Mildura CBD in line with the Mildura CBD Plan 2020-2035, commenced work in May 2022 on a \$450,000 suite of works, which included \$300,000 from the Victorian Government's Regional Infrastructure Fund, to transform and 'Regener8' Mildura's CBD through the provision of more shade, better amenity, better access and a generally more attractive and inviting precinct for locals, businesses and visitors.
- Council endorsed the Mildura Airport Pty Ltd Annual Business Plan 2022-2023.
- Adopted the Mildura South Neighbourhood Activity Centre Masterplan.
- Adopted the Playground Strategy 2021-2026.
- Adopted the Nichols Point Residential Development Plan 2021.
- Adopted the Irymple Structure Plan and Urban Design Framework 2021-2036.
- Adopted the Public Open Space Asset Management Plan 2021-2025.
- Adopted the Early Years Infrastructure Plan 2022–2031.
- Mildura Airport Pty Ltd achievements:
 - Completed physical installation of the Instrument Landing System (ILS) equipment and Stage 1 of the ILS project. Once complete, this project is expected to greatly enhance aircraft and passenger safety at the airport. Most of Stage 2 of the project, which includes the environmental impact assessment and consultation process, was also completed. Stage 3, the final stage of the project, is expected to have been completed by the end of 2022.
 - Implemented a new five-year agreement with Bonza Airlines, which includes the opening of a new route between Mildura and the Sunshine Coast, as well as extra flights from Mildura to Melbourne. A second new route is planned for 2023.
 - Finalised new four-year agreements with Qantas and Rex airlines, securing ongoing services to Adelaide, Melbourne, Sydney and Broken Hill.
 - Refurbished the Mildura Airport gardens and public spaces, providing a fresh new look for airport users.

- Ensured Mildura Airport remained fully open and compliant during the COVID-19 pandemic, which included allowing for the movement of essential medical, emergency and government personnel and equipment during the crisis.
- Successfully implemented the new Civil Aviation Standards at the airport and updated operating procedures to comply with the new requirements.

Strategic Objective: Economy

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

Achievements:

- Launched the new What's on Mildura events calendar, a welcome marketing tool for the events industry hit hard by the pandemic that allows organisers to promote their events and residents and visitors to keep up to date with what is happening in our region in one free and easy-to-navigate central location.
- Following a \$50,000 financial commitment from Council for the first year of the event, entered into a three-year agreement for Mildura Entertainment to host Sunraysia's next hallmark annual music festival, which will take its place on the region's vibrant annual events calendar and result in flow-on economic benefits for the broader region.
- Through our COVID Relief Response Fund, Council approved the provision of a second package of financial assistance and support totalling approximately \$471,000 in fee and rate relief to businesses and community groups in the Mildura Rural City Council impacted by the pandemic.
- Launched a new-look Chaffey Trail website, which includes an interactive map, itineraries, virtual tours of major heritage sites and education resources to allow locals and visitors to follow the story of how Mildura became Australia's first irrigation colony and the role the Chaffey brothers and the community played in this transformation.
- Obtained as part of its Smart Cities: Internet of Things project, set up a mobile pedestrian and vehicle counter in Mildura's Langtree Mall ahead of the busy Easter long weekend to capture data to help us measure the impact of major events in our region and plan for, attract and anticipate future events.
- Reinforcing our region's status as a major events destination, announced high profile, international, Grammy Award-winning rock band Kings of Leon to kick-start their Australian tour with a performance at the Mildura Sporting Precinct on 29 October 2022.
- In May 2022, approved 33 applications totalling \$271,750 through the Events Funding and Support Grants Program across three tiers - Hallmark Events (Tier 1), Major Events (Tier 2) and Community Events (Tier 3) – to enable event organisers to hold a diverse range events, both large and small, in our region that will provide a vital boost to our economy through visitor spending.
- Council approved the allocation of \$30,000 to assist Mildura Regional Development with the establishment of the Mildura Murray Marketplace online sales platform, a best practice e-commerce solution aimed at benefiting small to medium local food producers and reinforcing the Mildura region's branding as an Australian food bowl destination.
- Adopted a new Community Banner Program Policy to promote events and activities that the public can attend, or engage in, within the municipality and stimulate local economic activity.

- Adopted a new Mildura Sporting Precinct Sponsorship Policy to establish parameters for obtaining sponsorship to maximise revenue opportunities for Council across the range of physical and digital assets located at the Mildura Sporting Precinct.
- Council endorsed the Mildura City Heart Incorporated Half-Yearly Report on the Annual Business Plan 2021-2022, Financial Estimates 2022-2023 and Annual Business Plan 2022-2023.
- Council endorsed the Mildura Regional Development Annual Business Plan 2022-2023.
- Mildura Regional Development achievements:
 - Finalist in Top Tourism Town Awards
 - Secured local ambassador Cam Waters and supported his Bathurst race with Mildura branding
 - Successfully secured \$3 million from the Victorian Government's Regional Tourism Investment Fund for the Trail of Lights at Lake Cullulleraine project
 - *Today Show* weekend weather spot, supporting Hattah Desert Race.

Strategic Objective: Leadership

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

Achievements:

- Welcomed Martin Hawson to the role of Acting Chief Executive Officer on 6 August 2021, and following a recruitment process to the role of Chief Executive Officer on 14 April 2022.
- Following an extensive community engagement process, adopted the Community Vision 2021-2040 outlining the long-term aspirations, goals, priorities, and values of our region, and the Council Plan 2021-2025 detailing what our organisation will do over the next four years to achieve the long-term aspirations for our region.
- Made possible through the Victorian Government Department of Jobs Precincts and Regions' Regional Digital Plan and funding through the Local Government Internet of Things Starter Kit Project, joined forces with Buloke, Gannawarra and Swan Hill councils to participate in the 12-month Smart Cities project, which utilises sensors to capture data about how different assets and sites are used to help the participating councils better plan for the provision of services over time by catering for growth or decline in usage.
- To meet the requirements of the *Local Government Act 2020*, Council adopted the Financial Plan 2021-2022 to 2030-2031 outlining how the financial sustainability of Council will be achieved over the ten-year period, along with the Financial Borrowing Policy, which sets out how the Council may establish and manage its borrowings.
- To comply with the *Local Government Act 2020*, adopted a new Procurement of Goods, Services and Works Policy, which clearly sets out the requirements to be met by all staff, Councillors and temporary employees when procuring and/or contracting goods and services on behalf of our organisation.
- Following the resignation of Cr Cyndi Power on 22 March 2022, Cr Jason Modica was elected Deputy Mayor at a Special Meeting of Council on 7 April 2022.
- Following Cr Cyndi Power's resignation on 22 March 2022 and a countback by the Victorian Electoral Commission, swore in successful candidate Troy Bailey as our new Councillor at the Ordinary Council meeting on 28 April 2022.
- Due to the Commonwealth Government's impending end to current Aged Care programs and transition to the new Support at Home model of care, following a three-month consultation period with staff, clients and the wider community, announced Council's decision to transition out of delivering Aged and Disability home support services, with the intention for this process to be completed by June 2023.
- Council approved the establishment of a Planning Delegated Committee that will exercise (limited) Council powers as the Planning Authority under the *Planning and Environment Act 1987*.
- Council adopted the \$154.36 million Mildura Rural City Council Budget 2022-2023, detailing how Council will fund the more than 100 essential services residents rely on, while continuing to develop and improve community facilities.

- Adopted the Delegations Policy, updated to include the reasons a planning permit application can be called in by Councillors, as well as provision for a peer review process to be undertaken if appropriate.
- Adopted the Chief Executive Officer Employment and Remuneration Policy, updated in accordance with the requirements of the *Local Government Act 2020*.
- Adopted an updated version of the Customer Complaints Policy, as well as a new Unreasonable Customer Conduct Policy that provides a framework for managing unreasonable customer conduct.
- Adopted the Council Agenda Policy and Council Forum Policy, updated to include minor changes.

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
- In consideration of aged care reforms, negotiating transition processes with the Commonwealth and Victorian governments that will protect the interests of clients, their families, valued staff, and the broader community as we exit direct aged care service delivery by 30 June 2023
- Constrained capacity to provide matching funding for major project development

The Future

- Work within the Victorian Government Rate Capping Framework
- Continued implementation of the new Community Vision and Council Plan
- 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
- Continue to roll out the Mildura Riverfront Precinct Redevelopment and Mildura Sporting Precinct projects
- Realignment of policy direction towards future investment in age-friendly or positive-ageing initiatives to ensure that Council's services and facilities meet the needs of our growing population of older residents as we exit direct aged care service delivery by 30 June 2023.

The Year in Review

Mayor's Message

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

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

Highlights

The past financial year could certainly be described as a period of contrasts – from the challenges of the ongoing pandemic through to completion and progress on some of our community's most exciting new major projects.

The Mildura Sporting Precinct is a shining example of this progress. Amid COVID lockdowns and restrictions, work pushed ahead on this landmark project for our community, with Stage 1 completed and officially opened, and work well underway on Stage 2.

What's most exciting about this progress is the way the precinct has almost instantly started delivering on everything it promised – it's already attracting major national events, it's already triggered growth in a whole host of local sports, and there's so much more to look forward to.

This is one of a number of exciting major community infrastructure projects that have moved forward over the past year.

The Powerhouse Precinct redevelopment is another one, with work well underway on a project that will further activate our thriving riverfront precinct, offering new experiences and opportunities for residents, businesses and visitors to our region.

These two projects show the value of our ongoing Mildura Future Ready advocacy and funding strategy, which has attracted tens of millions of dollars in government funding to our region. There's also the flow-on benefit in terms of generating local jobs and economic growth during construction.

Another positive I'd like to highlight is the increase in major events, particularly in the latter half of the 2021-2022 financial year as we emerged out of COVID lockdowns.

The massive SummerSalt festival in March 2022 is a great example and it's been great to see even more major events planned for our region in the future, such as the Kings of Leon performance in October 2022. We've also seen the return of many regular local events by our region's hardworking groups and clubs, most of which are 100% volunteer-run. These events, both large and small, serve a critical role in attracting visitors and economic stimulus to our region worth millions of dollars annually and it's great to see this ramping up again. As Council's Chief Executive Officer Martin Hawson goes into elsewhere in our Annual Report, it's been pleasing to see our organisation's key guiding documents – our very first Community Vision and our latest four-year Council Plan - completed and adopted. Thank you to everyone in our community for contributing and shaping these critical documents.

Advocacy and Engagement

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

In terms of engagement, development of our Community Vision and Council Plan are prime examples. Community engagement is the platform on which these critical documents are based, and they reflect the opinions, aspirations and values of almost 2,000 local residents who contributed.

We have also reintroduced our Community Conversations, which are held in townships across our municipality, allowing residents to meet face-to-face with Councillors and senior staff to discuss what's important to them. It's a valuable way for us to ensure we're in touch with issues important to each of our respective local communities.

For me, open conversations are a key part of engagement with our community, which is why I've tried to do my small part to further improve our engagement by introducing my Coffee with the Mayor sessions. Similar to our Community Conversations, but in a one-on-one setting, the aim again is to be as accessible as possible, to listen and to take on board what our community is telling us.

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

One of the more recent and important examples is Council putting up a motion at the Municipal Association of Victoria (MAV) State Council, requesting the MAV call on the new Federal Government and Victorian State Government to commit to sustainability of councils, through a greater share of the Federal Assistance Grants Program.

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

Thank you

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

Cr Liam Wood
Mayor

Chief Executive Officer's Message

On behalf of Mildura Rural City Council, it is my great pleasure to present our Annual Report for the year 2021–2022. The Chief Executive's Office is responsible for:

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

Highlights

The 2021-2022 financial year has been a period of major progress for our organisation and our community, despite the ongoing challenges of the pandemic.

I'll start with what I would consider our organisation's most important pieces of work from an all-encompassing perspective - our very first Community Vision and our latest four-year Council Plan.

These documents represent not just our organisation's roadmap for the future, but our community's roadmap, informed by more than 12 months of work, and shaped by the thoughts, aspirations and priorities of almost 2,000 local residents.

The Community Vision, which is new under the updated *Local Government Act*, is our long-term guiding document, mapping out the vision for our community for the next two decades, based on what our residents and businesses have told us.

In conjunction with our latest four-year Council Plan, these critical pieces of work guide everything we do, including planning, decision-making, programs and services we offer, and our advocacy work.

While on the topic of planning for our community's future, it has been pleasing to see several major pieces of critically important work completed over the past 12 months in the strategic planning space. Specifically, the Irymple Structure Plan and Urban Design Framework, the Mildura South Neighbourhood Activity Centre Masterplan, Nichols Point Residential Development Plan, and most recently, important progress on the Mildura East Growth Area Strategic Framework. Together these strategic documents cater for development in our region for decades to come, which is critical to our municipality's continued growth and expansion, and the important role this plays in driving our economy.

Work was also completed over the past 12 months on our Community Health and Wellbeing Plan 2021-2025, underpinning how we will continue to improve health outcomes for our community, not just in Mildura, but throughout our 22,000 square kilometre municipality.

We also made more positive steps to ensure our region manages its waste sustainably, ensuring future generations can enjoy the same natural environment we do today, following completion of our Waste and Resource Recovery Strategy 2022-2026. This is another important strategy for our community that aims to reduce waste generation, increase resource recovery, and guide our own waste management.

Despite the disruptions caused by the pandemic through the various restrictions and lockdowns, particularly during the first half of the 2021-2022 financial year, our teams have adapted and continue to deliver the essential services our community expects from us. This includes providing 49,628 hours of aged and disability care support services, taking more than 64,000 customer service calls and maintaining more than 5,100 kilometres of sealed and unsealed roads. We also issued 1,185 building permits for works totalling \$254,121,536 over the past 12 months.

Organisational Performance

At the end of June 2022, Council's financial position remains strong with more than \$917 million of community assets under Council's stewardship.

Operating expenditure for 2021-2022 was just under the Annual Budget adopted in July 2021. Council's operating income was 10 per cent above the Annual Budget, largely due to significant grant funding.

Thankyou

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

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

Martin Hawson
Chief Executive Officer

Financial Summary

During the 2021-2022 financial year, the COVID-19 pandemic continued to have economic and social impacts on our local community, along with other worldwide events. Effects have included inflationary impacts, supply constraints and labour shortages. Council's own income and expenditure has not been immune to these impacts. Council has continued to conduct reviews to lesson any impacts, while also supporting the local community wherever possible.

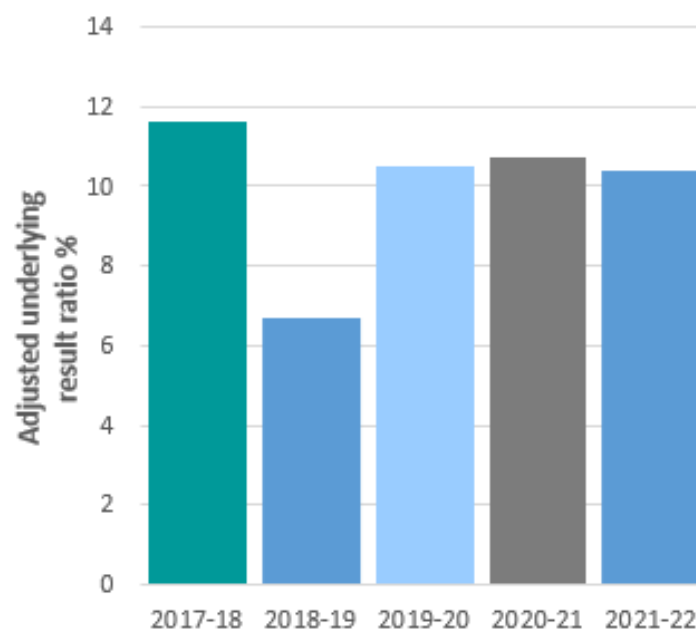
Council's financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to financial performance is included within the Financial Statements and Performance Statement sections of this report.

Operating Position

Council achieved a surplus of \$29.10 million in 2021–2022. This compares with a surplus of \$50.70 million in 2020–2021.

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 received during both the 2020-2021 and 2021-2022 financial years. This included capital grants for major projects including the Mildura Sporting Precinct Stage 2, Mildura Riverfront Powerhouse Precinct and Local Roads. Council also received higher than normal operational grants including 75 per cent brought forward payment of the 2022-2023 financial assistance grant. Most of the surplus funds from the above will be carried forward to the 2022-2023 financial year.

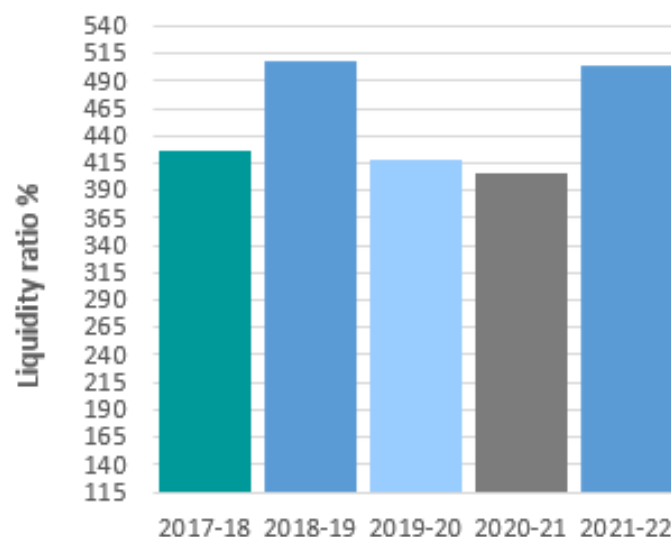
Surplus funds are important to ensure Council remains in a sound financial position. It must also be noted that Council requires such funds to cover both statutory and discretionary reserves. Typically, these reserves are required to funds things that are difficult to predict or time. For example, strategic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



Liquidity

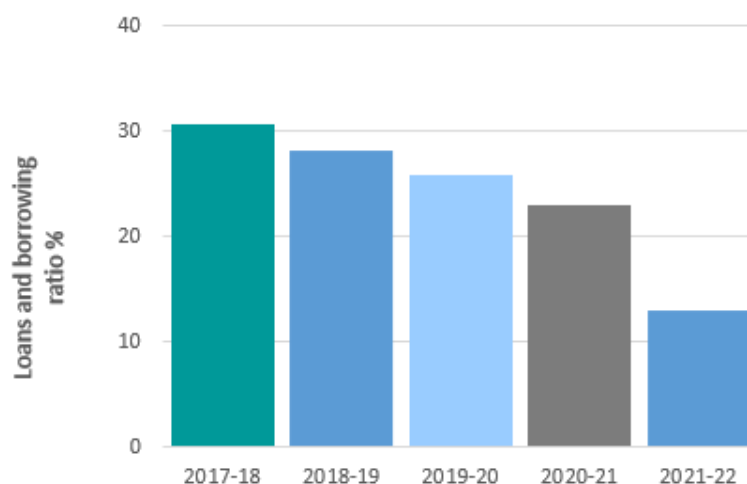
Cash and financial assets have increased by \$15.83 million from the prior financial year. The increase is mainly due to operational and capital grants being received in 2021-2022 but carried forward to 2022-2023. This included receipt of \$15.10 million for capital grants being carried forward including funds for Local Roads, Mildura Sporting Precinct Stage 2 and the Riverfront Powerhouse Precinct. We also receive a forward payment of 75 per cent of the Financial Assistance Grant, and the timing associated with financial completion of capital works projects that often span multiple years. These all contribute to an increase in our cash and financial assets.

The working capital ratio, which assesses our ability to meet current commitments, is calculated by measuring our current assets as a percentage of current liabilities. Our result of 504.64 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.

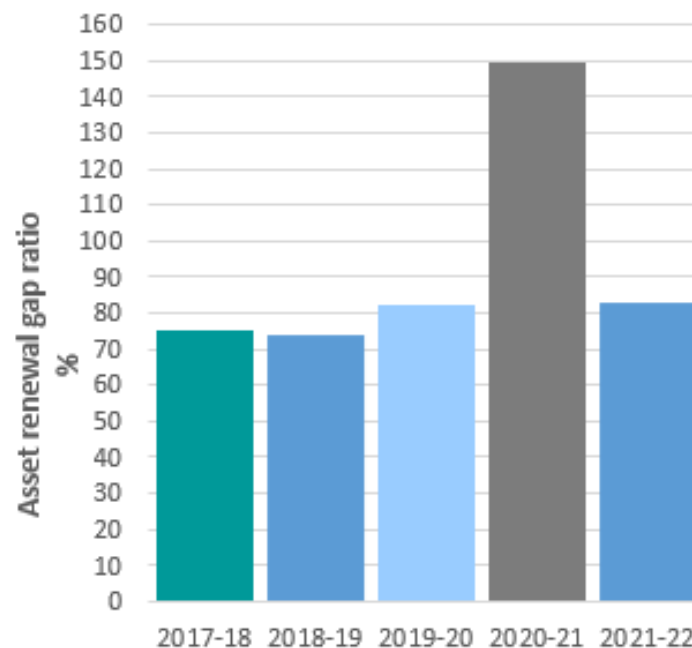


Obligations

At the end of the 2021-2022 year, our debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 12.83 per cent, which is within the expected target band of below 40 per cent.

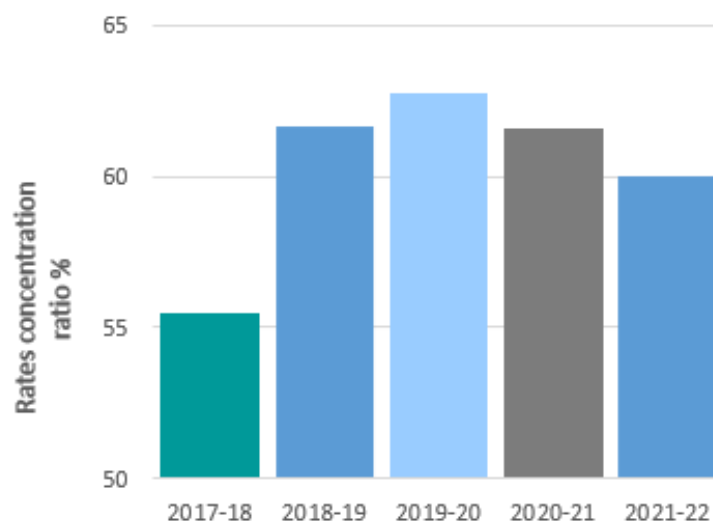


We aim to ensure we can maintain our infrastructure assets at the expected levels while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, Council invested \$31.15 million in capital works during the 2021-2022 year. This included \$21.91 million for the renewal, expansion and upgrade of assets. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 83 per cent for the 2021-2022 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 59.99 per cent for the 2021-22 year, which is within the expected target band of 40 per cent to 80 per cent. This figure is influenced by the forward payment of the Financial Assistance Grant funding. This year Council has been able to keep its rate rise to within the rate cap and still maintain services at similar levels. This has been achieved through sustainability reviews and other initiatives to ensure services are being delivered as efficiently as possible.



