

ANNUAL REPORT

2021-2022



Mareeba
SHIRE COUNCIL



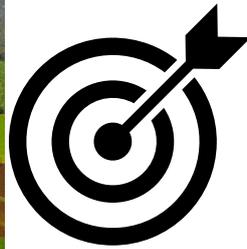
Mareeba Aerodrome

Vision, Mission & Values



Our Vision

A growing, confident and sustainable Shire



Our Mission

Provide cost-effective services, foster collaborative partnerships and maintain accountable governance to promote the prosperity and liveability of the Shire



Our Values

Sustainable

United Team

Customer Focused

Community Partnerships

Ethical Conduct

Striving to be better

Skilled Workforce



Mareeba
SHIRE COUNCIL

About the Report

Council is proud to present our Annual Report for the 2021/22 financial year. The report describes Council's achievements in delivering services to the Mareeba Shire and shows Council's progress in delivering the objectives from the Corporate Plan 2021-2025 and Operational Plan 2021/22.

The annual report is one of the ways Council connects with the community and includes:

- Council's commitment to achieving its vision for the Shire
- The results of actioning the Corporate and Operational plans
- Transparency and accountability of Council
- Annual Legislative Disclosure requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*

The annual report is divided into seven sections:

Introduction provides a review of the year by the Mayor and Chief Executive Officer and supplies an overview of Councillors, our organisation and our Shire

Highlights outlines the key achievements of the 2021/22 financial year, including Community Engagement

Annual performance provides an overview of Council's achievements and progress in line with our Corporate and Operational Plans

Legislative Compliance offers a summary of the management of Council and the mechanisms that support accountability and leadership, including Annual Legislative Disclosure requirements

Community Financial Report provides a summary of Council's financial performance

Financial statements is comprised of the comprehensive audited financial statements for the 2021/22 year

Appendices includes an index of tables and figures and an index that outlines this report's compliance with legislative obligations under the *Local Government Act 2009* and the *Local Government Regulation 2012*

Disclaimer: Information contained in this document is based on available information at the time of writing. All figures and diagrams are indicative only and should be referred to as such. While Mareeba Shire Council has exercised reasonable care in preparing this document it does not warrant or represent that it is accurate or complete. Council or its officers accept no responsibility for any loss occasioned to any person acting or refraining from acting in reliance upon any material contained in this document.

Cover Image - Loudoun Dam, a reservoir situated nearby to Irvinebank, and close to Loudoun Mill.

Mayor Toppin, Mt Mulligan 100 year mining disaster commemoration



THIS MEMORIAL RECORDS THE NAMES OF THOSE KILLED AT MT MULLIGAN MINE
IN THE EXPLOSION OF 19TH SEPTEMBER, 1924, AS LISTED BY OLD MINES DEPT.
IT WAS ERECTED ON THE OCCASION OF THE SEVENTY-FIFTH ANNIVERSARY
OF THE TRAGEDY BY THE MINING AND ENERGY UNION

| | | |
|-----------------------------|--------------------|----------------------|
| T. J. EVANS (MINE MGR.) | J. CUNNINGHAM | R. WHELAN |
| F. CRANT | W. KERR (OR KEIRS) | (THOS. CED. WHEELER) |
| T. E. PARKINSON | D. BUTLER | J. BEATTIE |
| L. JOACHIMZIK | W. HARRISON | T. TAYLOR |
| T. ADAMS | W. JOHNSTONE | J. FITZPATRICK |
| H. MARTIN | C. MOUNSEY | P. CANOPLIA |
| J. HENRY | S. MCCOLM | F. BUTCHER |
| J. FORCETY | J. CARNEY | R. LEARY |
| J. O' HALLORAN | C. TURRIF | S. LIVERSIDGE |
| R. SPEIRS | A. HALL | J. CARSON |
| J. O' BOYLE | W. SMITHSON | C. JAMES, SNR. |
| H. MANSFIELD | W. OSTLO | T. ADCOCK |
| J. LAWSON (OLIVER LEWIS) | I. BELL | H. BOLLEN |
| F. PATTINSON | J. LOMAX | R. THOMPSON |
| T. HUTTON | T. HYNES | P. MINDCUE |
| T. CAMM | R. E. MORGAN | W. COLE |
| J. LONG (P. DOYLE) | A. CASLOFF | C. JAMES, JNR. |
| E. RISLEY | R. TEMPLETON | P. MARKS |
| C. HAWES | J. LOUCHARIE | J. REAY |
| H. JACKSON | R. PATTINSON | F. CIELIS |
| J. NIXON | W. THOMPSON | E. HUTTON |
| J. BRIER, SNR. | W. STEVENS | F. LATIMER |
| J. BRIER, JNR. | T. SNIFF | T. HAWES |
| D. MAINTYRE | W. FISHER | M. O' CRODY |
| | S. SEYMOUR | N. RUMINC |
| | J. REGAN | R. MCCORMACK |

THEY WERE TOO YOUNG TO DIE

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Introduction

Mayor & CEO Message

We are pleased to report on the significant achievements seen this year in spite of the ongoing challenges faced by Local Governments, businesses and communities across Australia with a range of economic challenges following the global pandemic.

The Mareeba Shire continues to grow. Named as one of the top 10 fastest growing Local Government Areas (LGAs) in Queensland by the Queensland Treasury in 2019/20, the Shire has continued to keep pace with the rest of Queensland since this time. The record level of building approvals of 2020/21 has settled to be more in line with the previous trends, while still showing continued growth.

Council has maintained a focus on delivering affordable quality services for our community, by bringing down a balanced budget which is within the means of the ratepayers and which remains true to its long term financial plan.

In this, the 9th Annual Report of the Mareeba Shire Council, we continue to reiterate the importance of financial sustainability, and strong reports have been recently received from both the Queensland Audit Office and Department of Local Government. These reports evidence our commitment to 'live within our means' while still delivering projects that result in significant community benefits.

The capital program in 2021/22 saw more than \$20 million expended across the Shire including the replacement of the Granite Creek Sewer Pump station in Mareeba at a cost of \$2 million, more than \$7 million spent on renewing and upgrading of the transport infrastructure network and major water projects including the \$2.1 million upgrade to Chillagoe's critical water infrastructure. These works at Chillagoe allowed Council to lift Level 3 water restrictions that had been in place since 2017.

Council acknowledges the assistance of the State and Federal Governments in funding these major projects. Without this assistance, the works would be outside of the means of the ratepayer base. Council will continue to seek financial support from the State and Federal Governments to ensure that major projects can be undertaken while rate increases are kept at the lowest possible level.

Council's first Parks and Open Spaces Strategy and Action Plan was released this year, following community consultation in 2020. This action plan, designed to improve the liveability of our Shire, represents a record spend on parks and open spaces and includes a 3-year plan which will significantly improve access to quality parks and open spaces in the future, without any additional rates charges for residents. Under this plan, the concept of Mareeba's new \$1.5 million water splash park was developed, with the project to be completed during the 2022/23 financial year.

During 2021/22, we continued our advocacy and lobbying activities on the most critical issues impacting our communities including community safety, reliable road transport networks, water security and economic recovery from the pandemic.

While local governments have limited powers to deliver the services which can impact these issues, we will continue to use our voice to advocate fiercely for our communities. The numerous meetings with Ministers of Parliament and government decision-makers are paying off. The State Government has taken steps to improve community safety and has also engaged a consultant to deliver a \$1.3 million planning project to identify the alignment of the Mareeba Bypass. A \$210 million study into the Kuranda Range Road and alternative routes to the Atherton Tablelands will also be completed.

Mareeba Shire Council is held up as an example of how to be a sustainable Council. Our reputation as a high-performing Council is a result of the efforts of Councillors and Council staff.

Council will continue to provide a high-level of service to our community, in spite of significant supply chain issues, price increases well above the national inflation rate and labour shortages that are unfortunately common in the post-pandemic world. The impacts of the pandemic will continue to be felt for years to come; however, this Council is committed to deliver on its vision "A growing, confident and sustainable Shire".



Mayor Angela Toppin



CEO Peter Franks



Mulligan Highway, Quaid's Dam

MSC Annual Report 2021/22

Our Councillors



*Cr Angela Toppin
(Mayor)*

Committees

- ◇ Far North Queensland Regional Organisation of Councils (FNQROC) (Deputy Chair)
- ◇ FNQROC Regional Strategic Waste and Materials Recovery Framework Advisory Group (Chair)
- ◇ Local Disaster Management Group (Chair)
- ◇ Mareeba Chamber of Commerce Tourism Taskforce
- ◇ Mareeba District Disaster Management Group
- ◇ Regional Arts Development Fund (RADF)(Chair)



*Cr Kevin Davies
(Deputy Mayor)*

Committees

- ◇ Audit Committee
- ◇ Chillagoe Alliance
- ◇ Crime Stoppers
- ◇ Far North Queensland Regional Organisation of Councils (FNQROC) (Proxy)
- ◇ Far North Queensland Regional Roads Group
- ◇ Great Wheelbarrow Race Organising Committee (Proxy)
- ◇ Irvinebank Progress Association
- ◇ Local Disaster Management Group (Deputy Chair)
- ◇ Mareeba Chamber of Commerce Community CBD Safety Initiatives
- ◇ Mareeba Chamber of Commerce Main Street Committee
- ◇ Traffic Advisory Committee (Chair)



L-R Cr Danny Bird, Cr Lenore Wyatt, Cr Locky Bensted, Cr Angela Toppin (Mayor), Cr Kevin Davies (Deputy Mayor), Cr Mario Mlikota, Cr Mary Graham



*Cr Lachlan (Locky)
Bensted*

Committees

- ◇ FNQROC Pest Advisory (Proxy)
- ◇ Great Wheelbarrow Race Organising Committee (Chair)
- ◇ Julatten and Mt Molloy Association of Residents and Ratepayers (Proxy)
- ◇ Local Authority Waste Management Advisory Committee (LAWMAC) (Proxy)
- ◇ Local Disaster Management Group - Environment/Infrastructure Sub-Group
- ◇ Mareeba Fire Committee
- ◇ Mareeba Sporting Precinct Committee (Proxy)
- ◇ Pest Management Advisory Committee
- ◇ Speewah Residents Group (SRG) (Proxy)



*Cr Daniel (Danny)
Bird*

Committees

- ◇ Barron Catchment Care
- ◇ Far North Queensland Regional Roads Group (Proxy)
- ◇ FNQROC Pest Advisory
- ◇ Local Disaster Management Group - Community Support Sub-Group
- ◇ Mareeba Fire Committee
- ◇ Mareeba Multicultural Festival Committee (Proxy)
- ◇ Northern Gulf Resource Management Group
- ◇ Pest Management Advisory Committee
- ◇ Speewah Residents Group (SRG)



Cr Mary Graham

Committees

- ◇ Audit Committee
- ◇ Collaborating for inclusive outcomes in Mareeba
- ◇ FlexiChoice
- ◇ Local Disaster Management Group - Economic Sub-Group
- ◇ Mareeba Chamber of Commerce Main Street Committee (Proxy)
- ◇ Mareeba Chamber of Commerce Tourism Taskforce (Proxy)
- ◇ Mareeba Liquor Industry Action Group
- ◇ Mareeba Multicultural Festival Committee (Chair)
- ◇ Tablelands Relay for Life Committee
- ◇ Tablelands Futures Corporation



Cr Mario Mlikota

Committees

- ◇ Chillagoe Alliance (Proxy)
- ◇ Collaborating for inclusive outcomes in Mareeba
- ◇ Irvinebank Progress Association (Proxy)
- ◇ Kuranda Interagency Network
- ◇ Local Authority Waste Management Advisory Committee (LAWMAC) (Proxy)
- ◇ Local Disaster Management Group - Health and Environment Sub-Group (Proxy)
- ◇ Mareeba Chamber of Commerce Community CBD Safety Initiatives (Proxy)
- ◇ Mareeba Heritage Centre Management Committee
- ◇ Mareeba Liquor Industry Action Group (Proxy)
- ◇ Mareeba Sporting Precinct Committee



Cr Lenore Wyatt

Committees

- ◇ FlexiChoice (Proxy)
- ◇ Julatten and Mt Molloy Association of Residents and Ratepayers
- ◇ Local Authority Waste Management Advisory Committee (LAWMAC)
- ◇ Local Disaster Management Group - Health and Environment Sub-Group
- ◇ Local Disaster Management Group (Deputy Chair)
- ◇ Reef Guardian
- ◇ Regional Arts Development Fund (RADF)
- ◇ Traffic Advisory Committee



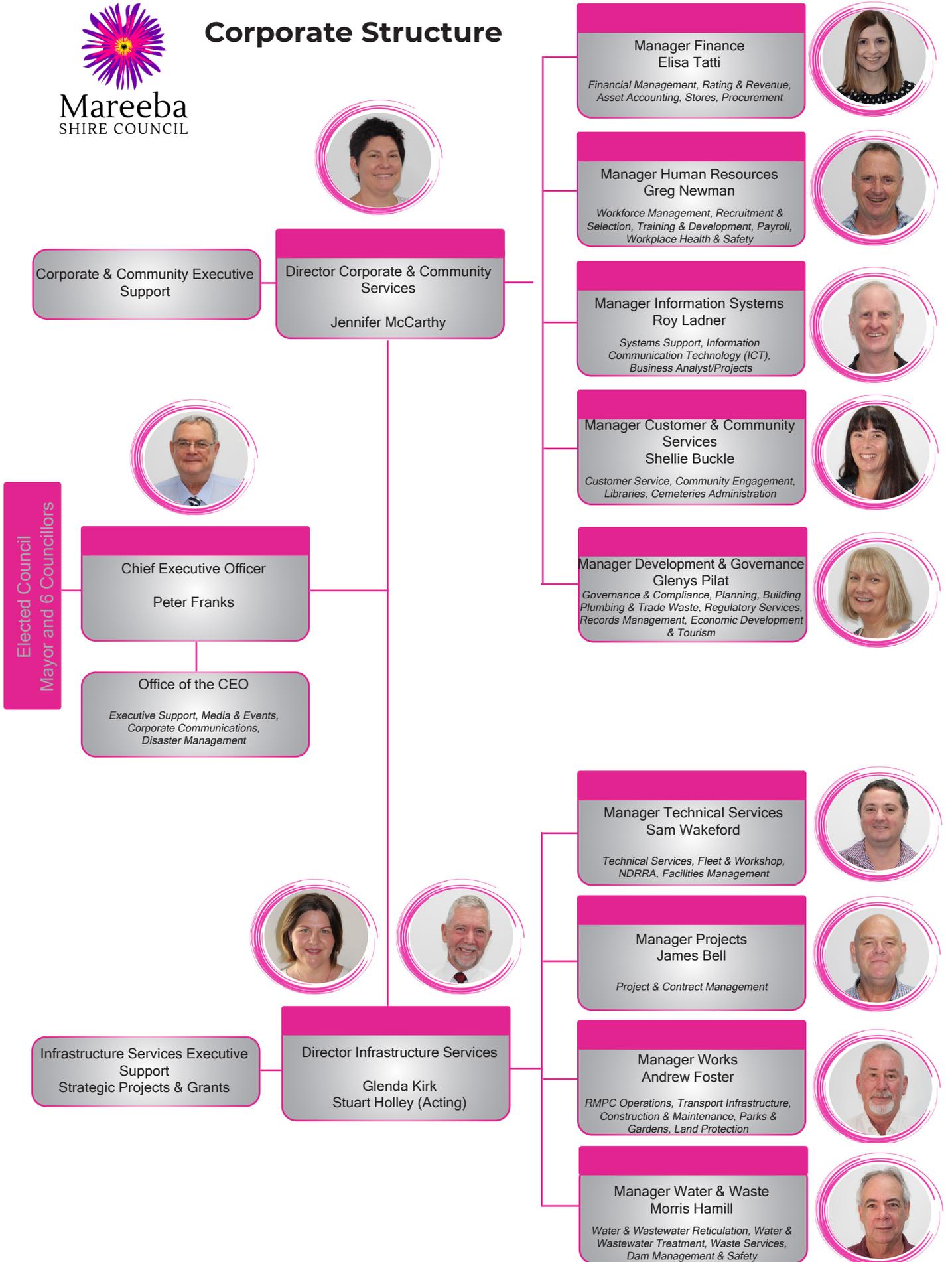
Official Opening Cedric Davies Community Hub: L-R Cr Bensted, Cr Bird, Cr Wyatt, Cr Toppin (Mayor), Cr Davies (Deputy Mayor), Cynthia Lui MP, Cr Mlikota, Cr Graham

Our Organisation



Mareeba
SHIRE COUNCIL

Corporate Structure



Our Staff

217
Total Employees

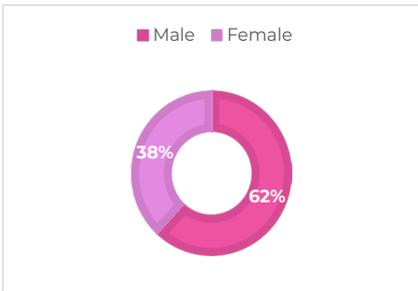
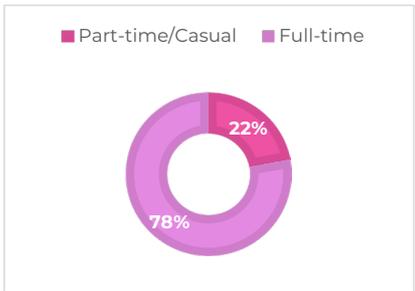


Figure 1: Ratios of Part-time/Casual, Male/Female, Management/Staff

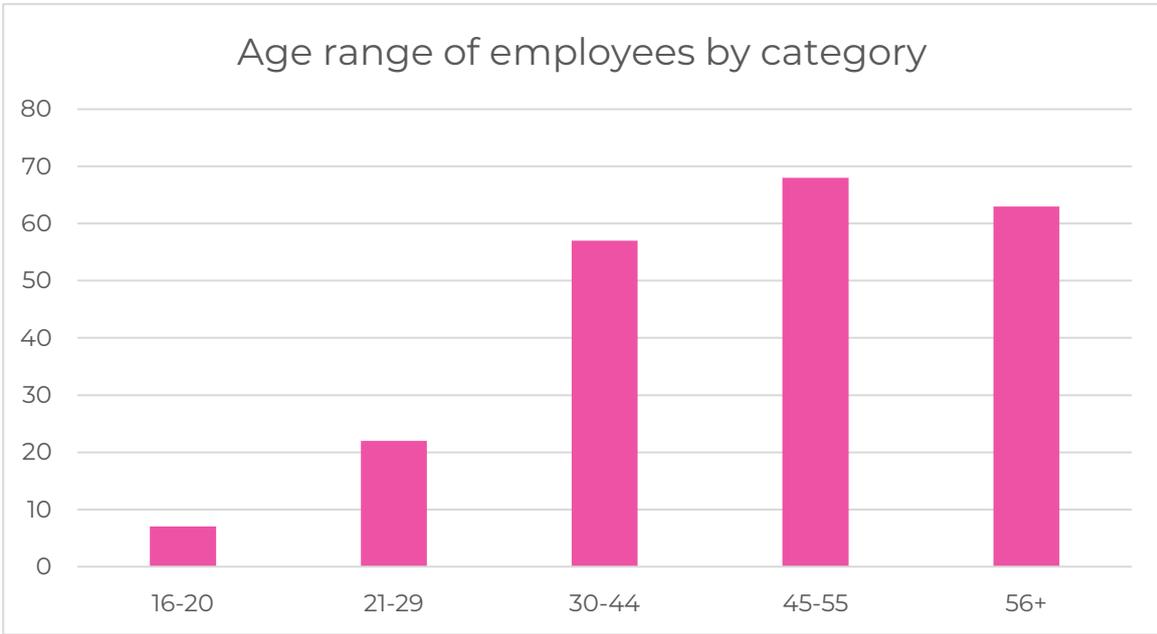


Figure 2: Age range of employees by category

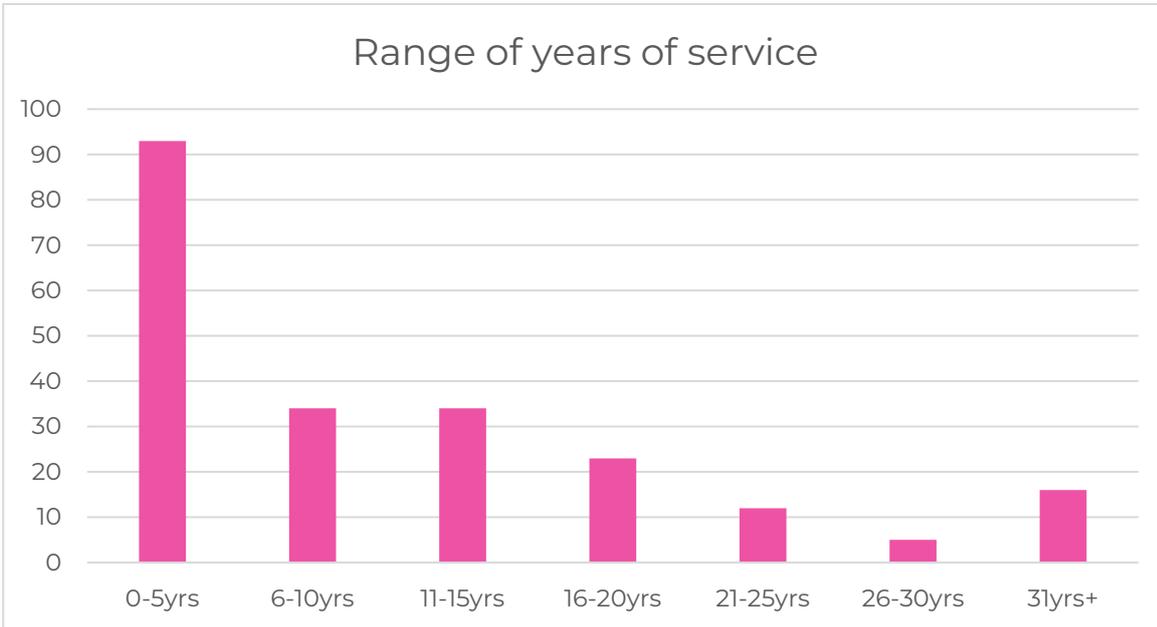


Figure 3: Range of years of service

Recognising our Staff

Council recognises length of service yearly in increments of 5 years commencing at 20 years, with our longest serving employee completing 49 years. In 2021/22 Council celebrated as a number of employees reached significant length of service milestones.

| Name | Department | Years |
|--------------------|--------------------------------|-------|
| Stanley Roos | Infrastructure Services | 40 |
| Brian Millard | Corporate & Community Services | 30 |
| Gabriele Tallarico | Infrastructure Services | 30 |
| Jeffrey Jones | Infrastructure Services | 30 |
| Peter Diamond | Infrastructure Services | 30 |
| Anthony Madden | Infrastructure Services | 25 |
| Kathleen Nicholls | Infrastructure Services | 25 |
| Marjorie Anthony | Infrastructure Services | 25 |
| Conan Pottle | Infrastructure Services | 20 |
| Lee Schwerdtfeger | Corporate & Community Services | 20 |
| Guisepe Tonizzo | Infrastructure Services | 20 |
| Trevor Yujnovich | Infrastructure Services | 20 |

Table 1: List of employees by service years



L-R - Peter Diamond, Trevor Yujnovich, Stanley Roos, Guisepe Tonizzo, Kathy Nicholls, Lee Schwerdtfeger



L-R - Brian Millard, Marjorie Anthony, Anthony Madden, Jeffrey Jones, Conan Pottle, Gabriele Tallarico



Byrnes Street Mareeba Refresh

Council recognises the wide range of dedicated staff both indoor and outdoor as a credit to our organisation and community, from our parks and gardens crews (above) to our library staff (below) and each and every member that makes up 'Mareeba Shire Council'.



Mareeba Library Launch of Self Loan App

Our Shire

Mareeba Shire is economically and socially diverse. The Shire is ranked as one of the 10th fastest growing local government areas in Queensland. Mareeba is now the largest town outside of Cairns in Far North Queensland, acting as a vital transport and services hub for Northern Australia, including Cape York Peninsula and Gulf of Carpentaria regions.

Mareeba Shire is in proximity to two World Heritage Areas, the Great Barrier Reef and Wet Tropics, and is less than an hour's drive to Cairns International Airport. It stretches across the base of Cape York Peninsula, and comprises rural and remote agricultural communities, Indigenous communities, and tourism destinations. The Mareeba Shire has a total land area of 53,502 km², with an average daily temperature range of 18.7°C to 31.5°C and an average annual rainfall of 1,012 mm.

Upgrades to largescale infrastructure such as the Mareeba Wastewater treatment plant and road transport routes, along with local government investment in industrial land and commercial aviation park, have created a solid foundation to support future growth for the Shire.

