

2018|19

Annual Report

MacDonnell Regional Council



Our 2018|19 Annual Report cover

The 2019 Australian Sustainable Communities Tidy Town Award trophy settles into its home in Santa Teresa during a community barbeque celebration of the achievement.

2017|18 Annual Report of the MacDonnell Regional Council is produced in accordance with the *Local Government Act*. MacDonnell Regional Council consistently works with its funding partners in an endeavour to achieve our shared goals, provide real employment and improve life opportunities for constituents.

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Message from our Council President

Werte and welcome to the 2018-19 Annual Report for the MacDonnell Regional Council.

I send my sincere condolences to the Abbott family after the recent passing of Councillor B Abbott. I am thankful for Councillor B Abbot's representation of Ljirapinta Ward via Wallace Rockhole which gave strong direction and leadership to the MacDonnell Regional Council. We will continue to live his legacy as we support all of our young people and their emerging leadership.

For those elected to Council, we must continue to be strong and honest as we stand up for our communities. For this, we must continue to work together and support each other for our Council, our Local Authorities and our residents.

I encourage our Councillors and Local Authority members to engage with our communities and residents, to talk and listen, to learn what is happening in community and how MacDonnell Regional Council can *build a quality desert lifestyle*. Let us carry and amplify the many voices of our communities towards this vision as we guide the MacDonnell Regional Council.

The changes and continuous improvement we have brought to people's lives over the last decade fills me with pride. As an organisation, we must continue to learn and innovate to carry out our mission *to improve the lives of Council residents by delivering valued and relevant services*.

Over this last year, we have focused on the main areas of interest as directed by our Council, Local Authorities and residents.

We remain a major employer of Aboriginal people in our region as we look to build and support our workforce with training and professional development. As an example of this, I would like to congratulate Rachel Kantawara from Hermannsburg on completion of her training to become the first female Aboriginal Essential Services Officer for us and the southern region.

Aboriginal enterprise and tourism in the area have grown and will become important employers in the future. One of these sites located on an outstation has hosted school children from a different community for an enjoyable story-sharing excursion and further partnerships with tourist operators are being built.

We will continue to make housing a priority in our communities and outstations. This includes the advocacy for more housing and looking at options for accommodation to address severe overcrowding. The maintenance of facilities on outstations by MacDonnell Regional Council has shown we are capable of supporting living on homelands and we will look for more opportunities to get things done.

MacDonnell Regional Council has and will continue to speak up strongly to both of the other levels of government on the priorities of our communities. This is an ongoing process as we work together to make our communities better places to live.

The voice of our young leaders is being supported through the governance structure of Youth Boards and we are now seeing the beginning of their initiatives to strengthen their communities. I am looking forward to seeing their emergence as members for their Local Authorities, Councillors and one day to be President of MacDonnell Regional Council. I urge them to keep up the good work as they take more responsibility for local decision making.

I look forward to seeing what improvements we can make for our residents in the next 10 years as we all work together to achieve better living standards.



Roxanne Kenny, President, MacDonnell Regional Council

Message from our Chief Executive Officer

Welcome to the MacDonnell Regional Council Annual Report for 2018/19.

I am extremely proud of the improvements we continue to deliver to our remote communities. Combined with high local Aboriginal employment, strong growth and fiscal management, MacDonnell Regional Council continues to deliver on its vision of *many voices, one dream, building a quality desert lifestyle*.

Council continues to strengthen community engagement through increased participation in local decision making via our Local Authorities and the ongoing development of our Youth Boards as we give voices to future leaders. These boards, along with Council continue to inform and guide our future strategic direction.

MacDonnell Regional Council is also supporting the development of local stakeholder groups to work collaboratively together to improve the amenity and pride in community. The greatest example of this synergy was seen when Santa Teresa was named the *2019 Australian Sustainable Communities Tidy Towns Award* winner. The hard work and team effort from the community-led projects focussing on environmental sustainability and resource management resulted from a common goal that is shared by residents, Atyenhenge Atherre Aboriginal Corporation (AAAC), the Ltyentye Apurte Catholic Education Centre and the MacDonnell Regional Council. As a result of their success, the remote Aboriginal community of Santa Teresa will host the *2020 Keep Australia Beautiful Tidy Town Awards*, providing an exciting opportunity to showcase Australia's most sustainable community.