Description of Council's Operations

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

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

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

Our vision, strategic objectives and strategies to further improve services and facilities are described in our Community Vision and Council Plan 2021 to 2025 and the associated Budget 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 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 that is distributed between the states and territories according to population (ie on a per capita basis)
- An identified local road component that is distributed between the states and territories according to fixed historical shares.

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

The Victorian Government also introduced a cap on rate increases from the 2016-2017 financial year onwards. The cap for 2021-2022 was set at 1.50 per cent, and the cap for the 2022-2023 financial year is set at 1.75 per cent.

Economic Factors - COVID-19

In March 2020, COVID-19 was declared a worldwide pandemic. This has had a profound impact on the Australian economy with many measures implemented to reduce the spread of the virus. Since then, the impact of COVID-19 has still been ongoing with the road to economic recovery largely dependent on measures and support provided by the Australian Government and state government.

For the year ended 30 June 2022, COVID-19 has continued to have impacts on Council's income and expenditure due to commonwealth government and state government restrictions such as social distancing, isolation requirements and health and safety. Income (eg user fees) was mostly impacted in the first half of the financial year with economic activity since gathering pace. The major impacts at present are inflationary pressure with price increases, supply/delivery constraints and staff shortages due to sickness, COVID infections and the great employee migration.

With uncertain and volatile times, it is difficult to forecast in the longer term. However, in line with financial sustainability and sound financial management principles, we will continue to monitor the situation closely through our monthly management reports, quarterly budget reviews, Financial Plan review, and development, and analysis of financial ratios.

Major Capital Works

During 2021-2022, major capital works included the following:

Lighting the Regions

The Lighting the Regions project involved replacement of inefficient street light bulbs with energy efficient LEDs on both major and minor roads. This project is being completed over two financial years. Works will continue into 2022-2023.

Upgrade of Intersection at Mildura Sporting Precinct and Deakin Avenue

These works will create a safe access point on Deakin Avenue to the new Mildura Sporting Precinct. This is one of the most significant road reconstruction projects Council has undertaken over multiple financial years.

Works have 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 2022-2023.

Road resealing

The upgrade of 64km of road resealing was one of the most significant reconstruction projects undertaken during the 2021-2022 financial year. Works involved bitumen spray sealing to renew existing seal, extend the life of the wearing surface and improve road safety.

Symonds Court drainage upgrade

The upgrade of the Symonds Court drainage network involved installing new junction pits and approximately 163m of pipes. Due to the existing trees and other limitations for undertaking open excavation, the entire length of the pipe was installed by directional boring.

Blackspot treatment of Seventeenth Street between Benetook Avenue and Deakin Avenue

The reconstruction of Seventeenth Street between Benetook Avenue and Deakin Avenue was identified as a blackspot with seven accidents having occurred on this black spot segment.

Improvements are being made over two financial years with works continuing and expected to be complete in 2022-2023.

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 was undertaken over two financial years.

Works undertaken to increase safety for cyclists and pedestrians using San Mateo Avenue included installation of wombat crossings, concrete median strip, raised safety platform, modifications to an intersection, bicycle lanes and speed reduction to 50km/hr.

Road shoulder works

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

- Benetook Avenue from Magnum Avenue to 2.5km north
- Benetook Avenue from Millewa Road to 2.5km north
- Paschendale Avenue from Yelta Road to Calder Highway for 4.2km
- Second Street from Calder Highway to existing shoulder works for 1.2km
- Brownport Road from Calder Highway to 4.6km east
- Fourteenth Street from Morpung Avenue to Irymple Avenue for 0.65km

These works create 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 of Meridian Road south of Sturt Highway construction - Stages 2 and 3

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

Project works have involved upgrading 12.57km of unsealed gravel road to a sealed road, installation of four culverts and culvert pipes, tree trimming, preparation of subgrade, base installation, line-marking, guideposts and signage.

Works are continuing in the 2022-2023 financial year.

Wargan Road from Meridian Road to bridge

The upgrade and reconstruction of Wargan Road from Meridian Road to bridge project involved the conversion of 5km of unsealed gravel road to a sealed road, installation of a culvert and pipes, removal of trees, preparation of subgrade, base installation, line-marking, guideposts, and signage.

Upgrade of the Mildura Waves Aquatic Centre 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 addressed major structural issues that were threatening the operation of the swimming pools. These works involved an upgrade of circulation pumps, motors, switchboards, and installation of variable speed drives to enhance control and enable energy efficiencies.

Replacement of UV water treatment systems at Mildura Waves Aquatic Centre

The replacement of the UV water treatment systems at Mildura Waves Aquatic Centre involved the replacement of an existing UV water treatment system with a Pro-Minent UV system.

Mildura Waves wave pool machine replacement

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

Upgrade to Red Cliffs aquatic facilities

The upgrade to the Red Cliffs aquatic facilities involved pool shell works, plant upgrades, concourse renewal and replacement of other items on the pool grounds.

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

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

Upgrade of Blackburn Park, Ouyen, synthetic bowls green

The upgrade of the synthetic 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 stage 1 of the Mildura Sporting Precinct is the largest major project undertaken by Council over multiple financial years.

This project delivered a six-court indoor stadium and amenities, function rooms, café, premier oval, pavilion and external amenities including car parking and landscaping.

Mildura Sporting Precinct construction - Stage 2

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

This project will deliver a second multi-purpose oval with 150 lux lighting, four outdoor beach volleyball courts, four indoor squash courts, an electronic scoreboard, indoor seating, ground floor multi-purpose function room, additional change rooms, external seating to ovals 1 and 2, sports administration hub, shade improvements, full perimeter fencing and additional car parking.

These works are continuing and will be completed in 2022-2023.

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

The construction of lighting and an eight-lane turf and synthetic cricket nets has commenced. Works are continuing and will be completed in 2022-2023.

Mildura Sporting Precinct - Outdoor netball courts with competition lighting

Works include the installation of four concrete courts, synthetic playing surface and padded netball rings. These works are continuing and will be completed in 2022-2023.

Mildura Sporting Precinct - Scoreboard

This work involved the installation of an electronic scoreboard adjacent to the premier oval.

Landscaping upgrades at Mildura Marina

This major landscaping project was undertaken over multiple financial years to enhance and beautify the marina surrounds, in addition to protecting the landscape from flooding and high river events.

This project involved the installation of bluestone rocks to stabilise the eroding bank and provide a nice visual finish to the gateway to the marina with irrigation and plantings to provide plenty of colour adjacent to the pathways. In addition to these works, sections of Dockside Drive and Cureton Avenue have also been replaced with more suitable plant

species and other small garden renovations, which have improved the appearance of the entire area.

Replacement of Quandong Park west playground

The replacement of Quandong Park west playground was another significant landscaping and public open space playground project that has been delivered over the last two financial years.

Redevelopment of Deakin Avenue median between Eighth Street and Ninth Street

This redevelopment, which is now complete, was one of the most significant landscaping projects to be undertaken over two financial years.

Works included realignment of the path through the centre of the median strip, removal and replacement of sugar gum trees (with seeds 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.

Relocation of receivable area at AroundAgain upgrade

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

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

Carnegie Building roof refurbishment

Works included the replacement of old roof sheeting and components while maintaining the existing appearance of the building in accordance with guidelines from Heritage Victoria.

Upgrade of the fire detection system at the Alfred Deakin Centre

Works include the replacement and relocation of the fire detection control and indicating equipment to a safe location. The new system will include a building occupancy warning system and new speakers throughout the building, with an integrated PA system. Beam detection will replace the VESDA units in the raked ceiling areas of the Visitor Information Centre and library.

Modern hard-wired thermal and smoke detection was installed throughout the areas of the building currently protected.

Lake Cullulleraine Caravan Park amenities upgrade

Works included a new transportable amenity building to replace the old existing toilet and amenities block at Tranquil Waters Caravan Park.

Village Square Riverfront Precinct - Stage 2

This project will deliver an iconic tourist destination and community asset with a food and beverage structure, tourism offering, village square area, additional car parking, additional amenities building and community and retail spaces. These works are continuing and will be completed in 2022-23. Further details are included below:

- ***Powerhouse precinct activation***
This project will deliver the Boiler House shade structure, basement space under the main powerhouse building and interactive components of the visitor information space, including multimedia interpretive panels with interactive content.
- ***Upgrade Powerhouse building***
This project will deliver structural repairs, refurbishment, and upgrades to the 430m² powerhouse building to become a multi-use, flexible and expressive arts, cultural, tourism and community space.
- ***Construction riverfront carpark***
Works included an extension to the Jaycee Park car park, creating 24 additional car parks. A further 25 parking spaces were also created through line-marking and other works along Hugh King Drive.

Irymple Kindergarten extension

Works include the construction of an additional classroom with associated toilets, office, and storage space. The additional classroom will cater for the provision of a three-year-old kindergarten program to commence in 2023.

Irymple swimming pool aquatic facilities upgrade

Works include renewal of the pool shell, plant upgrades, concourse renewal and renewal of items within the swimming pool grounds.

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

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

These works are continuing and will be completed in 2022-2023.

Ouyen CBD footpath upgrade

Works included the renewal of footpaths on the existing footpath network. This allows for better access for all and promotes more physical activity within the community. The upgrade works also removed several safety concerns by reducing trip hazards.

Footpath new/upgrade Seventeenth Street (McEdward Street to school crossing)

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

These works are continuing and will be completed in 2022-2023.

Mildura Lawn Tennis Club retaining wall replacement

Works included the removal and replacement of the retaining wall at the Mildura Lawn Tennis Club as existing retaining wall had deteriorated and started to fall posing a potential risk to the public.

Three-metre dive tower renewal

Works include replacement of 3m diving boards and renewal of the tower at the Mildura Waves Aquatic Centre.

Major Changes

In 2021–2022, we made the following major changes to the organisation’s structure and contracts:

- Welcomed Martin Hawson as Chief Executive Officer.
- Transitioned to the Victorian Government’s centralised property valuation services model for all Victorian councils through the Valuer-General’s Office, which took effect on 1 July 2022. The transition involved negotiating with the Victorian Government and the new provider on how the new model would work and the functions Mildura Rural City Council will retain in house.
- Seconded the Service Planning Coordinator for six months from the Development Department to the Corporate Department. Given the alignment of service planning and the Integrated Planning and Reporting Framework that Council is developing under the new *Local Government Act*, the secondment is expected to better facilitate the continuation of the cross-functional service planning work being undertaken across the organisation.
- In consideration of aged care reforms, which will see the Commonwealth funded aged care programs delivered by Council transition to a new model of care called the ‘Support at Home’ Program in July 2023, in May 2022 Council resolved to transition out of direct aged care service delivery by 30 June 2023. The transition will include exiting the Commonwealth Home Support Programme, the Home and Community Care Program for Young People, Veterans Home Care and brokered services.
- Following a service review undertaken on the operations of the Financial Services Branch, restructured the branch to align the roles within it to the requirements of the *Local Government Act 2020* and Integrated Planning and Reporting Framework. The restructure also adjusted/balanced resourcing where possible to meet internal and external customer and stakeholder needs and service requirements.
- Commencing on 26 April 2022, seconded the General Manager Development, Mandy Whelan, to the temporary role of Director Organisational Projects. The temporary role is responsible for leading current, as well as commencing new, key cross-functional projects within the Corporate Department that need to be delivered in accordance with the *Local Government Act 2020*, as well as other important organisational projects.

Major Achievements

- Adoption of the Financial Plan 2021-2022 to 2030-2031 to assist in adopting a budget within a longer-term framework
- Adoption of the Community Vision 2021-2040 and Council Plan 2021-2025
- Official opening of Stage 1 of the Mildura Sporting Precinct project
- Release of statistics in September 2021 highlighting the resounding success of the kerbside food and garden organics service introduced in July 2020, which almost halved the amount of waste to landfill from 2019-2020 to 2020-2021
- Introduction of our organisation's first three electric vehicles, demonstrating our commitment to slashing carbon emissions and transitioning to renewable energy
- Adoption of the Waste and Resource Recovery Strategy 2022-2026
- Preceded by the installation of solar, completion of major renovations to Red Cliffs and Irymple swimming pools to deliver more energy efficient facilities and reduced operating costs
- Official opening of the Rio Vista Off Leash Dog Park
- Installation of competition standard lighting at No. 2 Oval at the Old Aerodrome Sporting Complex
- Mildura Marina landscaping upgrade
- Installation by Mildura Airport Pty Ltd of the instrument landing system (ILS) equipment and Stage 1 of the ILS project at the Mildura Airport
- Through our COVID-19 Relief Response Fund, establishment of a \$471,000 package of financial assistance in fee and rate relief to continue the provision of support to businesses and community groups impacted by the pandemic
- Launched the Pathways for Carers Walking Group, a joint project between Council, Interchange Outer East and the Victorian Government, which provides time out and support local residents caring for loved ones

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 55,235 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 location at the apex of three Australian states, and vocation and tertiary education institutions.

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

Mildura also boasts the largest and busiest regional airport in Victoria with 97,892 passenger movements each year to Melbourne, Sydney and Adelaide.

** Source: Figures based on 2022 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 2021 to 2025.



Cr Liam Wood, Mayor

Term: 2020-2024

Portfolio: Governance, Performance, Risk and Audit

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

After graduating from the Red Cliffs High School, Cr Wood went on to study landscape architecture at RMIT University. He moved back to Mildura 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.

Cr Wood was elected Mildura Mayor at the 2021 Annual General Meeting.



Cr Jason Modica, Deputy Mayor

Terms: 2016-2020, 2020-2024

Portfolio: Environment and Sustainability

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 Victoria 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 Deputy Mayor at a Special Council Meeting on 7 April 2022, replacing Cyndi Power whose resignation from her role as a Councillor took effect on 21 March 2022.



Cr Troy Bailey

Term: 2020-2024

Portfolio: Community Health and Wellbeing

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

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

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

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

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



Cr Helen Healy

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

Portfolios: Community Development and Gender Equity;
Arts, Culture and Heritage

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 President of Sunrased Voices Choir.

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



Cr Mark Eckel

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

Portfolio: Recreation and Events

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

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, 17 grandchildren and are great grandparents of 11.

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

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



Cr Glenn Milne

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

Portfolio: Infrastructure and Assets

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

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

A father of eight, including two foster children, Cr Milne is a life member of the Mallee Accommodation and Support Program. He is also the Thrift Shop Coordinator for the Salvation Army and Deputy Chairperson of Sunraysia Residential Services.



Cr Stefano De Pieri

Term: 2020-2024

Portfolio: Economic Development and Tourism

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

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

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

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

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



Cr Ian Arney

Term: 2020-2024

Portfolio: Agriculture

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

Cr Arney has lived in the municipality for 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 Jodi Reynolds

Term: 2020-2024

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

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

Sustainability Network.

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

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

During her time in Mildura, Cr Reynolds has worked for Crystal Mining (now Tronox), Mildura City Heart, Northern Mallee Leaders Inc. and Mallee Catchment Management Authority.

Outgoing Councillors

Cr Cyndi Power

Term: 2020-2024

Portfolios: Community Health and Wellbeing (primary portfolio); Governance, Performance, Risk and Audit (secondary portfolio)

Cr Power was elected Deputy Mayor at the 2021 Annual General Meeting and served in this role until her resignation as a Councillor took effect on 21 March 2022.

Our People

Organisational Structure

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



Chief Executive Officer
Martin Hawson

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

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

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

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

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

Responsibilities:

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

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

Note: Following Sarah Philpott's resignation and departure, Philip Shanahan served as Interim Chief Executive Officer from 24 May 2021 to 5 August 2021. Martin Hawson was then appointed to and commenced in the role of Acting Chief Executive Officer on 6 August 2021. Following a recruitment process, Martin's appointment to the role of Chief Executive Officer took effect on 14 April 2022.

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 12 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
- Fruit Fly Murray Valley
- Mildura Cemeteries Trust



Acting General Manager Development

Daryl Morgan

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

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

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

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

Areas of responsibility:

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

Note: Following the appointment of Martin Hawson to the role of Chief Executive Officer, the General Manager Development, Mandy Whelan, was seconded to the temporary role of Director Organisational Projects on 26 April 2022. Daryl Morgan was appointed to and commenced in the role of Acting General Manager Development on 26 April 2022.



Acting General Manager Community

Mark Jenkins

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

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

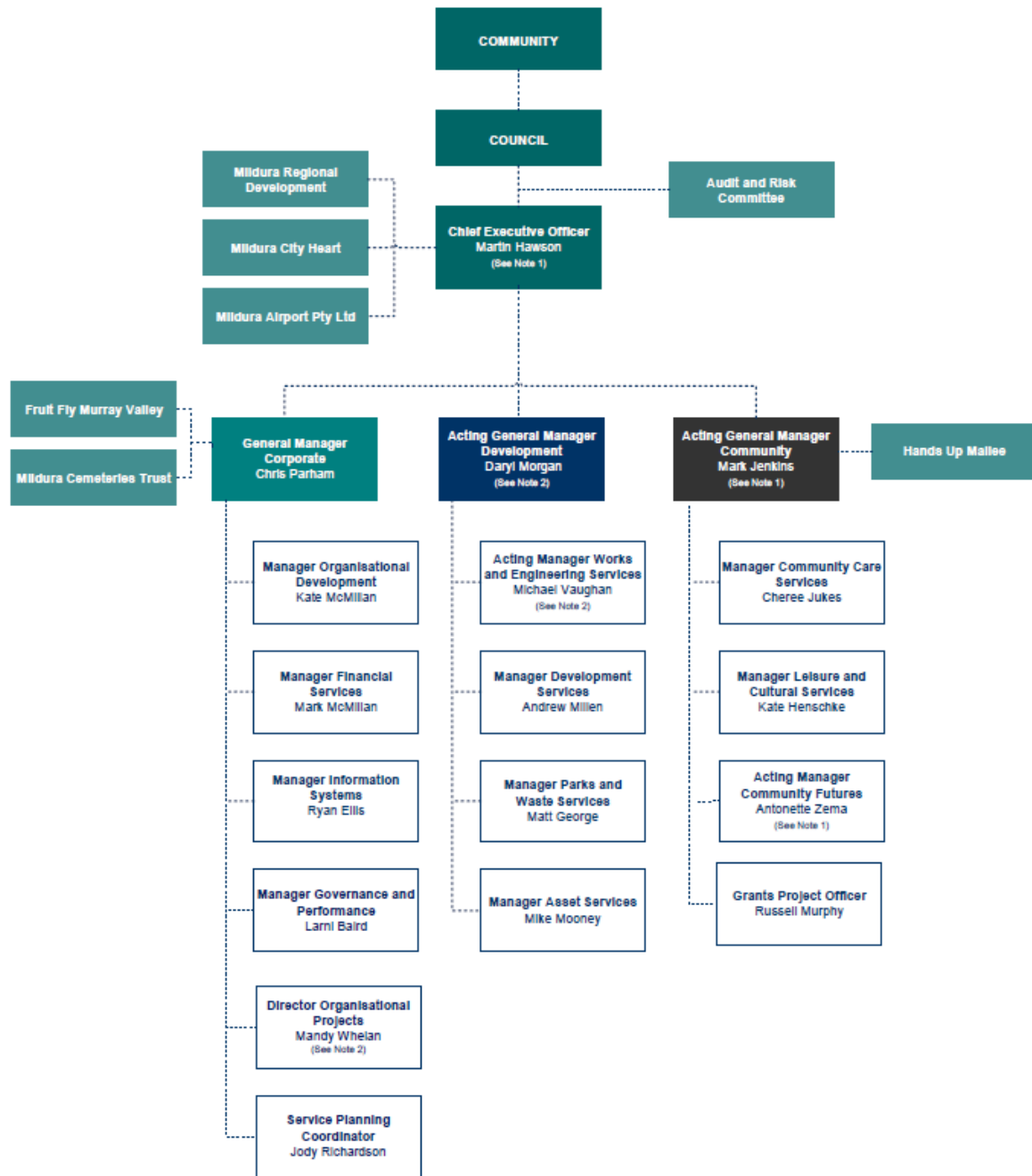
Mark holds a Bachelor of Management (Rural Resources) and an Advanced Diploma in Land Management.

Areas of responsibility:

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

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

The organisational structure of Council is shown below.



Note:

1. Following Sarah Philpott's resignation and departure in May 2021, Philip Shanahan served as Interim Chief Executive Officer from 24 May 2021 to 5 August 2021. Martin Hawson was appointed to and commenced in the role of Acting Chief Executive Officer on 6 August 2021. Mark Jenkins was appointed to the role of Acting General Manager Development and Antonette Zema was appointed to the role of Acting Manager Community Futures, effective on 6 August 2021.

Following a recruitment process, Martin Hawson's appointment to the role of Chief Executive Officer took effect on 14 April 2022.

2. Mandy Whelan, General Manager Development, was appointed to a temporary secondment role, Director Organisational Projects, reporting to the General Manager Corporate Services, commencing on 26 April 2022.

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

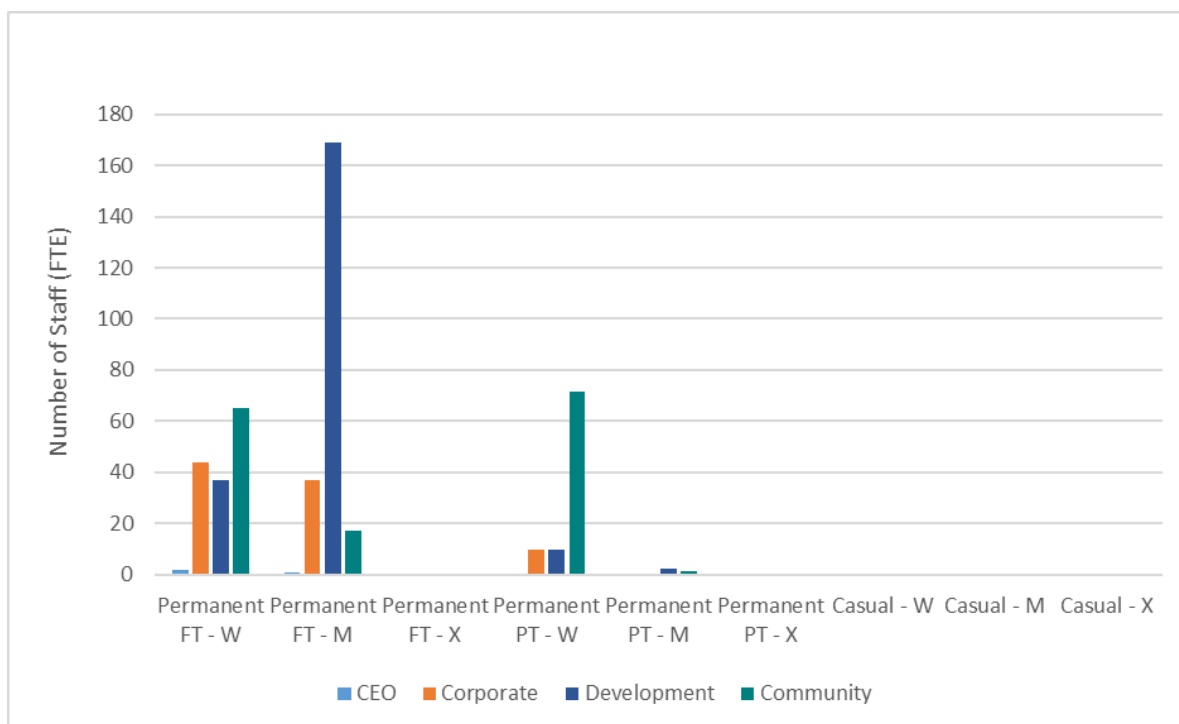
Following Mandy Whelan's appointment to the role of Director Organisational Projects, Daryl Morgan was appointed to the role of Acting General Manager Development and Michael Vaughan was appointed to the role of Acting Manager Works and Engineering Services, commencing on 26 April 2022.