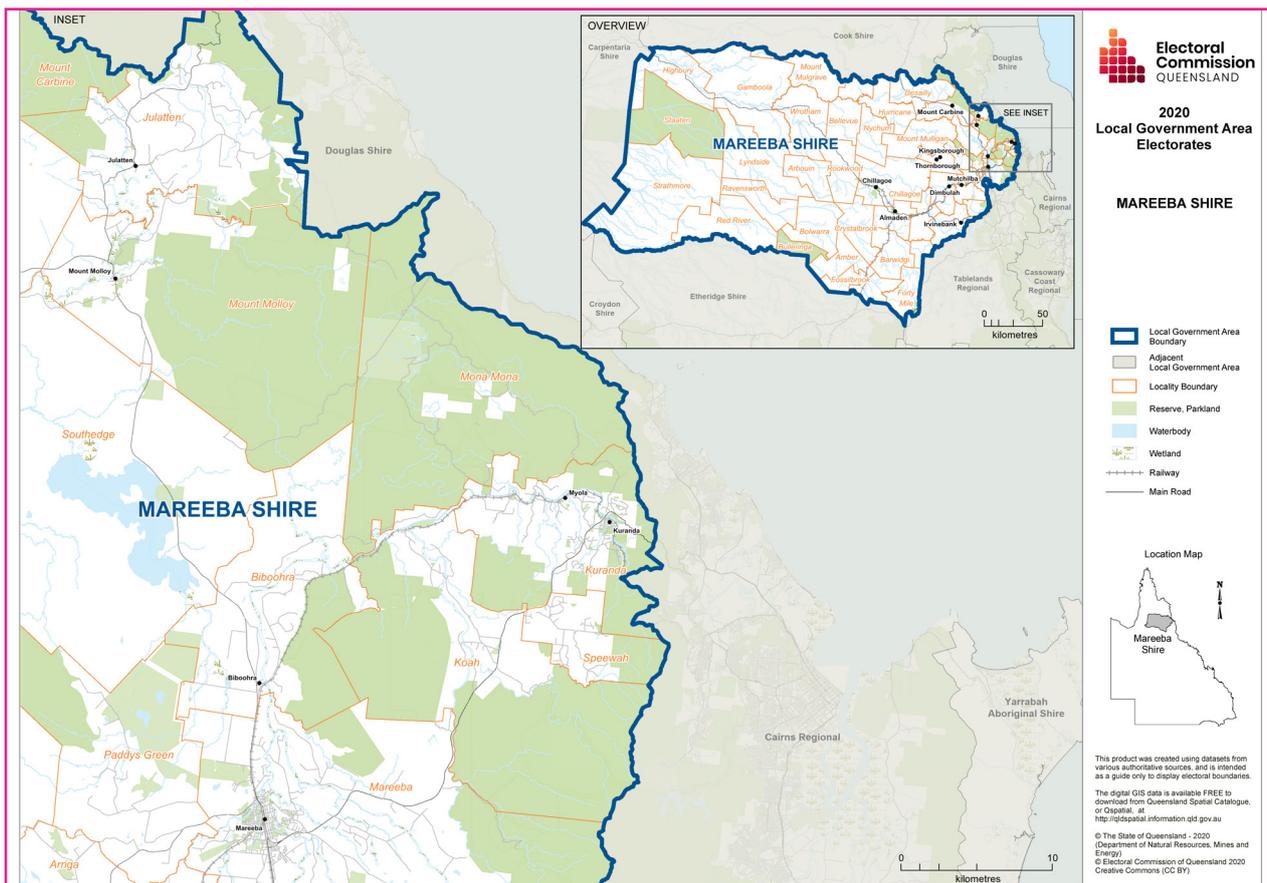


Figure 4: Mareeba Shire Council Local Government Area

“Mareeba Shire Council is committed to stimulating the local economy and enhancing the liveability for all residents across the Shire.”
Mareeba Shire Mayor Angela Toppin

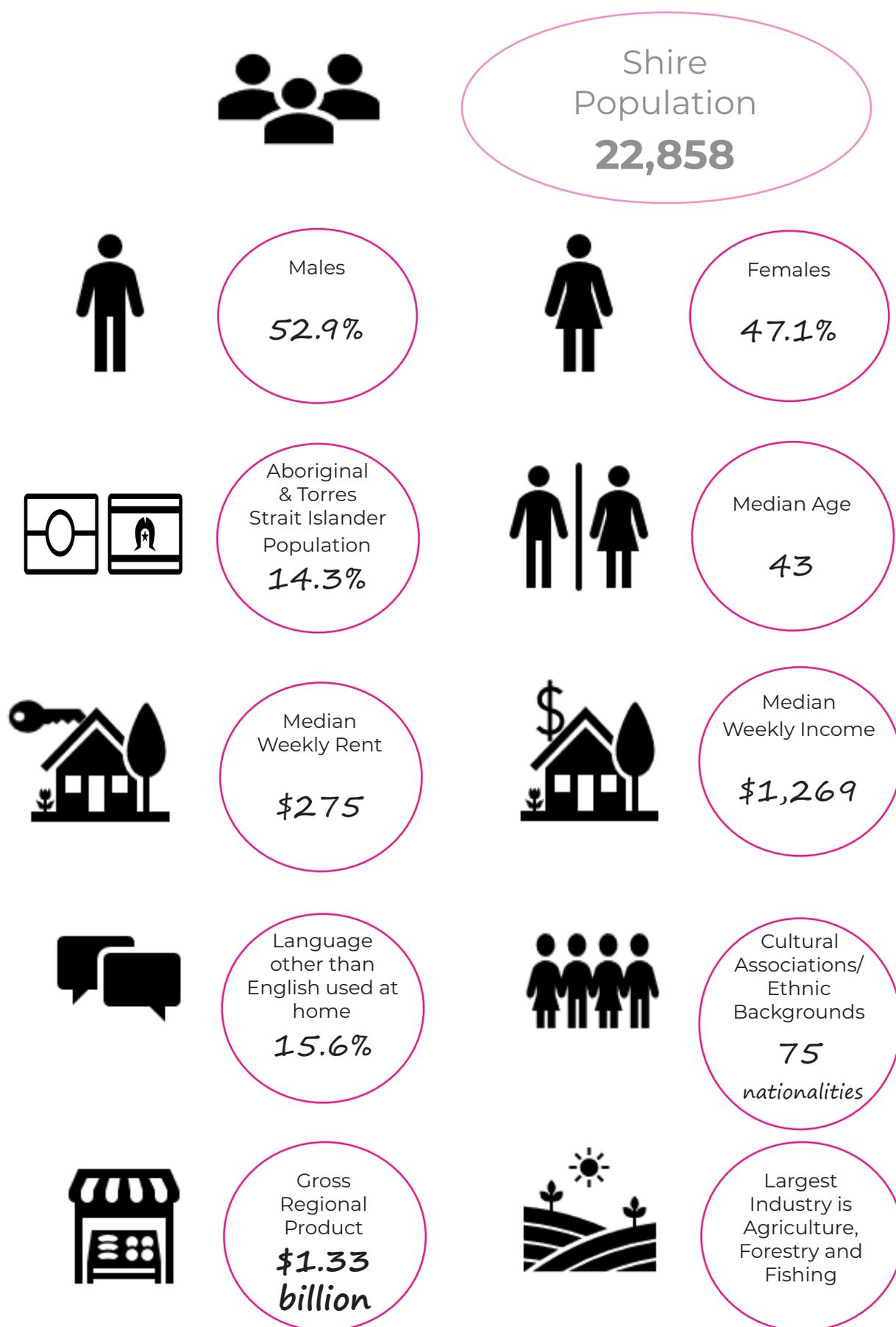


Figure 5: Mareeba Shire Demographics

Source Australian Bureau of Statistics, Census Data 2021 and Economy ID

Kuranda Walking Trails





Highlights

Financial Highlights

2021/22 Income



\$9.2m

Operating Surplus



\$35.2m

Raised in rates,
levies & charges



\$30.3m

Grants, subsidies,
contributions &
donations

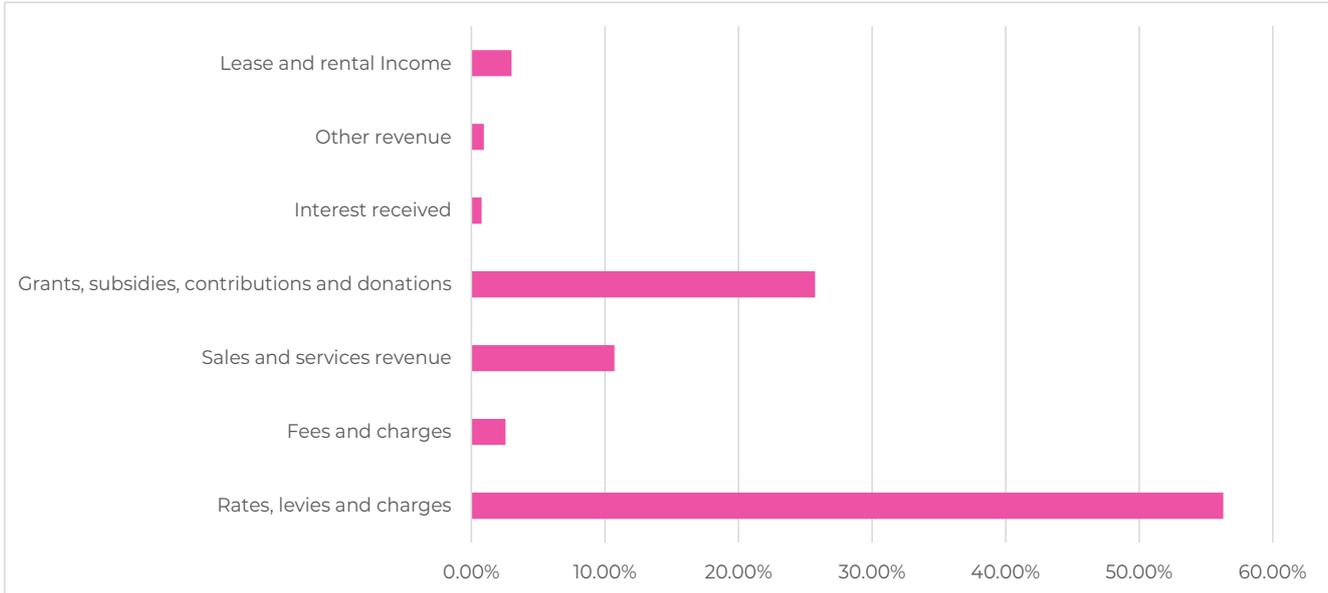


Figure 6: 2021/22 Council income by category as % of total recurrent income

| Category | Amount | % |
|--|------------------------|--------|
| Lease and rental Income | \$1,871,926.00 | 3.00% |
| Other Revenue | \$578,646.00 | 0.93% |
| Interest received | \$482,870.00 | 0.77% |
| Grants, subsidies, contributions and donations | \$16,083,458.00 | 25.74% |
| Sales and services revenue | \$6,691,347.00 | 10.71% |
| Fees and charges | \$1,601,161.00 | 2.56% |
| Rates, levies and charges | \$35,177,018.00 | 56.30% |
| | \$62,486,426.00 | |

Table 2: 2021/22 Council income by category

Total Income 4 year comparison

| 2021/22 | 2020/21 | 2019/20 | 2018/19 |
|--------------|--------------|--------------|--------------|
| \$62,486,426 | \$54,619,717 | \$56,509,246 | \$55,428,466 |

Table 3: Council income 4 year comparison

For full details of 2021/22 income refer to Council's Financial Statements on page 82.

2021/22 Expenditure

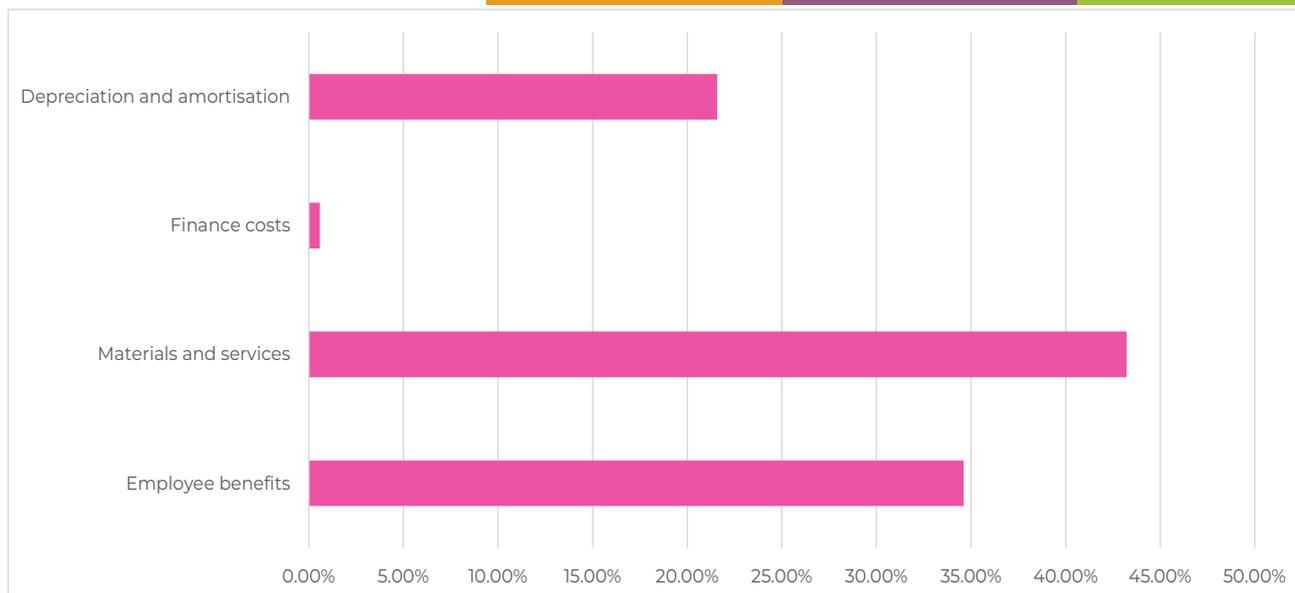


Figure 7: 2021/22 Council expenditure by category as % of total recurrent expenditure

| Category | Amount | % |
|-------------------------------|------------------------|--------|
| Depreciation and amortisation | \$11,508,703.00 | 21.58% |
| Finance costs | \$306,259.00 | 0.57% |
| Materials and services | \$23,051,089.00 | 43.23% |
| Employee benefits | \$18,460,533.00 | 34.62% |
| | \$53,326,584.00 | |

Table 4: 2021/22 Council expenditure by category

Total Expenditure 4 year comparison

| 2021/22 | 2020/21 | 2019/20 | 2018/19 |
|--------------|--------------|--------------|--------------|
| \$53,326,584 | \$47,111,399 | \$49,952,984 | \$47,085,407 |

Table 5: Council expenditure 4 year comparison

For full details of 2021/22 expenditure refer to Council's Financial Statements on page 82.



Mareeba Industrial Park



ECONOMY

Land Sales at Mareeba Industrial Park

| 2020/21 | 2021/22 |
|------------------|--------------------|
| \$261,579 | \$1,643,825 |

Council Service Key Statistics



WATER

Water mains maintained

2020/21 2021/22

260km 269km

Water connections

2020/21 2021/22

5,909 6,198



REGULATORY SERVICES

Dogs registered

2020/21 2021/22

4,147 4,186

EHO Inspections

2020/21 2021/22

203 163



COMMUNITY

Regional Arts Development Funds Contribution

2020/21 2021/22

\$44,670 \$48,833

Community Partnerships Program

2020/21 2021/22

\$198,307 \$184,719



FACILITIES

Swimming pool admissions

2020/21 2021/22

42,881 36,187

Public halls usage

2020/21 2021/22

735 1,967

Caravan park site rentals (includes tent sites, dongas, cabins, van sites)

2020/21 2021/22

39,352 26,107



WASTE WATER

Sewer mains maintained

2020/21 2021/22

138km 144km

Household connections

2020/21 2021/22

4,170 4,307



DEVELOPMENT APPROVALS

Dwellings approved

2020/21 2021/22

209 143

Planning Development Applications

2020/21 2021/22

54 58



LIBRARIES

Membership

2020/21 2021/22

6,009 6,679

Visitors

2020/21 2021/22

27,368 60,875

Volunteer hours

2020/21 2021/22

600 2,236



CUSTOMER SERVICE

Council website visits (sessions)

2020/21 2021/22

110,250 118,307

Call centre calls received

2020/21 2021/22

16,286 15,761

Customer requests created

2020/21 2021/22

11,786 12,950



WASTE

Waste disposed to landfill

2020/21 2021/22

55,660t 41,729t

Recyclable materials for re-use

2020/21 2021/22

N/A 9,019t



BUILDING

Value of approvals

2020/21 2021/22

RES **\$49,102,843 \$34,966,809**

NON-RES **\$15,461,294 \$22,541,624**

Total building approvals

2020/21 2021/22

429 361



VISITOR INFORMATION CENTRES

Visitors

2020/21 2021/22

90,120 127,534

Volunteer hours

2020/21 2021/22

3,315 13,883



ROADS

Total Shire roads: 2,302km
Unsealed roads: 1,639km
State roads maintained: 686km



OPEN SPACES

Parks/Open spaces maintained: 250
Parks/gardens/open spaces maintained: 247ha



LAND PROTECTION

Roadside treatment: 5,200km
Weed treatment area: 3,500ha

Properties treated for vertebrate pests: 135

Figure 8: Council Service key statistics

Year in Review

July 2021

- New playground installed at Centenary Park Mareeba
- Solar panels and associated infrastructure to nine (9) Council-controlled locations across Mareeba Shire through funding under Works for Queensland
- Improvements and enhancements to Jum Rum & Jungle Walking Trails in Kuranda, funded under the Kuranda Infrastructure Fund completed
- Kuranda Community Recreation Centre refurbishment, funded through Qld Government's Works for Qld Program completed
- Speewah Road Pavement Rehabilitation and improved bus facilities funded under Phase 1 of the Australian Government's Local Roads and Community Infrastructure Program (LRCIP) completed
- Council moves to VendorPanel for e-procurement
- Mitchell River Watershed Management Group Inc. entered into an Agreement which will see the natural resource group manage the Abattoir Swamp Environmental Park in Julatten for the next five years

August 2021

- Official Opening of Mareeba Library/Community Hub, funded under the Qld Government's Local Government Grants and Subsidies Program and Works for Queensland Program, in addition to the Australian Government's Local Roads and Community Infrastructure Program (LRCIP)
- Official Opening of Mareeba Animal Management Facility, funded through Qld Government's Works for Qld Program
- Reviewed Community Housing Asset Management Plan (CHAMP) adopted by Council
- Mareeba Local Disaster Management Plan endorsed by Council
- Expressions of Interest called for community representatives to join Great Wheelbarrow Race Advisory Committee
- Council submitted a motion to LGAQ outlining Council's concern re levels and frequency of youth crime and requesting involvement in the State's Social Agenda reforms
- Barang Street Kuranda Water Main Upgrade \$1.1 million tender awarded
- Granite Creek Mareeba Sewerage Pump Station Upgrade \$1.9M tender awarded

September 2021

- Paved Path Upgrade - Main Street to Mt Molloy State School funded through a grant under the School Transport Infrastructure Program completed
- Mareeba & Kuranda Sewerage Pump Station Upgrade \$780,000 tender awarded
- 2021/22 Bitumen Reseal Program \$730,000 tender awarded
- Hilltop Close Kuranda Booster Station and Pipeline Project completed
- 100 Year Centenary commemoration of the Mt Mulligan Mine Disaster

October 2021

- Council adopted the 2020/21 Annual Report
- Tenders valued at over \$400,000 awarded for priority reconstruction sites damaged following Tropical Cyclone Niran and Associated Low Pressure System, 25 February – 3 March 2021 for works approved by Queensland Reconstruction Agency (QRA) under Disaster Recovery Funding Arrangements (DRFA)
- Council endorsed the submission of the 2020/21 Annual Report on the operation of the Kuranda Fund to the Department of State Development, Infrastructure, Local Government and Planning

November 2021

- Council approved the issue of a Management Agreement to the Mount Molloy RSL Sub Branch for non-exclusive use of the Mount Molloy Memorial Hall facility
- Mareeba Water Main Upgrade - AC Pipe Renewal Program \$900,000 tender awarded
- Refurbishment of toilet facilities at 10 Acre Park Chillagoe and Mareeba Heritage Centre completed
- 2022/23 Capital Project Prioritisation adopted
- Bower Road Widening of Road and Causeway and Springmount Road Widening & Rehabilitation completed under Local Roads of Regional Significance (LRRS), jointly funded by the Queensland Government through the Transport Infrastructure Development Scheme and Council
- Fossilbrook Road Lynd River Causeway Construction under DRFA Betterment Program completed
- Remembrance Day Services commemorated with Councillor attendance
- Mareeba Shire Library SelfLoan App launched
- Council signed the Small Business Friendly Councils (SBFC) Charter

December 2021

- Palm Valley Road, Koah - Widen and Seal completed, jointly funded through the Australian Government's Road to Recovery program and Council
- Replacement of the Mount Molloy Hall wastewater treatment system with a septic system at a project value of \$30,000
- Rankin Street Mareeba Footpath from Byrnes Street to Chewko Road renewal completed
- Dimbulah Shire Hall Park Irrigation upgrade completed
- Mayor's Xmas Appeal launched
- Xmas Lights Competition

January 2022

- Six new community members appointed to Council's Regional Arts Development Fund (RADF) after public nomination period
- Report received on Council's actions to address crime
- Riverside Caravan Park Amenities Block Upgrade \$208,000 tender awarded
- Water Main Upgrade Reynolds Street, Mareeba completed
- Local Community Heroes recognised at Australia Day Awards
- First Collaborating for Community Safety meeting held

February 2022

- Council adopted the Parks and Open Spaces Strategy and 3 Year Action Plan
- Kuranda Waste Transfer Station Weighbridge Project completed
- Council invited Expressions of Interest to manage and operate the Buy Back Shop at Council's Mareeba Waste Facility Site
- Detailed design and cost estimates undertaken for new Kuranda Cemetery
- Council approved the allocation of a Management Agreement to the Centre for Australasian Theatre for management of the Geraghty Park Hall facility on behalf of Council
- Chillagoe Maintenance - Various facilities \$230,000 tender awarded
- Park Entrance Sign Renewal project funded under Phase 2 of the Australian Government's Local Roads and Community Infrastructure Program (LRCIP2)
- Replacement of Exercise Equipment at Mary Andrews Park, Mareeba under Phase 2 of the Local Roads and Community Infrastructure Program (LRCIP2)
- Barang Street Kuranda Water Main Upgrade Project completed
- Construction of the Buy Back Shop at the Mareeba Waste Facility Site completed
- Mareeba Ranked In Top Ten Fastest Growing Areas In Queensland by Qld Treasury statistics

March 2022

- Council endorsed financial and in-kind assistance under Community Partnerships Program to Savannah in the Round Music Festival
- Council appointed community members of the Mareeba Multicultural Festival Advisory Committee, including the Chair of the Committee
- Byrnes Street Median Traffic Islands and Landscaping works commenced
- Workforce Efficiencies Review commenced

April 2022

- New gravity sewer main connecting the Cedric Davies Community Hub to the Savannah Lifestyle Resort Sewerage Pump Station installed
- Council received report on the challenges of the current economic environment impacting Asset Management Planning of Council's infrastructure and assets and the associated Long Term Financial Plan and sustainability
- Anzac Day Services attended throughout Shire by Councillors

May 2022

- Council endorsed the submission of The Kuranda Infrastructure Master Plan 2022 - 2031 to the State for consideration
- Council adopted the 2022/23 Operational Plan
- 2021/22 RADF funding approved for 12 community grant applications for \$36,000
- Tenders invited for real estate services for Mareeba Industrial Park
- Kerb and Channel Replacement Reynolds Street, Mareeba completed
- Wolfram Road, Dimbulah Road Widening funded under the Australian Government's Roads to Recovery Program completed
- Great Wheelbarrow Race

June 2022

- Council named the Mareeba Airport Aviation Industrial Park as the Tom Gilmore Mareeba Aviation Industrial Precinct in recognition for his significant contribution towards the development of the Mareeba Aerodrome
- Council adopted the Local Area Traffic Management (LATM) model as the process to deal with traffic management issues across the Shire
- Council adopted the Long Term Asset Management Plan 2023-2032
- Council approved the issue of a Management Agreement to the Dimbulah Tennis Club Incorporated for exclusive use of the tennis courts and associated building improvements
- Council endorsed the Mareeba Community Taskforce Action Plan 2021 - 2023
- Council adopted the Public Mural Action Plan 2022-2025.
- Council adopted the 2022-2025 Regional Arts Development Fund Program, contributing \$14.5K annually
- Byrnes Street Median Traffic Islands and Landscaping works completed
- Davies Creek Road Bridge Upgrade completed
- Kuranda Cemetery Columbarium Wall Revitalisation completed
- Chillagoe water restrictions lifted for first time since 2017 after new reservoir & bore comes online
- Council receives 'green tick' from Auditor General's 2022 Interim Report



Caving restricted

Community Engagement

In the 2021/22 year a variety of community engagement activities were undertaken. These activities include support for community groups, community education and information sessions and advocacy activities at state and federal levels.