Council Staff

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

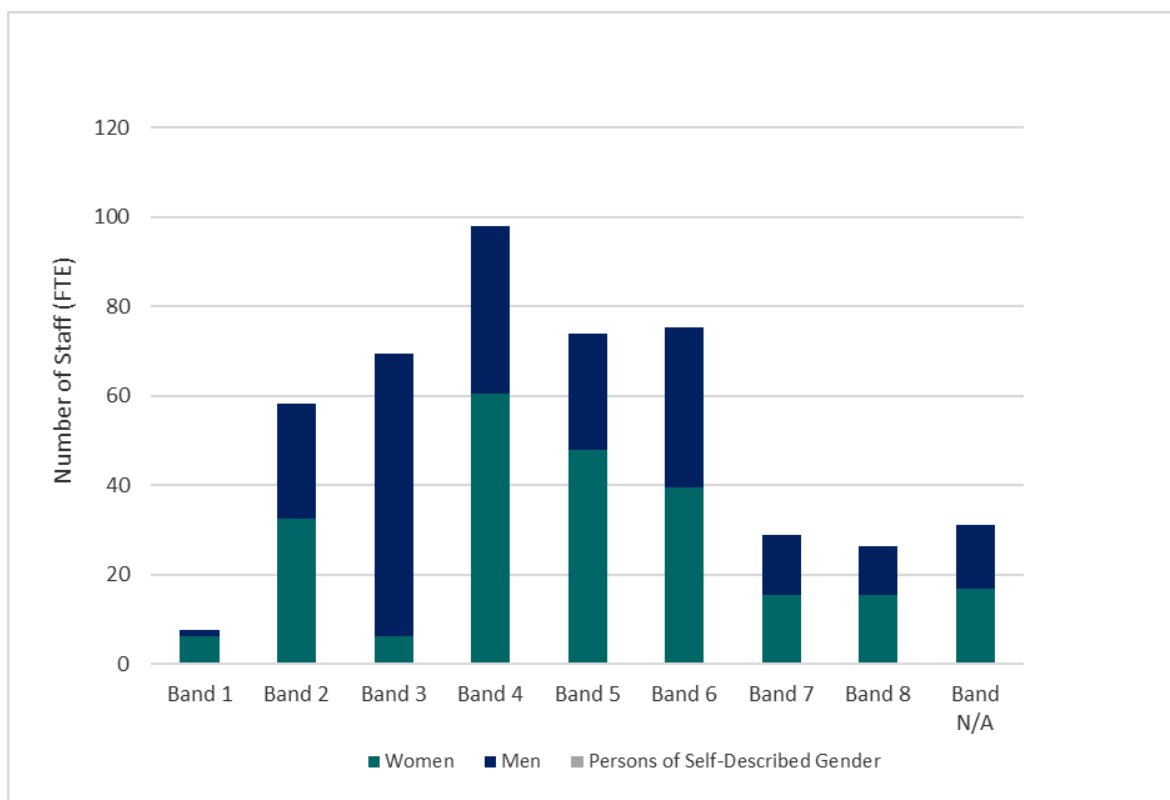
Employee type/gender	CEO FTE	Corporate FTE	Development FTE	Community FTE	Total FTE
Permanent FT - W	2	44	37	65	148
Permanent FT - M	1	37	169	17	224
Permanent FT - X	0	0	0	0	0
Permanent PT - W	0	9.69	9.83	71.53	91.05
Permanent PT - M	0	.42	2.48	1.33	4.23
Permanent PT - X	0	0	0	0	0
Casual - F	0	.06	.16	.62	.84
Casual - M	0	.02	0	.22	.24
Casual - X	0	0	0	0	0
Total	3	91.19	218.47	155.7	468.36

FT-Full-time PT-Part-time W-Women 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. Commencing as of the 2021-2022 reporting year, this table no longer includes temporary staff.

Employment Classification	Women FTE	Male FTE	Persons of Self-described Gender	Total FTE
Band 1	6.14	1.3	0	7.44
Band 2	32.53	25.57	0	58.1
Band 3	6.26	63.1	0	69.36
Band 4	60.33	37.66	0	97.99
Band 5	47.79	26	0	73.79
Band 6	39.34	36	0	75.34
Band 7	15.47	13.42	0	28.89
Band 8	15.26	11	0	26.26
Band not applicable	16.77	14.42	0	31.19
Total	239.89	228.47	0	468.36



Overview of Senior Positions by Gender*

Level	Men	Women	Self-Described Gender
Executive Leadership	4	0	0
Management	7	6	0
Coordinator and Team Leader	30	41	0

* Note: The above figures provide an overview of senior positions at 30 June 2022. The figures do not take into account staff changes at senior management level that occurred during the 2021-2022 financial year and are explained in other sections of this Annual Report.

Other Staff Matters

Gender Equity Plan

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

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

- Indicator: Percentage of new employees receiving equal opportunity training within six months of commencement. Target: 100%. Result: 99%
- Indicator: Percentage of existing employees receiving refresher equal opportunity training at least every two years. Target: 100%. Result: 88%
- Indicator: Number of contact officers per number of Council employees. Target: 1:50. Result: 1:36

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

The actions taken to implement the GEP over the past 12 months include the provision of Equal Opportunity Awareness sessions for all new employees and managers to ensure they are fully aware of their responsibilities in maintaining a workplace free of bullying and harassment. We also had all managers and supervisors attend a Workplace Bullying and Occupational Violence Awareness session.

Enterprise bargaining agreement

In May 2022, an Enterprise Bargaining Committee comprising management representatives, nominated workplace union delegates and union industrial officers was established to negotiate a new Enterprise Agreement for Council employees.

Training/Professional Development

Study assistance is offered for staff undertaking relevant undergraduate or postgraduate studies. In the past year, 26 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
- Developed Council's first Gender Equality Action Plan
- Begun working on implementation of the Gender Equality Action Plan.

Health and Safety

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

Over the past 12 months, we have continued to review and update our Health and Safety Management System. We have worked with branches to document risk assessments and reviewed safe work procedures and safe work method statements to ensure employees continue working in a safe environment. A high priority over the last 12 months has been our response to COVID-19 pandemic including risk assessments, working from home arrangements and responding to COVID-19 positive cases in the workplace.

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

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

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

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

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

Our Performance

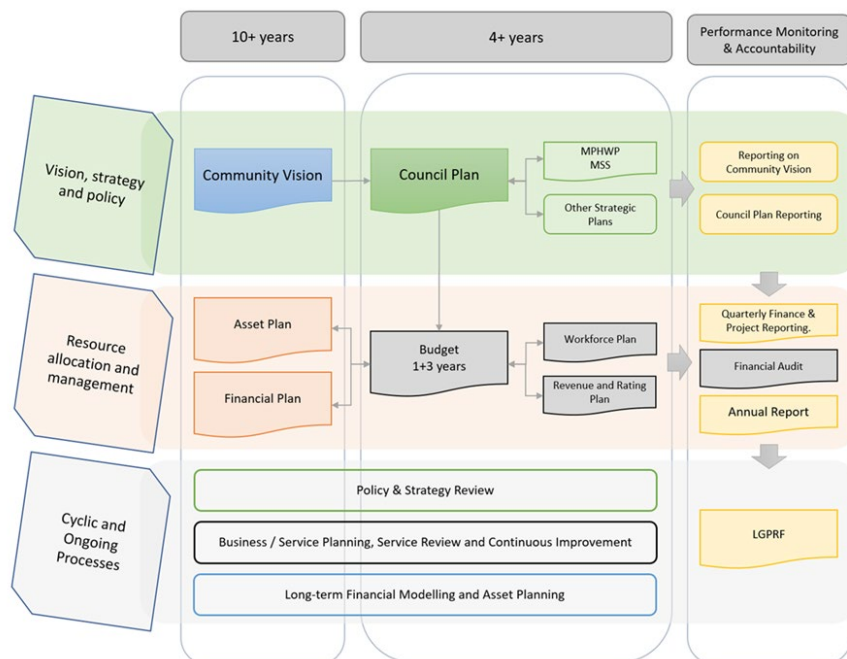
Integrated Strategic Planning and Reporting Framework

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

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

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

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



Council Plan

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



Performance

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

Performance has been measured as follows:

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

Strategic Objective 1



Environment

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

Strategic Indicators

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

Strategic Indicator/measure	Result
Community satisfaction with protection of natural bushland	62
Community satisfaction with management of wetlands	61
Net increase in trees	1058
Community satisfaction with waste management	52
Waste diverted from landfill (recycled)	40.37%
Community satisfaction with environmental sustainability	56

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2021-2022 budget for the year.

Major Initiative	Progress
The Mildura glass sorting and reprocessing facility will screen glass from commingled recyclables. This is part funded by state and federal Regional Victoria Infrastructure Grant.	In the early stages of design development.

Services

The following statement provides information in relation to the services funded in the 2021-2022 budget and the persons or sections of the community who are provided the service.

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.	637 <u>630</u> (7)
Waste management	This service provides waste collection and waste management services including kerbside collection services, the operation of three landfills and eight rural transfer stations, litter bin collection, street sweeping, bin maintenance and event bins.	10,813 <u>10,547</u> (266)

Service Performance Indicators

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

Service Indicator/measure	Results - Financial Year Ending			
	2019	2020	2021	2022
Waste collection				
Satisfaction				
<i>WC1 - Kerbside bin collection requests</i>	103.60	115.26	210.54	94.62
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1,000				
Service standard				
<i>WC2 - Kerbside collection bins missed</i>	4.21	4.38	10.82	3.84
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000				
Service cost				
<i>WC3 - Cost of kerbside garbage bin collection service</i>	\$69.59	\$71.21	\$40.16	\$49.08
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]				
Service cost				
<i>WC4 - Cost of kerbside recyclables collection service</i>	\$90.69	\$73.76	\$91.77	\$94.42
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]				

Service Indicator/measure	Results - Financial Year Ending			
	2019	2020	2021	2022
Waste diversion				
<i>WC5 - Kerbside collection waste diverted from landfill</i>	30.37%	17.83%	72.19%	74.02%
[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 a reduction in kerbside bin requests for garbage and recycling. There was a significant decrease from the previous year when a new organics service was introduced.			
WC2	The number of missed bins has declined over the last 12 months following the new kerbside organics service in 2020-2021.			
WC3	The increase in the State Government Municipal Landfill Levy and fleet running costs has resulted in a higher service cost.			
WC4	The increase is due to an increase in collection and processing costs in line with normal contract rise and fall mechanisms.			
WC5	There has been a significant improvement in the kerbside diversion rate over the past two years due to the introduction of weekly food organics and garden organics collections, and fortnightly garbage collections in 2020-2021.			

Strategic Objective 2



Community

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

Strategic Indicators

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

Strategic Indicator/measure	Result
Community perception of personal safety	68
Community satisfaction with emergency and disaster management	61
Community satisfaction with community and cultural activities	58
Active library borrowers in the municipality	7.96%
Community satisfaction with arts and cultural facilities	64
Community satisfaction with arts and cultural programs	64
Community satisfaction with council support to arts and cultural groups	65
Percentage of Community Health and Wellbeing Plan actions completed	61%
Participation in the Maternal and Child Health Service	78.45%
Level of participation in sport and physical recreation activities	60%
Percentage of Reconciliation Action Plan actions completed	Not Available

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2021-2022 budget for the year.

Major Initiative	Progress
Calotis Street realignment and reconstruction - road safety initiative to upgrade a section of Calotis Street.	Works completed.
Lake Cullulleraine Johansen Reserve fire services upgrade - upgrade of diesel fire pump, storage tanks and alarm panel.	This project is 32% complete. Design completed. Tenders are being evaluated.
Road safety improvement works to Seventeenth Street, between Benetook Avenue and San Mateo Avenue.	Works commenced on intersections and Seventeenth St section completed.

Services

The following statement provides information in relation to the services funded in the 2021-2022 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> 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.	958 <u>1,962</u> 1,004

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
Arts and culture	This service provides arts and culture activities throughout the municipality, with the delivery of visual and performing arts programs and services at Mildura Arts Centre across gallery and heritage, community cultural development, marketing and development (including customer service/box office ticketing, café and theatre) and technical services. The service includes the presentation of an entrepreneur program in both the visual and performing arts through funding from Arts Victoria, as well as the venue hires of the theatre auditorium and foyer spaces for local and commercial organisation. This service also includes overseeing Mildura's most important heritage building Rio Vista Historic House, as well as Mildura Station Homestead and venue hires of woolshed and cottage.	1,236 <u>1,714</u> 478
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 animal management services including a cat trapping program, a dog and cat collection service, a lost and found notification service, a pound service, a registration and administration service, an afterhours service and an emergency service. It also provides education, regulation and enforcement of the general local law and relevant state legislation.	721 <u>663</u> (58)
Community health	This service provides family-oriented support services including universal and enhanced maternal and child health and immunisation.	769 <u>1,265</u> 496
Early years	Provides family day care, centre-based childcare and other Early years planning and programs such as Best Start and supported playgroups.	(20) <u>407</u> 427

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
Environmental health	This service protects the community's health and well-being by coordination of regulatory services of premises for food safety , 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.	846 <u>692</u> (154)
Libraries	This service provides public libraries at five locations plus outreach library services to four remote locations. It provides a customer-focused service that caters for the cultural, educational and recreational needs of residents and visitors. The service also provides a focal point for the community where they can meet, relax and enjoy the facilities, programs and services offered.	1,917 <u>2,049</u> 132
Youth engagement	This service provides youth-oriented services including education programs, personal development programs, and health and safety programs.	278 <u>515</u> 237

Service Performance Indicators

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

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Animal Management				
Timeliness				
<i>AM1 - Time taken to action animal management requests</i>	1.00	1.00	1.00	1.00
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]				
Service standard				
<i>AM2 - Animals reclaimed</i>	25.11%	37.28%	44.37%	34.81%
[Number of animals reclaimed / Number of animals collected] x100				
<i>AM5 - Animals rehomed</i>	New in 2020	44.64%	43.15%	42.08%
[Number of animals rehomed / Number of animals collected] x100				
Service cost				
<i>AM6 - Cost of animal management service per population</i>	New in 2020	\$10.26	\$10.93	\$11.64
[Direct cost of the animal management service / Population]				
Health and safety				
<i>AM7 - Animal management prosecutions</i>	New in 2020	0.00%	100.00%	100.00%
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100				

Comments

AM1	All animal management requests were actioned within 24 hours of being received by the Civic Compliance unit.
AM2	Council continues to encourage animal registration and microchipping as a measure to assist animals to be reclaimed by their owners.
AM5	Council continues to work with rehoming organisations to rehome suitable animals.
AM6	This is reflective of the direct costs to provide the animal management service.
AM7	Two prosecutions in 2021-2022 and one prosecution in 2020-2021 were successful. There were no prosecutions in 2018-2019 and 2019-2020.

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Food Safety				
Timeliness				
<i>FS1 - Time taken to action food complaints</i>	2.83	2.06	3.89	1.94
[Number of days between receipt and first response action for all food complaints / Number of food complaints]				
Service standard				
<i>FS2 - Food safety assessments</i>	29.77%	39.58%	27.55%	58.44%
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100				

Service Indicator/measure		Results – Financial Year Ending			
		2019	2020	2021	2022
Service cost					
<i>FS3 - Cost of food safety service</i>		\$310.53	\$416.62	\$449.46	\$776.25
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]					
Health and safety					
<i>FS4 - Critical and major non-compliance outcome notifications</i>		92.86%	74.55%	80.49%	83.33%
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					
Comments					
FS1	Food complaint responses have been prioritised and consistency has increased across the Environmental Health Team for what a first response is and how it is recorded.				
FS2	Environmental Health Officer availability has increased to undertake food safety assessments. An additional focus has been emphasised on Class 1 and 2 premises positively influenced due to COVID restrictions and other registerable businesses being closed given COVID restrictions.				
FS3	Previously the number of premises registered or notified with Council under the Food Act 1984 reporting has incorrectly included all temporary food premises on the Streatrader system instead of only the temporary premises which were notified or registered in that financial year, hence the drop in food premises number and therefore increased cost of food safety service.				
FS4	A particular emphasis has been placed on a prioritised response to critical and major non-compliance notifications.				

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Libraries				
Utilisation				
<i>LB1 - Physical library collection usage</i>	2.91	2.41	1.68	1.84
[Number of physical library collection item loans / Number of physical library collection items]				
Resource standard				
<i>LB2 - Recently purchased library collection</i>	50.22%	55.30%	56.13%	56.74%
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100				
Participation				
<i>LB4 - Active library borrowers in municipality</i>	11.33%	11.09%	9.38%	7.96%
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100				
Service cost				
<i>LB5 - Cost of library service per population</i>	New in 2020	\$51.29	\$49.20	\$50.57
[Direct cost of the library service / Population]				

Comments

- LB1 There has been a declining trend in the utilisation of physical library collections since 2018/2019. The reduction in utilisation in 2021-2022 is primarily attributable to the Library Service being closed due to COVID-19. It also shows an improvement from the previous year when the Library Service was closed for long periods of time.
- LB2 Council is committed to the renewal of its library collection. In 2021-2022 the focus was again on the 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. Social distancing restrictions and library closures due to COVID-19 has impacted on the 2021-2022 result as in the previous two years.
- LB5 Council provides a wide range of library services, including five branch libraries, one library agency and a rural outreach library service delivering services to 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.
-

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Maternal and Child Health (MCH)				
Service standard				
<i>MC2 - Infant enrolments in the MCH service</i>	100.00%	104.48%	101.65%	101.15%
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100				
Service cost				
<i>MC3 - Cost of the MCH service</i>	\$69.94	\$61.44	\$66.62	\$69.02
[Cost of the MCH service / Hours worked by MCH nurses]				

Service Indicator/measure		Results – Financial Year Ending			
		2019	2020	2021	2022
Participation					
<i>MC4 - Participation in the MCH service</i>		81.17%	73.05%	74.66%	78.45%
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>MC5 - Participation in the MCH service by Aboriginal children</i>		67.53%	68.94%	77.21%	82.84%
[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					
Satisfaction					
<i>MC6 - Participation in 4-week Key Age and Stage visit</i>	New in 2020	100.46%	96.40%	104.89%	
[Number of 4-week key age and stage visits / Number of birth notifications received] x100					
Comments					
MC2	Maternal and Child Health enrolments have remained static this financial year.				
MC3	Cost of the Maternal and Child Health service has increased due to increased staffing levels.				
MC4	Participation in the Maternal and Child Health service is increasing and can be attributed to reducing pandemic restrictions and improved staffing levels.				
MC5	Participation in the Maternal and Child Health service by Aboriginal children has continued to increase. This may be the impact of the Maternal and Child Health Nurse role within our local Aboriginal Community Controlled Health Organisation being vacant for a prolonged period as well as continued effort to provide culturally safe and accessible services.				

Comments

MC6 Mildura Rural City Council's 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 and SA residents who choose to use the Victorian service.

Strategic Objective 3



Place

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

Strategic Indicators

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

Strategic Indicator/measure	Result
Number of strategic land use projects completed	6
Percentage of Asset Management Strategy and Plan actions implemented	80%
Percentage of Capital Works program delivered	71%
Community satisfaction with the condition of sealed local roads in your area	54
Community satisfaction with maintenance of unsealed roads in your area	43
Community satisfaction with the condition of local streets and footpaths in your area	53
Community satisfaction with recreation facilities	63
Activation of the Mildura Riverfront Precinct	Not available
Activation of Mildura Sporting Precinct	Not yet available
Number of Community Plans developed and reviewed	5

Major Initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2021-2022 budget for the year.

Major Initiative	Progress
Irymple Swimming Pool - Renewal of all pool decks and upgrade of the hydraulic system for the main pool and toddler's pool. Structural and access upgrades to the main pool and toddlers pool & reinstatement of both pool shells.	Project completed.
Mildura Waves 3-Metre Dive Towers - removal of existing and replacement of both 3 metre dive towers.	Project completed.
Meridian Road reconstruction stage 2 (5km section from south of the Sturt Highway). This project is part of a three-stage project to construct, widen and seal Meridian Road.	Construction works commenced with scheduled project finish date of December 2022 to complete Stages 2 and 3.
Continue construction of stage 2 of the Mildura South Regional Sporting Precinct.	Construction under way and on target for completion in 2022-2023.
Continue construction of Mildura Riverfront stage 2 - Powerhouse Precinct Project.	Construction under way and on target for completion in 2022-2023.

Services

The following statement provides information in relation to the services funded in the 2021-2022 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
Buildings 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.	222 <u>327</u> 105
Community development	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.	1,562 <u>3,066</u> 1,504
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.	2,149 <u>2,361</u> 212
Facility services	This service is responsible for the maintenance, management and strategic planning for Council's building, land, property leases and licenses.	8,049 <u>8,440</u> 391
Parks	This service is divided into several operational units including tree pruning, planting, removal of vegetation, planning and street tree strategies. It maintains public spaces including parks and gardens, as well as ovals and recreational spaces. It provides for the management of conservation and parkland areas, and other areas of environmental significance.	6,605 <u>6,772</u> 167

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
Recreation development	This service includes management of recreation facilities (wet and dry) including aquatic facilities , facility redevelopment, provision of grant funding for grass roots participation.	2,423 <u>2,207</u> (216)
Statutory planning	The statutory planning service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary.	673 <u>924</u> 251
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.	957 <u>1,554</u> 597
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.	7,598 <u>7,674</u> 76

Service Performance Indicators

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

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Aquatic Facilities				
Service standard	8.78	6.56	0.89	1.00
<i>AF2 Health inspections of aquatic facilities</i>				
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]				
Utilisation	3.72	5.55	3.81	4.48
<i>AF6 Utilisation of aquatic facilities</i>				
[Number of visits to aquatic facilities / Municipal population]				
Service cost	New in 2020	\$7.88	\$9.66	\$10.49
<i>AF7 Cost of aquatic facilities</i>				
[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]				
Comments				
AF2	All aquatic facilities received an inspection by an authorised officer in 2021-2022 in line with the Public Health and Wellbeing Regulations. In addition to this, the aquatic facilities operator undertakes regular water quality sampling in accordance with the water quality risk management plan.			
AF6	Attendance improved for 2021-2022 from the previous year. However, attendance was still lower than regular attendance because of ongoing closures due to COVID-19.			
AF7	Cost per visit has increased due to significant maintenance costs in the 2021-2022 financial year. Management cost rose in alignment with the contract however is not the main reason for this indicator increasing.			

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Roads				
Satisfaction of use				
R1 <i>Sealed local road requests</i>	10.69	11.60	9.04	13.73
[Number of sealed local road requests / Kilometres of sealed local roads] x100				
Condition				
R2 Sealed local roads maintained to condition standards	90.46%	86.48%	86.39%	91.63%
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100				
Service cost				
R3 <i>Cost of sealed local road reconstruction</i>	\$52.65	\$135.60	\$56.92	\$102.17
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]				
Service Cost				
R4 <i>Cost of sealed local road resealing</i>	\$5.03	\$4.85	\$7.03	\$6.58
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]				
Satisfaction				
R5 <i>Satisfaction with sealed local roads</i>	57.00	55.00	59.00	54.00
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]				

Comments

R1	An increase in the number of sealed road requests is due primarily to major storm events that caused road damage across parts of the municipality.
R2	Similar trend to previous years which reflects consistent maintenance efforts.
R3	Increase in costs reflects material price increase and contractor rates and also deep lift asphalt pavement reconstructions.
R4	Reduction in rates is attributed to significant efficiencies gained in rural road seal versus urban seals for this sealing season and works being undertaken inhouse.
R5	The reduction in satisfaction can be attributed partly to the major storm impact and the associated damage to the road network.

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022

Statutory Planning

Timeliness

SP1 <i>Time taken to decide planning applications</i>	56.00	50.00	57.00	52.00
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[The median number of days between receipt of a planning application and a decision on the application]

Service standard

SP2 <i>Planning applications decided within required time frames</i>	79.80%	86.76%	77.42%	84.75%
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[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100

Service Indicator/measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Service cost				
SP3 <i>Cost of statutory planning service</i>	\$3,068.34	\$2,221.22	\$2,249.98	\$2,267.80
[Direct cost of the statutory planning service / Number of planning applications received]				
Decision-making				
SP4 <i>Council planning decisions upheld at VCAT</i>	83.33%	85.71%	100.00%	66.67%
[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				
Comments				
SP1	Enhanced internal procedures and electronic processing has contributed to reduced time to decide planning applications.			
SP2	Enhanced internal procedures, electronic processing and emphasis on processing timeframes has positively influenced improved timeframes.			
SP3	The Statutory Planning service cost is reflective of ongoing staff vacancies and delay in filling these positions and similar VCAT and legal service costs.			
SP4	Council had six permit applications determined at VCAT in 2021-2022. Four of the decisions were upheld (not set aside).			

Strategic Objective 4



Economy

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

Strategic Indicators

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

Strategic Indicator/measure	Result
Community satisfaction with tourism development	57
Visitor satisfaction with visitor information servicing	91.4%
Yield of tourism	\$281.5M
Building activity	\$254M
Community satisfaction with business and community development	52
Gross regional product	\$3,524B

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2021-2022 budget for the year.

Major Initiative	Progress
CBD tree infrastructure replacement program - this project is to rejuvenate and revitalise tree assets and associated infrastructure in the Mildura CBD.	Mapping of the CBD trees has been completed which has identified healthy trees, vacant tree bays and opportunities for future tree planting in the CBD. Tree planting season is between May and September. Works are underway in Deakin Avenue and other vacancies in the Mildura CBD.

Services

The following statement provides information in relation to the services funded in the 2021-2022 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Events	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.	843 <u>1,251</u> 408
Economic development and tourism	<p>The economic development and tourism service assists the organisation to:</p> <ul style="list-style-type: none"> • facilitate growth within Council by working with industry and business to grow/sustain existing business and develop new investment opportunities • encourage and form strategic alliances with key stakeholders in industry and government to help build a vibrant and sustainable community • commit to working in partnership with Mildura Regional Development to maximise economic development within the Council region through specialised projects and initiatives • provide specialised services tailored to meet customer and client needs through facilitation of tourism • enquiries and accommodation bookings administered by the Visitor Information Centre (VIC) 	2,564 <u>2,634</u> 70

Strategic Objective 5



Leadership

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

Strategic Indicators

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

Strategic Indicator/measure	Result
Community satisfaction with community consultation and engagement	49
Community satisfaction with decisions made in the interest of the community	45
Community satisfaction with informing the community	54
Percentage of Gender Equality Action Plan actions implemented	66%
Community satisfaction with value for money in services and infrastructure	43
Community satisfaction with overall Council direction	46
Community satisfaction with the overall performance of Council	50
Community satisfaction with customer service	62
Community satisfaction with lobbying on behalf of the community	46
Percentage of advocacy plan actions completed / number of representations	Not yet available

Services

The following statement provides information in relation to the services funded in the 2021-2022 budget 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 governance includes the Mayor, Councillors, Chief Executive Officer and associated support.	1,904 <u>1,659</u> (245)
Customer support	Customer support is the first point of contact the public has with Council and acts as the interface between the organisation and the community. This service provides face-to face service in three Council service centres and call centre operations. It also processes customer requests and payments, and issues permits and receipts. Customer support staff also provide internal administrative support to the whole organisation.	1,456 <u>1,645</u> 189
Financial services	This service predominantly provides financial-based services to both internal and external customers including the management of Council's finances, raising collection of rates and charges, and valuation of properties throughout the municipality.	1,996 <u>1,741</u> (255)
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 and property management services. It also provides leadership in emergency management through planning for disaster emergencies and coordinating emergency services and support agencies in their planning and response to emergencies.	2,787 <u>2,694</u> (93)

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
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.	4,903 <u>5,553</u> 650
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.	893 <u>988</u> 95
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, occupational health and safety, corporate planning, reporting and business improvement services. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units. It also includes the payment of salaries and wages to Council employees.	2,156 <u>2,282</u> 126
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.	(2,329) <u>(2,253)</u> 76

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
Strategic 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.	2,019 <u>1,861</u> (158)

Service Performance Indicators

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

Service Indicator/Measure	Results – Financial Year Ending			
	2019	2020	2021	2022
Governance				
Transparency				
G1 <i>Council resolutions made at meetings closed to the public</i>	14.84%	30.28%	25.69%	29.38%
[Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x100				
Consultation and engagement				
G2 <i>Satisfaction with community consultation and engagement</i>	56.00	54.00	50.00	49.00
[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]				

Service Indicator/Measure		Results – Financial Year Ending			
		2019	2020	2021	2022
Attendance					
G3 <i>Councillor attendance at Council meetings</i>		84.31%	90.74%	97.53%	92.78%
[The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) x (Number of Councillors elected at the last Council general election)] x 100					
Service cost					
G4 <i>Cost of elected representation</i>		\$41,054.78	\$42,292.00	\$37,771.33	\$40,748.33
[Direct cost of the governance service /Number of Councillors elected at the last Council general election]					
Satisfaction					
G5 <i>Satisfaction with Council decisions</i>		53.00	50.00	48.00	45.00
[Community satisfaction rating out of 100 with the performance of Council in making decisions in the best interests of the community]					
Comments					
G1	Council has implemented a process to streamline the timely release of confidential reports when appropriate and will continue to focus on how to minimise the number of reports dealt with in Confidential Council moving forward.				
G2	Council has adopted a new community engagement policy and updated its online engagement platform and consultation approach to further enhance consultation and engagement. Council aims to increase opportunities for in-person consultation as COVID-19 restrictions continue to ease.				
G3	Council has seen a culture of strong attendance and participation in Council Meetings.				
G4	There has been a decrease in the cost of elected representation over the past two years. This can be attributed to COVID-19 with a reduction in travel and training expenses.				

Comments

- G5 Performance in this area has decreased a further three points in 2021-2022. Council recognises this decline and is striving to continuously improve community satisfaction in this area. This will be achieved through improving ways to communicate and engage with our community regarding Council decisions.
-

Retired service performance indicators

Retired Indicators <i>Service/indicator/measure</i>	Results 2019	Comment
Aquatic Facilities		
Service cost		
<i>Cost of indoor aquatic facilities</i>		
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$8.44	This measure was replaced by <i>Cost of aquatic facilities</i> for 2020.
<i>Cost of outdoor aquatic facilities</i>		
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$22.00	This measure was replaced by <i>Cost of aquatic facilities</i> for 2020.
Animal Management		
Service cost		
<i>Cost of animal management service</i>		
[Direct cost of the animal management service / Number of registered animals]	\$51.22	This measure was replaced by <i>Cost of animal management service per population</i> for 2020.
Health and safety		
<i>Animal management prosecutions</i>		
[Number of successful animal management prosecutions]	0	This measure was replaced by <i>Animal management prosecutions (%)</i> for 2020.

Retired Indicators Service/indicator/measure	Results 2019	Comment
Libraries		
Service cost		
<i>Cost of library service</i>		
[Direct cost of the library service / Number of visits]	\$15.71	This measure was replaced by <i>Cost of library service per population</i> for 2020.
<hr/>		
Maternal and Child Health (MCH)		
Satisfaction		
<i>Participation in first MCH home visit</i>		
[Number of first MCH home visits / Number of birth notifications received] x100	106.7%	This measure was replaced by <i>Participation in 4-week Key Age and Stage visit</i> for 2020.
<hr/>		

Governance, Management and Other Information

Governance

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

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

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

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

Meetings of Council

Council conducts open public meetings on the fourth Thursday of each month. Members of the community are welcome to attend these meetings and observe from the gallery or via the live stream. Council meetings also provide the opportunity for community members to submit questions to Council. For the 2021-2022 year, the following meetings were held:

- 12 Ordinary Council meetings
- 7 Special Council meetings.

The following table provides a summary of Councillor attendance at Council meetings and Special Council meetings for the 2021-2022 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Liam Wood (Mayor) ¹	12	7	19
Cr Cyndi Power ²	8	5	13
Cr Ian Arney ¹	12	6	18
Cr Stefano De Pieri ¹	10	6	16
Cr Mark Eckel ¹	11	7	18
Cr Helen Healy ¹	11	7	18
Cr Glenn Milne ¹	12	7	19
Cr Jason Modica ¹	12	7	19
Cr Jodi Reynolds ¹	10	6	16
Cr Troy Bailey ³	3	0	3

Note:

1. Councillors were eligible to attend 12 Ordinary and seven Special Council meetings during 2021-2022.
2. Prior to Cr Power's resignation as a Councillor taking effect on 21 March 2022, Cr Power was eligible to attend eight Ordinary and five Special Council meetings during 2021-2022.
3. Following being sworn in as a Councillor at the Ordinary Council Meeting on 28 April 2022, Cr Bailey was eligible to attend three Ordinary Council meetings during 2021-2022. Cr Bailey was not eligible to attend any Special Council meetings during 2021-2022.

Delegated Committees

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

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

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

Advisory and Key Strategic Committees

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

Committee	Purpose
Aboriginal Action Committee	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.
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.
Mildura Arts and Culture Advisory Board	To engage with the community on arts issues and actively participate in the promotion of arts-related issues.

Committee	Purpose
Mildura Cemeteries 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.
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.
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.

Committee	Purpose
Sister Cities Association	To provide an umbrella of support and promote the sister city relationships that many cities, municipalities and shires in Australia have with 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	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 2021-2022, 26 conflicts of interest were declared at Council meetings and four 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.

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

The VIRT determined the Mayor and Deputy Mayor are entitled to receive a higher allowance in accordance with their additional responsibilities.

Councils are divided into four categories based on the revenue 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 2021-2022 financial year.

Councillors	Allowance \$
Cr Liam Wood, Mayor ¹	\$75,717.38
Cr Jason Modica ^{1; 3}	\$52,578.31
Cr Helen Healy	\$30,332.24
Cr Mark Eckel	\$30,332.24
Cr Glenn Milne	\$30,332.24
Cr Stefano De Pieri	\$30,332.24
Cr Cyndi Power ^{2; 3}	\$27,209.50
Cr Troy Bailey ⁴	\$5,250.78
Cr Jodi Reynolds	\$30,332.24
Cr Ian Arney	\$30,332.24

Note:

1. Following his election at the Annual General Meeting on 9 November 2021, Cr Liam Wood replaced Cr Jason Modica as Mayor.
2. Cr Cyndi Power's resignation as a Councillor took effect on 21 March 2022.
3. Cr Cyndi Power held the role of Deputy Mayor when the VIRT determination took effect. Cr Jason Modica was elected Deputy Mayor at the Special Council Meeting on 7 April 2022.
4. Cr Troy Bailey undertook his declaration as a Councillor at the Ordinary Council Meeting on 28 April 2022.

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 2021-2022 year, are set out in the following table. No expenses were paid by Council including reimbursements to members of Council committees during the year.

Councillors	TR \$	CM \$	M/C \$	IC \$	TCE \$	C \$	Total \$
Cr Liam Wood	6,269.61	0.00	377.82	381.00	1,499.00	0.00	8,527.43
Cr Jason Modica	1,403.56	1,190.88	186.42	583.08	50.00	0.00	3,413.94
Cr Helen Healy	792.18	0.00	128.63	855.80	585.00	0.00	2,361.61
Cr Mark Eckel	0.00	866.88	120.74	923.98	0.00	0.00	1,911.60
Cr Glenn Milne	0.00	2,122.02	0.00	992.16	75.00	0.00	3,189.18
Cr Stefano De Pieri	0.00	0.00	39.00	174.00	50.00	0.00	263.00
Cr Cyndi Power ¹	0.00	0.00	68.18	210.82	0.00	0.00	279.00
Cr Troy Bailey ²	0.00	0.00	0.00	43.50	0.00	0.00	43.50
Cr Jodi Reynolds	1,146.85	0.00	0.00	174.00	1,499.00	0.00	2,819.85
Cr Ian Arney	0.00	0.00	68.18	633.56	125.00	0.00	826.74
Legend: TR -Travel and Accommodation CM – Car Mileage M/C – Catering/Meals IC – Information and Communication Expenses TCE – Conferences and Training expenses C – Childcare							

Note:

1. Cr Cyndi Power's resignation from her position as a Councillor took effect on 21 March 2022.
2. Cr Troy Bailey undertook his declaration as a Councillor at the Ordinary Council Meeting on 28 April 2022.

Management

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

Audit and Risk Committee

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

- Mr Max Folie (Chairperson)

- Min Poole (replaced retiring member Mr Frank Piscioneri on 30 August 2021)
- Julie Humphrey (replaced Ms Maria Carrazza on 1 November 2021)
- Ms Mary Rydberg

and two Councillors:

- Mayor Cr Liam Wood (from November 2021)
- Deputy Mayor Cr Cyndi Power (from November 2021)
- Deputy Mayor Cr Jason Modica (replaced Cr Cyndi Power on 7 April 2022 following Cr Power's resignation as a Councillor on 21 March 2022)

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

The Audit and Risk Committee meets six times per year. The Chief Executive Officer, General Manager Corporate Services 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 general manager and branch manager for each area reviewed attends the Audit and Risk Committee meeting to respond to questions in relation to the review. All audit issues identified are risk rated. Recommendations are assigned to the responsible branch manager and tracked in our performance management system. Bi-monthly status updates on internal audit recommendations are reported to the Executive Leadership Team and reviewed by the Internal Auditor and the Audit and Risk Committee.

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

The following reviews were undertaken as part of the SIAP for 2021-2022:

- Financial Sustainability Review
- Asset Management Review
- Information Technology Alignment
- Occupational Health and Safety Review
- Contract Management Review
- Annual Follow Up Review.

External Audit

Victorian councils are externally audited by the Victorian Auditor-General. For the 2021–2022 year, the annual external audit of our Financial Statements and Performance Statement was conducted by the Victorian Auditor-General’s representative, Crowe Australasia. The external auditors attend the March and September Audit and Risk Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk Management

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

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

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

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

Governance and Management Checklist

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

Column 1 Governance and Management Items	Column 2 Assessment
1. 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 Date of adoption: 27 January 2021 <input checked="" type="checkbox"/>
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of commencement of current guidelines: 27 January 2021 <input checked="" type="checkbox"/>
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)	Adopted in accordance with section 91 of the Act Date of adoption: 23 June 2022 <input checked="" type="checkbox"/>
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 Date of adoption: 26 May 2022 <input checked="" type="checkbox"/>
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 Date of adoption: 23 June 2021 <input checked="" type="checkbox"/>
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)	Adopted in accordance with section 94 of the Act Date of adoption: 23 June 2022 <input checked="" type="checkbox"/>
7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of commencement of current policy: 23 November 2021 <input checked="" type="checkbox"/>

Column 1 Governance and Management Items	Column 2 Assessment
8. Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of commencement of current policy: 13 July 2021 <input checked="" type="checkbox"/>
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> Date of preparation: 7 December 2021 <input checked="" type="checkbox"/>
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 Date of adoption: 22 September 2021 <input checked="" type="checkbox"/>
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)	Plan Date of operation of current plan: 27 March 2012 <input checked="" type="checkbox"/>
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)	Plan Date of operation of current plan: 8 July 2014 <input checked="" type="checkbox"/>
13. Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 15 June 2021 <input checked="" type="checkbox"/>
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: 26 August 2020 <input checked="" type="checkbox"/>

Column 1 Governance and Management Items	Column 2 Assessment
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)	Engaged Date of engagement of current provider: 22 July 2020 <input checked="" type="checkbox"/>
16. Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Framework Date of adoption of current framework: 1 July 2014 <input checked="" type="checkbox"/>
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 6 months of the financial year)	Report Date of report: 9 June 2022 <input checked="" type="checkbox"/>
18. Quarterly budget reports (quarterly reports to the Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Reports presented to the Council in accordance with section 97(1) of the Act Date reports presented: Annual Financial Statements: 22 September 2021 Quarterly Statement 1: 24 November 2021 Quarterly Statement 2: 24 March 2022 Quarterly Statement 3: 26 May 2022 <input checked="" type="checkbox"/>
19. Risk reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Dates of reports: Risk Management Report No 1: 30 September 2021 Risk Management Report No 2: 31 December 2021 Risk Management Report No 3: 31 March 2022 Risk Management Report No 4: 30 June 2022 <input checked="" type="checkbox"/>

Column 1 Governance and Management Items	Column 2 Assessment
<p>20. Performance reporting</p> <p>(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>Reports <input checked="" type="checkbox"/></p> <p>Dates of reports: 22 September 2021 and 11 May 2022</p>
<p>21. Annual report</p> <p>(annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)</p>	<p>Presented at a meeting of the Council in accordance with section 100 of the Act <input checked="" type="checkbox"/></p> <p>Date of presentation: 27 October 2021</p>
<p>22. Councillor Code of Conduct</p> <p>(Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)</p>	<p>Reviewed and adopted in accordance with section 139 of the Act <input checked="" type="checkbox"/></p> <p>Date reviewed: 24 February 2021</p>
<p>23. Delegations</p> <p>(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)</p>	<p>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"/></p> <p>Date of review under section 11(7):</p> <p>S5 Instrument of Delegation to the Chief Executive Officer: 28 July 2021</p> <p>S6 Instrument of Delegation Members of Staff: 28 April 2022</p> <p>S7 Instrument of Sub-delegation by CEO: 25 January 2022</p> <p>S12 Instrument of Delegation and Authorisation by Municipal Building Surveyor: 11 February 2022</p> <p>S13 Instrument of Delegation of CEO Powers, duties and functions: 11 March 2022</p> <p>S14 Instrument of Delegation by CEO for VicSmart Applications under the</p>

	<p>Planning and Environment Act 1987: 26 March 2020</p> <p>Instrument of Delegation from the Waterway Manager to Members of Council Staff: 26 May 2022</p> <p>Instrument of Delegation Children's Services Legislation Council to Members of Staff: 26 May 2022</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 March 2022</p>

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



Martin Hawson
Chief Executive Officer

Dated: 25 October 2022



Cr Liam Wood
Mayor

Dated: 25 October 2022

Statutory Information

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

Documents Available for Public Inspection

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

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

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

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

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

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

Carers' Recognition

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

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

- Providing information to clients and their carers on the Carer Gateway at the time of assessment
- Providing information to organisations represented in Council/community networks (eg Aged Care Advisory Network Group)
- Working in partnership with the Sunraysia Carers' Group 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 and autism support
- 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 Amaze Australia to provide support for families on the autism spectrum by assistance with hosting workshops and sharing of information
- Promoting online and face-to-face (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 have 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 Aged Care Quality Standards
- Support for carers to link in with the local area coordination team regarding the 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
 - Sunraysia Autism Support Group

- Sunraysia Information and Referral Services
- Intereach
- Red Cliffs Resource Centre
- Sunraysia Men's Shed
- Rural Aid Counselling Service
- Development and implementation of individual care plans to meet the care recipient and carer's needs
- Provision of resources regarding support for carers
- Development of an annual calendar to promote carers' support services, Carers' Gateway and National Carers' Week.

Contracts

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

Prior to Council's adoption of the new Procurement of Goods, Services and Works Policy on 22 September 2021, Council entered into the following contracts valued at \$150,000 for goods or services, or \$200,000 for works of a kind using a competitive process, as required by section 186(1)(a) of the *Local Government Act 1989*:

Contract No.	Contract
2021/32	Monitoring Services for Landfills
2021/34	Mildura Riverfront Early Works Car Park Upgrade
2021/52	Cricket Net Upgrade at Quandong Park
2021/31	E-Waste Collection and Processing
2021/36	Cleaning Services for Mildura Sporting Precinct
2021/2531	Provision of Statutory Advertising
2021/59	Supply and Hire of Temporary Outdoor Dining Booths
2021/39	Old Aerodrome Oval No2 Lighting Upgrade

For the period 1 July 2021 to 22 September 2021, Council did not enter into any contracts without first undertaking a competitive process.

For the period 22 September 2021 to 30 June 2022, Council entered into the following contracts valued at \$250,000 or more for goods, services or works using a competitive process in accordance the requirements of its new Procurement of Goods, Services and Works Policy:

Contract No.	Contract
1920/70	Hire of Construction Plant and Equipment Panel
1920/52	San Mateo Avenue and Tenth Street Micro-surfacing
1920/56	Provision of Statutory Planning and Building Software Solution
2021/55	Provision of Banking and Bill Payment Services
2122/9	Mildura South Regional Sporting Precinct Landscape Maintenance
2122/25	Crack Sealing Works in Various Locations
2122/2554	Queensland Fruit Fly Host Tree Removal Services Panel
2122/24	Supply and Delivery of Bituminous Adhesion Agent and Precoat
2122/13	Stormwater Inspection and Assessment
2122/18	Interpretive Touchwall and Outdoor Projection
2122/27	Powerhouse Precinct Redevelopment - Head Contractors
2122/29	Mildura Sporting Precinct - Outdoor Netball Courts with Competition Lighting
2122/10	Mildura Sporting Precinct - Stage 2
2122/17	Irymple Kindergarten Extension
2122/34	Blackspot Treatment on Seventeenth Street
2122/14	Engineering and Technical Services Panel
2122/35	Provision of Tree Services Panel
2122/28	Mildura Wave Pool Machine Replacement
2122/21	Mildura Sporting Precinct Solar Installation
2122/38	Budgeting Tool and Reporting System

Works totalling \$333,689.40 (GST inclusive) were undertaken without going through a competitive process immediately following a significant weather event (wind, heavy rain and flash flooding) on 26 January 2022, which caused damage to several Council buildings. Council did not tender or seek an expression of interest for these works but did use a supplier from the Council's approved Trade Services Panel contract.