Council's Community Partnership Program offers support to the local community by providing funding assistance, rates and charges remissions and in-kind support. This assistance supports the promotion of social, cultural, sporting, and recreational activities. The program aims to improve the capacity for community groups to provide valuable services, and the increased delivery of social services and activities within our region.

Council provided rates and charges remissions of \$135,267 for the last financial year to 62 groups. This assistance enabled a cash saving to these community groups and sporting clubs to assist with the provision of community services and activities to enhance the liveability of Shire.

Decision making for grant and donation funding is guided by Council's Community Partnerships Program (CPP) Policy and Council's Rate Rebate and Remission Policy. Applications are competitively assessed against the criteria in a fair and equitable manner and allocated by Council.

The following grants/donations were provided to community groups and sporting clubs during the period 1 July 2021 to 30 June 2022.

| Grants to Community Organisations | Amount \$ |
|---|------------------|
| Cash | \$29,590 |
| Remittance of Rates and Charges (including water consumption) | \$135,267 |
| In-Kind Assistance | \$19,862 |
| TOTAL | \$184,719 |

Table 6: Grants to community organisations

Grants provided to community organisations through the Regional Arts Development Fund for arts and cultural projects are separate to the amounts listed above and totalled \$48,833 for the 2021/22 financial year.

Councillors of the Mareeba Shire Council are not provided with discretionary funds to allocate. Funding was not therefore provided to community organisations from this source.

Community Events

The 2021/22 year welcomed the return of a number of community events to our Shire, bringing visitors from far and wide, highlighting our wonderful region. From the return of community functions, market days, award ceremonies and annual celebrations of our major events such as The Great Wheelbarrow Race, Mareeba Multicultural Festival and Savannah in the Round, it was wonderful to see the community pride within the Shire once again.

Australia Day Awards

Mareeba Shire Council Mayor, Angela Toppin commends all the nominees for Australia Day Awards in 2022. "This year, Council received 20 nominations for worthy individuals and groups from across the Shire who exemplify the community spirit and generosity that is so evident throughout the region."



Australia Day Award Recipients | Photo Credit Peter Roy Photography

Citizenship Ceremony

Becoming an Australian Citizen is an important step in the journey of immigration to Australia. Mareeba Shire is home to people from some 75 different nationalities and cultural backgrounds, and welcomes all new Australian Citizens to the region.



Citizenship Ceremony

Mareeba Multicultural Festival

The Mareeba Multicultural Festival is held in August each year and attracts both visitors and locals for a day of entertainment, from more than 30 cultures, including Aboriginal, Torres Strait, PNG, Filipino, Italian, Spanish, Albanian, Greek, Polynesian and Australian performers. Food and craft stalls from a range of cultures, and the perfect weather in Mareeba at this time of the year, make this a day out not to be missed. The festival highlights the diversity and harmony of the some 75 different nationalities that make up Mareeba Shire.



Mareeba Multicultural Festival

Savannah in the Round

Australia's most exciting new music and camping festival Savannah in the Round made its debut in 2021, serving over 11,000 music fans and implementing Australia's first in-festival vaccination hub. Held at the Mareeba Rodeo Arena in September/October, for three days, packed with the best country, rock, roots and pop acts from Australia and overseas. 2022 will see the addition of an Indigenous cultural program, visual art displays, local produce and goods, paddock to plate dining options, fun fair activities, and more -- this time with international star power!



Savannah in the Round Music & Camping Festival | Photo Credit Tourism Tropical Nth Qld



Dimbulah Township



Annual Performance

CEO Review

'A growing, confident and sustainable Shire'

On 20 December 2020 Council adopted the Corporate Plan 2021 – 2025. This document provided strategic direction of all activities to be undertaken by Council over the next five years.

The 2021/22 year was one of great accomplishments on a number of fronts. A collaborative effort between the two (2) departments of Council (Corporate and Community Services and Infrastructure Services) has ensured the Council's vision: 'a growing, confident and sustainable Shire' continued to be the focus for the organisation and through the five strategic priorities this vision has been delivered. The focus for 2022/23 will continue on the strategic priorities within the Corporate Plan 2021 - 2025 as well as facilitating significant technological change and advocacy for what is anticipated to be another challenging yet rewarding year.

Peter Franks
Chief Executive Officer

Legislative Requirements

It is a mandatory requirement of section 165 of the *Local Government Regulation 2012* for a Council to prepare and adopt a Corporate Plan.

The Corporate Plan shall be for a period of five (5) years and will remain in force for the specified period of the plan or until the earlier adoption of a new plan.

The local government must ensure each operational plan is prepared and adopted in enough time, before the start of the first financial year covered by the plan, to allow preparation and adoption of a budget for the financial year consistent with the plan.

By Council resolution, the Corporate Plan may be revised or amended at any time provided the changes comply with the Local Government Finance Standards.

Performance Indicators

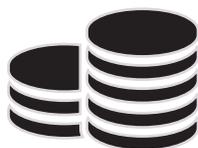
The Plan sets the strategic direction of the Local Government in achieving its vision for the future of the local government area.

The Corporate Plan is supported by Council's Annual Operational Plan which details the activities and projects planned to achieve our goals. The annual budget provides the funding and resources to meet the objectives of the operational plan.

An assessment of Council's performance in implementing its Operational Plan is monitored with quarterly Operational Plan Reviews and are reported in Council's Annual Report.

Both the Annual Report and quarterly reviews are publicly accessible and available.

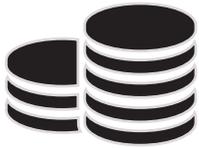
Corporate Plan



Financial Sustainability

A Council that continuously operates in a cost-effective manner while managing council's assets and reserves to ensure a sustainable future.

| Category | Strategic Priorities | Major Achievements |
|----------|--|--|
| FIN1 | <p>Long-Term Financial Plan that supports effective and sustainable financial management</p> <ul style="list-style-type: none"> • Maintain and enhance long-term financial plans • All decisions should support Council's strategic direction of financial sustainability | <ul style="list-style-type: none"> • QAO Audit outcomes indicate positive sustainability results • 10 year Long Term Financial Plan in line with Long Term Asset Management Plan • Ratio benchmark targets all achieved |
| FIN2 | <p>Effective and sustainable financial management</p> <ul style="list-style-type: none"> • Optimise Council's revenue, based on realistic and equitable policies and practices, and consider opportunities for non-rate revenue sources • Commitment to continuous improvement in all operations to ensure financial sustainability | <ul style="list-style-type: none"> • Workforce Efficiencies and Cost Savings project completed • Complete review of all Enterprise Risk related documents • e-procurement Vendor Panel introduction • Review and update of Procurement Policy and procedures |
| FIN3 | <p>Effective business management</p> <ul style="list-style-type: none"> • Further develop and implement business practices including information and technology solutions, that meet corporate and customer needs | <ul style="list-style-type: none"> • Introduction of online forms and interactive mapping • Cyber security review and business improvement opportunities undertaken • Enhancements and technology updates implemented across Technology One suite |
| FIN4 | <p>A skilled and sustainable workforce</p> <ul style="list-style-type: none"> • Continue to promote a 'safety first' environment • Enhance an organisational culture which reflects shared vision and values • Continue to provide appropriate development opportunities and ensure transmission of corporate knowledge between staff • Continue to build effective leadership and management capability | <ul style="list-style-type: none"> • SafePlan reviewed • Workforce Training delivered • Updated recruitment interfaces and practices • Reviewed on-boarding processes and induction training |



Financial Sustainability

A Council that continuously operates in a cost-effective manner while managing council's assets and reserves to ensure a sustainable future.

Overview

The post Covid economic challenges faced by Council in 2021/22 were difficult to predict. Council, however, made a deliberate call to be guided by their Long Term Financial Plan and focus on core business and asset management.

To this end, an organisation wide project commenced in March 2022 to identify key opportunities, efficiencies and cost savings, to minimise potential for further financial burden on the community. Implementation of these opportunities has commenced in consultation with councillors and management.

A complete review of Enterprise Risk has been undertaken in 2021/22 to reflect the changing conditions faced by today's council. This allows current and future decisions to be cognisant of risk and mitigation strategies whilst maintaining sound audit committee and internal audit outcomes.

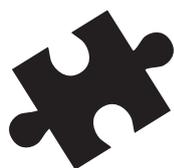
Advancement of online communication and engagement tools, as well as a strong focus on cyber risk, systems enhancements and workforce training has taken place in 2021/22. This work will continue into future years to balance information accessibility for customers and system integrity.

A pleasing and welcome report presented to Parliament by the Queensland Audit Office in April 2022, independently demonstrates the strength and sustainability of Mareeba Shire Council, particularly when compared to other Queensland Local Government entities. This result culminates an integrated approach to asset management planning and long term financial planning and strong internal controls.

Table 7: Financial sustainability risk assessment by council category: Results at the end of 2020–21

| Rural/Regional councils | Avg. grant funding percentage ¹ | Current operating surplus ratio % | Avg. operating surplus ratio % | Avg operating surplus ratio trend ² | Net financial liabilities ratio % | Net financial liabilities ratio trend | Current asset sustainability ratio % | Avg. asset sustainability ratio % | Avg. asset sustainability ratio trend ² | Relative risk assessment | | | |
|---|--|-----------------------------------|--------------------------------|--|-----------------------------------|---------------------------------------|--------------------------------------|-----------------------------------|--|--------------------------|---|---|--------------|
| Rural/Regional councils | | | | | | | | | | | | | |
| Goondiwindi Regional Council | 33% | 1.85% | 3.89% | ● | - | -73.77% | ● | ↓ | 98.17% | 103.75% | ● | ↓ | Lower |
| Lockyer Valley Regional Council | 23% | 12.30% | 6.48% | ● | ↑ | 38.23% | ● | ↑ | 95.16% | 94.48% | ● | ↑ | Lower |
| Mareeba Shire Council | 40% | 14.00% | 14.92% | ● | - | -89.00% | ● | ↑ | 161.00% | 190.40% | ● | ↑ | Lower |
| North Burnett Regional Council | 52% | -31.80% | -15.39% | ● | ↓ | -26.17% | ● | ↑ | 97.34% | 102.99% | ● | ↓ | Higher |
| Scenic Rim Regional Council | 32% | -3.00% | 2.61% | ● | ↓ | 6.00% | ● | ↑ | 81.00% | 174.00% | ● | ↓ | Lower |
| Somerset Regional Council | 26% | 2.00% | 2.63% | ● | - | -83.00% | ● | ↓ | 78.00% | 105.60% | ● | ↓ | Lower |
| South Burnett Regional Council | 25% | -1.60% | 0.20% | ● | ↓ | 9.10% | ● | ↑ | 110.70% | 88.34% | ● | ↓ | Lower |
| Southern Downs Regional Council | 28% | 0.61% | 6.26% | ● | ↓ | -18.80% | ● | ↑ | 101.13% | 120.96% | ● | ↑ | Lower |
| Tablelands Regional Council | 29% | 1.55% | 1.46% | ● | - | -45.24% | ● | ↑ | 98.33% | 101.55% | ● | ↑ | Lower |
| Rural/Regional councils average | 32% | -0.45% | 2.56% | | | -31.41% | | | 102.31% | 120.23% | | | |
| Rural/Regional councils – combined risk assessment | | | Lower | | | Lower | | | Lower | | | | Lower |

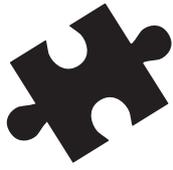
Source - Local government 2021 (Report 15: 2021–22)



Community

An informed and engaged community which supports and encourages effective partnerships to enhance the liveability of the Shire.

| Category | Strategic Priorities | Major Achievements |
|----------|--|--|
| COM1 | <p>An engaged community</p> <ul style="list-style-type: none"> Continue to assist the community to build its capacity to develop the area of arts, culture and heritage to enrich lifestyles and encourage economic development Encourage and support community organisations to enhance their sustainability Support key community events Inform and engage with the community regarding Council's operations | <ul style="list-style-type: none"> Adoption of Public Mural Trails Strategy and Action Plan under RADF program Community Management of Halls in Mt Molloy and Julatten Community Partnerships Program financial support of \$184,719 supporting the successful reintroduction of events such as Wheelbarrow Race, Multicultural Festival, Christmas in July, Savannah in the Round and Kuranda Xmas Night Markets e-newsletters Community grants portal |
| COM2 | <p>An active, safe and healthy community</p> <ul style="list-style-type: none"> Ongoing strategic planning for recreation opportunities in consultation with key stakeholders Advocate and promote community initiatives that support an active and healthy lifestyle Advocate and promote community safety and other community services | <ul style="list-style-type: none"> Community Survey regarding parks and recreation reserves Adoption of Parks and Open Spaces strategy and 3 year Action Plan Collaborating for Community Safety meeting held Community Taskforce 3 year Action Plan adopted following inaugural Mareeba Community Taskforce meeting LGAQ motions proposed calling for social and legislative reforms |
| COM3 | <p>A community being prepared and resilient to emergencies and disasters</p> <ul style="list-style-type: none"> Ensure the Local Disaster Management Plan enables Council and the community to be prepared for, mitigate, respond to, and recover from disasters Support the Local Disaster Management Group to ensure effective decision-making during disaster events Partner with community stakeholders to build community resilience for emergencies and disasters | <ul style="list-style-type: none"> DDMG, LDMG and sub group consultation Positive Covid resilience due to agriculture and primary production sector Participation in Climate Resilience program Adoption of Local Disaster Management Plan Fire mitigation strategy implemented Disaster Risk Assessment undertaken with QFES |



Community

An informed and engaged community which supports and encourages effective partnerships to enhance the liveability of the Shire.

Overview

2021/22 has been a positive year for our communities, particularly in terms of the ongoing financial support and benefits provided to community groups and not-for-profit groups. The Community Partnerships Program and the Regional Arts Development Fund have continued to financially support sporting, recreation, arts, culture and heritage projects and clubs throughout the Shire. Council endorsed a Public Mural Trails Strategy in 2021/22 which identifies locations across the Shire over the coming 3 years to improve vibrancy, tourism experience and liveability factors.

Community safety has been a highly considered point of discussion throughout the year with the first Collaborating for Community Safety meeting held to bring together stakeholders and responsible agencies for increased collaboration and to advocate for the Shire. This successful advocacy has seen the Shire provided with additional support in the way of law enforcement and additional funding and services to address community safety.

A Community Taskforce was also commenced in collaboration with the Mareeba Chamber of Commerce which saw a 3 Year Community Taskforce Action Plan implemented to continue to promote Mareeba's prosperity and wellbeing and unite the community to tackle the big community issues. The five identified priorities of this joint initiative reflect the need for community safety, improved health services, transport connectivity, attracting and retaining a skilled workforce and affordable housing. These priorities will be considered and implemented by the responsible agencies.

The announcement of the Mareeba Shire Council Parks and Open Spaces Strategy culminates significant engagement, planning, investigation and discussion across a 2 year period. The resultant 3 year Action Plan includes projects such as the Mareeba Splash Park, Mareeba Rail Trail, new Mareeba East Park, playground upgrades in Kuranda, Dimbulah and Julatten, as well as enhancements for Mareeba's Bicentennial Lakes.

The LDMG and Sub-Groups have met on numerous occasions throughout the year to ensure preparedness during times of natural disasters. The local State Emergency Services groups are funded in part by Council to provide their important role within the communities.



Bicentennial Lakes Mareeba



Transport & Council Infrastructure

The provision of quality services and infrastructure for our growing community that is planned and managed using sound asset management principles.

| Category | Strategic Priorities | Major Achievements |
|----------|---|---|
| TCI1 | <p>Sustainable infrastructure for the future</p> <ul style="list-style-type: none"> Implement, maintain and enhance Asset Management Plans Operate, maintain, upgrade, renew and review existing Council infrastructure in accordance with Long Term Asset Management Plan Maintain Council infrastructure that not only sustains industry and development, but also supports future growth of the region Where possible develop infrastructure to mitigate against future severe weather events Support and improve Council's business performance using appropriate information and communication technologies | <ul style="list-style-type: none"> Review of Long Term Asset Management Plan inclusive of the transport network Successful grant applications to renew assets Improved wastewater reticulation and treatment networks reducing reactive spend and community impact Introduction of a new works order system across all infrastructure services operational and capital projects Davies Creek Road bridge upgrade |
| TCI2 | <p>Safe and effective transport network</p> <ul style="list-style-type: none"> Deliver safe and effective transport networks Maintain and develop close and productive working relationships with relevant stakeholders Advocate for improved and enhanced connectivity through the State and Federal governments | <ul style="list-style-type: none"> Mt Molloy School pedestrian walkway Stakeholder engagement for the Mareeba Walking Network Plan Federal and State funding for Ootann Road upgrades Improvements to the Burke Development Road following ongoing advocacy |
| TCI3 | <p>Securing and managing water resources</p> <ul style="list-style-type: none"> Promote and advocate for a secure water supply to meet future needs Maintain safe and reliable drinking water supply | <ul style="list-style-type: none"> Asbestos cement (AC) pipe renewal spend of \$865,000 in 2021/22 Chillagoe reservoir and pipeline project completed |
| TCI4 | <p>Public spaces and facilities</p> <ul style="list-style-type: none"> Encourage partnerships with community, private sector and government to better utilise Council facilities and spaces Provide strategically located open spaces, parks and other facilities, to encourage active communities and support quality of life Support sporting organisations in providing opportunities for physical activity Continue to enhance the visual appeal to improve liveability and amenity of the Shire | <ul style="list-style-type: none"> Parks and Open Spaces Strategy adoption Renewal of playground and exercise equipment Park signage renewals Shire wide footpath renewals New Barron Falls Kuranda walking trail and rehabilitation of Jungle Walk and Jum Rum Trail Kuranda |



Transport & Council Infrastructure

The provision of quality services and infrastructure for our growing community that is planned and managed using sound asset management principles.

Overview

Council infrastructure, both above and below ground, are critical drivers for service delivery capability. A strong focus on asset management, with renewals and upgrades of existing assets representing a significant expenditure.

Robust data collection, condition assessments, capacity checking, safety, usability and efficiencies are key contributors to the long term asset management plan and associated long term financial plan.

Mareeba Shire Council remains very grateful for the grant funding provided by both the State and Federal Governments in 2021/22. Without these funds, a small Council such as ours would not be able to provide quality infrastructure and services to our communities.

Advocacy for improved and enhanced transport connectivity will continue into the coming years with a strong focus on Oottann Road, the remaining unsealed section of the Burke Development Road (between Almaden and Chillagoe), the Kuranda Range Road and the northern and southern bypasses to Mareeba.

Water quality and security remain in the forefront of advocacy undertakings with a focus on improved reliability and capacity for future growth.

A Parks and Open Spaces Strategy 2022-2031 has been developed to achieve Council's vision to enhance the Shire's liveability and visual appeal, and to encourage active communities and economic development. The purpose of the strategy is to ensure that public spaces are planned and managed for a growing community in a financially sustainable way, using sound asset management principles.



Wolfram Road Dimbulah Widening



Economy and Environment

A resilient economy that promotes and supports the Shire's natural assets and local industry and encourages investment while preserving and future proofing for generations to come.

| Category | Strategic Priorities | Major Achievements |
|----------|---|---|
| EAE1 | <p>Environmentally responsible and efficient waste and wastewater management</p> <ul style="list-style-type: none"> Provide cost-effective waste services to the community through appropriate infrastructure, promoting waste minimisation, collaborative partnerships and advocating for circular economy opportunities Maintain, in a sustainable manner, Council's wastewater infrastructure to minimise environmental impact | <ul style="list-style-type: none"> Approval for Buy Back Shop at Mareeba Transfer Station Increased promotion and awareness of recycling Ongoing program of relining of wastewater reticulation network and manhole replacements undertaken in Mareeba Reduced infiltration resulting in additional capacity for Mareeba Wastewater Treatment Plant |
| EAE2 | <p>A Sustainable Planning Scheme</p> <ul style="list-style-type: none"> Maintain a scheme that sustains good agricultural land as well as encouraging industry and population growth while protecting the natural environment and liveability of the region | <ul style="list-style-type: none"> Council has adhered to its Planning Scheme provisions |
| EAE3 | <p>Support and encourage sustainable industrial and commercial growth and development</p> <ul style="list-style-type: none"> Promote and expand opportunities for businesses to grow and/or establish themselves within the Shire Partner with stakeholders to encourage and support a strong and sustainable regional economy Highlight the positive attributes and benefits of Mareeba Shire to attract and retain families | <ul style="list-style-type: none"> Marketing proposal to outsource Mareeba Industrial Park (MIP) lots Sales of \$1,643,825 at MIP compared to \$261,579 in 2020/21 Ongoing private investment within the Tom Gilmore Mareeba Aviation Industrial Precinct |
| EAE4 | <p>The region's environmental assets are best managed while promoting economic wellbeing</p> <ul style="list-style-type: none"> Consider the natural environment in Council decision making Promote water quality of our region's waterways limiting impact on the Great Barrier Reef and Gulf of Carpentaria A coordinated approach to fire management and the management and control of pests, weeds and feral animals and other biosecurity threats | <ul style="list-style-type: none"> Good return on the investment of solar projects within the organisation Retain Reef Guardian member council status through ongoing participation Fire mitigation strategy implementation |

List of Acronyms can be found on Page 51



Economy and Environment

A resilient economy that promotes and supports the Shire's natural assets and local industry and encourages investment while preserving and future proofing for generations to come.

Overview

Council approved the introduction of a Buy Back Shop at the Mareeba Transfer Station in 2021/22 which was opened in August 2022. This is anticipated to provide strategic benefits to the community as well as a reduction to the waste stream. A Regional Waste Strategy is due to be released in the early part of 2023 and will largely determine the future operational practices.

Council will continue to focus on asset management practices to promote and protect the environment, particularly infrastructure assets such as water and wastewater reticulation and treatment plants. Future capacity assessments are reflective of the proactive renewals and replacements to our core networks which are providing a strong financial result in the short and long term.

Promising confidence and growth are being experienced with the level of sales and enquiries for land at the Mareeba Industrial Park. To further promote Council's industrial hub and the potential economic gains for the Shire and Region, a marketing contract was sought during 2021/22.

The Tom Gilmore Mareeba Aviation Industrial Precinct has also seen development and construction of further hangars to service the aviation needs of the Region with Mission Australia Fellowship (MAF) establishing two new large spaces.

Council's decision to invest in solar energy for nine (9) council owned facilities, is well supported not only by financial savings, but also by the level of self sufficiency (average 72%) catered for through solar power. The surplus in power generation contributed towards the power grid in 2021/22 was in excess of 50,000 Watt Hours (Wh).

A range of risk mitigation strategies and disaster preparedness is core to the operations of Council. Fire management practices including graded fire breaks, slashing and mulching, and grazing are contributing to reduced fire fuel loads.



Mareeba Waste Transfer Station



Governance

Sound decision making based on effective frameworks and clear strategic direction to achieve regulatory compliance while delivering affordable levels of identified services within the Shire.

| Category | Strategic Priorities | Major Achievements |
|----------|--|--|
| GOV1 | <p>Ethical, accountable, transparent and affordable decision making</p> <ul style="list-style-type: none"> • A governance framework that delivers sound organisational management • Complete adherence to the Local Government principles, Act and Regulations • Ensure all services are affordable to the community | <ul style="list-style-type: none"> • Three Audit Committee meetings held • One Probity Audit undertaken • Two Internal Audit projects undertaken |
| GOV2 | <p>Strong focus on compliance and enterprise risk</p> <ul style="list-style-type: none"> • Promote compliance within Council and the community • Enterprise risk management process is commonly understood across the organisation to manage risk identification • Cost effectively control identified risks • Ensure systems and practices cover the full range of Council's activities and are compliant with statutory requirements | <ul style="list-style-type: none"> • Organisation wide review of Enterprise Risk • Winner of 2021 Local Government Mutual Services (LGMS) risk excellence award • Achieved 100% compliance against QAO checklist |
| GOV3 | <p>Effective advocacy and strategic partnerships</p> <ul style="list-style-type: none"> • Maintain and develop our close and productive working relationships with relevant stakeholders, including the State and Federal Governments • Advocate Council's strategic and operational position on key issues effecting the community to other government sectors | <ul style="list-style-type: none"> • First Collaborating for Community Safety meeting held • Coordination of inaugural Mareeba Taskforce meeting • Prepared suite of advocacy documents for priority Council matters • State and Federal Government delegations and visits • Strong participation in FNQROC • LGAQ motions submitted regarding funding, community and safety |



Governance

Sound decision making based on effective frameworks and clear strategic direction to achieve regulatory compliance while delivering affordable levels of identified services within the Shire.