Disability Action Plan

The Community Health and Wellbeing Plan requires the preparation of an annual Disability Action Plan.

In accordance with section 38 of the *Disability Act 2006*, Council must report on the implementation of the Disability Action Plan in our annual report. Actions completed in 2021-2022 that align with our Community Health and Wellbeing Plan and Disability Action Plan include:

- The identification of 151 trip hazards via Council's customer response system
- Addressing 43 access items through the Disability Access Advisory Committee
- Promoting and supporting a range of recreational, social and cultural activities to ensure accessibility for people with a disability. These included Mental Health Awareness Workshops, National Disability Insurance Scheme (NDIS) Planning Workshops and support for autism workshops held for local families.
- Promoting awareness of disability services to the community by posting 141 events/information segments on the Yammer site, emails and facilitating local NDIS sessions, Infection Control and Autism Connect online sessions.
- Connecting various people with disabilities in the community to My Aged Care, Mental Health Services and the Carer Gateway.
- Responding to direct community requests with advice on the wide range of disability support services and facilities available.
- Securing funding for a Changing Places facility at the Riverfront, which will enable people with disabilities to fully access public toilets with special features including change tables and hoists
- Purchasing two aquatic wheelchairs for the toilet/shower area of the Mildura Waves facility to cater for people with disabilities and providing disability awareness training for Mildura Waves staff
- Raising community awareness of the role of the Disability Access Advisory Group through Council's website, social media and information shared in Easy English
- Installation of three raised pedestrian crossing points between Thirteenth and Fourteenth streets to provide safe crossing opportunities for pedestrians and people using mobility scooters
- Improving accessibility through the gates of the Off Leash Dog Park for people using scooters, as well as along the footpath at the riverfront for users of wheelchairs, scooters and prams
- Awarding 16 grants to allow community groups to provide support to people with a disability through various programs within our community.
- Awarding 46 grants to allow community groups to purchase equipment and uniforms, learn stagecraft and support events and programs for our community.
- Awarding 20 COVID-19 recovery grants to reignite our vibrant calendar of events, stimulate the local economy and support the community and visitors to engage in local events that could be held within COVID-19 restrictions.

Domestic Animal Management Plan

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

The current Mildura Rural City Council DAMP for 2021-2025 was adopted by Council in April 2022. Its purpose is to demonstrate the direction of Council's Animal Management Services over the next four years.

DAMP actions include continuing the Responsible Pet Ownership Program. In accordance with this program, in 2021-2022 \$25,000 was provided to assist dog and cat owners with desexing, microchipping and vaccination of their animals.

This year, Council's commitment of \$25,000 was matched with a further \$25,000 from a successful Victorian Government grant (via Agriculture Victoria). This funding was used to provide support for vulnerable persons within our municipality to desex their dogs and cats.

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.

Patrols are also being undertaken of the newly updated Mildura Off Leash Dog Park. Recent upgrades have meant a lot more dog owners are utilising the park and officers are available to educate and give direction to dog owners to ensure all who use the Dog Park can enjoy this designated off leash area.

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 the 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 freedom of information can be found at www.ovic.vic.gov.au and on Council's website.

Public Interest Disclosure (formally Protected Disclosure) Procedures

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

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

There were two public interest disclosures made during the 2021-2022 financial year. One of these relates to alleged improper conduct by a Councillor and the other relates to alleged improper conduct by a staff member. The disclosures were reported to the Independent Broad-based Anti-corruption Commission (IBAC) and investigations remain ongoing.

Road Management Act Ministerial Directions

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

Infrastructure and Development Contributions

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

For the 2021-2022 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 2021-2022

DCP Name (Year Approved)	Levies Received in 2021-2022 Financial Year	\$
DCP01 (2005)		1,107,111.75
DCP02 (2006)		157,344.54
DCP03 (2007)		510.91
Total		1,264,967.20

DCP Land, Works, Services or Facilities Accepted as Works In-Kind in 2021-2022

DCP Name (Year Approved)	Project ID	Project Description	Item Purpose	Total Project Value	\$
DCP01, April 2005	DG001	Mildura South Drainage Scheme DG001	Drainage Infrastructure	4,500.00	
DCP01, July 2005	BP211	Cabarita to Benetook - Riverside Avenue to Ontario Avenue BP211	Bike Path	101,007.00	
DCP01, July 2005	OS001	Playgrounds OS001	Land for Public Open Space	718,000.00	
Total				823,507.00	

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 2021-2022 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
			\$	\$	\$	\$	\$	
Irymple Pump Station DG007	DG007	DCP02, April 2006	2,922.70	0.00	3,893.30	0.00	6,816.00	0.08%
Mildura South Drainage Scheme DG001	DG001	DCP01, April 2005	931.00	4,500.00	719.00	0.00	6,150.00	0.01%
Mildura/Irymple Transition - Construction DG050	DG050	DCP02, July 2006	10,053.03	0.00	-1,151.03	0.00	8,902.00	0.04%
San Mateo to Benetook near Fifteenth Street Drainage Scheme DG002	DG002	DCP01, July 2005	9,815.28	0.00	3,962.48	0.00	13,777.76	0.14%
Cabarita to Benetook - Riverside Avenue to Ontario Avenue BP211	BP211	DCP01, July 2005	0.00	101,007.00	0.00	0.00	101,007.00	51.96%
Playgrounds OS001	OS001	DCP01, July 2005	0.00	718,000.00	0.00	0.00	718,000.00	3.34%
Total			23,722.01	823,507.00	7,423.75	0.00	854,652.76	

Part 2: Financial Statements



Mildura Rural City Council

Annual Financial Report
For the Year Ended 30 June 2022



Mildura Rural City Council

Financial Report

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**Mildura Rural City Council
Financial Report
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Certification of the Financial Statements

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



Mark McMillan CPA

Principal Accounting Officer

Date : 25 October 2022
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 2022 and the financial position of the Council as at that date.

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

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

Liam Wood

Mayor

Date : 25 October 2022
Mildura



Jason Modica

Deputy Mayor

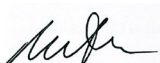
Date : 25 October 2022
Mildura



Martin Hawson

Chief Executive Officer

Date : 25 October 2022
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 2022 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 the 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 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
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, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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's 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's and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council and the consolidated entity to cease to continue as a going concern. • 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 the consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the council and the consolidated entity. I remain solely responsible for my audit opinion.
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Auditor's responsibilities for the audit of the financial report	I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
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MELBOURNE
31 October 2022



Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2022

	Note	Consolidated		Council	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	3.1	79,281	76,576	79,405	76,576
Statutory fees and fines	3.2	2,394	2,293	2,394	2,293
User fees	3.3	9,038	7,344	6,404	5,548
Grants - operating	3.4	33,688	27,333	32,249	26,070
Grants - capital	3.4	15,309	40,315	15,809	40,273
Contributions - monetary	3.5	3,502	1,402	3,318	1,222
Contributions - non monetary	3.5	823	1,238	823	1,238
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	3.6	(3,685)	(899)	(3,685)	(916)
Other income	3.7	7,272	6,193	6,958	6,025
Asset recognition	3.8	5,762	3,367	3,950	3,367
Total income		153,384	165,162	147,625	161,696
Expenses					
Employee costs	4.1	(55,787)	(53,214)	(52,485)	(50,266)
Materials and services	4.2	(43,760)	(39,104)	(43,146)	(40,200)
Depreciation	4.3	(23,323)	(19,056)	(19,955)	(17,426)
Amortisation - intangible assets	4.4	(225)	(221)	(225)	(221)
Amortisation - right of use assets	4.5	(130)	(98)	(99)	(68)
Bad and doubtful debts	4.6	(39)	(56)	(39)	(104)
Borrowing costs	4.7	(843)	(958)	(828)	(943)
Finance costs - leases	4.8	(61)	(62)	(51)	(51)
Other expenses	4.9	(1,812)	(1,829)	(1,702)	(1,719)
Total expenses		(125,980)	(114,598)	(118,530)	(110,998)
Surplus/(deficit) for the year		27,404	50,564	29,095	50,698
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation increment (decrement)	9.1(a)	3,688	14,978	3,658	14,978
Share of other comprehensive income of associates and joint ventures	9.1(c)	-	-	(1,661)	(134)
Total other comprehensive income		3,688	14,978	1,997	14,844
Total comprehensive result		31,092	65,542	31,092	65,542

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

Balance Sheet As at 30 June 2022

		Consolidated		Council	
		2022	2021	2022	2021
	Note	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	5.1	25,811	31,686	22,631	27,054
Trade and other receivables	5.1	6,908	9,044	6,758	9,206
Other financial assets	5.1	79,600	59,350	79,600	59,350
Inventories	5.2	559	593	550	586
Other assets	5.2	351	297	315	262
Total current assets		113,229	100,970	109,854	96,458
Non-current assets					
Trade and other receivables	5.1	-	-	4,863	4,095
Other financial assets	5.1	-	1,750	-	1,750
Other assets	5.2	-	-	49,897	51,457
Property, infrastructure, plant and equipment	6.2	970,364	962,736	917,620	909,974
Right-of-use assets	5.8	1,235	1,398	1,032	1,164
Intangible assets	5.2	14,120	11,181	13,969	11,060
Total non-current assets		985,719	977,065	987,381	979,500
Total assets		1,098,948	1,078,035	1,097,235	1,075,958
Liabilities					
Current liabilities					
Trade and other payables	5.3	2,767	4,308	2,188	3,117
Trust funds and deposits	5.3	2,523	3,182	2,515	3,175
Unearned income/revenue	5.3	3,050	1,154	2,666	1,154
Provisions	5.5	13,575	13,215	13,363	12,996
Interest-bearing liabilities	5.4	1,023	3,325	929	3,231
Lease liabilities	5.8	136	121	108	94
Total current liabilities		23,074	25,305	21,769	23,767
Non-current liabilities					
Provisions	5.5	30,996	33,654	30,958	33,607
Interest-bearing liabilities	5.4	9,439	14,560	9,255	14,281
Lease liabilities	5.8	1,541	1,710	1,354	1,496
Total non-current liabilities		41,976	49,924	41,567	49,384
Total liabilities		65,050	75,229	63,336	73,151
Net assets		1,033,898	1,002,806	1,033,899	1,002,807
Equity					
Accumulated surplus		458,790	442,121	426,422	408,062
Reserves	9.1	575,108	560,685	607,477	594,745
Total equity		1,033,898	1,002,806	1,033,899	1,002,807

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

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

Consolidated	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000	\$'000
2022					
Balance at beginning of the financial year		1,002,806	442,121	521,122	39,563
Surplus/(deficit) for the year		27,404	27,404	-	-
Net asset revaluation increment/(decrement)	6.2, 9.1	3,688	-	3,688	-
Transfers to other reserves	9.1(b)	-	16,190	-	(16,190)
Transfers from other reserves	9.1(b)	-	(26,925)	-	26,925
		31,092	16,669	3,688	10,735
Balance at end of the financial year		1,033,898	458,790	524,810	50,298
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	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

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 2022

Council	Note	Accumulated Revaluation			Other Reserves
		Total \$'000	Surplus \$'000	Reserve \$'000	
2022					
Balance at beginning of the financial year		1,002,807	408,062	520,937	73,808
Surplus/(deficit) for the year		29,095	29,095	-	-
Net asset revaluation increment/(decrement)	6.2, 9.1	1,997	-	3,658	(1,661)
Transfers to other reserves	9.1(b)	-	16,190	-	(16,190)
Transfers from other reserves	9.1(b)	-	(26,925)	-	26,925
		31,092	18,360	3,658	9,074
Balance at end of the financial year		1,033,899	426,422	524,595	82,882
2021					
Balance at beginning of the financial year		937,265	353,658	505,959	77,648
Surplus/(deficit) for the year		50,698	50,698	-	-
Net asset revaluation increment/(decrement)	6.2	14,844	-	14,978	(134)
Transfers to other reserves	9.1(b)	-	24,181	-	(24,181)
Transfers from other reserves	9.1(b)	-	(20,475)	-	20,475
		65,542	54,404	14,978	(3,840)
Balance at end of the financial year		1,002,807	408,062	520,937	73,808

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 2022

	Note	Consolidated		Council	
		2022	2021	2022	2021
		Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Rates and charges		79,994	76,115	79,994	76,115
Statutory fees and fines		2,394	2,293	2,394	2,293
User fees		11,750	6,099	8,196	4,012
Grants - operating		34,800	29,002	33,861	27,374
Grants - capital		18,111	39,705	18,111	39,663
Contributions - monetary		3,839	1,283	3,484	1,283
Interest received		1,080	962	1,202	1,069
Trust funds and deposits taken		8,588	7,209	8,588	7,209
Other receipts		6,459	5,109	6,057	5,254
Net GST refund (payment)		2,960	1,998	2,969	2,027
Employee costs		(54,477)	(51,622)	(51,867)	(49,424)
Materials and services		(50,837)	(41,566)	(48,512)	(42,230)
Short-term, low value and variable lease payments		(113)	(405)	(113)	(405)
Trust funds and deposits repaid		(9,248)	(5,545)	(9,248)	(5,545)
Other payments		(2,407)	(1,044)	(2,353)	(1,044)
Net cash provided by/(used in) operating activities	9.2	52,893	69,593	52,763	67,651
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	6.2	(32,691)	(61,859)	(31,150)	(58,870)
Proceeds from sale of property, infrastructure, plant and equipment		716	558	714	558
Payments for investments		(18,500)	(56,500)	(18,500)	(56,500)
Net cash provided by/(used in) investing activities		(50,475)	(117,801)	(48,936)	(114,812)

Statement of Cash Flows For the Year Ended 30 June 2022

	Consolidated		Council	
	2022	2021	2022	2021
	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
Note	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities				
Finance costs	(836)	(953)	(828)	(943)
Repayment of borrowings	(7,327)	(901)	(7,328)	(1,120)
Interest paid - lease liability	(51)	(50)	(51)	(50)
Repayment of lease liabilities	(79)	(25)	(43)	-
Net cash provided by/(used in) financing activities	(8,293)	(1,929)	(8,250)	(2,113)
Net increase/(decrease) in cash and cash equivalents	(5,875)	(50,137)	(4,423)	(49,274)
Cash and cash equivalents at the beginning of the financial year	31,686	81,823	27,054	76,328
Cash and cash equivalents at the end of the financial year	25,811	31,686	22,631	27,054
5.1				

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 2022

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property				
Land	1,905	577	1,905	577
Total land	1,905	577	1,905	577
Buildings	5,778	22,194	5,714	22,177
Total buildings	5,778	22,194	5,714	22,177
Total property	7,683	22,771	7,619	22,754
Plant and equipment				
Computers and telecommunications	1,184	433	1,172	413
Fixtures, fittings and furniture	588	833	525	738
Library books and art works	298	297	298	297
Plant, machinery and equipment	2,862	3,727	2,846	3,247
Total plant and equipment	4,932	5,290	4,841	4,695
Infrastructure				
Roads	11,228	21,823	11,228	21,823
Footpaths and cycle ways	1,779	1,018	1,779	1,018
Drainage	492	4,994	492	4,994
Recreational, leisure and community facilities	1,879	1,827	1,879	1,827
Waste management	1,435	89	1,435	89
Parks, open space and streetscapes	1,008	1,201	1,008	1,072
Kerb and channel	180	373	180	373
Off street car parks	689	215	689	215
Other infrastructure	1,386	2,271	-	-
Total infrastructure	20,076	33,811	18,690	31,411
Intangible				
Software	-	11	-	11
Total intangible	-	11	-	11
Total capital works expenditure	32,691	61,883	31,150	58,871

Statement of Capital Works For the Year Ended 30 June 2022

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Represented by:				
New asset expenditure	9,335	28,469	9,243	25,641
Asset renewal expenditure	17,023	26,091	16,540	26,030
Asset expansion expenditure	1,072	730	589	669
Asset upgrade expenditure	5,261	6,582	4,778	6,520
Intangible asset	-	11	-	11
Total capital works expenditure	32,691	61,883	31,150	58,871

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 2022

Note 1 OVERVIEW

Introduction

The Mildura Rural City Council (Council) was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate. Council's main office is located at 108 - 116 Madden Avenue, Mildura.

Statement of compliance

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

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

Significant accounting policies

(a) Basis of accounting

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

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

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

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

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

- 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)

Notes to the Financial Report For the Year Ended 30 June 2022

(a) Basis of accounting (cont'd)

- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgments

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

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

(b) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2022, 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 2022

(c) Impact of Covid-19

During 2021-22 the COVID-19 pandemic continued to impact on Council's operations. 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. The majority related to Hands up Mallee funding, outdoor and community activation projects, and other employment and social programs.
- Revenue foregone - As part of efforts to support the community recovery from COVID-19 some revenue for user fees were waived including environmental health registration fees as part of Council's business assistance measures. In addition, Council did not pursue parking infringements during periods of restrictions associated with COVID-19.
- Additional cost - Bad and doubtful debts has reduced due to deferments of debtors payments and other support measures implemented by Council. Some increase in cleaning and hygiene supplies have continued however this is becoming a normalised expenditure.
- Other - Council's net loss on disposal was greater than budgeted due to supply constraints associated with COVID-19 from previous years, which has directly impacted our fleet and plant replacement program. Inflationary impacts have increased cost to Council along with supply constraints which have increased carried forward capital works projects. Provisions for annual leave, rostered days off and time in lieu have also increased due to impacts of COVID-19. These are being managed through implementation staff leave plans and recruitment of unfilled positions.

Notes to the Financial Report For the Year Ended 30 June 2022

Note 2.1 Performance against budget

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

The budget figures detailed below are those adopted by Council on 23 June 2021. 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 2020*.

2.1.1 Income and expenditure	Council Budget 2022 \$'000	Council Actual 2022 \$'000	Variance \$'000	Variance % Ref
Income				
Rates and charges	79,014	79,405	391	-
Statutory fees and fines	2,391	2,394	3	-
User fees	8,620	6,404	(2,216)	(26) 1
Grants - operating	22,056	32,249	10,193	46 2
Grants - capital	15,010	15,809	799	5
Contributions - monetary	1,282	3,318	2,036	159 3
Contributions - non monetary	1,952	823	(1,129)	(58) 4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,683)	(3,685)	(2,002)	119 5
Other income	5,761	6,958	1,197	21 6
Asset recognition	-	3,950	3,950	100 7
Total income	134,403	147,625	13,222	10
Expenses				
Employee costs	(53,446)	(52,485)	961	(2)
Materials and services	(45,123)	(43,146)	1,977	(4)
Depreciation	(17,607)	(19,955)	(2,348)	13 8
Amortisation - intangible assets	(161)	(225)	(64)	40 9
Amortisation - right of use assets	(74)	(99)	(25)	34 10
Bad and doubtful debts	(133)	(39)	94	(71) 11
Borrowing costs	(1,079)	(828)	251	(23) 12
Finance costs - leases	(51)	(51)	-	-
Other expenses	(1,434)	(1,702)	(268)	19 13
Total expenses	(119,108)	(118,530)	578	(0)
Surplus/(deficit) for the year	15,295	29,095	13,800	90

Notes to the Financial Report For the Year Ended 30 June 2022

2.1 Performance against budget (cont'd)

(i) Explanation of material variations

Variance		
Ref	Item	Explanation
1	User fees	The COVID-19 pandemic and inflationary impacts and supply constraints have all contributed to reductions in some user fees. These include reductions in land fill fees, facility hire fees, registrations and child care fees.
2	Grants - operating	The majority of this increase relates to the 75% brought forward payment of next years financial assistance grants. This is reported in current financial year but carried forward through reserves to be spent in the 2022/23 financial year. Council also received many community support grants to aid in recovery from COVID-19.
3	Contributions - monetary	Relates to developer contributions which are difficult to predict the exact timing of. Increased activity in building industry have contributed to many projects being completed.
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. These are difficult to predict timing of.
5	Net gain (loss) on disposal of property, infrastructure, plant and equipment	The majority of this loss relates to disposal of road assets associated with the asset renewal program, and also fleet replacement including vehicles, plant and equipment.
6	Other income	While user fees were reduced due to COVID-19 and economic impacts, this was offset by increases in childcare subsidies from the government and other reimbursements.

Notes to the Financial Report For the Year Ended 30 June 2022

2.1 Performance against budget (cont'd)

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

Variance		Explanation
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	Depreciation	Completion of major capital works projects including Mildura Sporting Precinct have occurred with final capitalisation of asset occurring this financial year along with other works in progress.
9	Amortisation - intangible assets	Capitalisation of software purchases in 2020-21 resulted in increased amortisation in 2021-22 financial year.
10	Amortisation - right of use asset	These relate to accounting treatment of leases under AASB 16 which occur at the end of financial year with adjustments dependent on rental increases and indicative borrowing rates.
11	Bad and doubtful debts	This reduced due to community relief and support measures for COVID-19 including deferments and waiving of fees, and a reduction in collection of user fees contributing to lower need for debt collection.
12	Borrowing expenses	Council delayed new borrowings as projected in budget which resulted in reduced interest cost for this financial year.
13	Other expenses	This increase relates to increased operating lease payments for the financial year due to delays in obtaining IT equipment.

**Notes to the Financial Report
For the Year Ended 30 June 2022**

2.1.2 Capital works	Council Budget 2022 \$'000	Council Actual 2022 \$'000	Variance \$'000	Variance %	Ref
Property					
Land	-	1,905	1,905	100	1
Total land	-	1,905	1,905	100	
Buildings	18,902	5,714	(13,188)	(70)	2
Total buildings	18,902	5,714	(13,188)	(70)	
Total property	18,902	7,619	(11,283)	(60)	
Plant and equipment					
Computers and telecommunications	811	1,172	361	45	3
Fixtures, fittings and furniture	185	525	340	184	4
Library books and artworks	315	298	(17)	(5)	
Plant, machinery and equipment	2,369	2,846	477	20	5
Total plant and equipment	3,680	4,841	1,161	32	
Infrastructure					
Roads	12,803	11,228	(1,575)	(12)	6
Footpaths and cycle ways	1,022	1,779	757	74	7
Drainage	658	492	(166)	(25)	8
Recreational, leisure and community facilities	1,939	1,879	(60)	(3)	
Waste management	2,723	1,435	(1,288)	(47)	9
Parks, open space and streetscapes	1,635	1,008	(627)	(38)	10
Kerb and channel	371	180	(191)	(51)	11
Off street car parks	-	689	689	100	12
Total infrastructure	21,151	18,690	(2,461)	(12)	
Total capital works expenditure	43,733	31,150	(12,583)	(29)	
Represented by:					
New asset expenditure	18,006	9,243	(8,763)	(49)	
Asset renewal expenditure	18,566	16,540	(2,026)	(11)	
Asset expansion expenditure	1,951	589	(1,362)	(70)	
Asset upgrade expenditure	5,210	4,778	(432)	(8)	
Total capital works expenditure	43,733	31,150	(12,583)	(29)	

Notes to the Financial Report For the Year Ended 30 June 2022

Performance against budget (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	During the financial year there was one strategic land purchase. Due to difficulty in timing such purchases this was not included in the annual budget, but was funded from the land acquisition reserve.
2	Building	Variance predominately relates to the timing of expenditure for Stage 2 of the Mildura Sporting Precinct which will now occur during 2022/23 financial year.
3	Computers and telecommunications	Prior financial year supply constraints have resulted in actual expenditure occurring in 2021/22 financial year.
4	Fixtures, fittings and furniture	Additional grant funded expenditure occurred on outdoor alfresco areas and bench seats and tables.
5	Plant, machinery and equipment	Impacts of COVID-19 and supply constraints resulted in expenditure being carried forward with results occurring this financial year.
6	Roads	Additional grant funding as part of Local Roads and Community Infrastructure grants included in original budget, is being delivered over two financial years with some expenditure now occurring in 2022/23.
7	Footpaths and cycle ways	Impacts of COVID-19 with supply and contractor constraints prevented the capital works from being completed in previous financial year, this expenditure occurred during the 2021/22 financial year.

**Notes to the Financial Report
For the Year Ended 30 June 2022**

Performance against budget (cont'd)

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

Variance		
Ref	Item	Explanation
8	Drainage	Delays due to impacts of COVID-19 and supply constraints have prevented the capital works from being completed this financial year.
9	Waste management	The waste management program and specifically landfill capping has been delayed due to delays in approval of the capping design. This has been carried forward to the next financial year.
10	Parks, open space and streetscapes	Delays due to a longer than expected community consultation process and constraints with supply and contractor availability with expenditure now occurring next financial year.
11	Kerb and channel	Delays due to impacts of COVID-19 and supply constraints have prevented the capital works from being completed this financial year.
12	Off-street carpark	Grants were received during the financial with additional expenditure on the carpark occurring this financial year.

Notes to the Financial Report For the Year Ended 30 June 2022

Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Community

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

Financial Management

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

Corporate

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

Development

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

Executive

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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

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

	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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

Consolidated		Council	
2022	2021	2022	2021
\$'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 2021/22 is \$13.670 billion (2020/21 was \$10.493 billion)

General rates	42,124	40,498	42,124	40,498
Waste management charge	12,157	11,657	12,157	11,657
Mildura City Heart special rate	633	616	633	616
Business differential rate	12,933	13,179	13,057	13,179
Farming differential rate	11,179	10,498	11,179	10,498
Payment in lieu of rates	255	128	255	128
Total rates and charges	79,281	76,576	79,405	76,576

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2021, and the valuation will be first applied in the rating year commencing 1 July 2022.

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	411	349	411	349
Land information certificates	71	65	71	65
Permits	430	501	430	501
Other statutory fees and fines	314	314	314	314
Valuations database	243	249	243	249
Statutory planning fees	925	815	925	815
Total statutory fees and fines	2,394	2,293	2,394	2,293

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 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
3.3 User fees				
Aged and health services	763	839	763	839
Child care/children's programs	505	408	505	408
Waste management services	2,399	1,897	2,399	1,897
Other fees and charges	261	232	261	232
Rent/lease fees	960	534	629	259
Animal control and local laws	579	652	579	652
Environmental health services	-	10	-	10
Airport fees and charges	2,303	1,521	-	-
Contract works	532	941	532	941
Entrance charges	572	178	572	178
Commission/agency fees	164	132	164	132
Total user fees	9,038	7,344	6,404	5,548

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

3.4 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

Commonwealth funded grants	32,306	45,880	32,806	45,458
State funded grants	16,691	21,768	15,252	20,885
Total grants received	48,997	67,648	48,058	66,343

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'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	815	310	815	310
Early years	-	136	-	136
Aged and disability services	2,242	2,201	2,242	2,201
Financial assistance grants - general purpose	16,184	11,033	16,184	11,033
Financial assistance grants - local roads	5,801	4,249	5,801	4,249
<i>Recurrent - State Government</i>				
Hands up Mallee	275	361	275	361
Aged and disability services	521	513	521	513
Libraries	426	391	426	391
Community health	1,267	1,262	1,267	1,262
Early years	277	298	277	298
Youth services	216	261	216	261
Environmental health	44	31	44	31
Social development and projects	75	-	75	-
Local laws	154	151	154	151
Arts and culture	190	190	190	190
Works and infrastructure services	106	123	106	123
Total recurrent operating grants	28,593	21,510	28,593	21,510

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
3.4 Funding from other levels of government (cont'd)				
<i>Non-recurrent - Commonwealth Government</i>				
Airport operations	500	1,380	500	1,000
Early years	224	-	224	-
Social development and projects	-	279	-	279
<i>Non-recurrent - State Government</i>				
Youth services	2	4	2	4
Hands up Mallee	1,023	110	1,023	110
Community development	-	167	-	167
Social development and projects	413	1,090	413	1,090
Environmental sustainability	193	241	193	241
Governance and risk	-	266	-	266
Aged and disability services	112	65	112	65
Early years	16	22	16	22
Asset management	67	-	67	-
Economic development and tourism	120	120	120	120
Libraries	1	15	1	15
Sunraysia Pest Free	583	241	583	241
Critical community services - COVID-19 response	-	486	-	486
Local laws	23	-	23	-
Road safety	15	-	15	-
Emergency management and recovery	26	-	26	-
Community care services management	77	-	77	-
Event projects	203	-	203	-
Airport operations	1,439	883	-	-
Arts and culture	-	1	-	1
Recreation and sport	58	453	58	453
Total non-recurrent operating grants	5,095	5,823	3,656	4,560
Total operating grants	33,688	27,333	32,249	26,070
(b) Capital grants				
<i>Recurrent - Commonwealth Government</i>				
Roads to recovery	2,978	5,121	2,978	5,121
Total recurrent capital grants	2,978	5,121	2,978	5,121

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
3.4 Funding from other levels of government (cont'd)				
<i>Non-recurrent - Commonwealth Government</i>				
Buildings	2,650	15,046	2,650	15,046
Plant, machinery and equipment	-	-	-	-
Roads	1,354	5,583	1,354	5,583
Airport operations	(500)	42	-	-
Parks, open space and streetscapes	58	-	58	-
Drainage	-	500	-	500
<i>Non-recurrent - State Government</i>				
Computers and telecom	100	290	100	290
Footpaths and cycleways	-	242	-	242
Libraries	11	11	11	11
Recreation and sport	280	884	280	884
Buildings	6,239	9,861	6,239	9,861
Fixtures, fittings and furniture	782	-	782	-
Waste management	22	40	22	40
Parks open space and streetscapes	60	893	60	893
Early years	-	15	-	15
Roads	1,275	1,787	1,275	1,787
Total non-recurrent capital grants	12,331	35,194	12,831	35,152
Total capital grants	15,309	40,315	15,809	40,273
(c) Unspent grants received on condition that they be spent in a specific manner				
<i>Operating</i>				
Balance at start of year	784	641	784	641
Received during the financial year and remained unspent at balance date	384	557	-	557
Received in prior years and spent during the financial year	(145)	(414)	(145)	(414)
Balance at year end	1,023	784	639	784
<i>Capital</i>				
Balance at start of year	370	3,137	370	3,137
Received during the financial year and remained unspent at balance date	2,027	370	2,027	370
Received in prior years and spent during the financial year	(370)	(3,137)	(370)	(3,137)
Balance at year end	2,027	370	2,027	370
Total	3,050	1,154	2,666	1,154

**Notes to the Financial Report
For the Year Ended 30 June 2022**

Consolidated		Council	
2022	2021	2022	2021
\$'000	\$'000	\$'000	\$'000

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

(d) Recognition of grant income

Income recognised under AASB 1058 Income of Not-for-Profit Entities

Other specific purpose grants	1,023	784	639	784
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Revenue recognised under AASB 15 Revenue from Contracts with Customers

Specific purpose grants	2,027	370	2,027	370
	<u>3,050</u>	<u>1,154</u>	<u>2,666</u>	<u>1,154</u>

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

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

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

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

3.5 Contributions

Other contributions	1,884	448	1,700	268
Capital contributions	260	149	260	149
Developer contributions	<u>1,358</u>	<u>805</u>	<u>1,358</u>	<u>805</u>
Total monetary contributions	<u>3,502</u>	<u>1,402</u>	<u>3,318</u>	<u>1,222</u>
Non-monetary contributions	<u>823</u>	<u>1,238</u>	<u>823</u>	<u>1,238</u>
Total contributions	<u>4,325</u>	<u>2,640</u>	<u>4,141</u>	<u>2,460</u>

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
3.5 Contributions (cont'd)				
<i>Contributions of non-monetary assets were received in relation to the following asset classes.</i>				
Drainage	5	1,183	5	1,183
Footpaths	101	-	101	-
Parks open space and streetscapes	717	55	717	55
Total non-monetary contributions	823	1,238	823	1,238

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

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

Proceeds of sale	714	575	714	558
Written down value of assets disposed	(4,399)	(1,474)	(4,399)	(1,474)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(3,685)	(899)	(3,685)	(916)

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 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
3.7 Other income				
Interest	364	502	481	566
Interest on rates	708	503	708	503
Sales	706	452	347	266
Other income	225	186	18	9
Child care reimbursement	2,016	1,554	2,016	1,554
Fuel tax rebate	168	223	168	223
Workcover costs reimbursements	453	479	453	479
Legal costs recouped	205	-	205	-
Airport reimbursement	-	-	-	23
Cemetery reimbursement	713	473	713	473
Utilities reimbursement	18	8	18	8
Youth case management reimbursement	660	452	660	452
Insurance reimbursement	46	52	46	160
Other costs reimbursed	990	1,309	1,125	1,309
Total other income	7,272	6,193	6,958	6,025

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	5,762	3,367	3,950	3,367
Total asset recognition	5,762	3,367	3,950	3,367

**Notes to the Financial Report
For the Year Ended 30 June 2022**

Consolidated		Council	
2022	2021	2022	2021
\$'000	\$'000	\$'000	\$'000

Note 4 The cost of delivering services

4.1. (a) Employee costs

Wages and salaries	50,909	48,521	47,818	45,753
Payroll tax	7	9	7	8
Superannuation	4,737	4,486	4,526	4,307
Fringe benefits tax	134	198	134	198
Total employee costs	55,787	53,214	52,485	50,266

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	252	242	252	242
Total defined benefit fund contributions	252	242	252	242

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,955	2,003	1,955	2,003
Employer contributions - other funds	2,152	1,858	2,152	1,858
Total accumulation funds contributions	4,107	3,861	4,107	3,861
Employer contributions payable at reporting date.	-	-	-	-

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
4.2 Materials and services				
Contracts other	9,088	5,234	8,907	5,057
Waste management contracts	6,322	5,855	6,322	5,855
Swimming pools	1,427	1,444	1,427	1,444
Building maintenance	2,461	2,168	2,461	2,168
General maintenance	423	410	423	410
Environmental protection waste levy	2,288	1,448	2,288	1,448
Grants, contributions and donations	1,763	2,193	3,674	5,557
Utilities	3,457	3,497	3,150	3,344
Office administration	1,101	1,197	873	816
Materials purchased	5,205	5,467	5,040	5,348
Plant and vehicle costs	2,615	2,776	2,039	2,510
Information technology	1,792	1,942	1,694	1,841
Insurance	1,450	1,302	1,458	1,327
Consultants	2,138	1,735	2,138	1,735
Training	742	860	706	827
Other materials and contractors	1,488	1,576	546	513
Total materials and services	43,760	39,104	43,146	40,200

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

4.3 Depreciation

Buildings	3,292	2,841	3,022	2,618
Plant and equipment	3,745	3,377	3,386	2,936
Infrastructure	16,286	12,838	13,547	11,872
Total depreciation	23,323	19,056	19,955	17,426

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

4.4 Amortisation - intangible assets

Intangible assets	225	221	225	221
Total amortisation - intangible assets	225	221	225	221

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
4.5 Amortisation - right of use assets				
Property	130	98	99	68
Total amortisation - right of use assets	130	98	99	68
4.6 Bad and doubtful debts				
Infringement debtors	34	91	34	91
Other debtors	5	(35)	5	13
Total bad and doubtful debts	39	56	39	104
Movement in provisions for doubtful debts				
Balance at the beginning of the year	770	679	770	679
New provisions recognised during the year	39	104	39	104
Amounts already provided for and written off as uncollectible	(31)	(13)	(31)	(13)
Balance at end of year	778	770	778	770
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	843	958	828	943
Total borrowing costs	843	958	828	943

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 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
4.8 Finance costs - leases				
Interest - lease liabilities	61	62	51	51
Total finance costs	61	62	51	51
4.9 Other expenses				
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	89	94	77	75
Auditors' remuneration - internal audit	143	88	143	88
Councillors' allowances	349	323	349	323
Directors' fees	99	80	-	-
Refunds	80	88	80	88
Operating lease rentals	611	416	615	405
Asset written-off / impaired	-	670	-	670
Others	441	70	438	70
Total other expenses	1,812	1,829	1,702	1,719

Note 5 Our financial position

5.1 Financial assets

(a) Cash and cash equivalents

Cash on hand	38	33	10	11
Cash at bank	18,865	28,213	17,121	26,543
Term deposits	6,908	3,440	5,500	500
Total cash and cash equivalents	25,811	31,686	22,631	27,054

(b) Other financial assets

Term deposits - current	79,600	59,350	79,600	59,350
Floating notes - non-current	-	1,750	-	1,750
Total other financial assets	79,600	61,100	79,600	61,100
Total financial assets	105,411	92,786	102,231	88,154

**Notes to the Financial Report
For the Year Ended 30 June 2022**

Consolidated		Council	
2022	2021	2022	2021
\$'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))	2,523	3,182	2,515	3,175
- Statutory reserve funds (note 9.1(b))	16,731	2,810	16,731	2,818
Total restricted funds	<u>19,254</u>	<u>5,992</u>	<u>19,246</u>	<u>5,993</u>
Total unrestricted cash and cash equivalents	<u>6,557</u>	<u>25,694</u>	<u>3,385</u>	<u>21,061</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	34,369	16,444	34,369	16,444
- Unexpended grants (note 3.4)	3,050	1,154	2,666	1,154
- Discretionary reserves (note 9.1(b))	33,567	36,753	33,567	36,753
- Long service leave 25% (note 5.5)	-	2,054	-	2,035
Total funds subject to intended allocations	<u>70,986</u>	<u>56,405</u>	<u>70,602</u>	<u>56,386</u>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

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

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
5.1 Financial assets (cont'd)				
(c) Trade and other receivables				
Current				
<i>Statutory receivables</i>				
Rates debtors	4,146	4,735	4,146	4,735
Infringement debtors	905	881	905	881
Provision for doubtful debts - infringements	(798)	(764)	(798)	(764)
Net GST receivable	402	629	402	629
<i>Non statutory receivables</i>				
General debtors	1,744	3,027	1,294	2,830
Accrued income	518	542	513	542
Loan to Mildura Airport Pty Ltd	-	-	305	359
Provision for doubtful debts - other debtors	(9)	(6)	(9)	(6)
Total current trade and other receivables	6,908	9,044	6,758	9,206
Non-current				
<i>Non statutory receivables</i>				
Loan to Mildura Airport Pty Ltd	-	-	4,863	4,095
Total non-current trade and other receivables	-	-	4,863	4,095
Total trade and other receivables	6,908	9,044	11,621	13,301

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

(d) Ageing of receivables

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

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)	2,105	1,869	1,969	2,544
Past due by up to 30 days	80	287	69	288
Past due between 31 and 180 days	64	1,017	61	497
Past due between 181 and 365 days	4	390	4	396
Total trade and other receivables	2,253	3,563	2,103	3,725

**Notes to the Financial Report
For the Year Ended 30 June 2022**

5.1 Financial assets (cont'd)

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$1,294 (2021: \$2,830) were impaired. The amount of the provision raised against these debtors was \$39 (2021: \$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:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Past due between 31 and 180 days	5	13	5	13
Past due by more than 1 year	34	91	34	91
Total trade and other receivables	39	104	39	104

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
5.2 Non-financial assets				
(a) Inventories				
Inventories held for distribution	480	530	480	530
Inventories held for sale	79	63	70	56
Total inventories	559	593	550	586
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	351	297	315	262
Total	351	297	315	262
Non-current				
Interest in Mildura Airport Pty Ltd	-	-	49,281	50,945
Interest in Mildura Regional Development	-	-	616	512
Total	-	-	49,897	51,457
Total other assets	351	297	50,212	51,719
(c) Intangible assets				
Software	387	612	387	612
Water rights at valuation 30 June 2021	-	10,569	-	10,448
Water rights at valuation 30 June 2022	13,733	-	13,582	-
Total intangible assets	14,120	11,181	13,969	11,060

**Notes to the Financial Report
For the Year Ended 30 June 2022**

5.2 Non-financial assets (cont'd)

(c) Intangible assets

	Software	Water right	Total
	\$'000	\$'000	\$'000
Consolidated			
Gross carrying amount			
Balance at 1 July 2021	3,090	10,569	13,659
Transfer	(30)	-	(30)
Revaluation increment/(decrement) (note 9.1(a))	-	3,164	3,164
Balance at 30 June 2022	3,060	13,733	16,793
Accumulated amortisation and impairment			
Balance at 1 July 2021	2,478	-	2,478
Transfer	(30)	-	(30)
Amortisation expense	225	-	225
Balance at 30 June 2022	2,673	-	2,673
Net book value at 30 June 2021	612	10,569	11,181
Net book value at 30 June 2022	387	13,733	14,120
Council			
Gross carrying amount			
Balance at 1 July 2021	3,090	10,448	13,538
Transfer	(30)	-	(30)
Revaluation increment/(decrement) (note 9.1(a))	-	3,134	3,134
Balance at 30 June 2022	3,060	13,582	16,642
Accumulated amortisation and impairment			
Balance at 1 July 2021	2,478	-	2,478
Transfer	(30)	-	(30)
Amortisation expense	225	-	225
Balance at 30 June 2022	2,673	-	2,673
Net book value at 30 June 2021	612	10,448	11,060
Net book value at 30 June 2022	387	13,582	13,969

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 2022**

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 2022 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Water rights	-	13,582	-
Total	-	13,582	-

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 2022.

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
5.3 Payables, trust funds, deposits and unearned income / revenue				
(a) Trade and other payables				
Non-statutory				
Current				
Trade payables	481	919	2	-
Accrued expenses	2,286	3,389	2,186	3,117
Total trade and other payables	2,767	4,308	2,188	3,117
(b) Trust funds and deposits				
Current				
Refundable contract deposits	468	481	468	481
Fire services levy	711	1,392	711	1,392
Refundable civic facilities deposits	7	4	7	4
Retention amounts	274	459	274	459
Income received in advance	8	7	-	-
Other refundable deposits	1,055	839	1,055	839
Total trust funds and deposits	2,523	3,182	2,515	3,175
(c) Unearned income / revenue				
Current				
Grants received in advance - operating	1,023	784	639	784
Grants received in advance - capital	2,027	370	2,027	370
Total unearned income / revenue	3,050	1,154	2,666	1,154

Notes to the Financial Report For the Year Ended 30 June 2022

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

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

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

Purpose and nature of items:

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

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

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

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
5.4 Interest-bearing liabilities				
Current				
Other borrowings - secured	1,023	3,325	929	3,231
Total current interest-bearing liabilities	1,023	3,325	929	3,231
Non-current				
Other borrowings - secured	9,255	14,281	9,255	14,281
Finance leases	184	279	-	-
Total non-current interest-bearing liabilities	9,439	14,560	9,255	14,281
Total interest-bearing liabilities	10,462	17,885	10,184	17,512

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'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	1,023	3,325	929	3,231
Later than one year and not later than five years	3,258	2,883	1,468	3,012
Later than five years	6,181	11,677	7,787	11,269
	10,462	17,885	10,184	17,512

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 2022**

5.5 Provisions

		Landfill	
	Employee	restoration	Total
	\$ '000	\$ '000	\$ '000
Consolidated			
2022			
Balance at beginning of the financial year	14,388	32,514	46,902
Additional provisions	6,593	123	6,716
Amounts used	(6,514)	(2,747)	(9,261)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	293	-	293
Balance at the end of the financial year	14,760	29,890	44,650
2021			
Balance at beginning of the financial year	13,347	26,581	39,928
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
Council			
2022			
Balance at beginning of the financial year	14,089	32,514	46,603
Additional provisions	6,471	123	6,594
Amounts used	(6,422)	(2,747)	(9,169)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	293	-	293
Balance at the end of the financial year	14,431	29,890	44,321
2021			
Balance at beginning of the financial year	13,130	26,581	39,711
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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
5.5 Provisions (cont'd)				
(a) Employee provisions				
Current provisions expected to be wholly settled within 12 months				
Annual leave	4,234	3,321	4,046	3,131
Long service leave	535	626	520	597
Redundancy	251	-	251	-
Rostered day off and time off in lieu	943	915	943	915
Total	5,963	4,862	5,760	4,643
Current provisions expected to be wholly settled after 12 months				
Annual leave	1,344	1,903	1,344	1,903
Long service leave	6,268	6,450	6,259	6,450
Total	7,612	8,353	7,603	8,353
Total current employee provisions	13,575	13,215	13,363	12,996
Non-current				
Long service leave	1,106	1,140	1,068	1,093
Total non-current employee provisions	1,106	1,140	1,068	1,093
Aggregate carrying amount of employee provisions:				
Current	13,575	13,215	13,363	12,996
Non-current	1,106	1,140	1,068	1,093
Total aggregate carrying amount of employee provisions	14,681	14,355	14,431	14,089

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

Annual leave

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

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

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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

	Consolidated		Council	
	2022	2021	2022	2021
Key assumptions:	%	%	%	%
- discount rate	3.69	1.49	3.69	1.49
- wage inflation rate	3.85	2.95	3.85	2.95
- settlement period (months)	12	12	12	12

	Consolidated		Council	
	2022	2021	2022	2021
(b) Landfill restoration	\$'000	\$'000	\$'000	\$'000
Non-current	29,890	32,514	29,890	32,514
Total landfill restoration	29,890	32,514	29,890	32,514

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	
	2022	2021	2022	2021
Key assumptions:	%	%	%	%
- weighted average Melbourne CPI	4.50	2.90	4.50	2.90
- discount rate	3.69	1.49	3.69	1.49

	Consolidated		Council	
	2022	2021	2022	2021
(c) Total provisions	\$'000	\$'000	\$'000	\$'000
Current	13,575	13,215	13,363	12,996
Non-current	30,996	33,654	30,958	33,607
	44,571	46,869	44,321	46,603

**Notes to the Financial Report
For the Year Ended 30 June 2022**

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2022.