Overview

A range of mechanisms such as Corporate and Operational Plan progress reporting, policy reviews, Audit Committee and internal and external audit programs form the basis of Council's strong governance framework. Two internal audit projects were initiated in 2021/22 with a major focus being around cyber security and the Essential 8 IT security controls, as well as procurement practices. A probity engagement was also undertaken to ensure Council maintains the highest level of transparency and integrity for awarding of contracts and tenders.

The key priorities in Council's 5 year Corporate Plan shape the deliverables and expectations for the community and staff. The integrated and broad application of Council's Enterprise Risk was recognised by Local Government Mutual Services (LGMS) naming Mareeba Shire Council as the winner of the 2021 LGMS Risk Excellence Award at the Local Government Association of Queensland Annual Conference.

Council coordinated the inaugural Community Taskforce meeting with stakeholders across the community and various government departments and agencies to address priority community concerns within the Shire.

A range of advocacy documents have been prepared for Councillors to use when raising important issues with other levels of government. These priorities cover critical issues such as regional connectivity, community safety, communication, grant funding and water security.

Council has been actively involved in a range of delegations, local taskforce meetings, regional forums, civic receptions, hosting ministerial visits, attending teleconferences, submitting state-wide motions and attending conferences, throughout the financial year to raise awareness and address matters of importance to the communities within the Shire.



LGAQ Award Ceremony

Operational Plan

Council develops key performance measures as part of the annual Operational Plan. The table below outlines the Operational Plan projects for the 2021/22 financial year and provides an outcome for each. These projects are actionable targets that move us closer to our vision 'A growing, confident and sustainable Shire'

| Project | Outcome | Progress |
|--|---|---|
| On Hold  | In Progress  | Completed  |
| Long-term Financial Plan | <ul style="list-style-type: none"> Updated Long Term Financial plan 2021/22 was adopted 16 July 2021 Continuing to mature asset management for all asset classes. Further review of the Long Term Asset Management Plan, Long Term Financial Plan and Council's LGIP is ongoing | Completed  Completed  |
| Comprehensive Asset Revaluations <ul style="list-style-type: none"> Drainage Kerb & Channel (K&C) Water Wastewater | <ul style="list-style-type: none"> Water and Wastewater comprehensive valuation were not completed in time by contract valuer. This will be carried forward to next financial year Bridges desktop valuation finalised Drainage and K&C valuations deferred to 22/23 year | In Progress  Completed  In Progress  |
| Libraries Service Review | <ul style="list-style-type: none"> Mareeba Library continuing to successfully settle into new premises. New generalist and customer first model is in place across the branch network with new workflow efficiencies gained | Completed  |
| Technology One Enhancements | <ul style="list-style-type: none"> Transitioned core Financial and Stores functionality to CiA. Investigated adoption of CiA for Human Resources and Payroll, focusing on payroll timesheet entry. Reviewed Property and Rating CiA roadmap. Commenced planning for adoption of CiA Requests Management. Enabled public mapping via Council website. | Completed  Completed  Completed  Completed  Completed  |

| Project | Outcome | Progress |
|-------------------------------------|---|--|
| Mareeba Industrial Park Development | <ul style="list-style-type: none"> Preparation of tender documents commenced for the delivery of real estate services including marketing | Completed  |
| Mareeba Airport Industrial Precinct | <ul style="list-style-type: none"> Continuing with the development of an Investment Attraction Strategy | Completed  |
| Customer Service Standards | <ul style="list-style-type: none"> Continuing with the review and development of a customer service monitoring and reporting system | Completed  |
| ICT Strategy implementation | <ul style="list-style-type: none"> Ported telephony range to OPTUS Executed contract for Microsoft Teams Operator Connect in preparation for extended Call Centre software trial | Completed  In Progress  |
| Sustainable Workforce | <ul style="list-style-type: none"> Training programs being implemented in accordance with the approved budget and as agreed to meet the needs of emerging organisational needs | Completed  |
| Arts Connection to Tourism | <ul style="list-style-type: none"> The Public Murals Trails Strategy and Action Plan adopted Council's arts and cultural priorities of Cultural Tourism, Public Murals and Youth Engagement are embedded in the RADF Strategy and are informing the updating of the Arts and Culture Plan | Completed  Completed  |
| Community Wellbeing Strategy | <ul style="list-style-type: none"> Council assistance to Community groups review of relevant policies | In Progress  |
| Active Recreation Strategy | <ul style="list-style-type: none"> Active recreation has been incorporated into the Parks and Open Spaces Strategy Parks and Open Spaces 3 Year Action Plan adopted and has commenced | Completed  Completed  |

| Project | Outcome | Progress |
|---|---|--|
| Review Asset Management Plans across asset classes | · Ongoing data integrity review of base data sets supporting the Asset Management sub-plans | Completed  |
| | · Routine inspections of infrastructure assets continuing | Completed  |
| | · Current work on sub-management plans are in development or review for 2022/23 which will result in changes to the Long Term Financial Plan and Council's LGIP | Completed  |
| Local Government Infrastructure Plans (LGIP) Review | · Asset Management Plans reviewed and updated. | Completed  |
| | · Water and Wastewater Trunk Infrastructure reviewed and updated | Completed  |
| | · Water and Wastewater Asset Management Sub Plans and 10 Year Financial Forecast updated accordingly | Completed  |
| | · Review of LGIP | In Progress  |
| New Kuranda Cemetery | · Options assessment under consideration with preliminary layouts being developed. | Completed  |
| | · Detailed design and cost estimates undertaken | Completed  |
| | · Development Application being finalised | Completed  |
| Mareeba Cemetery | · Options assessment for future demands | On Hold  |
| Kuranda Infrastructure Program | · Kuranda Township Infrastructure Master Plan 2022-31 approved by State Government | Completed  |

| Project | Outcome | Progress |
|--|--|----------------|
| Waste Management Services Strategy | <ul style="list-style-type: none"> Continuing to ensure continuity of waste services following closure of Mareeba landfill in November 2021 | Completed ✓ |
| | <ul style="list-style-type: none"> Continuing to participate in FNQROC regional waste planning with ARUP engaged to undertake the Regional Waste Plan. | Completed ✓ |
| Economic Tourism Development | <ul style="list-style-type: none"> Continuing to develop new cultural tourism assets as public murals funded under the Regional Arts Development Fund are completed | Completed ✓ |
| | <ul style="list-style-type: none"> Community festivals and events supported by Council continue to attract self-drive visitors to the Shire | Completed ✓ |
| | <ul style="list-style-type: none"> Digital marketing of the Shire's cultural tourism assets continues | Completed ✓ |
| | <ul style="list-style-type: none"> Mareeba Community Taskforce Action Plan adopted and implementation commenced to address the big socio-economic issues in Mareeba in partnership with Mareeba Chamber of Commerce | Completed ✓ |
| Land, Pest and Fire Management Review | <ul style="list-style-type: none"> Terms of Reference for PMAC finalised. | Completed ✓ |
| | <ul style="list-style-type: none"> Continuing to participate in FNQROC NAMAC | Completed ✓ |
| Planning Scheme Review | <ul style="list-style-type: none"> Preparation of a strategy to review the Planning Scheme | Completed ✓ |
| Temporary Local Planning Instrument (TLPI) | <ul style="list-style-type: none"> Discussions between the State Department and Council continue. | Completed ✓ |
| | <ul style="list-style-type: none"> Awaiting on announcement about the FNQ Regional Plan process and how this could impact any planning scheme change that Council may make | Completed ✓ |

| Project | Outcome | Progress |
|---|--|--|
| Compliance Review | <ul style="list-style-type: none"> Work continuing to ensure Council remains fully compliant | Completed  |
| Enterprise Risk Management Portal | <ul style="list-style-type: none"> Project not proceeding in this format | Completed  |
| Advocacy policy | <ul style="list-style-type: none"> Advocacy briefs have been used effectively with State and Federal Government Briefs updated June 2022 | Completed  Completed  |
| Governance of Infrastructure Approvals Process Review | <ul style="list-style-type: none"> Waiting on completion of LGIP | On Hold  |

| Acronym | Title |
|---------|--|
| CiA | Ci Anywhere - Technology One Software |
| DDMG | District Disaster Management Group |
| FNQROC | Far North Queensland Regional Organisation of Councils |
| LDMG | Local Disaster Management Group |
| LGAQ | Local Government Association of Qld |
| LGIP | Local Government Infrastructure Plan |
| LTAMP | Long Term Asset Management Plan |
| LTFP | Long Term Financial Plan |
| NAMAC | Natural Asset Management Advisory Cmtte |
| PMAC | Pest Management Advisory Committee |
| QAO | Queensland Audit Office |
| QFES | Queensland Fire & Emergency Services |
| RADF | Regional Arts Development Fund |
| TLPI | Temporary Local Planning Instrument |
| TMR | Transport and Main Roads |

Table 8: List of Acronyms



Mt Molloy township Entrance South



Legislative Compliance

Governance

Mareeba Shire Council continues to be a responsible local government, operating in accordance with legislation and focusing on the ethical business activities and relationships between Councillors, senior management, employees, the community, government departments, business clients and other key stakeholders.

Council has a governance framework outlined below, that enhances organisational performance, whilst monitoring and maintaining compliance with legislative and other controls.

- Building awareness of organisational responsibilities and accountabilities;
- Strong financial stewardship and fiscal responsibility;
- Monitoring and maintaining compliance with legislation, policy, standards and controls;
- Integral practices, procedures and ethical decision-making with continuous improvement activities and transparent reporting; and
- Involving the community as a key stakeholder in decision-making and consultation opportunities.

Risk Management

Risk management is the identification, assessment and prioritisation of risks. It also includes the steps taken to minimise such risks. Council has an Enterprise Risk Management Policy, Framework, and Process, which guides Council to identifying risks in all aspects of Council operations. Council risk management is integrated into other governance instruments of Council to ensure identification, mitigation, and monitoring. All identified risks are annually reviewed, monitored and reported to the Audit Committee and Council.

Council has completed a review of its Enterprise Risk Management framework to ensure compliance with Risk Management Standard ISO 31000. This ensures that risk management integrates with all organisational areas. Furthermore, greater emphasis will continue to be placed on the iterative nature of risk management, drawing on recent experiences and knowledge for the revision of process elements, actions and controls at each stage of the process. Finally, Council is always looking for ways to streamline the risk management process, focusing on sustaining an open systems model that fits Council's multiple needs and contexts.

Role of Council and Elected Members

Council and its Elected Members continue to fulfil their roles and responsibilities in accordance with legislative requirements. Council is committed to effective, transparent, and accountable governance.

Section 12 of the *Local Government Act 2009* states that the role of elected members is to:

- represent the current and future interests of residents in the local government area,
- provide high-quality leadership to the Region and Council,
- participate in Council meetings, policy development, and decision making,
- ensure that the Council acts responsibly, achieves the goals set out in the Corporate Plan, and adheres to all laws that apply to local governments.

The Mayor and Elected Members perform their roles by attending and participating in Council meetings, engaging with residents within the Council area, participating in policy development and decision making processes. The Mayor has additional responsibilities to those listed above, which include chairing Council meetings, leading and advising Council's Chief Executive Officer, and representing Council at ceremonial and civic functions.

Our local government area is distributed across 53,502km², and continues to grow, named as one of the top 10 fastest growing LGAs in Queensland by the Queensland Treasury in 2019/20.

The Mayor and Elected Members are elected democratically by the community to represent the current and future interests of the residents within the entire local government area. One of the Councillors is elected as Deputy Mayor by their fellow Councillors.

The Mayor and Elected Members hold monthly Ordinary Meetings to consider and decide on strategic matters of interest to the residents of Council's local government area and Council's operation. In addition to Ordinary Meetings, Special Meetings are held when required to discuss and decide upon urgent strategic matters.

Elected Member Meeting Attendance

The below list outlines Councillor attendance at Council meetings held between 1 July 2021 and 30 June 2022. Leave was granted for all unattended meetings by Councillors.

| Councillor | Number | |
|--------------------|--------|-------------------------|
| Cr Lachlan Bensted | 15 | |
| Cr Daniel Bird | 14 | Ordinary Meetings 12 |
| Cr Kevin Davies | 15 | |
| Cr Mary Graham | 15 | Special Meetings 3 |
| Cr Mario Mlikota | 14 | |
| Cr Angela Toppin | 15 | |
| Cr Lenore Wyatt | 14 | |

Table 9: Elected Member Meeting Attendance

Elected Member Remuneration

The amount of remuneration paid to Local Government Councillors for the time and effort spent on Council business is determined by the Local Government Remuneration and Discipline Tribunal ('The Tribunal').

The Tribunal has determined that the Mareeba Shire Council is a Category 2 Council and the following annual remuneration amounts applied to Category 2 Councils during the period 1 July 2021 to 30 June 2022.

| Mayor | Deputy Mayor | Councillors |
|-----------|--------------|-------------|
| \$124,869 | \$74,923 | \$62,435 |

Table 10: Elected Member Remuneration

Elected Member Remuneration (cont)

The total remuneration paid to each Councillor and the total superannuation contribution paid on behalf of each Councillor during the pay periods falling between 1 July 2021 to 30 June 2022 is shown below in Table 11.

In addition to remuneration for time spent on Council business, Local Government Councillors are also entitled to receive reimbursement of all approved expenses incurred in undertaking their role as a Councillor. Council adopted the Councillor Remuneration, Expenses Reimbursement and Resources policy as required by section 250 of the *Local Government Regulation 2012* on 15 April 2020.

In accordance with the policy, Councillors are provided with reimbursements of expenditure for their vehicles, as well as incidental costs such as mobile phone costs and other costs related to Council business.

The total amount of remuneration and superannuation paid as well as expenses reimbursed to each Councillor during the period 1 July 2021 to 30 June 2022 is as follows:

| Councillor | Remuneration Paid | Superannuation Paid | Expenses Reimbursed |
|-----------------------------------|-------------------|---------------------|---------------------|
| Cr Lachlan Bensted | \$62,388 | \$7,486 | \$3,300 |
| Cr Daniel Bird | \$62,388 | \$6,286 | \$3,300 |
| Cr Kevin Davies (Deputy Mayor) | \$74,866 | \$8,984 | \$3,300 |
| Cr Mary Graham | \$62,388 | \$7,486 | \$3,300 |
| Cr Mario Mlikota | \$62,388 | \$7,486 | \$3,300 |
| Cr Angela Toppin (Mayor) | \$124,775 | \$14,973 | \$9,223 |
| Cr Lenore Wyatt | \$62,388 | \$7,486 | \$3,300 |

Table 11: Elected Member Remuneration Paid, Superannuation Paid and Expenses Reimbursed

Councillor Conduct Matters

The table below reflects complaints dealt with during the financial year in accordance with the Councillor conduct framework provided for under Chapter 5A of the *Local Government Act 2009*.

| Description | Number |
|--|--------|
| Orders made under section 150I(2) of the Act | Nil |
| Orders made under section 150AH(1) of the Act | Nil |
| Decisions, orders and recommendations made under section 150AR(1) of the Act | Nil |
| Complaints referred to the Independent Assessor under section 150P(2)(a) of the Act | Nil |
| Notifications made to the Crime and Corruption Commission under section 150P(3) of the Act | Nil |
| Notifications made to the Independent Assessor under section 150R(2) of the Act | Nil |
| Notifications made to the Independent Assessor under section 150S(2)(a) of the Act | Nil |
| Decisions made under sections 150W(1)(a), (b) and (e) of the Act | Nil |
| Referrals received from the Independent Assessor under section 150AC(3)(a) of the Act | Nil |
| Information provided to the Independent Assessor under section 150AF(4)(a) of the Act | Nil |
| Number of occasions Council requested another entity to investigate Councillor conduct under Chapter 5A, Part 3, Division 5 of the Act | 1 |
| Complaints referred to the Independent Assessor for which no further action was taken under section 150Y of the Act | Nil |
| Complaints referred back to Council by the Independent Assessor under section 150W(b) for investigation under section 150AF of the Act | Nil |
| Applications heard by the Councillor Conduct Tribunal | Nil |

Table 12: Councillor Conduct Matters

Administrative Action Complaints

Council is committed to dealing fairly with administrative action complaints. All complaints are processed in accordance with the provisions of the Council's adopted Administrative Action Complaints Management Policy. The objectives of the policy are to ensure that the Council has an organised process for responding to, recording, reporting and using complaints to improve service to the community.

The Complaints Management System governed by the policy aims to:

- Be fair and objective. All complaints are considered on their merits and the principles of natural justice are observed.
- Support continuous improvement. Where applicable, the outcomes from a complaints management process are applied to improve business operations, policies and procedures.
- Be open and accountable. The decisions and outcomes regarding a complaint are made available to the affected person, subject to statutory provisions.
- Be accessible and simple to understand. The process facilitates feedback from the community in a form that encourages participation.

The table below reflects Council's performance in resolving complaints during the financial year. The 2021/22 financial year experienced a 42 per cent increase in complaints carried over from the previous 2020/21 financial year. The total number of complaints lodged during the 2021/22 financial year increased by 19 per cent over the previous 2020/21 financial year. The number of complaints outstanding at the end of the 2021/22 financial year remained consistent with a carry-over of seven as at 30 June 2021.

| Description | Number |
|---|--------|
| Administrative action complaints carried over from the previous financial year | 7 |
| Administrative action complaints lodged during 2021/22 | 78 |
| Administrative action complaints resolved during 2020/21 | 78 |
| Administrative action complaints not resolved at close of the financial year | 7 |
| Administrative action complaints not resolved at close of the financial year 2020/21 which were lodged during the previous financial year 2019/20 | 0 |

Table 13: Administrative Action Complaints

Audit

Audit Committee

As a Category 2 Council, although not required under legislation to have an Audit Committee, Council has elected to appoint an Audit Committee. The Committee comprises an independent member as chairperson (Ruth Faulkner) and two Councillors (Cr Davies and Cr Graham). The independent chairperson is also responsible for probity audits. Three meetings of the Audit Committee were held during the financial year; 11 August 2021, 5 October 2021, and 1 March 2022.

Items considered by the Committee throughout the 2021/22 year were:

- Financial statements
- Audit strategy
- Internal audit plan and status
- Enterprise Risk Management
- External audit results and recommendations
- Probity audit reviews and status
- Procurement >\$200k

Internal Audit

The function of an internal audit is to provide stakeholders with a level of assurance that business processes are operating appropriately and effectively in accordance with organisational and legislative requirements. Pacifica Chartered Accountants provide internal audit services for Mareeba Shire Council.

Other internal audit services are engaged for subject specific areas such as Information Technology and Cyber Security.

Based on Council's Enterprise Risk Register Internal Audit services focuses on; risk management frameworks; governance maturity and procedure documents; external audit findings and key areas of interest/concern for the Executive Management Team.

An annual Internal Audit Plan for the 2021/22 financial year was endorsed by the Audit Committee.

Internal Audit activities undertaken in 2021/22 include:

Current 2021/22 Annual Internal Audit Plan

| No | Project | Department |
|----|--|-------------------------------|
| 1 | Assessment of Contractor Engagement practices | Infrastructure Services |
| 2 | Cybersecurity governance and risk-based mitigation | Organisation-wide and IT Unit |

Previous 2020/21 Annual Internal Audit Plan

| No | Project | Department |
|----|---------------------------------|-------------------|
| 1 | Fixed Asset Register Integrity | Organisation-wide |
| 2 | Project and Contract Management | Organisation-wide |

Table 14: Internal Audit Projects

Compliance Activities

Compliance with section 23 Public Sector Ethics Act 1994

Council's commitment to Queensland's public sector ethical principles and the local government principles is reflected in our policies, procedures and Corporate Plan. Our administrative procedures and management practices also have due regard to the ethical principles, local government principles, and Council's Code of Conduct.

The *Public-Sector Ethics Act 1994* requires that the Annual Report of each public-sector entity (which includes a Local Government) must include an implementation statement giving details of the action taken during the reporting period to comply with those sections of the Act relating to the preparation of codes of conduct and access to, and education and training in, the ethics principles and public-sector ethics.

The four (4) ethics principles are:

- Integrity and impartiality;
- Promoting the public good;
- Commitment to the system of government; and
- Accountability and transparency.

Council's Employee Code of Conduct is compliant with current legislation, in particular, the ethics principles outlined above. Refresher training is provided to all employees.

Education and training in relation to the ethics principles and the Code of Conduct are included as part of the induction process for all new employees and topics covered by this training include:

- The operation of the *Public Sector Ethics Act 1994*
- The application of ethics principles and obligations
- The contents of the Code of Conduct
- The rights and obligations of employees in relation to a contravention of the Code of Conduct

Education and training have been provided to new employees, contractors, volunteers and students on work experience.

Copies of the ethics principles and Code of Conduct are provided at each workplace for access by Council staff. Any person, other than Council staff, can obtain access to, or purchase a copy of, the Code of Conduct at any of the Council's administration offices.

The administrative procedures and management practices of the Council have regard to the ethics obligations of public officials and the Council's Code of Conduct and all employees are required to act in ways which give a commitment to a high standard of ethics and which ensure the highest standards of public administration.

Registers kept by Council

Council's registers provide a source of truth for various subject matters and help ensure efficient, effective, and transparent governance processes. Council kept the following registers during the 2021/22 year:

- Register of Members Interests
- Register of Councillor Conduct
- Register of Delegations by Council
- Register of Roads
- Register of Assets
- Register of Cost Recovery Fees
- Register of Delegations by the Chief Executive Officer
- Register of Local Laws and Subordinate Local Laws
- Register of Lands
- Register of Policies
- Cemetery Register
- Impounding Register
- Gifts and Benefits Register
- Register of On-site Sewerage Facilities

Changes to Tender

There were two (2) occasions during the year where persons who submitted a tender were invited to change their tender to take account of a change in the tender specification prior to Council making a decision under section 228(7) of the *Local Government Regulation 2012*.

Overseas Travel

No overseas travel was undertaken during the 2021/22 financial year by Councillors or staff.

Senior (Executive) Management Remuneration

The below table shows the range of remuneration (excluding superannuation) for the 12 month period from 1 July 2021 to 30 June 2022 provided to Council's senior management staff.

The total remuneration payable (excluding superannuation) in 2021/22 to senior management was \$883,240.

| Package Range | FTE |
|-----------------------|-----|
| \$300,000 - \$399,000 | 1 |
| \$200,000 - \$299,000 | 2 |

Table 15: Senior (Executive) Management Remuneration

Special Rates and Charges

Council did not, during the year, take any action in relation to, or expend funds on, a service, facility or activity, under section 190(d) of the *Local Government Regulation 2012*:

- supplied by another local government under an agreement for conducting a joint government activity; and
- for which the local government levied special rates or charges for the financial year.

Concessions for Rates and Charges

The Rate Rebate and Remission Policy sets out Council policy, as per annual budget resolution, in relation to the granting of rebates and remissions on rates and charges.

The *Local Government Regulation 2012* - Chapter 4, Part 10 Concessions, gives local governments the power to grant concessions for rates and charges.

A concession may only be of the following types:

- a. a rebate of all or part of the rates or charges
- b. an agreement to defer payment of the rates or charges
- c. an agreement to accept a transfer of unencumbered land in full or part payment of the rates or charges

A concession may only be granted by resolution of the Council and for the Mareeba Shire Council, this is done as part of the annual budget adoption process and also noted in the adopted Revenue Statement.

Non-Current Assets as an Expense

There were no resolutions made during the year under section 206(2) of the *Local Government Regulation 2012* (setting an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense). It has previously been determined that the threshold for capitalisation of asset classes other than land is \$5,000.

Conduct of Business Activities

Application of Code of Competitive Conduct

The following business activities were conducted by Council during the 2021/22 financial year:

- Water Supply
- Sewerage
- Waste Management
- Soil Laboratory
- Building Certification

The *Local Government Act 2009* (s 45 (b)) requires that a Council's Annual Report must identify the business activities that are a significant business activity. Significant business activity does not include a roads activity, or an activity related to the provision of library services. All significant business activities have had the Competitive Neutrality Principles applied. The *Local Government Regulation 2012* (s19) identifies the following expenditure thresholds for significant business activities:

- 10,000 or more premises being connected to water service for the provision of combined water and sewerage services
- \$9.7 million for another business activity

The Regulation also provides that a Local Government must use the financial information for the previous financial year that was presented to the Local Government's budget meeting to identify each new significant business activity for the financial year. None of the Council's business activities exceeded the threshold for a significant business activity for the 2021/22 financial year. The business activities listed above were also conducted by Council in the previous financial year (2020/21), and there were no new business activities commenced in 2021/22.

Competitive Neutrality Complaints

During the 2021/22 financial year Council was not in receipt of any competitive neutrality complaints. During the same period, Council was not in receipt of any Queensland Productivity Commission notices of investigations, nor any Queensland Productivity Commission recommendations on any competitive neutrality complaints.

Procurement

Council procurement is governed by the *Local Government Act 2009*, the *Local Government Regulation 2012*, and Council's own Procurement Policy and associated procedures.

As set out in section 104(3) of the *Local Government Act 2009*, Council employees must have regard for the sound contracting principles, when conducting procurement activities. These principles are:

1. value for money;
2. open and effective competition;
3. the development of competitive local business and industry;
4. environmental protection; and
5. ethical behaviour and fair dealing.

Council is required to publicly tender work that has an expected value of more than \$200,000. Council is not required to publicly tender work of more than \$200,000 where there is an exemption. Exemptions include the use of Localbuy, Council's registers of pre-qualified suppliers, and sole suppliers.

Council maintains a register of pre-qualified suppliers. Suppliers on the register were appointed through a public tender process conducted in 2021/22. Council has also endorsed a list of sole suppliers. To be considered a sole supplier, Council must be satisfied that the supplier is the only supplier who is reasonably available to Council.

During the 2021/22 financial year Council moved all public tenders and some of its quotation processes to a new online portal, Vendorpanel. Vendorpanel provides a single, streamlined process for suppliers to upload their insurances, licenses, and other details. It also improves Council's governance with regard to supplier compliance requirements.

Major Construction Contracts Awarded (>\$200,000)

Council values economic development in our Region and aims to support local businesses whenever possible. The table below shows the total number of major construction contracts awarded (>\$200,000) and provides a breakdown of those contracts by the geographical location of the supplier.

| Supplier location | Number |
|---|--------|
| Contracts awarded to suppliers within Council's local government area | 6 |
| Contracts awarded to suppliers within Far North Queensland | 6 |
| Contracts awarded to suppliers outside of Far North Queensland | 7 |
| Contracts awarded to interstate suppliers | 0 |

Table 16: Major Construction Contracts Awarded

Sewer Main Upgrade Mareeba



Emerald Creek Falls, Mareeba | Photo Credit: Tourism and Events Qld





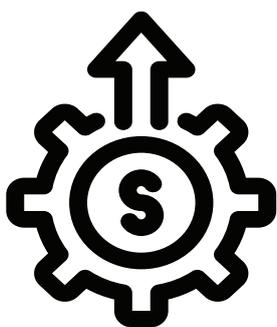
Community Financial Report

Financial Summary

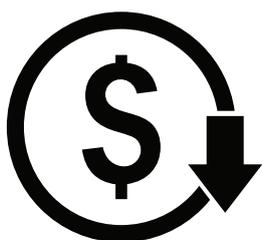
Council's Financial Statements were completed within the statutory timeframe set out in the *Local Government Act 2009* and the *Local Government Regulation 2012*. The audit report was unqualified.

The Community Financial Report is produced to enable members of the community to gain a better understanding of our financial performance and position over the last financial year. The report uses plain language and pictorial aids such as graphs and tables to give all interested readers and stakeholders an easy to follow summary of the financial statements.

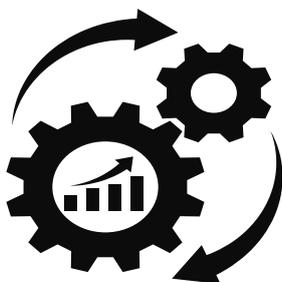
During the 2021/22 financial year, Council has:



Continued to achieve a sound financial position resulting in a consolidated operating surplus of \$9.2 million, which continues to lay the foundation of Council's promising long-term financial sustainability.



Continued to sustain relatively low debt of \$7.3 million at year-end.



Council continues to enhance and implement its Asset Management Plan in order to facilitate sound strategic asset management decisions.

About the Financial Report

This section of the report provides the Community Financial Report in accordance with the requirements of section 179 of the *Local Government Regulation 2012* and focuses on the below:

Statement of comprehensive income:

Shows how Council performed during the year. The statement displays Council's revenue and expenses, and the associated profit or loss amount. This profit or loss amount is known as the net result.

Statement of financial position:

Shows Council's assets (what we own), liabilities (what we owe), and community equity (our net worth). Community equity is calculated by subtracting the total liabilities from the total assets. Assets exceeding liabilities indicates a good financial position.

Statement of changes in equity:

Presents a summary of transfers to and from community equity accounts, including retained earnings and asset revaluation surplus.

Statement of cash flows:

Reports how revenue is received, and expenses paid, effecting Council's cash balances.

Long-term measures of financial sustainability:

Presents three sustainability indicators that have been set by the Department of State Development, Infrastructure, Local Government and Planning. These indicators monitor the long-term sustainability of Councils across Queensland.

Statement of Comprehensive Income

The Statement of Comprehensive Income (often referred to as the Profit and Loss Statement) shows the details of Council's operating and capital income and expenses for a specified reporting period. Income minus expenses result in either a profit or loss amount known as the net result.

A summary of the Statement of Comprehensive Income for the year ended 30 June 2022 is shown in the table below:

| Summary of Statement of Comprehensive Income | 2021/22 AMOUNT \$(000) | 2020/21 AMOUNT \$(000) |
|--|------------------------------|------------------------------|
| Operating Revenue | \$62,486 | \$54,620 |
| Less: Operating Expenses | (\$53,327) | (\$47,111) |
| Operating Result | \$9,159 | \$7,509 |
| Plus: Capital Income | \$14,419 | \$11,655 |
| Less: Capital Expenses | (\$2,227) | (\$590) |
| Net Result* | \$21,351 | \$18,574 |

Table 17: Summary of Statement of Comprehensive Income

***The Net Result does not represent surplus cash funds available.**

A substantial portion of income items are restricted to specific use and are not available for general use - for example, Benefited Area income and legislative provisions. In addition, capital grants are allocated as funding to maintain or expand Council's infrastructure and cannot be used for operational purposes.

Operating Result

Council's operating position reflects the ability to meet running costs using operating revenue. This includes Council's ability to fund future acquisition and replacement of assets. Operating position is calculated by subtracting operating expense from operating revenue. This calculation does not include revenue or expenses for capital items.

| Statement of Comprehensive Income | 2021/22 AMOUNT \$(000) | 2020/21 AMOUNT \$(000) |
|--|------------------------------|------------------------------|
| OPERATING REVENUE | | |
| Rates & Utility Charges (Net of discount and remissions) | \$35,177 | \$32,400 |
| Fees & Charges | \$1,601 | \$1,608 |
| Operating Grants, Subsidies & Contributions | \$16,083 | \$12,030 |
| Sales & Services Revenue | \$6,691 | \$6,052 |
| Interest - Investment & Rates | \$483 | \$525 |
| Other Revenue | \$2,450 | \$2,005 |
| TOTAL OPERATING REVENUE | \$62,485 | \$54,620 |
| OPERATING EXPENDITURE | | |
| Employee benefits | \$18,460 | \$17,765 |
| Materials and services | \$23,051 | \$17,951 |
| Finance costs | \$306 | \$312 |
| Depreciation and amortisation | \$11,509 | \$11,083 |
| TOTAL OPERATING EXPENDITURE | \$53,326 | \$47,111 |
| OPERATING RESULT | \$9,159 | \$7,509 |

Table 18: Statement of Comprehensive Income

Operating Revenue and Expenditure

Council's consolidated operating position for the year ended 30 June 2022 is a surplus of \$9,159,842. The large surplus is due to Council receiving an early payment of \$6,658,537 for the Financial Assistance Grant for 2022/23 in April 2022 with the remaining balance being allocated for asset management and reserves for future projects. Depreciation also has a significant effect on Council's operating result. Accounting depreciation and amortisation of \$11,508,703 has been expensed to account for the use or deterioration of community assets over the expected life of each asset.

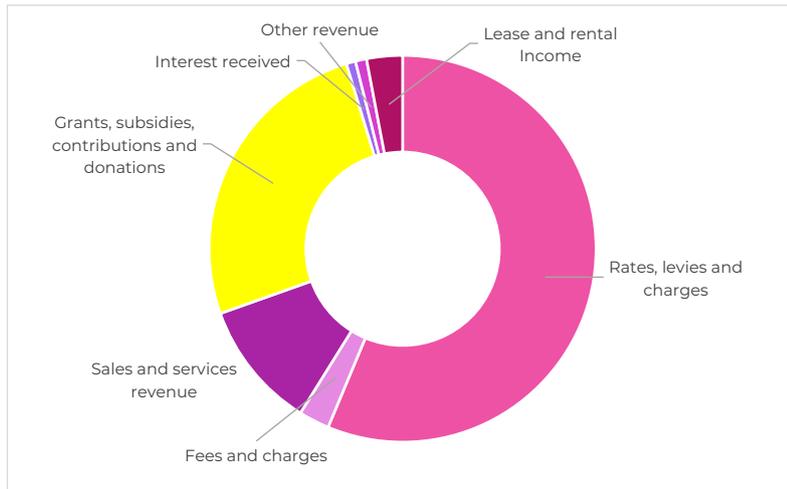


Figure 9: Operating Revenue

Council received \$62,486,426 of operating revenue during 2021/22. The major source of revenue received was from Rates and Charges providing \$35,177,018 (56%) of revenue. The second major source of revenue was from grants, subsidies, contributions, and donations providing \$16,083,458 (26%) of revenue. The remaining operating revenue for Council is sourced from fees and charges, rental income, interest revenue and other income such as sales and services revenue.

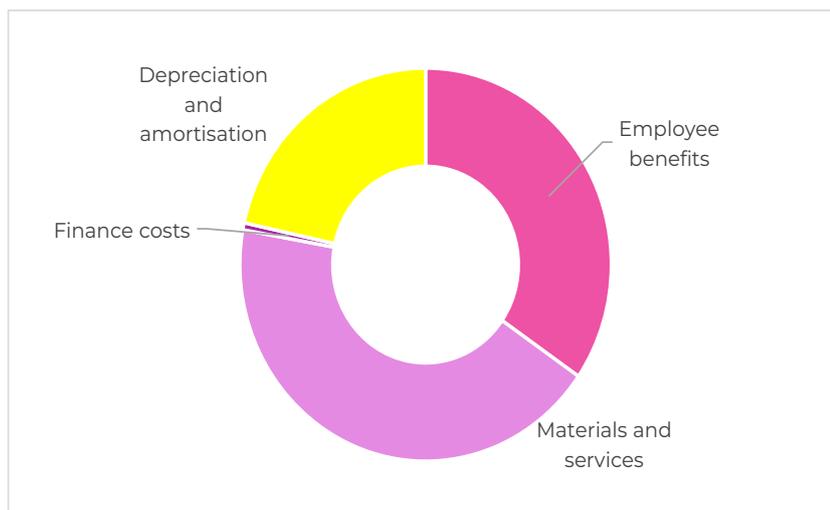


Figure 10: Operating Expenses

Council's operating expenses for the 2021/22 financial year totalled \$53,326,584. The major expenses were materials and services of \$23,051,089 (43%), employee benefits of \$18,460,533 (35%), depreciation and amortisation of \$11,508,703 (22%) and finance costs of \$306,259 (1%).

Net Result

Council's net result is calculated by subtracting total revenue (operating and capital) from total expenses (operating and capital). This does not include any adjustments for asset revaluations. The net result for 2021/22 includes the following major items:

- \$14,302,219 of capital grants, subsidies, contributions and donations received from various Government agencies to assist with providing capital infrastructure. Of this, \$4,583,373 has been recorded as contributed assets which are non-cash revenue.
- \$2,110,799 of capital expenses which predominantly represents the value of assets replaced or disposed of throughout the year.

Other Comprehensive Income

Council undertook a desktop valuation on Bridges and indexed all other asset classes (except Plant and Fleet) to record fair value as at 30 June 2022. This resulted in an increase in Council's asset base of \$36,189,983

Capital Expenditure

Key capital works completed during the year include:

- \$1.2 million in Shire-wide reseal and asphalt program
- \$1.5 million for Chillagoe Bore and Water main construction
- \$2 million for Shire-wide water pipe replacements
- \$825,000 for Mason Street Mareeba sewer main upgrade

Statement of Financial Position

The Statement of Financial Position (more commonly known as the Balance Sheet) displays a 'snapshot' of assets and liabilities at a specified reporting date.

This statement measures what Council owns (assets) and what Council owes (liabilities). The difference between these two components is the net wealth (equity) of Council and our community, referred to as Community Equity.

Each heading in the Statement of Financial Position is separated into detailed subheadings which are cross-referenced to Notes in the Financial Statements to provide further explanations.

Assets

Assets are what Council owns. Council's assets can be divided into current assets and non-current assets, based on the liquidity.

Current assets consist of cash and cash equivalents, trade and other receivables, lease receivables, inventories, and other financial assets. Non-current assets consist of property, plant and equipment, intangibles, and other financial assets.

Council's assets as at 30 June 2022 total \$730,738,734. This includes \$91,025,990 of current assets (liquid assets or amounts due to be received within twelve months) and \$639,712,744 of non-current assets. The most significant component of Council assets are property, plant and equipment, which are reported at \$639,075,404 or 87% of total assets.

During the year, a desktop valuation was undertaken which resulted in Council's asset base increasing by \$36,189,983, however this does not have a corresponding increase in cash to Council.

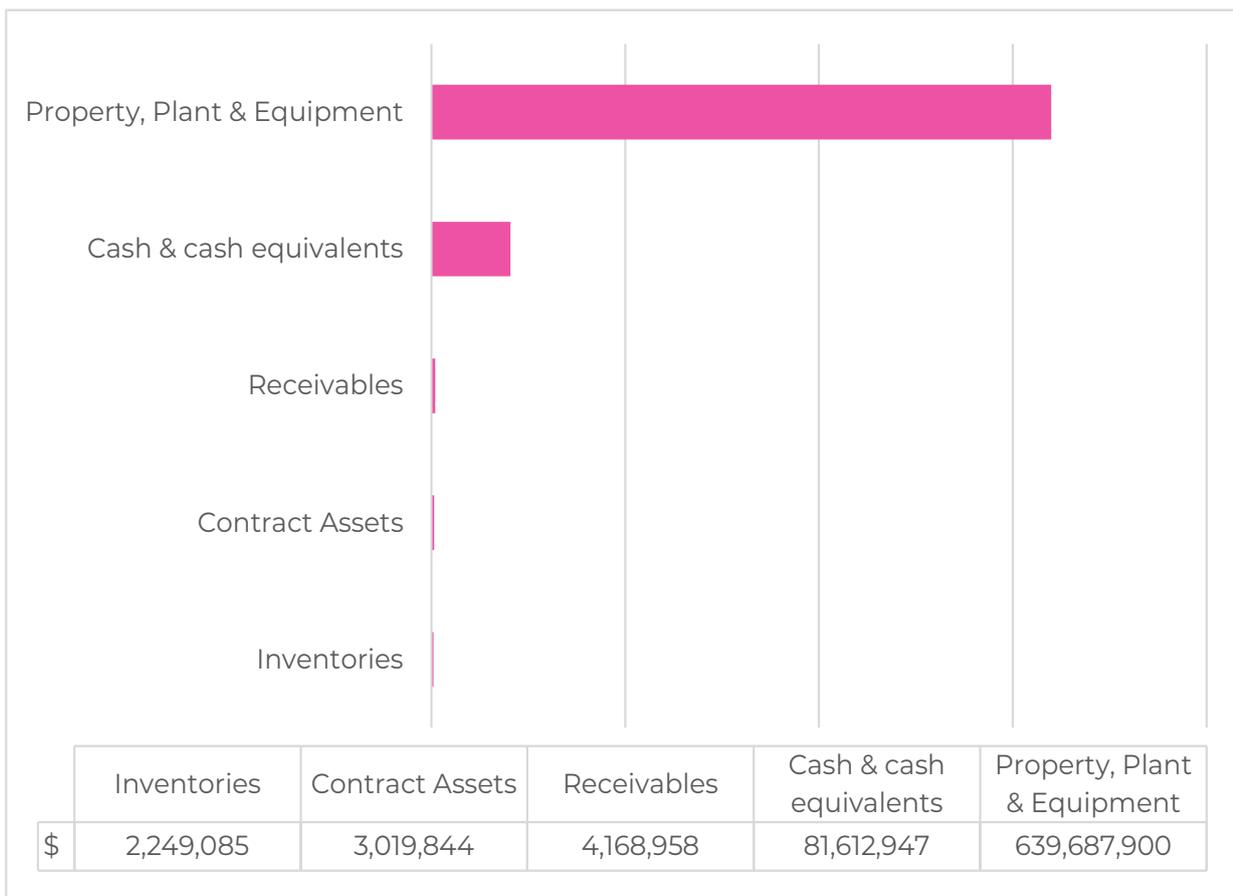


Table 19: What Council Owns

Liabilities

Liabilities are what Council owes. Council's liabilities include loans, amounts owed to suppliers, amounts owed to employees for leave entitlements, and provision for future expenditure such as landfill restoration costs.

Council's total liabilities were \$27,433,655 as at 30 June 2022. This includes \$15,030,837 of current liabilities and \$12,402,818 of non-current liabilities. Council's current liabilities are due to be paid out within twelve months.

New accounting standards in effect from 1 July 2019 brought a liability for grant funding received but not yet expended onto the balance sheet.

Borrowings consist of a loan from Queensland Treasury Corporation (QTC). Council's borrowings are discussed further in the Queensland Treasury Debt section over the page.

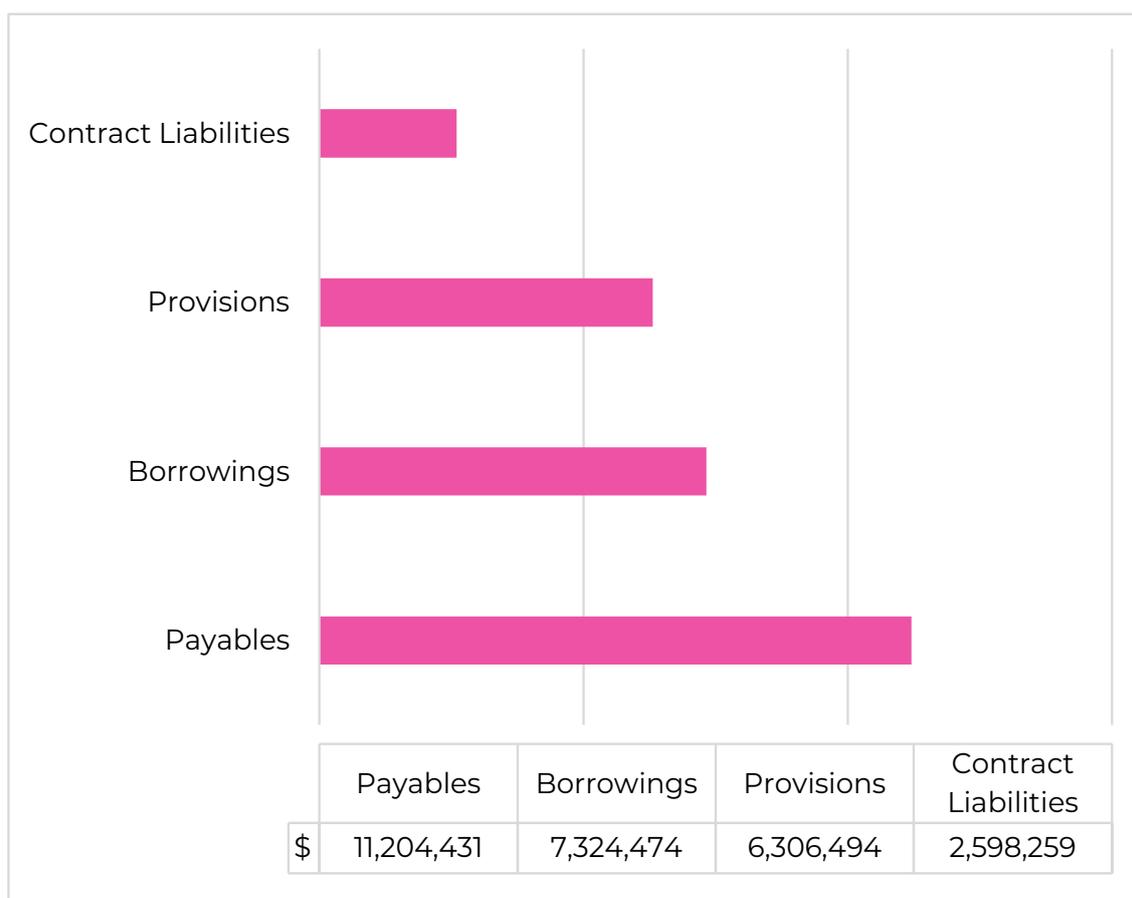


Table 20: What Council Owes

Queensland Treasury Debt

Queensland Treasury Corporation is the State Government owned lending agency that provides financing to local government and state agencies within Queensland for infrastructure projects.

Council did not undertake any new borrowings from the Queensland Treasury Corporation in the 2021/22 financial year.

As at 30 June 2022 the loan balance totalled \$7,246,084. Payments of this debt are conducted via quarterly principal payments and interest payments. These payments are made in accordance with the terms and conditions set by the Queensland Treasury Corporation.

Statement of Changes in Equity

The difference between assets and liabilities is the total community equity or the net wealth of the Council. The Statement of Changes in Equity shows the overall change in Council's "net wealth" over the year. As at 30 June 2022, Council's net wealth was \$703 million. This community equity consists of an asset revaluation reserve and retained surpluses which increased by \$36 million and \$21.3 million respectively this year. The asset revaluation surplus comprises amounts representing the change in the value of Council's assets over time.

Council's retained surplus represents amounts available to be invested into assets (now or in the future) to provide services to the community. These surpluses can be used should unforeseen financial shocks or adverse changes to the business that occur in the future.

Statement of Cashflow

The Statement of Cashflow measures the inflow and outflow of cash during the reporting period. The statement is categorised into three groups;

- **Operating activities** - are normal day to day functions of Council. This would include receipts such as rates, fees and charges, interest received on investments and payments of employee wages, materials and services.
- **Investing activities** - including capital grants for the purchase and construction of property, plant and equipment and proceeds from the sale of assets, including term deposits.
- **Financing activities** - are repayments of loans, as well as the inflows from new loans drawn down in the year (if any).

| Statement of Cashflow | 2021/22 AMOUNT \$(000) | 2020/21 AMOUNT \$(000) |
|---|------------------------------|------------------------------|
| Opening Balance - 1 July 2021 | \$58,667 | \$50,074 |
| Plus: Cash inflow/(outflow) from operating activities | \$24,205 | \$17,883 |
| Cash inflow/(outflow) from investing activities | (\$10,860) | (\$8,904) |
| Cash inflow/(outflow) from financing activities | (\$399) | (\$386) |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | \$71,613 | \$58,667 |

Table 21: Statement of Cash Flow

Cash at the end of the year was \$72 million, which is represented as cash and cash equivalents in the Statement of Financial Position.

The cash held by Council represents future commitments of Council for items such as:

- provisions for staff leave entitlements
- asset renewals
- grant expenditure
- future projects already committed

Financial Sustainability Ratios

Financial sustainability measures indicate whether Council is operating in a financially sustainable manner based on ratios and benchmarks set out by the Department of Local Government, Racing and Multicultural Affairs. As shown in the following Table 22, for 2021/22 Council is within range for all of the three financial sustainability ratios.

In accordance with section 178 of the *Local Government Regulation 2012*, Council tracks three measures of financial sustainability. These measures are:

Operating surplus ratio: indicates the extent to which revenues raised cover operational expenses only, or are available for capital funding.

Asset sustainability ratio: approximates the extent to which infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.

Net financial liabilities ratio: indicates the extent to which the net financial liabilities of Council can be serviced by its operating revenues.

The target range for the financial ratios is set in accordance with Department of Infrastructure, Local Government and Planning Financial Management (Sustainability) Guideline 2013.

Forecast ratios for the next nine years are included in the Long-term Financial Sustainability Statement in the Financial Statements included in this report.