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Credit card facilities	800	800	800	800
Loans and borrowings	10,184	17,885	10,184	17,512
Total facilities	10,984	18,685	10,984	18,312
Used facilities	10,703	18,391	10,703	18,018
Unused facilities	281	294	281	294

5.7 Commitments

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

(a) Commitments for expenditure

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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
Consolidated 2022	\$'000	\$'000	\$'000	\$'000	\$'000
Capital					
Building	16,546	-	-	-	16,546
Computers and telecom	318	-	-	-	318
Drains	574	-	-	-	574
Fixtures, fittings and furniture	434	-	-	-	434
Footpaths and cycleways	10	-	-	-	10
Library books and art works	425	-	-	-	425
Parks, open space and streetscapes	417	-	-	-	417
Plant and machinery equipment	2,421	-	-	-	2,421
Rec, leisure and community facilities	1,146	-	-	-	1,146
Roads	1,678	-	-	-	1,678
Waste management and landfill	46	-	-	-	46
Other	2,218	256	-	-	2,474
Total	26,233	256	-	-	26,489

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Consolidated 2021	\$'000	\$'000	\$'000	\$'000	\$'000
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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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					
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 telecom	133	-	-	-	133
Total	13,030	-	-	-	13,030

	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					
2022					
Operating					
Swimming pool management	1,580	106	-	-	1,686
Waste management	6,306	6,690	25,275	169	38,440
Cleaning services	99	-	-	-	99
Security services	675	179	-	-	854
Project design	122	17	-	-	139
Corporate expenditure	263	-	-	-	263
Telecommunications	213	118	-	-	331
Parks and gardens services	616	170	-	-	786
Building services	464	-	-	-	464
Other	177	40	-	-	217
Total	10,515	7,320	25,275	169	43,279

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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 2022					
Capital					
Building	16,546	-	-	-	16,546
Computers and telecom	318	-	-	-	318
Drains	574	-	-	-	574
Fixtures, fittings and furniture	434	-	-	-	434
Footpaths and cycleways	10	-	-	-	10
Library books and art works	425	-	-	-	425
Parks, open space and streetscapes	417	-	-	-	417
Plant and machinery equipment	1,990	-	-	-	1,990
Rec, leisure and community facilities	1,146	-	-	-	1,146
Roads	1,478	-	-	-	1,478
Waste management and landfill	46	-	-	-	46
Total	23,384	-	-	-	23,384

	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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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					
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 telecom	133	-	-	-	133
Total	13,030	-	-	-	13,030

(b) Operating lease receivables

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

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

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Not later than one year	577	698	297	262
Later than one year and not later than five years	2,029	1,863	761	759
Later than five years	1,604	2,155	1,079	1,185
	4,210	4,716	2,137	2,206

Notes to the Financial Report For the Year Ended 30 June 2022

5.8 Leases

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

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

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

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

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

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

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

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

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

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

5.8 Leases (cont'd)

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Right-of-use assets				
Balance at 1 July 2021	1,398	1,403	1,164	1,112
Additions	-	93	-	120
Adjustment	(33)	-	(33)	-
Amortisation charge	(130)	(98)	(99)	(68)
Balance at 30 June 2022	<u>1,235</u>	<u>1,398</u>	<u>1,032</u>	<u>1,164</u>

Lease liabilities

Maturity analysis - contractual undiscounted cash flows

Less than one year	194	182	158	146
One to five years	623	779	477	633
More than five years	1,533	1,521	1,431	1,419
Total undiscounted lease liabilities as at 30 June:	<u>2,350</u>	<u>2,482</u>	<u>2,066</u>	<u>2,198</u>

Lease liabilities included in the Balance Sheet at 30 June:

Current	136	121	108	94
Non-current	1,541	1,710	1,354	1,496
Total lease liabilities	<u>1,677</u>	<u>1,831</u>	<u>1,462</u>	<u>1,590</u>

Short-term and low value leases

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

	2022	2021
	\$'000	\$'000
Expenses relating to:		
Leases of low value assets	241	246
Total	<u>241</u>	<u>246</u>

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

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

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

Payable:

Within one year	28	93
Later than one year but not later than five years	152	33
Total lease commitments	<u>180</u>	<u>126</u>

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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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 2022

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

Consolidated	Carrying amount 30 June 2021	First time recognition of assets	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Transfers from provisions	Carrying amount 30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	76,341	2	4	718	-	-	-	-	-	-	77,065
Buildings	110,960	42	582	-	-	(3,291)	(56)	-	27,593	-	135,830
Plant and equipment	48,585	-	2,718	-	(3,590)	(3,745)	(509)	-	1,993	-	45,452
Infrastructure	661,491	5,718	12,386	101	4,114	(16,287)	(3,836)	-	20,479	(2,737)	681,429
Work in progress	65,359	-	17,000	-	-	-	-	(1,706)	(50,065)	-	30,588
	962,736	5,762	32,690	819	524	(23,323)	(4,401)	(1,706)	-	(2,737)	970,364

Summary of work in progress	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	29,585	4,288	(376)	(27,178)	6,319
Plant and equipment	3,109	3,555	(230)	(1,672)	4,762
Infrastructure	32,665	9,157	(1,100)	(21,215)	19,507
Total	65,359	17,000	(1,706)	(50,065)	30,588

Notes to the Financial Report
For the Year Ended 30 June 2022

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 2021	46,316	13,632	16,393	76,341	221,850	11,054	232,904	29,585	338,830
Accumulated depreciation at 1 July 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
Movements in fair value									
Additions	-	4	-	4	411	171	582	4,288	4,874
Contributions	718	-	-	718	-	-	-	-	718
Recognitions	-	-	2	2	-	42	42	-	44
Disposal	-	-	-	-	(128)	-	(128)	-	(128)
Write-off	-	-	-	-	-	-	-	(376)	(376)
Transfers	-	-	-	-	26,551	1,000	27,551	(27,178)	373
	718	4	2	724	26,834	1,213	28,047	(23,266)	5,505
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	-	(3,054)	(237)	(3,291)	-	(3,291)
Accumulated depreciation of disposals	-	-	-	-	72	-	72	-	72
Accumulated depreciation of recognitions	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	154	(112)	42	-	42
	-	-	-	-	(2,828)	(349)	(3,177)	-	(3,177)
At fair value 30 June 2022	47,034	13,636	16,395	77,065	248,684	12,267	260,951	6,319	344,335
Accumulated depreciation at 30 June 2022	-	-	-	-	(119,798)	(5,323)	(125,121)	-	(125,121)
Carrying amount	47,034	13,636	16,395	77,065	128,886	6,944	135,830	6,319	219,214

Notes to the Financial Report
For the Year Ended 30 June 2022

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

(b) Plant and Equipment

Consolidated

	Plant machinery and equipment	Fixtures fittings and furniture	Computer and telecommuni- cations	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 2021	37,960	1,362	2,747	27,818	5,105	74,992	3,109	78,101
Accumulated depreciation at 1 July 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
Movements in fair value								
Additions	2,275	192	10	-	241	2,718	3,555	6,273
Revaluation	-	-	-	(3,590)	-	(3,590)	-	(3,590)
Disposal	(1,620)	(19)	-	-	-	(1,639)	-	(1,639)
Write-off	-	-	-	-	-	-	(230)	(230)
Transfers	1,035	466	3	-	51	1,555	(1,672)	(117)
	1,690	639	13	(3,590)	292	(956)	1,653	697
Movements in accumulated depreciation								
Depreciation and amortisation	(2,683)	(245)	(545)	-	(272)	(3,745)	-	(3,745)
Accumulated depreciation of disposals	1,113	17	-	-	-	1,130	-	1,130
Transfers	36	(72)	474	-	-	438	-	438
	(1,534)	(300)	(71)	-	(272)	(2,177)	-	(2,177)
At fair value 30 June 2022	39,650	2,001	2,760	24,228	5,397	74,036	4,762	78,798
Accumulated depreciation at 30 June 2022	(21,418)	(1,011)	(2,266)	-	(3,889)	(28,584)	-	(28,584)
Carrying amount	18,232	990	494	24,228	1,508	45,452	4,762	50,214

Notes to the Financial Report
For the Year Ended 30 June 2022

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

(c) Infrastructure

	Roads	Kerb and channel	Footpaths and cycle ways	Drainage	Recreational, leisure and community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 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 1 July 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
Movements in fair value												
Additions	7,771	168	1,581	447	1,059	-	671	-	689	12,386	9,157	21,543
Contributions	-	-	101	-	-	-	-	-	-	101	-	101
Recognitions	1,156	227	558	2,105	19	-	28	1,360	411	5,864	-	5,864
Revaluation	3,114	668	2,939	4,373	(600)	1	(632)	-	2,256	12,119	-	12,119
Disposal	(8,585)	(55)	(280)	(235)	(49)	-	(147)	-	(92)	(9,443)	-	(9,443)
Write-off	-	-	-	-	-	-	-	-	-	-	(1,100)	(1,100)
Transfers	8,826	29	1,074	5,670	3,101	-	1,240	140	220	20,300	(21,215)	(915)
Transfers from Provisions	-	-	-	-	-	(2,737)	-	-	-	(2,737)	-	(2,737)
	12,282	1,037	5,973	12,360	3,530	(2,736)	1,160	1,500	3,484	38,590	(13,158)	25,432
Movements in accumulated depreciation												
Depreciation and amortisation	(7,979)	(337)	(1,299)	(1,291)	(812)	(810)	(835)	(2,218)	(706)	(16,287)	-	(16,287)
Accumulated depreciation of disposals	5,099	24	149	87	48	-	114	-	86	5,607	-	5,607
Accumulated depreciation of recognitions	(64)	(3)	(6)	(52)	(5)	-	(16)	-	-	(146)	-	(146)
Accumulated depreciation of revaluations	(6,339)	(247)	(741)	(1,119)	58	15	730	-	(362)	(8,005)	-	(8,005)
Transfers	3	-	-	71	66	-	83	(96)	52	179	-	179
	(9,280)	(563)	(1,897)	(2,304)	(645)	(795)	76	(2,314)	(930)	(18,652)	-	(18,652)
At fair value 30 June 2022	541,546	24,524	61,316	185,426	58,267	19,764	20,712	44,656	18,855	975,066	19,507	994,573
Accumulated depreciation at 30 June 2022	(186,649)	(8,233)	(24,108)	(36,298)	(11,621)	(4,430)	(3,922)	(8,135)	(10,241)	(293,637)	-	(293,637)
Carrying amount	354,897	16,291	37,208	149,128	46,646	15,334	16,790	36,521	8,614	681,429	19,507	700,936

Notes to the Financial Report
For the Year Ended 30 June 2022

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

Council	Carrying amount 30 June 2021	First time recognition of assets	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Transfers from provisions	Carrying amount 30 June 2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	76,341	2	4	718	-	-	-	-	-	-	77,065
Buildings	102,283	-	518	-	-	(3,021)	(56)	-	27,593	-	127,317
Plant and equipment	46,602	-	2,628	-	(3,590)	(3,386)	(507)	-	1,672	-	43,419
Infrastructure	621,663	3,948	12,386	101	4,114	(13,548)	(3,836)	-	20,801	(2,737)	642,892
Work in progress	63,085	-	15,614	-	-	-	-	(1,706)	(50,066)	-	26,927
	909,974	3,950	31,150	819	524	(19,955)	(4,399)	(1,706)	-	(2,737)	917,620

Summary of work in progress	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	30,000	4,288	(376)	(27,593)	6,319
Plant and equipment	3,109	3,555	(230)	(1,672)	4,762
Infrastructure	29,976	7,771	(1,100)	(20,801)	15,846
Total	63,085	15,614	(1,706)	(50,066)	26,927

Notes to the Financial Report
For the Year Ended 30 June 2022

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

Council	Land - specialised	Land - non specialised	Land under roads	Total land and land improvements	Buildings - specialised	Buildings - non specialised	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2021	46,316	13,632	16,393	76,341	211,910	10,417	222,327	30,000	328,668
Accumulated depreciation at 1 July 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
Movements in fair value									
Additions	-	4	-	4	411	107	518	4,288	4,810
Contributions	718	-	-	718	-	-	-	-	718
Recognitions	-	-	2	2	-	-	-	-	2
Disposal	-	-	-	-	(128)	-	(128)	-	(128)
Write-off	-	-	-	-	-	-	-	(376)	(376)
Transfers	-	-	-	-	27,198	395	27,593	(27,593)	-
	718	4	2	724	27,481	502	27,983	(23,681)	5,026
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	-	(2,875)	(146)	(3,021)	-	(3,021)
Accumulated depreciation of disposals	-	-	-	-	72	-	72	-	72
Transfers	-	-	-	-	192	(192)	-	-	-
	-	-	-	-	(2,611)	(338)	(2,949)	-	(2,949)
At fair value 30 June 2022	47,034	13,636	16,395	77,065	239,391	10,919	250,310	6,319	333,694
Accumulated depreciation at 30 June 2022	-	-	-	-	(118,088)	(4,905)	(122,993)	-	(122,993)
Carrying amount	47,034	13,636	16,395	77,065	121,303	6,014	127,317	6,319	210,701

Notes to the Financial Report
For the Year Ended 30 June 2022

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 2021	34,368	566	2,242	27,818	5,105	70,099	3,109	73,208
Accumulated depreciation at 1 July 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
Movements in fair value								
Additions	2,259	128	-	-	241	2,628	3,555	6,183
Revaluation	-	-	-	(3,590)	-	(3,590)	-	(3,590)
Disposal	(1,620)	-	-	-	-	(1,620)	-	(1,620)
Write-off	-	-	-	-	-	-	(230)	(230)
Transfers	793	351	477	-	51	1,672	(1,672)	-
	1,432	479	477	(3,590)	292	(910)	1,653	743
Movements in accumulated depreciation								
Depreciation and amortisation	(2,480)	(95)	(539)	-	(272)	(3,386)	-	(3,386)
Accumulated depreciation of disposals	1,113	-	-	-	-	1,113	-	1,113
	(1,367)	(95)	(539)	-	(272)	(2,273)	-	(2,273)
At fair value 30 June 2022	35,800	1,045	2,719	24,228	5,397	69,189	4,762	73,951
Accumulated depreciation at 30 June 2022	(19,145)	(483)	(2,253)	-	(3,889)	(25,770)	-	(25,770)
Carrying amount	16,655	562	466	24,228	1,508	43,419	4,762	48,181

Notes to the Financial Report
For the Year Ended 30 June 2022

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

(c) Infrastructure	Roads	Kerb and channel	Footpaths and cycle ways	Drainage	Recreational, leisure and community	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
Council	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 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 1 July 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
Movements in fair value												
Additions	7,771	168	1,581	447	1,059	-	671	-	689	12,386	7,771	20,157
Contributions	-	-	101	-	-	-	-	-	-	101	-	101
Recognitions	1,156	227	558	2,105	19	-	28	-	1	4,094	-	4,094
Revaluation	3,114	668	2,939	4,373	(600)	1	(632)	-	2,256	12,119	-	12,119
Disposal	(8,585)	(55)	(280)	(235)	(49)	-	(147)	-	(92)	(9,443)	-	(9,443)
Write-off	-	-	-	-	-	-	-	-	-	-	(1,100)	(1,100)
Transfers	8,826	29	1,074	6,132	3,369	-	924	-	444	20,798	(20,801)	(3)
Transfers from Provisions	-	-	-	-	-	(2,737)	-	-	-	(2,737)	-	(2,737)
	12,282	1,037	5,973	12,822	3,798	(2,736)	844	-	3,298	37,318	(14,130)	23,188
Movements in accumulated depreciation												
Depreciation and amortisation	(7,979)	(337)	(1,299)	(1,291)	(812)	(810)	(798)	-	(222)	(13,548)	-	(13,548)
Accumulated depreciation of disposals	5,099	24	149	87	48	-	114	-	86	5,607	-	5,607
Accumulated depreciation of recognitions	(64)	(3)	(6)	(52)	(5)	-	(16)	-	-	(146)	-	(146)
Accumulated depreciation of revaluations	(6,339)	(247)	(741)	(1,119)	58	15	730	-	(362)	(8,005)	-	(8,005)
Transfers	3	-	-	-	-	-	-	-	-	3	-	3
	(9,280)	(563)	(1,897)	(2,375)	(711)	(795)	30	-	(498)	(16,089)	-	(16,089)
At fair value 30 June 2022	541,546	24,524	61,316	185,426	58,267	19,764	19,841	-	16,225	926,909	15,846	942,755
Accumulated depreciation at 30 June 2022	(186,649)	(8,233)	(24,108)	(36,298)	(11,621)	(4,430)	(3,655)	-	(9,023)	(284,017)	-	(284,017)
Carrying amount	354,897	16,291	37,208	149,128	46,646	15,334	16,186	-	7,202	642,892	15,846	658,738

Notes to the Financial Report For the Year Ended 30 June 2022

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 carpark	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 2022

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

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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.

Notes to the Financial Report For the Year Ended 30 June 2022

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 2022 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Land	-	13,636	47,034	Dec-20
Specialised land	-	-	16,395	Dec-20
Buildings	-	6,014	121,303	Dec-20
Total	-	19,650	184,732	

Valuation of infrastructure

Valuation of infrastructure assets has been undertaken by Shaphal Subedi, (B Env Mgmt., B Civil Eng.) (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.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	354,897	Jun-22
Kerb and channel	-	-	16,291	Jun-22
Footpaths and cycle ways	-	-	37,208	Jun-22
Drainage	-	-	149,128	Jun-22
Recreational, leisure and community facilities	-	-	46,646	Jun-22
Waste management	-	-	15,334	Jun-22
Parks, open space and streetscapes	-	-	16,186	Jun-22
Off street car parks	-	-	7,202	Jun-22
Total	-	-	642,892	

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

Notes to the Financial Report For the Year Ended 30 June 2022

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

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 30% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.003 and \$600.10 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$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 current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of straight line depreciation, except where a single asset class has comprehensive condition information, in which case remaining useful life is determined on the basis of condition. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2022	2021
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	16,395	16,393
Land - parks and reserves, etc.	47,034	46,316
Total specialised land	63,429	62,709

Notes to the Financial Report For the Year Ended 30 June 2022

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

Mildura Rural City Council is the parent entity.

Subsidiaries and associates

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

(b) Key management personnel

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

Details of KMP at any time during the year are:

Councillors

Councillor (Mayor)	Jason Modica	1/07/2021 to	9/11/2021
Councillor (Mayor)	Liam Wood	9/11/2021 to	30/06/2022
Councillor (Deputy Mayor)	Helen Healy	1/07/2021 to	9/11/2021
Councillor (Deputy Mayor)	Cyndi Power	9/11/2021 to	21/03/2022
Councillor (Deputy Mayor)	Jason Modica	7/04/2022 to	30/06/2022
Councillor	Cyndi Power	1/07/2021 to	9/11/2021
Councillor	Glenn Milne	1/07/2021 to	30/06/2022
Councillor	Helen Healy	9/11/2021 to	30/06/2022
Councillor	Ian Arney	1/07/2021 to	30/06/2022
Councillor	Jason Modica	9/11/2021 to	7/04/2022
Councillor	Jodi Reynolds	1/07/2021 to	30/06/2022
Councillor	Liam Wood	1/07/2021 to	9/11/2021
Councillor	Mark Eckel	1/07/2021 to	30/06/2022
Councillor	Stefano de Pieri	1/07/2021 to	30/06/2022
Councillor	Troy Bailey	28/04/2022 to	30/06/2022

Due to the resignation of Cyndi Power, a countback was conducted by the Victorian Electoral Commission that declared Troy Bailey as the successful candidate on 20/4/22. Troy Bailey was sworn in at the April Ordinary Meeting of Council – 28/4/22

Notes to the Financial Report For the Year Ended 30 June 2022

7.1 Council and key management remuneration (cont'd)

Chief Executive Officer and key management personnel

Martin Hawson	Chief Executive Officer	4/05/2022 to	30/06/2022
Martin Hawson	Chief Executive Officer (Acting)	6/08/2021 to	3/05/2022
Philip Shanahan	Chief Executive Officer (Interim)	1/07/2021 to	5/08/2021
Chris Parham	General Manager Corporate	1/07/2021 to	30/06/2022
Daryl Morgan	General Manager Development (Acting)	26/04/2022 to	30/06/2022
Mandy Whelan	General Manager Development	1/07/2021 to	24/04/2022
Mark Jenkins	General Manager Community (Acting)	6/08/2021 to	30/06/2022

	2022 No.	2021 No.
Total number of Councillors	10	14
Total of Chief Executive Officer and other KMP	6	5
Total key management personnel	16	19

(c) Remuneration of key management personnel

	2022 \$'000	2021 \$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,335	1,395
Post employment benefits	94	96
Termination benefits	-	-
Total	1,429	1,491

	2022 No.	2021 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	1	4
\$10,000 - \$19,999	1	5
\$20,000 - \$29,999	1	5
\$30,000 - \$39,999	7	-
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	-	1
\$70,000 - \$79,999	1	-
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	1	-
\$260,000 - \$269,999	-	1
\$270,000 - \$279,999	1	2
\$320,000 - \$329,999	1	-
\$330,000 - \$339,999	-	1
	16	19

Notes to the Financial Report For the Year Ended 30 June 2022

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:

	2022	2021
Income Range:	No.	No.
\$151,000 - \$159,999	3	1
\$160,000 - \$169,999	4	4
\$170,000 - \$179,999	5	4
\$180,000 - \$189,999	5	1
\$190,000 - \$199,999	5	7
\$200,000 - \$209,999	1	-
\$270,000 - \$279,999	1	-
	24	17

	\$'000	\$'000
Total remuneration for the reporting year for senior officers included above, amounted to:	4,390	3,085

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	85	39
	85	39

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 633 staff of which only 2 are a close family member of key management personnel.

Council provides an annual funding contribution to Mildura Tourism and Economic Development Ltd which is approved in Council annual budget allocation. For the 2021-22 financial year the amount funding was \$1.29 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 on paid \$0.50 million in grant funding received.

Notes to the Financial Report For the Year Ended 30 June 2022

7.2 Related party disclosure (cont'd)

(b) Outstanding balances with related parties

No expense has been recognised in the current year or prior year in respect of amounts owed by related parties.

(c) Loans to/from related parties

Council does not make loans to, receive loans from, or provide guarantees to any related parties as listed above at 7.1(b).

Council has a loan facility with Mildura Airport Pty Ltd which was originally established for upgrade of the airport runway. This has been refinanced with Mildura Airport to include deferred loan repayments as part of COVID-19 support and assistance provided. 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 2022

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

At balance date the Council are not aware of any contingent assets.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

The following are potential contingencies to be considered by Council.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Insurance claims

Council does not have any major insurance claims that could have a material impact on future operations at the time of preparation of these financial statements.