Financial Sustainability Ratios

| Ratio | Description | Actual Result | Target | Target Met |
|--|---|---------------|---------|-------------------------------------|
| Operating surplus ratio | This is an indicator of the extent to which revenue raised covers operational expenses only or are available for capital funding purposes. The higher the ratio the better. | 14.63% | 0 - 10% | <input checked="" type="checkbox"/> |
| Net financial liabilities ratio | <p>This is an indicator of the extent to which the net financial liabilities of a Council can be serviced by its operating revenues.</p> <p>A ratio less than zero (negative) indicates that the current assets exceed total liabilities and therefore Council appears to have the capacity to increase its loan borrowings, should it decide to do so. The lower the percentage the better.</p> | -101.77% | <=60% | <input checked="" type="checkbox"/> |
| Asset sustainability ratio | <p>This is an approximation of the extent to which the assets managed by Council are being replaced as these reach the end of their useful lives.</p> <p>Depreciation expense is compared to the renewal's expenditure (replacing assets that Council already has) and is an indicator of the extent to which the assets are being replaced.</p> <p>This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate that its overall portfolio of assets is wearing out.</p> | 176.0% | >90% | <input checked="" type="checkbox"/> |

Table 22: Financial Sustainability Ratios

Financial Statements



Financial Statements

For the year ended 30 June 2022

Mareeba Shire Council

Financial statements

For the year ended 30 June 2022

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Mareeba Shire Council
Statement of Comprehensive Income
For the year ended 30 June 2022

| | 2022 | 2021 |
|--|---------------------|---------------------|
| Note | \$ | \$ |
| Income | | |
| Revenue | | |
| Recurrent revenue | | |
| Rates, levies and charges | 35,177,018 | 32,399,909 |
| Fees and charges | 1,601,161 | 1,607,581 |
| Sales and services revenue | 6,691,347 | 6,051,639 |
| Grants, subsidies, contributions and donations | 16,083,458 | 12,030,577 |
| Total recurrent revenue | 59,552,984 | 52,089,706 |
| Capital revenue | | |
| Grants, subsidies, contributions and donations | 14,302,219 | 11,518,616 |
| Total capital revenue | 14,302,219 | 11,518,616 |
| Interest received | 482,870 | 525,210 |
| Other revenue | 578,646 | 362,178 |
| Lease and rental Income | 1,871,926 | 1,642,623 |
| Capital Income | 116,517 | 135,932 |
| Total income | 76,905,162 | 66,274,265 |
| Expenses | | |
| Recurrent expenses | | |
| Employee benefits | (18,460,533) | (17,765,092) |
| Materials and services | (23,051,089) | (17,951,467) |
| Finance costs | (306,259) | (311,775) |
| Depreciation and amortisation | | |
| Property, plant and equipment | (11,371,738) | (10,936,418) |
| Intangible assets | (136,965) | (146,647) |
| | (53,326,584) | (47,111,399) |
| Capital expenses | (2,227,316) | (589,841) |
| Total expenses | (55,553,900) | (47,701,240) |
| Net result | 21,351,262 | 18,573,025 |
| Other comprehensive income | | |
| Items that will not be reclassified to net result | | |
| Increase in asset revaluation surplus | 36,189,983 | 13,044,680 |
| Total other comprehensive income | 36,189,983 | 13,044,680 |
| Total comprehensive income for the year | 57,541,245 | 31,617,705 |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

Mareeba Shire Council
Statement of Financial Position
as at 30 June 2022

| | 2022 | 2021 |
|--------------------------------------|--------------------|--------------------|
| Note | \$ | \$ |
| Current assets | | |
| Cash and cash equivalents | 10 71,612,947 | 58,667,167 |
| Short term investments | 11 10,000,000 | 5,000,000 |
| Trade and other receivables | 12 4,144,114 | 4,845,845 |
| Contract assets | 18 3,019,844 | 3,410,124 |
| Inventories | 13 2,249,085 | 2,470,760 |
| Total current assets | <u>91,025,990</u> | <u>74,393,896</u> |
| Non-current assets | | |
| Trade and other receivables | 12 24,844 | 28,969 |
| Property, plant and equipment | 14 639,075,404 | 596,148,819 |
| Intangible assets | 15 612,496 | 724,731 |
| Total non-current assets | <u>639,712,744</u> | <u>596,902,519</u> |
| Total assets | <u>730,738,734</u> | <u>671,296,415</u> |
| Current liabilities | | |
| Trade and other payables | 17 8,037,888 | 7,378,322 |
| Contract liabilities | 18 2,598,259 | 1,328,516 |
| Borrowings | 19 418,097 | 406,875 |
| Provisions | 20 3,976,594 | 4,028,910 |
| Total current liabilities | <u>15,030,837</u> | <u>13,142,623</u> |
| Non-current liabilities | | |
| Trade and other payables | 17 3,166,543 | 2,589,258 |
| Borrowings | 19 6,906,377 | 7,317,100 |
| Provisions | 20 2,329,900 | 2,483,600 |
| Total non-current liabilities | <u>12,402,818</u> | <u>12,389,958</u> |
| Total liabilities | <u>27,433,655</u> | <u>25,532,581</u> |
| Net community assets | <u>703,305,078</u> | <u>645,763,833</u> |
| Community equity | | |
| Retained surplus | 503,615,214 | 482,263,952 |
| Asset revaluation surplus | 199,689,864 | 163,499,881 |
| Total community equity | <u>703,305,078</u> | <u>645,763,833</u> |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

Mareeba Shire Council
Statement of Changes in Equity
For the year ended 30 June 2022

| | Asset revaluation surplus | Retained surplus | Total |
|--|---------------------------------|------------------|-------------|
| Note | \$ | \$ | \$ |
| Balance as at 1 July 2021 | 163,499,881 | 482,263,952 | 645,763,833 |
| Net result | - | 21,351,262 | 21,351,262 |
| Increase in asset revaluation surplus | 36,189,983 | - | 36,189,983 |
| Total comprehensive income for the year | 36,189,983 | 21,351,262 | 57,541,245 |
| Balance as at 30 June 2022 | 199,689,864 | 503,615,214 | 703,305,078 |
| Balance as at 1 July 2020 | 150,455,201 | 463,690,927 | 614,146,128 |
| Net result | - | 18,573,025 | 18,573,025 |
| Increase in asset revaluation surplus | 13,044,680 | - | 13,044,680 |
| Total comprehensive income for the year | 13,044,680 | 18,573,025 | 31,617,705 |
| Balance as at 30 June 2021 | 163,499,881 | 482,263,952 | 645,763,833 |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

Mareeba Shire Council
Statement of Cash Flows
For the year ended 30 June 2022

| Note | 2022 \$ | 2021 \$ |
|---|-----------------------------|--------------------|
| Cash flows from operating activities | | |
| Receipts from customers | 46,007,350 | 40,229,940 |
| Payments to suppliers and employees | (39,686,472) | (34,596,493) |
| | <u>6,320,878</u> | <u>5,633,447</u> |
| Interest received | 407,903 | 497,004 |
| Recurrent grants and contributions | 17,743,481 | 12,030,577 |
| Borrowing costs | (267,070) | (278,097) |
| Net cash inflow (outflow) from operating activities | <u>27</u> <u>24,205,192</u> | <u>17,882,931</u> |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment | (21,266,958) | (25,629,640) |
| Payments for intangible assets | (24,730) | (216,177) |
| Proceeds from sale of property, plant and equipment | 1,534,417 | 149,896 |
| Grants, subsidies, contributions and donations | 13,897,362 | 11,291,744 |
| Proceeds from / (payments for) short-term investments | (5,000,000) | 5,500,000 |
| Net cash inflow (outflow) from investing activities | <u>(10,859,909)</u> | <u>(8,904,177)</u> |
| Cash flows from financing activities | | |
| Repayment of borrowings | (373,871) | (361,756) |
| Repayments made on other loans | (25,630) | (23,813) |
| Net cash inflow (outflow) from financing activities | <u>(399,501)</u> | <u>(385,568)</u> |
| Net increase (decrease) in cash and cash equivalent held | <u>12,945,784</u> | <u>8,593,186</u> |
| Cash and cash equivalents at the beginning of the financial year | <u>58,667,167</u> | <u>50,073,982</u> |
| Cash and cash equivalents at the end of the financial year | <u>10</u> <u>71,612,947</u> | <u>58,667,167</u> |

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

Mareeba Shire Council

Notes to the financial statements

For the year ended 30 June 2022

1 Information about these financial statements

1.A Basis of preparation

Mareeba Shire Council ("Council") is constituted under the *Queensland Local Government Act 2009* and is domiciled in Australia. These general purpose financial statements are for the period 1 July 2021 to 30 June 2022. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and these financial statements complies with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment which are measured at fair value.

1.B Recurrent/capital classification

Revenue and expenditure are presented as "recurrent" or "capital" in the Statement of Comprehensive Income on the following basis: Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

The following transactions are classified as either "capital income" or "capital expenses" depending on whether they result in accounting gains or losses:

- disposal of non-current assets
- discount rate adjustments to restoration provisions
- revaluations of property, plant and equipment (Note 14(a))

1.C New and revised Accounting Standards adopted during the year

Council has adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2021, none of the standards had a material impact on reported position, performance and cash flows.

1.D Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not yet effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a material impact for Council then further information has been provided in this note. The standards are not expected to have a material impact for Council.

1.E Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

Revenue - Note 3

Valuation, impairment and depreciation of property, plant and equipment - Note 14

Provisions - Note 20

Contingent liabilities - Note 23

Financial instruments and financial risk management - Note 29

1.F Rounding and comparatives

The financial statements are in Australian dollars that have been rounded to the nearest \$1, unless otherwise stated. Council uses the Australian dollar as its functional currency and its presentation currency. Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard. Comparative information is presented on the same basis as prior year.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

1.G Volunteer Services

Council utilises volunteers in the following services:

- Kuranda Visitor Information Centre
- Mareeba Library Service
- Advisory Committees to Council
 - Regional Arts Development Fund
 - Kuranda Infrastructure Advisory Committee
 - Multicultural Festival
 - Great Wheelbarrow Race

Council's volunteers perform a range of unpaid activities. Their contributions to Council would not have been purchased if they had not been donated, hence their contributions cannot be readily identifiable and measured at fair value as they cannot be reliably measured.

1.H Taxation

Council is exempt from income tax, however Council is subject to Fringe Benefits Tax and Goods and Services Tax ('GST') and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

1.I COVID-19

Council's operations for the year ended 30 June 2022 have not been materially impacted by the COVID-19 pandemic. No additional measures were undertaken during the year.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

2 Analysis of results by function

(a) Components of Council functions

The activities relating to the Council's components reported on in Note 2(b) are as follows:

Governance and corporate services

The objective of governance and corporate services is for Council to be open, accountable, transparent, and to deliver value for money on community outcomes, provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

The Mayor, Councillors and Chief Executive Officer are included in governance.

The corporate services function includes: finance, information services, record management and human resources. Roles within this function include budget support, financial accounting, customer service and information technology services.

Community services

The goal of community services is to ensure Council is a healthy, vibrant, contemporary and connected community. Community services provide well managed and maintained community facilities, and ensure the effective delivery of cultural, health, welfare, environmental, recreational services and the promotion of tourism.

This function includes:

- Libraries
- Environmental licences and approvals.

Planning and development

This function facilitates the Shire's growth and prosperity through well planned and quality development. The objective of planning and development is to ensure the Mareeba Shire Council is well designed, efficient and facilitates growth yet also preserves the character and natural environment of the Shire. This function includes activities and services related to neighbourhood and regional planning, and management of development approval processes.

Works infrastructure

The objective of the works infrastructure program is to ensure the community is serviced by a quality and effective road network. This function provides and maintains transport infrastructure, including the maintenance and provision of the drainage network and provides maintenance for all parks and gardens.

Waste management

The goal of this function is to protect and support our community and natural environment by sustainably managing refuse. This function provides refuse collection and disposal services.

Water infrastructure

The goal of this program is to support a healthy, safe community through sustainable water services. This function includes all activities relating to water.

Sewerage infrastructure

This function protects and supports the health of our community by sustainably managing sewerage infrastructure.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

2 Analysis of results by function

(b) Income and expenses defined between recurring and capital are attributed to the following functions:

| Functions | Year ended 30 June 2022 | | | | | | | | | | |
|-----------------------------------|-------------------------|-------------------|-------------------|------------------|------------------------|---------------------|--------------------|---------------------|--------------------------------------|-------------------|--------------------|
| | Gross program income | | | Total income | Gross program expenses | | | Total expenses | Net result from recurrent operations | Net Result | Assets |
| | Recurrent | | Capital | | Recurrent | | Capital | | | | |
| | Grants | Other | Grants | Other | Other | Grants | Other | Capital | | | |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Governance and corporate services | 10,971,783 | 17,889,963 | 166,080 | 123,042 | 29,150,868 | (6,596,120) | 238,609 | (6,357,511) | 22,265,627 | 22,793,357 | 211,028,229 |
| Community services | 284,080 | 3,775,346 | - | - | 4,059,426 | (8,260,908) | (2,244,465) | (10,505,373) | (4,201,482) | (6,445,947) | - |
| Planning and development | - | 548,585 | - | - | 548,585 | (1,531,351) | - | (1,531,351) | (982,766) | (982,766) | - |
| Works infrastructure | 4,738,596 | 5,136,021 | 9,541,322 | 999,760 | 20,415,699 | (23,013,401) | 181,363 | (22,832,038) | (13,138,784) | (2,416,339) | 377,475,149 |
| Waste management | 10,089 | 5,173,985 | - | 55,444 | 5,239,518 | (5,230,556) | - | (5,230,556) | (46,482) | 8,962 | 5,241,323 |
| Water infrastructure | 78,910 | 8,020,291 | 1,629,688 | 276,572 | 10,005,461 | (4,896,186) | (199,933) | (5,096,119) | 3,203,015 | 4,909,342 | 65,869,842 |
| Sewerage infrastructure | - | 5,858,778 | 1,385,713 | 241,114 | 7,485,605 | (3,798,062) | (202,890) | (4,000,952) | 2,060,716 | 3,484,653 | 71,124,191 |
| Total Council | 16,083,458 | 46,402,969 | 12,722,804 | 1,695,932 | 76,905,162 | (53,326,594) | (2,227,316) | (55,553,900) | 9,159,844 | 21,351,262 | 730,738,734 |

| Functions | Year ended 30 June 2021 | | | | | | | | | | |
|-----------------------------------|-------------------------|-------------------|------------------|------------------|------------------------|---------------------|------------------|---------------------|--------------------------------------|-------------------|--------------------|
| | Gross program income | | | Total income | Gross program expenses | | | Total expenses | Net result from recurrent operations | Net Result | Assets |
| | Recurrent | | Capital | | Recurrent | | Capital | | | | |
| | Grants | Other | Grants | Other | Other | Grants | Other | Capital | | | |
| \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Governance and corporate services | 8,633,831 | 15,952,431 | 2,299 | - | 25,588,561 | (5,243,572) | - | (5,243,572) | 20,342,690 | 20,344,989 | 186,835,243 |
| Community services | 698,664 | 2,313,167 | - | - | 3,011,831 | (6,964,423) | (27,046) | (6,991,469) | (3,952,592) | (3,979,638) | - |
| Planning and development | - | 578,623 | - | - | 578,623 | (1,429,669) | - | (1,429,669) | (851,046) | (851,046) | - |
| Works infrastructure | 2,672,868 | 4,343,566 | 7,863,279 | 1,242,254 | 16,121,967 | (20,253,191) | (298,889) | (20,552,070) | (13,236,747) | (4,430,103) | 357,499,120 |
| Waste management | 25,215 | 6,196,735 | - | 42,853 | 6,264,803 | (5,133,283) | - | (5,133,283) | 1,088,667 | 1,131,520 | 4,628,134 |
| Water infrastructure | - | 6,770,710 | 1,101,363 | 395,854 | 8,267,927 | (4,684,371) | (135,121) | (4,819,492) | 2,086,339 | 3,448,435 | 57,442,682 |
| Sewerage infrastructure | - | 5,433,908 | 665,178 | 341,468 | 6,440,554 | (3,402,901) | (128,785) | (3,531,686) | 2,031,007 | 2,908,868 | 64,891,236 |
| Total Council | 12,030,578 | 42,589,140 | 9,632,119 | 2,022,429 | 66,274,265 | (47,111,400) | (589,841) | (47,701,241) | 7,508,318 | 18,573,025 | 671,296,415 |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

3 Revenue

(a) Rates, levies and charges

Rates, levies and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

| | 2022 | 2021 |
|--|--------------------------|--------------------------|
| | \$ | \$ |
| General rates | 19,065,867 | 18,473,927 |
| Separate rates | 359,785 | 394,711 |
| Water | 5,345,247 | 3,911,393 |
| Water consumption, rental and sundries | 2,505,713 | 2,646,282 |
| Sewerage | 5,710,475 | 5,276,741 |
| Waste management | 4,208,192 | 3,990,015 |
| Total rates and utility charge revenue | <u>37,195,279</u> | <u>34,693,069</u> |
| Less: COVID-19 Rebate | - | (290,634) |
| Less: Discounts | (1,631,714) | (1,606,516) |
| Less: Pensioner remissions | (386,547) | (396,010) |
| | <u><u>35,177,018</u></u> | <u><u>32,399,909</u></u> |

(b) Fees and charges

Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the goods/services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of service or in some cases, the customers required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Licenses granted by Council are all either short-term or low value and all revenue from licenses are recognised at the time the license is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.

| | | |
|---|------------------|------------------|
| Applications | 257,221 | 225,771 |
| Cemetery services | 269,237 | 303,462 |
| Building/plumbing domestic applications | 215,763 | 291,800 |
| Building/plumbing commercial applications | 23,722 | 11,758 |
| Fines, penalties and infringements | 112,228 | 78,737 |
| Permits, licences and registrations | 305,905 | 261,701 |
| Other fees and charges | 417,085 | 434,352 |
| | <u>1,601,161</u> | <u>1,607,581</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

(c) **Grants, subsidies, contributions and donations**

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

The performance obligations vary in each agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income is then recognised for any remaining asset value at the time that the asset is received. Assets arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Donations and contributions

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the council. Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Cash contributions

Developers also pay infrastructure charges for trunk infrastructure to construct assets such as roads and footpaths and to connect new property developments to water and sewerage networks in the local government area. These infrastructure charges are generally within the scope of AASB 1058 since there is no enforceable performance obligation associated with them and therefore the infrastructure charges are recognised as revenue when received.

Developers may also make cash contributions towards the cost of constructing existing and proposed water supply and sewerage headworks in accordance with Council's planning scheme policies, (headworks include pumping stations, treatment works, mains and sewers). These cash contributions are recognised as income when received.

Non-Cash contributions

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue under AASB 1058 and an addition to non-current assets. Those below the thresholds are recorded as expenses.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

(i) **Operating**

State government subsidies, grants and contributions
Commonwealth government subsidies and grants

| 2022 | 2021 |
|------------|------------|
| \$ | \$ |
| 5,096,432 | 3,572,806 |
| 10,987,026 | 8,457,771 |
| 16,083,458 | 12,030,577 |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

(ii) **Capital**

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment of new assets. It also included non-cash contributions which are usually infrastructure assets received from developers.

| | 2022 | 2021 |
|--|-------------------|-------------------|
| | \$ | \$ |
| State government subsidies and grants | 9,679,840 | 3,004,634 |
| Commonwealth government subsidies and grants | 3,042,963 | 6,627,485 |
| Contributions | 1,174,559 | 1,659,625 |
| Donated assets | 404,857 | 226,872 |
| | <u>14,302,219</u> | <u>11,518,616</u> |

(iii) **Timing of revenue recognition for grants, subsidies, contributions and donations**

Revenue recognised at a point in time

| | | |
|----------------|-------------------|-------------------|
| Grants | 12,840,643 | 11,504,957 |
| Donated assets | 404,857 | 226,872 |
| Contributions | 1,233,312 | 2,153,125 |
| | <u>14,478,812</u> | <u>13,884,954</u> |

Revenue recognised over time

| | | |
|--------|-------------------|------------------|
| Grants | 15,906,865 | 9,664,239 |
| | <u>15,906,865</u> | <u>9,664,239</u> |

Total revenue

| | | |
|--|-------------------|-------------------|
| | <u>30,385,677</u> | <u>23,549,193</u> |
|--|-------------------|-------------------|

4 Other Revenue

(a) **Sales and services revenue**

Revenue from the sale of goods and materials is recognised at the point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.

Proceeds from the sale of land held for development, less the cost of the land sold are recognised in revenue on the signing of a valid unconditional contract of sale (note 13).

Council generates revenues from contract and recoverable works, which generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Revenue is measured at the fair value of contract received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. Waste management revenue is recognised based on the services provided at the reporting date pursuant to the relevant agreement. Revenue generated from the sale of land held for development is recognised at the time of the sale and is offset by the cost of sales associated with the parcel of land sold.

| | | |
|---|------------------|------------------|
| Contract and recoverable works | 4,816,514 | 3,816,971 |
| Waste management | 645,684 | 1,738,972 |
| Sale of scrap / surplus plant | 143,983 | 213,373 |
| Sale of goods / materials | 76,751 | 29,343 |
| Net revenue from sales of land held for development | 1,008,415 | 252,980 |
| Total sales and services revenue | <u>6,691,347</u> | <u>6,051,639</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

| | 2022 | 2021 |
|--|----------------|----------------|
| | \$ | \$ |
| (b) Interest received | | |
| Interest received from bank and term deposits is accrued over the term of the investment | | |
| Interest received from Queensland Treasury Corporation | 291,427 | 325,835 |
| Interest received from term deposits | 53,071 | 61,787 |
| Interest from overdue rates and utility charges | 138,372 | 137,588 |
| | <u>482,870</u> | <u>525,210</u> |

(c) Other revenue

Council's main source of 'other revenue' is lease income and other various income sources. Lease income is recognised on a periodic basis over the lease term.

| | | |
|-------------------|----------------|----------------|
| Animal impounding | 18,812 | 19,465 |
| Legal recoveries | 113,002 | 81,525 |
| Fuel rebates | 75,319 | 74,357 |
| Other revenue | 371,513 | 186,831 |
| | <u>578,646</u> | <u>362,178</u> |

Timing and recognition of sales and services revenue and other revenue

Revenue recognised at a point in time

| | | |
|---|------------------|------------------|
| Contract and recoverable works | 331,105 | 1,085,494 |
| Waste management | 645,684 | 1,738,972 |
| Sale of scrap / surplus plant | 143,983 | 213,373 |
| Sale of goods / materials | 76,751 | 29,343 |
| Net revenue from sales of land held for development | 1,008,415 | 252,980 |
| Other revenue | 578,646 | 362,177 |
| | <u>2,784,584</u> | <u>3,682,339</u> |

Revenue recognised over time

| | | |
|--------------------------------|------------------|------------------|
| Contract and recoverable works | 4,485,409 | 2,731,478 |
| | <u>4,485,409</u> | <u>2,731,478</u> |

(d) Lease and rental income

Lease income is recognised on a periodic basis over the lease term

| | | |
|--------------------------|------------------|------------------|
| Leases and rental income | 1,871,926 | 1,642,623 |
| | <u>1,871,926</u> | <u>1,642,623</u> |

5 Capital Income

Gain / loss on disposal of non-current assets

| | | |
|--|----------------|----------------|
| Proceeds from sale of property, plant and equipment | 1,534,417 | 149,896 |
| less: carrying value of disposed property, plant and equipment | (1,417,900) | (13,964) |
| | <u>116,517</u> | <u>135,932</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

6 Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

| | 2022 | 2021 |
|--|-------------------|-------------------|
| Note | \$ | \$ |
| Staff wages and salaries | 13,831,738 | 13,599,697 |
| Councillors' remuneration | 513,859 | 503,860 |
| Termination benefits | 419,253 | 173,499 |
| Annual, sick and long service leave entitlements | 2,996,669 | 2,887,751 |
| Superannuation | 24 1,866,644 | 1,871,941 |
| | <u>19,628,163</u> | <u>19,036,748</u> |
| Other employee related expenses | 137,523 | 112,608 |
| | <u>19,765,686</u> | <u>19,149,356</u> |
| Less: Capitalised employee expenses | (1,305,153) | (1,384,264) |
| | <u>18,460,533</u> | <u>17,765,092</u> |

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

| | 2022 | 2021 |
|--|------------|------------|
| | No. | No. |
| Total Council employees at the reporting date: | | |
| Elected members | 7 | 7 |
| Administration staff | 91 | 99 |
| Depot and outdoors staff | 100 | 111 |
| Total full time equivalent employees | <u>198</u> | <u>217</u> |

7 Materials and services

Expenses are recorded on an accruals basis as Council receives the goods or services.

| | 2022 | 2021 |
|--|-------------------|-------------------|
| | \$ | \$ |
| All contractors excluding hire of plant | 12,046,763 | 7,744,712 |
| Audit of annual financial statements by the Auditor-General of Queensland* | 118,225 | 119,713 |
| Bulk water purchase | 642,162 | 635,323 |
| Electricity | 977,893 | 1,046,237 |
| Fuels and oils | 667,948 | 522,523 |
| Goods, materials and services | 1,192,304 | 958,615 |
| Hire of plant | 1,689,515 | 2,865,428 |
| Insurance | 384,360 | 734,524 |
| Legal | 356,696 | 461,015 |
| Licences, fees, subscriptions and memberships | 966,751 | 1,250,984 |
| Professional/consultancy services | 361,304 | 500,735 |
| Rent, rates and leasing expenses | 588,251 | 506,410 |
| Road materials used for maintenance | 1,442,840 | 410,009 |
| Waste levy payment | 156,176 | 151,099 |
| Waste levy refund | (156,176) | (151,099) |
| Write off of bad debts | 693,571 | 52,202 |
| Other materials and services | 922,506 | 143,037 |
| | <u>23,051,089</u> | <u>17,951,467</u> |

*Total audit fees quoted by the Queensland Audit Office relating to the 2021-22 financial statements are \$119,800 (2021:\$119,000)

During the 2021/2022 financial year, a review of the transactions and their allocation was undertaken within the natural accounts of the materials and services expenses. No comparatives have been adjusted for the previous financial year.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

| | 2022 | 2021 |
|--|------------------|----------------|
| | \$ | \$ |
| 8 Finance costs | | |
| Finance costs charged by the Queensland Treasury Corporation | 193,383 | 204,589 |
| Unwinding of discount on provision for restoration | 39,189 | 33,678 |
| Bank charges | 73,687 | 73,508 |
| | <u>306,259</u> | <u>311,775</u> |
| 9 Capital expenses | | |
| Loss on write-off of non-current assets | | |
| Write-off of buildings | 71,126 | 21,456 |
| Write-off of roads and bridges* | 1,718,731 | 301,621 |
| Write-off of sewerage | 203,125 | 130,376 |
| Write-off of water | 199,933 | 135,120 |
| Write-off of plant and equipment | 15,000 | - |
| Write-off of other infrastructure | 19,401 | 1,268 |
| Total capital expenses | <u>2,227,316</u> | <u>589,841</u> |

*A significant portion of this write-off is in relation to the Barron Falls Walking Trails which Council built, however, the trail is on National Park land. In April 2022, this portion of footpath had been handed over to Queensland Parks and Wildlife Services who will take ownership and maintain the asset.

10 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include cash on hand, all cash and cheques received but not banked at the year end and deposits held at call with financial institutions.

| | | |
|--|-------------------|-------------------|
| Cash float | 2,200 | 2,200 |
| Petty cash | 1,200 | 1,200 |
| Cash at bank | 2,521,537 | 2,535,857 |
| Deposits at call | 69,088,010 | 56,127,910 |
| Balance as per Statement of Financial Position | <u>71,612,947</u> | <u>58,667,167</u> |
| Balance per Statement of Cash Flows | <u>71,612,947</u> | <u>58,667,167</u> |

Council is exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed.

| | | |
|---|-------------------|-------------------|
| Cash and cash equivalents | 71,612,947 | 58,667,167 |
| Less: Externally imposed restrictions on cash | (47,096) | (1,078,053) |
| Unrestricted cash | <u>71,565,851</u> | <u>57,589,114</u> |

Council's cash and cash equivalents and short-term investments are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

| | | |
|--|---------------|------------------|
| Unspent government grants and subsidies | 47,096 | 1,078,053 |
| Total externally imposed restrictions on cash assets | <u>47,096</u> | <u>1,078,053</u> |

(ii) Internal allocations of cash at the reporting date:

Internal allocation of cash may be lifted by Council with a resolution.

| | | |
|---------------------------------------|-------------------|-------------------|
| Waste levy refund received in advance | 726,424 | - |
| Constrained works | 10,257,734 | 9,326,450 |
| Future capital works | 17,352,207 | 10,723,736 |
| Future non-capital works | 204,495 | 218,652 |
| Total internally allocated cash | <u>28,540,860</u> | <u>20,268,838</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

Cash at bank and cash on hand at 30 June 2022 includes \$726,424 received in advance from the State Government for the State Waste Levy for the years 2022/23 through to 2025/26. This money has been set aside to help fund the Council's future waste levy expenses through to 2025/26.

Cash and deposits at call are held in various financial institutions in normal term deposits and business cheque accounts. These financial institutions have a short term credit rating of between A1+ to A3.

11 Short term investments

Term deposits in excess of three months are reported as short term investments, with deposits of less than three months being reported as cash equivalents.

| | 2022 | 2021 |
|-----------------------------|-------------------|------------------|
| | \$ | \$ |
| Current short term deposits | 10,000,000 | 5,000,000 |
| Total short term deposits | <u>10,000,000</u> | <u>5,000,000</u> |

12 Trade and other receivables

Receivables, loans and advances are amounts owed to Council at year end. They are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of receivables is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. The loss is recognised in finance costs. All known bad debts were written off at 30 June. If an amount is received in a subsequent period, it is recognised as revenue.

Rates and Charges: Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

Other Debtors: Council identifies other debtors as receivables that are not rates and charges or government receivable for community organisation loans.

Government Receivables: Federal and State government organisations that are a statutory receivable to Council; these monies are guaranteed and payments are made to Council in the required timeframes. Historical data has shown no history of defaults by government agencies and therefore no material risk in default.

Loans to community organisations are recognised at their face value. Terms are for a maximum of 10 years with no interest charged. Security is not normally obtained.

Current

| | | |
|---|------------------|------------------|
| Rateable revenue and utility charges | 1,902,100 | 2,095,528 |
| Other debtors | 900,269 | 1,340,752 |
| GST recoverable | 632,605 | 584,509 |
| Loans and advances to community organisations | 9,125 | 9,125 |
| Prepayments | 889,043 | 815,931 |
| | <u>4,333,142</u> | <u>4,845,845</u> |
| less: Provision for doubtful debts | (189,028) | - |
| | <u>4,144,114</u> | <u>4,845,845</u> |

Non-current

| | | |
|---|---------------|---------------|
| Loans and advances to community organisations | 24,844 | 28,969 |
| | <u>24,844</u> | <u>28,969</u> |

The impairment of receivables reflects the unpaid rates debtors deemed as valueless land, Council will acquire these parcels in the 2022/23 financial year.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

Interest is charged on outstanding rates (8.03% per annum from 1 July 2021, previous financial year 8.53% per annum). No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

13 Inventories

Stores and raw materials

Stores and raw materials are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost except for land where the cost is allocated to the relevant parcel.

Inventories held for distribution are:

- goods to be supplied at no or nominal charge, and
- goods to be used for the provision of services at no or nominal charge.

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

Land held for resale

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land are recognised as sales revenue on the signing of a valid unconditional contract of sale.

| | 2022 \$ | 2021 \$ |
|--|-------------------------|-------------------------|
| Inventories held for sale | | |
| Miscellaneous saleable items | 1,919 | 3,385 |
| | <u>1,919</u> | <u>3,385</u> |
| Inventories held for distribution | | |
| Plant and equipment stores | 1,080,141 | 920,763 |
| | <u>1,080,141</u> | <u>920,763</u> |
| Land purchased for development and sale | 1,167,025 | 1,546,612 |
| Total inventories | <u><u>2,249,085</u></u> | <u><u>2,470,760</u></u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2021

14. Property, plant and equipment

30 June 2021

Basis of measurement
Fair value category
Asset values
Opening gross value as at 1 July 2020
Additions
Disposals
Transfers between classes
Revaluation adjustment to asset revaluation surplus
Transfers between classes
Revaluation adjustment to asset revaluation surplus
Closing gross value as at 30 June 2021

| Note | Land | Buildings | | Plant and fleet | | Road, drainage and bridge network | | Water | | Sewerage | | Other infrastructure assets | | Work in progress | | Total |
|------|------------|------------|-----------|-----------------|------------|-----------------------------------|------------|------------|------------|------------|-------------|-----------------------------|------------|------------------|------|-------------|
| | | Fair Value | 3 | Cost | Fair Value | 3 | Fair Value | 3 | Fair Value | 3 | Fair Value | 3 | Fair Value | 3 | Cost | |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | 13,250,219 | 65,305,843 | 5,911,341 | 385,112,832 | 67,401,421 | 72,348,404 | 36,829,737 | 19,883,135 | 25,845,538 | 26,072,888 | | | | | | 666,043,934 |
| | - | (84,800) | (144,532) | (523,973) | (196,039) | (154,341) | (10,909) | - | - | - | (1,114,594) | | | | | 26,072,888 |
| | - | 1,849,921 | 374,432 | 48,574,313 | 11,987,547 | 2,087,254 | 551,269 | - | - | - | 48,574,313 | | | | | (1,114,594) |
| | 13,250,219 | 67,071,964 | 6,141,241 | 445,256,397 | 69,329,668 | 75,053,150 | 37,370,097 | 25,885,526 | 25,885,526 | 26,072,888 | | | | | | 739,360,164 |

Accumulated depreciation and impairment
Opening balance as at 1 July 2020
Depreciation expense
Depreciation on disposals
Depreciation adjustments
Revaluation adjustment to asset revaluation surplus
Accumulated depreciation as at 30 June 2021

| | | | | | | | | | | | | | | | | |
|--|---|------------|-----------|------------|------------|------------|------------|---|---|---|------------|--|--|--|--|-------------|
| | - | 16,848,892 | 3,472,141 | 47,337,762 | 10,632,257 | 8,867,356 | 10,297,876 | - | - | - | 97,256,084 | | | | | |
| | - | 1,270,117 | 537,087 | 5,114,235 | 1,318,676 | 1,515,195 | 1,180,908 | - | - | - | 10,936,418 | | | | | |
| | - | (55,412) | (138,489) | (222,352) | (64,247) | (20,636) | (9,641) | - | - | - | (510,787) | | | | | |
| | - | - | - | - | - | - | - | - | - | - | - | | | | | - |
| | - | 18,063,397 | 3,870,729 | 87,759,275 | 11,886,886 | 10,161,915 | 11,469,143 | - | - | - | 35,529,630 | | | | | 143,211,345 |

Total written down value as at 30 June 2021
Range of estimated useful life in years

| | | | | | | | | | | | | | | | | |
|--|-----------------------|------------|-----------|-------------|------------|------------|------------|----------------------|------------|------------|--|--|--|--|--|-------------|
| | 13,250,219 | 48,008,567 | 2,270,512 | 357,469,123 | 57,442,882 | 64,891,235 | 25,900,954 | 25,885,526 | 25,885,526 | 26,072,888 | | | | | | 966,148,819 |
| | Land: Not depreciated | 15 - 185 | 1 - 16 | 10 - 130 | 5 - 150 | 7 - 200 | 20 - 120 | WIP: Not depreciated | | | | | | | | |

Additions comprise:

Renovals
Intangible additions
Other additions
Total additions

| | | | | | | | | | | | | | | | | |
|--|----|----|----|---------|--------|--------|-----------|------------|------------|------------|----|----|----|----|----|----|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | - | - | - | 107,678 | 36,932 | 82,240 | 8,870,769 | 25,845,538 | 25,845,538 | 26,072,888 | | | | | | |
| | - | - | - | 107,678 | 36,932 | 82,240 | 8,870,769 | 25,845,538 | 25,845,538 | 26,072,888 | | | | | | |

Mareeba Shire Council

Notes to the financial statements

For the year ended 30 June 2022

14 Property, plant and equipment

(a) Recognition

Each class of property, plant and equipment is stated at amortised cost or fair value. Items of plant and equipment with a total value of less than \$5,000, and infrastructure assets and buildings with a total value of less than \$5,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Expenditure incurred in accordance with Natural Disaster Relief and Recovery Arrangements on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital expenditure.

Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

Land under roads and reserve land under the *Land Act 1994* or the *Land Title Act 1994* is controlled by Queensland State Government and not recognised in Councils financial statements.

(b) Measurement

Property plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value (as shown in the table above) less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are also included in their cost.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class.

Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

(c) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to Council.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

Mareeba Shire Council

Notes to the financial statements

For the year ended 30 June 2022

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to Council or the unexpired period of the lease, whichever is the shorter.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 14.

(d) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the assets carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(e) Valuation

Land, buildings, road, drainage, bridge, water, sewerage and other infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB 116 *Property, Plant and Equipment*. Plant and fleet, and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 5 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses internal engineers and asset managers to assess the condition and cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years. With respect to the valuation of the land and improvements, buildings and major plant asset classes in the intervening years, management engage independent, professionally qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Both water and sewerage asset classes are classified for valuation purposes into above ground and below ground asset groups. Above ground assets have a different methodology for valuations to below ground assets. A comprehensive revaluation will be completed for both these groups at least once every 5 years but not necessarily in the same reporting period.

Details of valuers and methods of valuations are disclosed in Note 14(f).

Fair values are classified into three levels as follows:

- Level 1 - fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Fair value based on inputs that are directly or indirectly observable, such as prices for similar assets for the asset or liability
- Level 3 - Fair value based from data unobservable in the market

There were no transfers between levels during the year.

14 (f) Valuation techniques to derive at fair values

| Asset Class and fair value hierarchy | Valuation approach | Last comprehensive valuation date | Valuer engaged | Key assumptions and estimates (related data sources) | Index applied | Other interim revaluation adjustment |
|---|--------------------------------------|-------------------------------------|--|--|--|--------------------------------------|
| Land and improvements (level 2 and level 3) | Market approach by direct comparison | 01-Jan-20 | Jones Lang Lasalle (JLL) | Current Zoning Sales transactions of other properties (price per square metre of land area) within the region adjusted for differences between key attributes of the properties | Consumer Price Index (CPI) | Nil |
| Buildings (level 3) | Current replacement cost | 30-Jun-19 | APV Valuers & Asset Management | Actual construction or purchase prices for recent projects paid by Council Appropriate APV database where we record details of actual cost from recent projects that are sourced directly from clients Rawlinson's Construction Guide or similar (such as Cordells) Benchmarking against other valuations | Asset Revaluation Index: Non-Residential Construction, Queensland | Nil |
| Roads, drainage and bridges (level 3) | Current replacement cost | 30-Jun-20 30-Jun-21 30-Jun-22 | Australis Advisory Group APV Valuers & Asset Management | Characterisation of assets Unit rates were established from listed data sources and verified and recent projects where possible Cost guide unit rates were based on the Brisbane Metro area and factors applied to adjust for regional location where primary local project data was not available | Producer Price Index (PPI): Road & Bridge Construction, Queensland | Nil |
| Water and sewerage assets (level 3)* | Current replacement cost | 30-Jun-17 | Australis Advisory Group | Rates assume an incremental Greenfields approach and exclude Brownfield cost components Council engineering team involved when developing replacement costs and relied on combination of sources, cost guides, historical costs, contractor rates, future works and regional information Location factor applied to unit rates | Asset Revaluation Index: Engineering Construction, Queensland | Nil |
| Other infrastructure assets (level 3) | Current replacement cost | 30-Jun-19 | APV Valuers & Asset Management | Actual construction or purchase prices for recent projects paid by Council Appropriate APV database where we record details of actual cost from recent projects that are sourced directly from clients Rawlinson's Construction Guide or similar (such as Cordells) Benchmarking against other valuations | Asset Revaluation Index: Non-Residential Construction, Queensland | Nil |

* Council has applied indexation to the water and sewerage asset class this year due to unexpected delays in the valuation process. A full comprehensive valuation of this asset class will be undertaken next year.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

15 Intangible assets

Intangible assets with a cost or other value exceeding \$5,000 are recognised as intangible assets in the financial statements, items with a lesser value are expensed.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

| | 2022 \$ | 2021 \$ |
|---------------------------------------|------------------|------------------|
| Software and other intangibles | | |
| Gross carrying value at 1 July | 2,721,505 | 2,505,328 |
| Additions | 24,730 | 216,177 |
| Closing gross carrying value | <u>2,746,235</u> | <u>2,721,505</u> |
| Accumulated amortisation | | |
| Opening balance | 1,996,774 | 1,850,127 |
| Amortisation in the period | 136,965 | 146,647 |
| Closing balance | <u>2,133,739</u> | <u>1,996,774</u> |
| Net carrying value at 30 June | <u>612,496</u> | <u>724,731</u> |

The software has a finite life estimated at 10 years.

Straight line amortisation has been used with no residual value.

IFRIC (the International Financial Reporting Interpretation Committee, a committee of the International Accounting Standards Board) in 2021 addressed an Agenda Decision how a customer should account for the costs of configuring or customising a suppliers application software in a cloud computing or Software as a Service (Saas) arrangement. It was determined by IFRIC that sufficient guidance exists within the relevant accounting standards that no amendments to Accounting Standards was required. Council has assessed the impact on Council's intangible assets and determined that there is no impact upon Councils' financial statements as a result of this decision.

16 Leases

Council as a lessee

Where Council assesses that an agreement contains a lease, a further assessment is made on whether a right of use asset is recognised with the lease liability at inception of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

If in the event that a right of use asset is recognised, it is measured using the cost model where cost on initial recognition comprises lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right of use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be determined then the Council's incremental borrowing rate for a similar term with a similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured whether there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Council has made an assessment that no right of use assets and associated lease liabilities have been identified in the leases where Council is a lessee.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Council has reviewed commitments for expenditure as previously reported and has not identified any commitments required to be recognised under *AASB 16 Leases*. Refer to Note 22 for commitments for expenditure.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

Leases at significantly below market value - Concessionary / peppercorn leases

Council has a number of leases at significantly below market value for land and buildings which are used for:

- Visitor Centre
- Community Halls

The leases can range between 10 to 30 year terms and require payments of \$1 per annum if demanded. The use of right of use assets is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council has elected to measure the right of use asset arising from concessionary leases at cost which is based on the associated liability at initial recognition. Council does not believe that these leases are individually material.

Council as a lessor

When Council is a lessor, the lease is classified as either operating or finance lease at inception date, based on whether substantially all the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components, then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term.

17 Payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.

| | Notes | 2022 \$ | 2021 \$ |
|---|-------|------------|------------|
| (a) Current | | | |
| Creditors | | 2,981,830 | 3,854,875 |
| Accrued salaries and wages | | 641,525 | 567,257 |
| Accrued expenses | | 4,123,545 | 2,849,007 |
| Other creditors | | 101,816 | 107,183 |
| Waste levy received in advance | | 189,172 | - |
| | | 8,037,888 | 7,378,322 |
| Non-current | | | |
| Security deposit (capping of landfill) - SUEZ | | 2,629,291 | 2,589,258 |
| Waste levy received in advance | | 537,252 | - |
| | | 3,166,543 | 2,589,258 |

Waste levy received in advance

The State Government made an advance payment to Council in June 2022 to mitigate the impact on households which takes effect from 1 July 2022. This payment is to pay four years' of worth of advance waste levy payments to councils for the years 2022/23 through to 2025/26. The apportioned amounts have been recognised as a current liability and non current liability respectively as at 30 June 2022.

Accrued salaries and wages

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense.

Security deposit (capping of landfill)

The Second Waste Disposal Agreement with SUEZ, dated 19 June 2017 provides for Council to charge a security deposit per tonnage. Under that contract, the security deposit is accessible by Council in the event that SUEZ fails to fulfil their landfill capping obligations. The security deposit is to be refunded when SUEZ completes the final capping works in accordance with the contract.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

18 Contract Balances

a) Contract assets

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

| | 2022 | 2021 |
|-----------------|------------------|------------------|
| | \$ | \$ |
| Contract assets | 3,019,844 | 3,410,124 |
| | <u>3,019,844</u> | <u>3,410,124</u> |

(b) Contract liabilities

Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

| | 2022 | 2021 |
|---|------------------|------------------|
| | \$ | \$ |
| Funds received upfront to construct Council controlled assets | 2,394,549 | 1,135,168 |
| Non-capital performance obligations not yet satisfied | 203,710 | 193,348 |
| | <u>2,598,259</u> | <u>1,328,516</u> |

Revenue recognised that was included in the contract liability balance at the beginning of the year

| | | |
|--|------------------|----------------|
| Funds to construct Council's controlled assets | 1,135,168 | 171,399 |
| Non-capital performance obligations | 193,348 | 49,046 |
| | <u>1,328,516</u> | <u>220,445</u> |

19 Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.

Council adopts an annual debt policy that sets out Council's planned borrowings for the next ten years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's (QTC) borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

Current

| | | |
|---------------|----------------|----------------|
| Loans - QTC | 390,497 | 381,245 |
| Loans - Other | 27,600 | 25,630 |
| | <u>418,097</u> | <u>406,875</u> |

Non-current

| | | |
|---------------|------------------|------------------|
| Loans - QTC | 6,855,587 | 7,238,710 |
| Loans - Other | 50,790 | 78,390 |
| | <u>6,906,377</u> | <u>7,317,100</u> |

Loans - Other

| | | |
|-----------------------|---------------|----------------|
| Balance on 1 July | 104,020 | 127,833 |
| Principal repayments | (25,630) | (23,813) |
| Book value at 30 June | <u>78,390</u> | <u>104,020</u> |

Loans - QTC

| | | |
|-----------------------|------------------|------------------|
| Balance on 1 July | 7,619,955 | 7,981,711 |
| Principal repayments | (373,871) | (361,756) |
| Book value at 30 June | <u>7,246,084</u> | <u>7,619,955</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

The QTC loan market value at the reporting date was \$6,302,339. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no adjustment is required to be made in these accounts.

No assets have been pledged as security by Council for any liabilities, however all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2021 or 2022 financial years.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current period. Expected final repayment dates vary from 15 March 2024 to 15 June 2040. There have been no defaults or breaches of the loan agreement during the period.

20 Provisions

Liabilities are recognised for employee benefits such as annual and long service leave in respect of services provided by the employees up to the reporting date. Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

Annual Leave

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and include related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense.

As Council does not have an unconditional right to defer settlement of the annual leave beyond 12 months after the reporting date, annual leave is classified as a current liability.

Refuse Restoration

A provision is made for the cost of restoring refuse dumps where it is probable Council will have an obligation to rehabilitate the site when the use of the facilities is complete.

The calculation of the provisions use assumptions including application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. The provisions are reviewed at least annually and updated based on the facts and circumstances available at the time.

Refuse restoration provision represents the present value of anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites

As refuse dumps are on state reserves which the Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Changes in the provision are treated as an expense or income.

The provision recognised for refuse sites is reviewed at least annually and updated based on the facts and circumstances available at the time. The provision is for four sites; Almaden, Chillagoe and two sites in Mareeba. One Mareeba site and the Almaden site were closed in the 2017/18 financial year and the Chillagoe site closed in the 2018/19 financial year. The second site in Mareeba closed in the 2021/22 financial year, Council is not financially responsible for the capping costs of this site, only the ongoing monitoring and maintenance costs.

Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months, long service leave is classified as a current liability. Otherwise it is classified as a non-current liability.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

| | 2022 \$ | 2021 \$ |
|--------------------|------------------|------------------|
| Current | | |
| Annual leave | 2,184,122 | 2,236,865 |
| Refuse restoration | 117,887 | 106,543 |
| Long service leave | 1,674,585 | 1,685,502 |
| | <u>3,976,594</u> | <u>4,028,910</u> |
| Non-current | | |
| Refuse restoration | 1,834,311 | 1,930,501 |
| Long service leave | 495,589 | 553,099 |
| | <u>2,329,900</u> | <u>2,483,600</u> |

Details of movements in provisions:

| | | |
|---|------------------|------------------|
| Refuse restoration | | |
| Balance at 1 July | 2,037,044 | 2,337,369 |
| Increase in provision due to unwinding of discount rate | 39,189 | 33,678 |
| Increase/(decrease) due to the change in estimated cost and discount rate | (10,695) | (236,363) |
| Provisions used during the year | (113,340) | (97,640) |
| Balance at 30 June | <u>1,952,198</u> | <u>2,037,044</u> |

21 Asset revaluation surplus

The asset revaluation surplus comprises revaluation movements on, property, plant and equipment. Increases and decreases on revaluation are offset within a class of assets.

22 Commitments for expenditure

Capital Commitments

Commitments for the construction of the following assets contracted for at the reporting date but not recognised as liabilities.

Property, Plant and Equipment

| | | |
|--------------------------------|-------------------|-------------------|
| Transport | 954,057 | 3,057,623 |
| Water | 11,571,828 | 6,206,995 |
| Wastewater | 2,180,611 | 2,959,331 |
| Buildings | 2,392,119 | 1,503,777 |
| Plant and Fleet | 348,319 | 563,931 |
| Waste and Other Infrastructure | 1,433,781 | 2,170,330 |
| | <u>18,880,713</u> | <u>16,461,988</u> |

These expenditures are payable as follows:

| | | |
|-----------------------|-------------------|-------------------|
| Within one year | 8,023,491 | 5,857,231 |
| One to five years | 10,857,222 | 10,604,757 |
| Later than five years | - | - |
| | <u>18,880,713</u> | <u>16,461,988</u> |

Contractual commitments at the end of the financial period but not recognised in the financial statements are as follows:

| | | |
|----------------------|-------------------|------------------|
| Waste contracts | 11,843,083 | 9,114,525 |
| Cleaning contractors | 332,686 | 254,512 |
| | <u>12,175,769</u> | <u>9,369,037</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

23 Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2022 the LGM financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's worker's compensation authority may call on any part of the guarantee should the above circumstances arise. The indemnity amount provided by Council as at 30 June 2022 in relation to the Local Government Workcare Bank Guarantee is \$368,678.

24 Superannuation

Council contributes to the LGIA Super Regional Defined Benefits Fund (the scheme) at the rate of 12% for each permanent employee who is a defined benefit member. The rate is set in accordance with the LGIA Super trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at council level.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate obligations, but has not been recognised as an asset or liability of Council.

Council may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIA Super trust deed changes to the Council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2021. The actuary indicated that 'At the valuation date of 1 July 2021, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date'. The measure of vested benefits represents the value of benefit entitlements should all participating employers voluntarily exit the scheme. Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages assets and there are no known requirements to change the rate of contributions.

The next triennial actuarial review date is not due until 1 July 2024.