Legal matters

Council does not have any major legal matters that could have a material impact on future operations at the time of preparation of these financial statements.

Notes to the Financial Report For the Year Ended 30 June 2022

8.1 Contingent assets and liabilities (cont'd)

Liability Mutual Insurance

Council is (was) a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013*, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

Support for financial subsidiaries

The 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 includes financial support through refinance of loan which had included previously deferred 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.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. Council assesses the impact of these new standards. As at 30 June 2022 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact Council.

Notes to the Financial Report For the Year Ended 30 June 2022

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

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 2022

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 2022

8.3 (d) Liquidity risk (cont'd)

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes there will be a shift in market interest rates from year end rates. However, at this stage Council believes there will not be any material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council operations.

8.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. *AASB 13 Fair value measurement*, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the Financial Report For the Year Ended 30 June 2022

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.

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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			
2022			
Property			
Land	26,342	-	26,342
Buildings	60,146	-	60,146
	86,488	-	86,488
Plant and equipment			
Artwork	14,595	(3,590)	11,005
	14,595	(3,590)	11,005
Infrastructure			
Roads	254,380	(3,225)	251,155
Drainage	50,328	1,332	51,660
Drainage basins	4,719	1,922	6,641
Recreational, leisure and community facilities	43,381	(542)	42,839
Waste management	-	16	16
Parks, open space and streetscapes	1,840	98	1,938
Aerodromes	9,594	-	9,594
Off-street car parks	-	1,894	1,894
Footpaths	29,854	2,198	32,052
Kerb and channel	17,413	421	17,834
	411,509	4,114	415,623
Water rights			
Water rights	8,530	3,164	11,694
	8,530	3,164	11,694
Total asset revaluation reserves	521,122	3,688	524,810

**Notes to the Financial Report
For the Year Ended 30 June 2022**

9.1 Reserves (cont'd)

(a) Asset revaluation reserves (cont'd)

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
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 2022**

9.1 Reserves (cont'd)

(a) Asset revaluation reserves (cont'd)

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Council 2022			
Property			
Land	26,342	-	26,342
Buildings	60,009	-	60,009
	86,351	-	86,351
Plant and equipment			
Artwork	14,595	(3,590)	11,005
	14,595	(3,590)	11,005
Infrastructure			
Roads	254,380	(3,225)	251,155
Drainage	50,328	1,332	51,660
Drainage basins	4,719	1,922	6,641
Recreational, leisure and community facilities	43,381	(542)	42,839
Waste management	-	16	16
Parks, open space and streetscapes	1,840	98	1,938
Aerodromes	9,594	-	9,594
Off-street car parks	-	1,894	1,894
Footpaths	29,854	2,198	32,052
Kerb and channel	17,413	421	17,834
	411,509	4,114	415,623
Water rights			
Water rights	8,482	3,134	11,616
	8,482	3,134	11,616
Total asset revaluation reserves	520,937	3,658	524,595

**Notes to the Financial Report
For the Year Ended 30 June 2022**

9.1 Reserves (cont'd)

(a) Asset revaluation reserves (cont'd)

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Council			
2021			
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 2022**

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 2022	\$'000	\$'000	\$'000	\$'000
Non discretionary reserves				
Apex Park reserve	519	-	-	519
Developer contribution reserve	2,113	1,265	(24)	3,354
Library book bequest reserve	35	10	(15)	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	68	38	-	106
Lake Cullulleraine Caravan Park reserve	17	10	-	27
Landfill redevelopment	-	14,094	(1,457)	12,637
Total	2,810	15,417	(1,496)	16,731
Discretionary reserves				
Artwork acquisition reserve	114	45	(22)	137
Hands up Mallee	710	850	-	1,560
Small towns redevelopment reserve	244	95	(94)	245
VGC advance grants reserve	7,927	13,318	(7,927)	13,318
Land acquisition reserve	602	1,918	(1,901)	619
Landfill redevelopment	11,132	(11,132)	-	-
Water transfer proceeds reserve	65	-	-	65
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	5,877	609	(4,539)	1,947
MRCC community drought reserve	1,000	1,000	(204)	1,796
MRCC developer contribution plan reserve	6,930	4,553	(7)	11,476
Unspent events grant reserve	113	163	-	276
Unspent development grant reserve	-	89	-	89
Murrayville swimming pool reserve	25	-	-	25
Underbool swimming pool reserve	14	-	-	14
Total	36,753	11,508	(14,694)	33,567
Total other reserves	39,563	26,925	(16,190)	50,298

**Notes to the Financial Report
For the Year Ended 30 June 2022**

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
Consolidated 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 2022**

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

Council	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
2022	\$'000	\$'000	\$'000	\$'000
Non discretionary reserves				
Apex Park reserve	519	-	-	519
Developer contribution reserve	2,113	1,265	(24)	3,354
Library book bequest reserve	35	10	(15)	30
DGR donations reserve - MAC Theatre	58	-	-	58
Merbein Caravan Park reserve	68	38	-	106
Lake Cullulleraine Caravan Park reserve	17	10	-	27
Landfill redevelopment	-	14,094	(1,457)	12,637
Total	2,810	15,417	(1,496)	16,731
Discretionary reserves				
Artwork acquisition reserve	114	45	(22)	137
Hands up Mallee	710	850	-	1,560
Small towns redevelopment reserve	244	95	(94)	245
VGC advance grants reserve	7,927	13,318	(7,927)	13,318
Land acquisition reserve	602	1,918	(1,901)	619
Landfill redevelopment	11,132	(11,132)	-	-
Water transfer proceeds reserve	65	-	-	65
Defined benefits reserve	2,000	-	-	2,000
Capital funding reserve	5,877	609	(4,539)	1,947
MRCC community drought reserve	1,000	1,000	(204)	1,796
MRCC developer contribution plan reserve	6,930	4,553	(7)	11,476
Unspent events grant reserve	113	163	-	276
Unspent development grants reserve	-	89	-	89
Murrayville swimming pool reserve	25	-	-	25
Underbool swimming pool reserve	14	-	-	14
Total	36,753	11,508	(14,694)	33,567
Total other reserves	39,563	26,925	(16,190)	50,298

**Notes to the Financial Report
For the Year Ended 30 June 2022**

9.1 Reserves (cont'd)

(b) Other reserves (cont'd)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
Council	\$'000	\$'000	\$'000	\$'000
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 2022

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.
Landfill redevelopment reserve	Surplus on waste management operations, to be used for landfill reinstatement and purchase of new landfill sites.
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.
Hands up Mallee	A reserve created to account for the unspent portion of Hands up Mallee grant funding received.
Street light pole reserve	Developer contributions for replacement of specialised street lighting poles in various subdivisions.

Notes to the Financial Report For the Year Ended 30 June 2022

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 funding reserve	This reserve was established to hold rates funded capital works investments untied to any specific capital works project.
MRCC community drought reserve	This reserve was established to hold grant funding that is to be used to help communities affected by the drought.
MRCC developer contribution plan reserve	This reserve has been created to receive budget allocations that are to be used for the purpose of Council 's contribution towards developer contribution plan developments.
Unspent events grant reserve	An unspent event grants reserve will be established to hold grant payments that were budgeted to be paid out in the Budget but remain unallocated and unspent at the end of the financial year. The unspent grant budget allocation may be transferred to the reserve at the end of each financial year. This reserve primarily would be used to help fund large or hallmark events.
Unspent development grants reserve	This reserve is to hold grant payments that were budgeted to be paid out in the annual budget but remain unallocated and unspent at the end of each financial year.
Murrayville swimming pool reserve	This reserve is created to hold funds from the Murrayville swimming pool section 86 committee.
Underbool swimming pool reserve	This reserve is created to hold funds from the Underbool swimming pool section 86 committee.

**Notes to the Financial Report
For the Year Ended 30 June 2022**

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				
2022				
Interest in Mildura Airport Pty Ltd	33,674	(1,664)	-	32,010
Interest in Mildura Regional Development	563	3	-	566
	34,237	(1,661)	-	32,576
Total financial assets revaluation	34,237	(1,661)	-	32,576
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

**Notes to the Financial Report
For the Year Ended 30 June 2022**

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)				
Surplus/(deficit) for the year	27,404	50,564	29,095	50,698
Depreciation/amortisation	23,678	19,375	20,279	17,715
(Profit)/loss on disposal of property, infrastructure, plant and equipment	3,685	899	3,685	916
Write-off of Works in Progress	1,696	1,736	1,696	1,736
First time recognition of non current assets	(5,762)	(3,367)	(3,950)	(3,367)
Contributions - non-monetary assets	(823)	(1,238)	(823)	(1,238)
Interest expense	843	958	828	942
(Increase)/decrease in landfill provision discount amount	-	429	-	429
<i>Change in assets and liabilities:</i>				
(Increase) / decrease in trade and other receivables	2,136	(2,112)	1,680	(1,647)
(Increase) / decrease in prepayments	(54)	1,081	(53)	1,078
Increase / (decrease) in trade and other payables	(1,541)	1,263	(929)	413
Increase / (decrease) in unearned revenue	1,896	(2,643)	1,512	(2,624)
Increase / (decrease) in trust fund deposits	(659)	1,664	(660)	1,664
(Increase) / decrease in inventories	34	(24)	36	(23)
Increase / (decrease) in provisions	360	1,008	367	959
Net cash provided by/(used in) operating activities	52,893	69,593	52,763	67,651

Notes to the Financial Report For the Year Ended 30 June 2022

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 2022, this was 10.0% as required under Superannuation Guarantee (SG) legislation (2021: 9.5%). 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 10.0% to 10.5% for the next year, increasing to 11.0% from 1 July 2023, 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 2022

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.

As at 30 June 2021, an interim actuarial investigation was held as the Fund provides lifetime pensions in the defined benefits category.

The vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 109.8%. The financial assumptions used to calculate the VBI were:

Net investment returns	4.75% pa
Salary information	2.75% pa
Price inflation (CPI)	2.25% pa

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the defined benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the estimated VBI index as at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). The financial assumptions used to calculate this VBI were:

Net investment returns	5.5% pa
Salary information	2.5% pa to 30 June 2023, and 3.5% pa thereafter
Price inflation (CPI)	3.0% pa

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 actuarial investigation determined the defined benefit category was in a satisfactory financial position and that no change was necessary to the defined benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2021 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's defined benefit category at rates determined by the Fund's trustee. For the year ended 30 June 2022, this rate was 10.0% of members' salaries (9.5% in 2020/21). 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 2022

9.3 Superannuation (cont'd)

(b) 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.

The 2021 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. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigations identified the following for the defined benefit category of which Council is a contributing employer:

Notes to the Financial Report For the Year Ended 30 June 2022

9.3 Superannuation (cont'd)

The 2021 triennial actuarial investigation surplus amounts (cont'd)

	2021 (Triennial)	2020 (Interim)
	\$m	\$m
A VBI surplus	214.7	100.0
A total service liability surplus	270.3	200.0
A discounted accrued benefits surplus	285.2	217.8

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 2021.

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 2021.

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 2021.

Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

The 2022 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the defined benefit category. It is anticipated that this actuarial investigation will be completed by October 2022. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Superannuation contributions

Contributions by Mildura Rural City Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2022 are detailed below:

Scheme	Type of Scheme	Rate	2022 \$	2021 \$
Vision super	Defined	10.0% (2021: 9.5%)	252,352	239,292
Vision super	Accumulation	10.0% (2021: 9.5%)	1,955,109	2,001,832
Other funds	Accumulation	10.0% (2021: 9.5%)	2,152,223	1,856,306

Council hasn't paid any unfunded liability payments to Vision Super in 2020/21 or 2021/22. Council does not expect to pay to the Defined Benefit category of Vision Super for the year ending 30 June 2023.

**Notes to the Financial Report
For the Year Ended 30 June 2022**

10 Change in accounting policy

There have been no changes to accounting policies in the 2021-22 year.

Part 3: Performance Statement

Mildura Rural City Council

Performance Statement

For the year ended 30 June 2022



Mildura Rural City Council

Performance Statement

For the year ended 30 June 2022

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 55,235¹ 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.

The impacts of COVID-19 pandemic and other worldwide events have continued during 2021-2022 financial year with increased COVID infection rates, increased inflation, supply constraints and labour shortages which have all impacted on Council's operations. The State and Federal Government continued to provide additional funding to enable Council's to support the Community and provide economic stimulus. Council's operating grants increased compared to budget by \$10.19 million which included \$6.36 million increase in financial assistance grants as the Government forward paid 75 per cent of next financial year's allocation.

Materials and services expenditure has also been lower than budgeted. This is due to supply constraints and receipt of additional operating grants with related expenditure to occur in 2022-2023 financial year. This was offset by higher depreciation expenditure due to increased capitalisation which included major projects such as Stage 1 of Mildura Sporting Precinct.

The Coronavirus pandemic (COVID-19) and related restrictions continued to affect our ability to provide business as usual (see commentary below).

¹ Source: Australian Bureau of Statistics Catalogue 3218.0 Population Estimates by Local Government Area released on 29 March 2022 (ERP at 30 June 2021)

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

COVID-19

COVID-19 and subsequent economic recovery has continued to impact on Council and everyone in our community. Some of Council services such as events, art centre, library and facility hires were temporarily closed during periods of restrictions while other services had reduced participation levels which has affected Council's revenue.

Council continued to support the community by also waiving certain fees and charges such as business registrations. Additional operating grants were received from State and Federal governments to provide specific programs to aid in economic recovery and community support, many of which will be carried forward and will continue during 2022-2023 financial year. However, Council has continued to work tirelessly during the financial year to ensure all actions and services remained open and accessible as much as possible and has continued to advocate for the wider community of Mildura Rural City Council.

Sustainable Capacity Indicators

For the year ended 30 June 2022

	Results				
Indicator / measure [formula]	2019	2020	2021	2022	Comment
Population					
C1 - Expenses per head of municipal population [Total expenses / Municipal population]	\$1,938.74	\$1,912.10	\$2,000.72	\$2,212.64	The trend has increased primarily due to the COVID-19 pandemic and also being the auspice body for grant funding received and on paid to Mildura Airport Pty Ltd for the implementation of the Instrument Landing System. Increasing costs due to rising inflation have also contributed to higher expenditure. Increase is in line with capital works expenditure incurred in 2021-2022. This included development of several major capital works projects including the Mildura Sporting Precinct and Mildura Riverfront Powerhouse Precinct, increased expenditure on roads.
C2 - Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$13,438.60	\$13,928.77	\$14,903.07	\$15,217.80	
C3 - Population density per length of road [Municipal population / Kilometres of local roads]	10.76	10.81	10.82	10.67	
Own-source revenue					
C4 - Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,583.28	\$1,583.72	\$1,677.05	\$1,794.35	

Recurrent grants					
C5 - Recurrent grants per head of municipal population	\$419.90	\$465.28	\$476.09	\$571.58	This indicator varies due to the timing of our financial assistance grant funding.
[Recurrent grants / Municipal population]					
Disadvantage					
C6 - Relative socio-economic disadvantage	1.00	1.00	1.00	1.00	
[Index of relative socio-economic disadvantage by decile]					
Workforce Turnover					
C7 - Percentage of staff turnover	22.9%	9.8%	12.7%	16.4%	Staff turnover fluctuates and is higher in 2021-2022 compared to the previous two years, which was attributed to a more stable workforce (less resignations) due to COVID-19. The higher turnover in 2018-2019 was when Council outsourced aquatic services.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Service Performance Indicators

For the year ended 30 June 2022

Service / indicator / measure	Results				Comment
	2019	2020	2021	2022	
Aquatic Facilities					
Utilisation					
AF6 - Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	3.72	5.55	3.81	4.48	Attendance improved in 2021-2022 from previous year, however still lower than regular attendance because of on-going closures due to COVID-19.
Animal Management					
Health and safety					
AM7 - Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x100	New in 2020	0%	100%	100%	
Food Safety					
Health and safety					
FS4 - Critical and major non-compliance outcome notifications [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	92.86%	74.55%	80.49%	83.33%	

Governance						
Satisfaction						
G5 - Satisfaction with council decisions	53	50	48	45	Performance in this area has decreased a further three points in 2021-2022. Council recognises this decline and is striving to continuously improve community satisfaction in this area. This will be achieved through improving ways to communicate and engage with our community regarding Council decisions.	
[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	11.33%	11.09%	9.38%	7.96%	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 on the 2021-2022 result as in the previous two years.	
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100						
Maternal and Child Health (MCH)						
Participation						
MC4 - Participation in the MCH service	81.17%	73.05%	74.66%	78.45%		
[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	67.53%	68.94%	77.21%	82.84%		
[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						

Roads						
Satisfaction						
R5 - Satisfaction with sealed local roads	57	55	59	54	The reduction in satisfaction is attributed partly to the major storm impact and the associated damage to the road network.	
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]						
Statutory Planning						
Decision making						
SP4 - Council planning decisions upheld at VCAT	83.33%	85.71%	100.00%	66.67%	Council had six permit applications determined at VCAT in 2021-2022. Four of the decisions were upheld (not set aside).	
[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						
Waste Collection						
Waste diversion						
WC5 - Kerbside collection waste diverted from landfill	30.37%	17.83%	72.19%	74.02%		
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100						

Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the *Aboriginal Heritage Act 2006*

"active library borrower" means a member of a library who has borrowed a book from the library

"annual report" means an annual report prepared by a council under section 98 of the Act

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2022

Dimension / <i>indicator / measure</i>	Results				Forecasts				Material Variations and Comments
	2019	2020	2021	2022	2023	2024	2025	2026	
Efficiency									
Expenditure level									
E2 - Expenses per property assessment	\$3,667.96	\$3,598.33	\$3,777.05	\$4,022.88	\$4,115.71	\$4,141.72	\$4,237.45	\$4,315.85	1
[Total expenses / Number of property assessments]									
Revenue level									
E4 - Average rate per property assessment	New in 2020	\$2,092.95	\$2,165.88	\$2,184.33	\$2,237.55	\$2,304.47	\$2,369.78	\$2,436.50	
[Total rate revenue (general rates and municipal charges) / Number of property assessments]									

Liquidity									
Working capital									
<i>L1 - Current assets compared to current liabilities</i>	507.85%	418.25%	405.85%	504.64%	324.30%	320.88%	314.19%	312.19%	
[Current assets / Current liabilities] x100									
Unrestricted cash									
<i>L2 - Unrestricted cash compared to current liabilities</i>	392.97%	337.52%	321.48%	368.96%	236.10%	233.90%	229.28%	229.32%	2
[Unrestricted cash / Current liabilities] x100									
Obligations									
Loans and borrowings									
<i>O2- Loans and borrowings compared to rates</i>	28.34%	25.75%	22.90%	12.81%	27.10%	24.72%	22.29%	19.94%	3
[Interest bearing loans and borrowings / Rate revenue] x100									
<i>O3 - Loans and borrowings repayments compared to rates</i>	2.62%	2.95%	2.70%	10.19%	3.08%	2.67%	2.59%	2.51%	4
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

Indebtedness									
<i>O4 - Non-current liabilities compared to own source revenue</i>	51.98%	52.98%	52.64%	41.94%	58.74%	57.65%	55.78%	53.97%	5
[Non-current liabilities / Own source revenue] x100									
Asset renewal and upgrade									
<i>O5 - Asset renewal and upgrade compared to depreciation</i>	New in 2020	108.43%	186.85%	106.83%	155.74%	88.85%	88.15%	96.87%	6
[Asset renewal and asset upgrade expense/ Asset depreciation] x100									
Operating position									
Adjusted underlying result									
<i>OP1 - Adjusted underlying surplus (or deficit)</i>	6.61%	10.23%	10.67%	10.16%	0.82%	-0.53%	-0.55%	-0.14%	7
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100									

Stability									
Rates concentration									
<i>S1 - Rates compared to adjusted underlying revenue</i>	60.42%	60.90%	61.04%	58.42%	64.20%	66.54%	66.78%	67.04%	
[Rate revenue / Adjusted underlying revenue] x100									
Rates effort									
<i>S2 - Rates compared to property values</i>	0.76%	0.73%	0.72%	0.58%	0.60%	0.61%	0.62%	0.63%	8
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									

Material variation comments

- 1 This trend has been increasing due to impacts of the COVID-19 pandemic and other worldwide events with Council continuing to provide community support. The balance of funding for the Mildura Airport instrument landing system was also received and on-paid to Mildura Airport Pty Ltd, and significant inflation increases have contributed to higher expenditure.
- 2 Increases in unrestricted cash held due to forward payment of 75 percent of Victorian Grants Commission grants, which has led to an increase in this ratio.
- 3 Council made significant debt reduction during the 2021-2022 financial year. In the Budget 2022-2023 Council has forecast to borrow \$9.25M for the completion of the Mildura Sporting Precinct.
- 4 Council made additional loan principal repayments during the financial year which has increased repayments compared to rates in 2021-2022. Principal repayments have then resumed to normal historical levels.
- 5 This has decreased due to reduction in non-current interest-bearing liabilities due to full repayment of several loans.
- 6 Mildura Rural City Council aims to have a ratio of around 100 per cent, 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.

- 7 Council has received additional operational grants for 2021-22 including an increase in forward payment of Financial Assistance Grants from 50 per cent to 75 per cent of the 2022-2023 allocation, which contributed to the 2021-2022 result. Council has not budgeted on additional receipts of operational grants in future years, which has lowered the indicators for future years.
- 8 The trend is reducing over time. Mildura Rural City Council will tend to have higher rates compared to property values due to the inherent factors of our municipality such as population size, population density, population dispersion and remoteness from a major population centre.

Former measures

<i>Service /indicator /measure</i>	Results 2018	Results 2019	Results 2020
Animal Management			
<i>Health and safety</i>			
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	0	Retired in 2020
Efficiency			
<i>Revenue level</i>			
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,917.78	\$1,914.97	Retired in 2020
Obligations			
<i>Asset renewal</i>			
<i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	75.35%	73.92%	Retired in 2020

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 2022

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (e.g. Australian Bureau of Statistics). In preparing this statement, Council utilised March 2022 data published by ABS.

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its financial plan on 23 June 2022 and which forms part of the council plan. The financial plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The financial plan can be obtained by contacting council.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.



Mark McMillan, BBus
Principal Accounting Officer

Dated: 25 October 2022
Mildura

In our opinion, the accompanying performance statement of the *Mildura Rural City Council* for the year ended 30 June 2022 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Cr Liam Wood
Councillor

Dated: 25 October 2022
Mildura



Cr Jason Modica
Councillor

Dated: 25 October 2022
Mildura



Martin Hawson
Chief Executive Officer

Dated: 25 October 2022
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 2022• sustainable capacity indicators for the year ended 30 June 2022• service performance indicators for the year ended 30 June 2022• financial performance indicators for the year ended 30 June 2022• other information and• certification of the performance statement. <p>In my opinion, the performance statement of Mildura Rural City Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.</p>
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>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
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 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

**Auditor's
responsibilities
for the audit of
the performance
statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
31 October 2022



Travis Derricott
as delegate for the Auditor-General of Victoria