The most significant risks that may result in the LGIA Super increasing the contribution rate, on the advice of the actuary are:

Investment risk - The risk that the schemes investment returns will be lower than assumed and additional contributions are needed to fund shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

Mareeba Shire Council
Notes to the financial statements
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The next actuarial investigation will be conducted as at 1 July 2024.

| Note | 2022 \$ | 2021 \$ |
|---|----------------|------------|
| Superannuation contributions made to Regional Defined Benefits Fund | 109,415 | 120,728 |
| Other superannuation contributions for employees | 1,757,229 | 1,751,213 |
| Total superannuation contributions paid by Council for employees: | 6 1,866,644 | 1,871,941 |

25 Operating lease income

Where Council retains the risk and rewards relating to a lease, the lease is classified as an operating lease. The minimum lease receipts arising from operating leases are as follows:

| | | |
|-------------------------|------------------|------------------|
| Not later than one year | 509,279 | 530,821 |
| One to five years | 1,378,095 | 1,624,689 |
| Later than five years | 2,849,926 | 3,112,611 |
| | <u>4,737,300</u> | <u>5,268,121</u> |

The relevant assets are included in Property, Plant and Equipment (Note 14) as the rental is incidental or the asset is held to meet Council service delivery.

26 Trust funds

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages). The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities

| | |
|----------------|----------------|
| 662,799 | 663,856 |
| <u>662,799</u> | <u>663,856</u> |

27 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

| | | |
|--|---------------------|---------------------|
| Net result | 21,351,262 | 18,573,025 |
| Non-cash items: | | |
| Depreciation and amortisation | 11,508,703 | 11,083,065 |
| Finance costs | 39,189 | 33,678 |
| Bad and doubtful debts expense | 693,571 | 52,202 |
| Finance income | (74,967) | (28,206) |
| | <u>12,166,496</u> | <u>11,140,739</u> |
| Investing and development activities (non-cash): | | |
| Net loss on disposal of non-current assets | 2,110,799 | 453,909 |
| Capital grants and contributions | (13,897,362) | (11,291,744) |
| Donated assets | (404,857) | (226,872) |
| | <u>(12,191,420)</u> | <u>(11,064,707)</u> |
| Changes in operating assets and liabilities: | | |
| (Increase) / decrease in receivables | 87,252 | (1,833,990) |
| (Increase) / decrease in contract assets | 390,280 | - |
| (Increase) / decrease in inventory | 221,675 | 54,636 |
| Increase / (decrease) in payables | 1,155,109 | (842,946) |
| Increase / (decrease) in contract liabilities | 1,269,743 | |
| Increase / (decrease) in provisions | (245,205) | 1,856,174 |
| | <u>2,878,854</u> | <u>(766,126)</u> |
| Net cash inflow from operating activities | <u>24,205,192</u> | <u>17,882,932</u> |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

28 Reconciliation of liabilities arising from finance activities

| Note | As at 1 July 2021 | Cash flows | Non-cash changes | As at 30 June 2022 |
|---------------|----------------------|------------|---------------------|-----------------------|
| | \$ | \$ | \$ | \$ |
| Loans | 7,619,955 | (373,871) | - | 7,246,084 |
| Loans - Other | 104,020 | (25,630) | - | 78,390 |
| 19 | 7,723,975 | (399,501) | - | 7,324,474 |

| Note | As at 1 July 2020 | Cash flows | Non-cash changes | As at 30 June 2021 |
|---------------|----------------------|------------|---------------------|-----------------------|
| | \$ | \$ | \$ | \$ |
| Loans | 7,981,711 | (361,756) | - | 7,619,955 |
| Loans - Other | 127,833 | (23,813) | - | 104,020 |
| 19 | 8,109,544 | (385,569) | - | 7,723,975 |

29 Financial instruments and financial risk management

a) Financial assets and financial liabilities

Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments to Council's financial position and financial performance, including the nature and extent of risks and how Council manages these exposures.

Risk management framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. Council aims to manage volatility to minimise potential adverse effects on the financial performance of Council.

Council's audit committee oversees how management monitors compliance with Council's risk management policies and procedures, and reviews the adequacy of the risk managements framework in relation to the risks faced by Council. Council's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Council does not enter into derivatives.

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state/ commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the Council, refer to Notes 10, 11 and 12.

Council does not require collateral in respect of trade and other receivables. Council does not have trade receivables for which no loss allowance is recognised because of collateral.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

At 30 June 2022, the exposure to credit risk for trade receivables by type of counterparty was as follows:

| | 2022 | 2021 |
|-------------------------|------------------|------------------|
| | \$ | \$ |
| Property charges | 1,902,100 | 2,095,528 |
| GST recoverable | 632,605 | 584,509 |
| Community organisations | 33,969 | 38,094 |
| Other | 3,731,085 | 4,750,876 |
| Total | 6,299,759 | 7,469,007 |

Refer to Note 12 and Note 18 for further details

A summary of the Council's exposure to credit risk for trade receivables is below. This represents the ageing of trade and other sundry receivables, excluding rates credits, prepayments and the amount of any impairment.

| | 2022 | 2021 |
|------------------------------------|------------------|------------------|
| | \$ | \$ |
| Not past due | 6,002,771 | 5,397,770 |
| Past due 31-60 days | 44,583 | 23,497 |
| Past due 61-90 days | 24,922 | 31,847 |
| More than 90 days | 416,511 | 2,015,893 |
| Impaired | (189,028) | - |
| Total gross carrying amount | 6,299,759 | 7,469,007 |

Refer to Note 12 and Note 18 for further details

Expected credit loss assessment for the reporting period ended 30 June 2022:

| | Closing Balance 2022 | Historical probability of default | Loss given default | Lifetime Expected Credit Loss |
|-------------------------|-------------------------|---|-----------------------|-------------------------------------|
| | \$ | | | \$ |
| Rates and Charges | 1,902,100 | 0% | 0% | - |
| Government Receivables | 22,200 | 0% | 0% | - |
| Community Organisations | 33,969 | 0% | 100% | - |
| Other Debtors | 4,341,490 | 0% | 100% | - |
| Total | 6,299,759 | 0% | | - |

Historical probability of default percentages are based on Councils review of credit losses experienced over the past four years.

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Exposure to liquidity risk

Council is exposed to liquidity risk through its normal course of business and through its borrowings with the Queensland Treasury Corporation.

Council manages its exposure to liquidity risk by maintaining sufficient cash deposit to cater for unexpected volatility in cash flows.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

The following table sets out the liquidity risk in relation to financial liabilities held by Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

| | 0 to 1 year | 1 to 5 years | Over 5 years | Total contractual cash flows | Carrying amount |
|--------------------------|------------------|------------------|------------------|------------------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ |
| 2022 | | | | | |
| Trade and other payables | 8,037,888 | 537,252 | - | 8,575,140 | 8,575,140 |
| Loans - QTC | 560,376 | 2,241,502 | 5,947,069 | 8,748,947 | 7,246,084 |
| Loans - Other | 27,600 | 50,790 | - | 78,390 | 78,390 |
| | <u>8,625,864</u> | <u>2,829,544</u> | <u>5,947,069</u> | <u>17,402,477</u> | <u>15,899,614</u> |
| | | | | | |
| | 0 to 1 year | 1 to 5 years | Over 5 years | Total contractual cash flows | Carrying amount |
| | \$ | \$ | \$ | \$ | \$ |
| 2021 | | | | | |
| Trade and other payables | 7,378,322 | - | - | 7,378,322 | 7,378,322 |
| Loans - QTC | 560,375 | 2,241,502 | 6,507,445 | 9,309,322 | 7,619,955 |
| Loans - Other | 25,630 | 78,390 | - | 104,020 | 104,020 |
| | <u>7,964,327</u> | <u>2,319,892</u> | <u>6,507,445</u> | <u>16,791,664</u> | <u>15,102,297</u> |

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

Market risk

Market risk is the risk that changes in market indices, such as interest rates, will affect Council's income or the value of its holdings of financial instruments.

Interest rate risk

Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions.

Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

The impact of a reasonably priced change in interest rates (assumed to be 1%) would not be expected to have a material impact on Council's future profits or equity.

Council does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

b) Fair value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 19.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

30 National Competition Policy

Council applies the competitive code of conduct to the following activities:

Water services
Sewerage services
Waste management
Laboratory services
Building services

This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council, and represents an activities cost(s) which would not be incurred if the primary objective of the activities was to make a profit. Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO by Council.

The following summary of activity statements are for activities subject to the competitive code of conduct.

| | Water services | Sewerage services | Waste management | Laboratory services | Building services |
|---|----------------|-------------------|------------------|---------------------|-------------------|
| | 2022 \$'000 | 2022 \$'000 | 2022 \$'000 | 2022 \$'000 | 2022 \$'000 |
| Revenue for services provided to Council | 300 | 53 | 51 | 46 | - |
| Revenue for services provided to external clients | 8,020 | 5,859 | 5,043 | 69 | - |
| Community service obligations | - | - | - | - | - |
| | 8,320 | 5,912 | 5,094 | 115 | - |
| Less: Expenditure | 5,196 | 3,851 | 5,141 | 323 | 6 |
| Surplus/(deficit) | 3,124 | 2,061 | (47) | (208) | (6) |

Mareeba Shire Council
Notes to the financial statements
For the year ended 30 June 2022

31 Transactions with related parties

(a) Transactions with key management personnel (KMP)

KMP are those persons having authority and responsibility for planning, directing and controlling the activities or indirectly, including any director (whether executive or otherwise) at Council. KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management.

The compensation paid to KMP comprises:

| Remuneration category | 2022 \$ | 2021 \$ |
|-------------------------------|------------------|------------------|
| Short-term employee benefits | 1,411,256 | 1,348,093 |
| Post-employment benefits | 145,070 | 132,659 |
| Long-term benefits | 5,517 | 1,827 |
| Termination benefits | - | - |
| Total KMP remuneration | 1,561,843 | 1,482,579 |

Detailed remuneration disclosures are provided in the annual report.

(b) Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

Details of transactions between Council and other related parties include:

| Transaction type | Additional information | 2022 \$ | 2021 \$ |
|--|------------------------|----------------|----------------|
| Purchase of materials and services from entities controlled by KMP | 31(b)(i) | 101,938 | 94,588 |
| Employee expenses for close family members of KMP | 31(b)(ii) | 200,561 | 212,621 |
| Total | | 302,499 | 307,209 |

(i) Council purchased the following material and services from entities that are controlled by members of KMP. All materials and services purchased from entities controlled by KMP were at arm's length and were in the normal course of Council's operations.

| | 2022 \$ | 2021 \$ |
|--|----------------|---------------|
| Slashing Services | 97,075 | 90,530 |
| Minor purchases (magazines and newspapers) | 4,863 | 4,058 |
| | <u>101,938</u> | <u>94,588</u> |

(ii) Council employs 198 full time equivalent employees of which 4 are close family members of KMP. All close family members of KMP were employed through an arm's length process. They are paid in accordance with the Award for the job they perform.

(c) Outstanding balances

Council did not have any outstanding balances with other related parties at the end of the reporting period.

(d) Loans and guarantees to/from related parties

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

(e) Commitments to/from other related parties

There were no commitments in the 2021-2022 financial year.

Mareeba Shire Council**Notes to the financial statements**

For the year ended 30 June 2022

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

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

- Payment of rates
- Dog registration
- Use of the public pool
- Borrowing books from a Council library

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

32 Events after the reporting period

There were no material adjusting events after the balance date.

Mareeba Shire Council
Financial statements
For the year ended 30 June 2022

Management Certificate
For the year ended 30 June 2022

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 34, present a true and fair view, in accordance with Australian Accounting Standards, of Council's transactions for the financial period and financial position at the end of the year.



Mayor
Angela Toppin

Date: 4 / 10 / 2022



Chief Executive Officer
Peter Franks

Date: 4 / 10 / 2022

INDEPENDENT AUDITOR'S REPORT

To the councillors of Mareeba Shire Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Mareeba Shire Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2022, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Mareeba Shire Council's annual report for the year ended 30 June 2022 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

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- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council'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. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council 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.

I communicate with the council 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.

Report on other legal and regulatory requirements

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- I received all the information and explanations I required.
- I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's transactions and account balances to enable the preparation of a true and fair financial report.



Lisa Fraser
 as delegate of the Auditor-General

5 October 2022

Queensland Audit Office
 Brisbane

Mareeba Shire Council
Current Year Financial Sustainability Statement
 For the year ended 30 June 2022

Measures of Financial Sustainability

Council's performance at 30 June 2022 against key financial ratios and targets:

| | How the measure is calculated | Actual - Council | Target |
|---------------------------------|--|------------------|----------------------|
| Operating surplus ratio | Net result (excluding capital items) divided by total operating revenue (excluding capital items) | 14.63% | Between 0% and 10% |
| Asset sustainability ratio | Capital expenditure on the replacement of assets (renewals) divided by depreciation expense. | 176.04% | Greater than 90% |
| Net financial liabilities ratio | Total liabilities less current assets divided by total operating revenue (excluding capital items) | -101.77% | Not greater than 60% |

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from Council's audited general purpose financial statements for the year ended 30 June 2022.

Certificate of Accuracy
 For the year ended 30 June 2022

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Mayor
Angela Toppin

Date: 4 / 10 / 2022



Chief Executive Officer
Peter Franks

Date: 4 / 10 / 2022

INDEPENDENT AUDITOR'S REPORT

To the councillors of Mareeba Shire Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Mareeba Shire Council for the year ended 30 June 2022, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s. 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Mareeba Shire Council for the year ended 30 June 2022 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current-year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Mareeba Shire Council's annual report for the year ended 30 June 2022 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the current-year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current-year financial sustainability statement

The councillors are responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors' responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current-year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current-year financial sustainability 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 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 statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council 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.



Lisa Fraser
as delegate of the Auditor-General

5 October 2022

Queensland Audit Office
Brisbane

Mareeba Shire Council
Unaudited Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2022

| Measures of Financial Sustainability | Measure | Target | Projected for the years ended | | | | | | | | | |
|--------------------------------------|--|----------------------|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | | Actuals at 30 June 2022 | 30 June 2023 | 30 June 2024 | 30 June 2025 | 30 June 2026 | 30 June 2027 | 30 June 2028 | 30 June 2029 | 30 June 2030 | 30 June 2031 |
| Operating surplus ratio | Net result divided by total operating revenue | Between 0% and 10% | 14.63% | 10.72% | 10.53% | 10.90% | 11.15% | 10.93% | 11.14% | 11.05% | 11.30% | 11.60% |
| Asset sustainability ratio | Capital expenditure on the replacement of assets (renewals) divided by depreciation expense. | Greater than 90% | 176.04% | 160.23% | 118.64% | 154.80% | 126.24% | 144.63% | 117.75% | 118.30% | 129.42% | 130.28% |
| Net financial liabilities ratio | Total liabilities less current assets divided by total operating revenue | Not greater than 60% | -101.77% | -80.35% | -81.66% | -69.30% | -68.99% | -54.80% | -56.34% | -57.42% | -55.46% | -54.32% |

Mareeba Shire Council's Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2022

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

Mayor
 Angela Toppin

Date: 4 / 10 / 2022

Chief Executive Officer
 Peter Franks

Date: 4 / 10 / 2022





Appendices

Appendix A - Annual Report Checklist

For Queensland councils governed by the *Local Government Act 2009 (LGA)* and *Local Government Regulation 2012 (LGR)*

| Requirement | Reference | Page |
|--|-------------------|------|
| Timing | | |
| Council must prepare an annual report for each financial year and: | | - |
| <ul style="list-style-type: none"> adopt it within one month after the day the auditor-general gives their audit report about council's financial statements for the financial year to council, (unless the Minister, by notice to the council, extends this time); and | LGR s182(2) & (3) | - |
| <ul style="list-style-type: none"> publish the report on council's website within two weeks of adoption. | LGR s182(4) | - |
| Content | | |
| The annual report must: | | |
| <ul style="list-style-type: none"> contain a list of all the beneficial enterprises that the local government conducted during the financial year | LGA s41 | N/A* |
| <ul style="list-style-type: none"> contain a list of all the business activities that the local government conducted during the financial year | LGA s45(a) | 64 |
| <ul style="list-style-type: none"> identify the business activities that are significant business activities | LGA s45(b) | 64 |
| <ul style="list-style-type: none"> state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied | LGA s45(c) | 64 |
| <ul style="list-style-type: none"> state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities. | LGA s45(d) | 64 |
| The annual report must state: | | |
| <ul style="list-style-type: none"> the total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government The senior management, of a local government, consists of the chief executive officer and all senior executive employees of the local government. | LGA s201(1)(a) | 62 |
| <ul style="list-style-type: none"> the number of employees in senior management who are being paid each band of remuneration Each band of remuneration is an increment of \$100,000. There is no requirement to disclose the exact salary of any employee in senior management separately in the annual report. | LGA s201(1)(b) | 62 |

| Requirement | Reference | Page |
|--|-------------------|------------|
| The annual report must contain: | | |
| • the general purpose financial statement for the financial year, audited by the auditor-general | LGR s183(a) | 82 |
| • the current-year financial sustainability statement for the financial year, audited by the auditor-general | LGR s183(b) | 122 |
| • the long term financial sustainability statement for the financial year | LGR s183(c) | 125 |
| • the auditor-general's audit reports about the general purpose financial statement and the current year financial sustainability statement | LGR s183(d) | 119 123 |
| • the community financial report for the financial year | LGR s184 | 70 |
| • a copy of the resolutions made during the financial year under s250(1) of the LGR (adoption of an expenses reimbursement policy); and | LGR s185(a) | 57 |
| • a list of any resolutions made during the financial year under s206(2) of the LGR (threshold for non-current physical asset to be treated as an expense) | LGR s185(b) | 63 |
| In relation to councillors, the annual report must contain: | LGR s186 | |
| • the total remuneration, including superannuation contributions, paid to each councillor during the financial year | LGR s186(a) | 56 |
| • the expenses incurred by, and the facilities provided to, each councillor during the financial year under the local government's expenses reimbursement policy | LGR s186(b) | 56 |
| • the number of local government meetings that each councillor attended during the financial year | LGR s18(c) | 56 |
| • the total number of the following during the financial year: | LGR s186(d) | |
| a. orders made under section 150I(2) of the LGA | LGR s186(d)(i) | 58 |
| b. orders made under section 150AH(1) of the LGA | LGR s186(d)(ii) | 58 |
| c. decisions, orders and recommendations made under section 150AR(1) of the LGA | LGR s186(d)(iii) | 58 |
| • each of the following during the financial year: | | |
| a. the name of each councillor for whom a decision, order or recommendation under section 150I(2), 150AH(1) or 150AR(1) of the LGA was made | LGR s186 (e) (i) | 58 |
| b. a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors | LGR s186 (e) (ii) | 58 |
| c. a summary of the decision, order or recommendation made for each councillor | LGR s186 (e)(iii) | 58 |

| Requirement | Reference | Page |
|---|----------------------|------|
| For councillors, the annual report must also contain the number of each of the following during the financial year: | | |
| • complaints referred to the assessor under section 150P(2) (a) of the LGA by the local government, a councillor of the local government or the chief executive officer of the local government | LGR s186 (1)(f)(i) | 58 |
| • matters, mentioned in section 150P(3) of the LGA, notified to the Crime and Corruption Commission | LGR s186 (1)(f)(ii) | 58 |
| • notices given under section 150R(2) of the LGA | LGR s186 (1)(f)(iii) | 58 |
| • notices given under section 150S(2)(a) of the LGA | LGR s186 (1)(f)(iv) | 58 |
| • decisions made under section 150W(1)(a), (b) and (e) of the LGA | LGR s186 (1)(f)(v) | 58 |
| • referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the LGA | LGR s186 (1)(f)(vi) | 58 |
| • occasions information was given under section 150AF(4)(a) of the LGA | LGR s186(1)(f)(vii) | 58 |
| • occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the LGA for the local government, the suspected inappropriate conduct of a councillor | LGR s186(1)(f)(viii) | 58 |
| • applications heard by the conduct tribunal | | 58 |
| a. under chapter 5A, part 3, division 6 of the Act about whether a councillor engaged in misconduct or inappropriate conduct. | LGR s186(1)(f)(ix) | 58 |
| In relation to administrative action complaints the annual report for a financial year must contain: | | |
| • a statement about the local government's commitment to dealing fairly with administrative action complaints; and | LGR s187(1)(a) | 59 |
| • a statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process | LGR s187(1)(b) | 59 |
| • the number of the following during the financial year | LGR s187(2)(a) | |
| a. administrative action complaints made to the local government; | LGR s187(2)(a)(i) | 59 |
| b. administrative action complaints resolved by the local government under the complaints management process; | LGR s187(2)(a)(ii) | 59 |
| c. administrative action complaints not resolved by the local government under the complaints management process; and | LGRs187(2)(a)(iii) | 59 |
| • the number of administrative action complaints not resolved by the local government under the complaints management process that were made in a previous financial year. | LGR s187(2)(b) | 59 |

| Requirement | Reference | Page |
|--|--------------------------------|------|
| The annual report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year: | | 62 |
| • for a councillor - the name of the councillor | LGR s188(1)(a) | N/A* |
| • for a local government employee – that person’s name and position held | LGR s188(1)(b) | N/A* |
| • the destination of the overseas travel | LGR s188(1)(c) | N/A* |
| • the purpose of the overseas travel | LGR s188(1)(d) | N/A* |
| • the cost of the overseas travel. | LGR s188(1)(e) | N/A* |
| The annual report may also contain any other information about the overseas travel the local government considers relevant. | LGR s188(2) | 62 |
| The annual report for a financial year must contain: | | |
| • a summary of the local government’s expenditure for the financial year on grants to community organisations | LGR s189(1) | 30 |
| • the following information about the local government’s discretionary funds— | LGR s189(2) | |
| a. the total amount budgeted for the financial year as the local government’s discretionary funds; | LGR s189(2)(a) | 30 |
| b. the prescribed amount (0.1% of the local government’s revenue from general rates for the previous financial year) for the local government for the financial year; | LGR s189(2)(b) LGR s201B(5) | N/A* |
| c. the total amount of discretionary funds budgeted for the financial year for councillors to allocate for each of the following purposes: | LGR s189(2)(c) | N/A* |
| i. capital works of the local government that are for a community purpose | LGR s189(2)(c)(i) | N/A* |
| ii. other community purposes; | LGR s189(2)(c)(ii) | N/A* |
| a. the amount of discretionary funds budgeted for use by each councillor for the financial year; | LGR s189(2)(d) | N/A* |
| b. if a councillor allocates discretionary funds in the financial year: | LGR s189(2)(e) | N/A* |
| i. the amount allocated; and | LGR s189(2)(e)(i) | N/A* |
| ii. the date the amount was allocated; and | LGR s189(2)(e)(ii) | N/A* |
| iii. the way mentioned in section 202(1) in which the amount was allocated; and | LGRs189(2)(e)(iii) | N/A* |

| Requirement | Reference | Page |
|---|--------------------|------|
| iv. if the amount was allocated to a person or organisation—the name of the person or organisation to whom the allocation was made; and | LGR s189(2)(e)(iv) | N/A |
| v. the purpose for which the amount was allocated, including sufficient details to identify how the funds were, or are to be, spent. | LGR s189(2)(e)(v) | N/A |
| The annual report for a financial year must also contain the following information: | LGR s190(1) | |
| • the chief executive officer's assessment of the local government's progress towards implementing its 5-year corporate plan and annual operational plan | LGR s190(1)(a) | 36 |
| • particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year | LGR s190(1)(b) | 37 |
| • an annual operations report for each commercial business unit, which means a document that contains the following information for the previous financial year: | LGR s190(1)(c) | N/A* |
| » information that allows an informed assessment of the unit's operations, including a comparison with the unit's annual performance plan | LGR s190(2)(a) | N/A* |
| » particulars of any changes made to the unit's annual performance plan for the previous financial year, including the impact the changes had on the unit's financial position, operating surplus or deficit and prospects. | LGR s190(2)(b)&(c) | N/A* |
| » particulars of any directions the local government gave the unit. | LGR s190(2)(d) | N/A* |
| • details of any action taken for, and expenditure on, a service, facility or activity: | LGR s190(1)(d) | |
| » supplied by another local government under an agreement for conducting a joint government activity | LGR s190(1)(d)(i) | 63 |
| » for which the local government levied special rates or charges for the financial year; | LGR s190(1)(d)(ii) | 63 |
| • the number of invitations to change tenders under section 228(7) of the LGR during the financial year; | LGR s190(1)(e) | 62 |
| • a list of the registers kept by the local government; | LGR s190(1)(f) | 62 |
| • a summary of all concessions for rates and charges granted by the local government; | LGR s190(1)(g) | 63 |
| • the report on the internal audit for the financial year; | LGR s190(1)(h) | 60 |
| • a summary of investigation notices given in the financial year under S49 of the LGR for competitive neutrality complaints; | LGR s190(1)(i) | 64 |
| • the local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under S52(3) of the LGR. | LGR s190(1)(j) | 64 |

N/A* - Council is not required to provide information pertaining to these sections of legislation

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