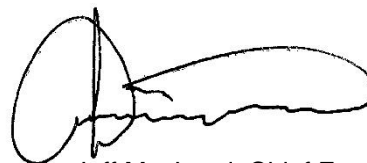
Our successes on the ground are despite inflationary forces and other financial impacts applying increased pressure on a balanced budget. Our careful control of expenses and investment has maintained an operating surplus and stable finances. However, we also maintain a heavy reliance on

our ability to win and deliver upon commercial contracts to resource our local government operations. MacDonnell Regional Council acknowledges the financial support of the Commonwealth Government through the Financial Assistance General Purpose and Roads grants, and the extremely important social services which are critical to the residents of remote communities. We also acknowledge the Northern Territory Government for the NT Operations Grants, Local Authority Project and Strategic Infrastructure Funds grants which underwrite so many of our community improvements.

While this past year has been one of outstanding achievements and celebrations within our communities, we have also suffered great loss with the passing of two great men from Central Australia. The passing of Mr S Anderson and Mr B Abbott has left us all with a profound sense of loss and grief. Their contribution to the lives of so many Central Australians could never be adequately covered here.

Mr Anderson was a foundation member of Council and its long serving President who led Council as it found its direction as a local government council and emerged as a leader among its peers. Mr B Abbott inspired his fellow members as a passionate campaigner for Aboriginal rights and for young people, who he always found time to advocate on their behalf.

I can only praise the elected members I serve and thank them for their tireless commitment to their constituents. Just as it is with the Council that sets our direction, it is the staff who ensures it happens. So it is without hesitation that I thank my wonderful staff for their tireless efforts on a daily basis to deliver on our goals.



Jeff MacLeod, Chief Executive Officer, MacDonnell Regional Council

The Council

Situated in an arid desert environment at the centre of the Australian continent, MacDonnell Regional Council (MRC) features many iconic, panoramic landscapes which are easily accessed from Alice Springs.

Picturesque water holes, magnificent flora and fauna, red desert sands and captivating mountain ranges with changing hues are reasons why the MacDonnell region is uniquely beautiful and has a deep and powerful strength that can only be felt when travelling across the land.

About Communities

Named after the ancient and spectacular MacDonnell Ranges, MacDonnell Regional Council was established in 2008 and its area covers our 13 major remote communities as well as many outstations and numerous established and emerging enterprises in the pastoral, tourism and mining industries. The towns of Alice Springs and Yulara are excluded from the Council. A total population of 6,029 was recorded in the ABS 2016 Census from all dwellings in the MacDonnell Regional Council.

At MacDonnell Regional Council we recognise and respect the fact that Aboriginal culture is the oldest known continuing culture in the world and that Aboriginal people have had their own forms of governance for tens of thousands of years.

Having strong and effective Aboriginal representatives on the Council has provided an opportunity to discuss and develop effective two-way communication and engagement as well as strong governance principles and practices. Council discussions are multi-lingual, moving easily between the Aboriginal languages spoken in the MacDonnell region (mainly Luritja, Pintubi, Pitjantjatjara and Arrarnta) and English. In weighing-up the impacts of their decisions made, councillors explore vastly different perspectives and expectations.

	Council Workforce	Indigenous Workforce (as %)	Community Population*
<u>Amoonguna</u>	31	90	239
<u>Areyonga (Utju)</u>	40	93	195
<u>Docker River (Kaltukatjara)</u>	38	84	394
<u>Finke (Aputula)</u>	32	88	192
<u>Haasts Bluff (Ikuntji)</u>	38	84	138
<u>Hermannsburg (Ntaria)</u>	43	93	605
<u>Imanpa</u>	16	88	151
<u>Kintore (Walungurru)</u>	39	79	410
<u>Mount Liebig (Watiyawanu)</u>	35	89	169
<u>Papunya (Warumpi)</u>	40	83	404
<u>Santa Teresa (Ltyentye Apurte)</u>	40	90	579
<u>Titjikala</u>	36	94	227
<u>Wallace Rockhole</u>	8	100	102

★Population figures shown are from ABS 2016 Census

We are committed to delivering quality services for all of our residents, with Council services operating from Service Delivery Centres in all thirteen communities. The coordination of all services and the administration of governance, finance, funding arrangements, program management and human resources is undertaken centrally in our Alice Springs office.

About Council

MacDonnell Regional Council has 12 elected members in four wards. Councillors are elected for four years, with the last election held in September 2017. Following these elections newly elected councillors joined with re-elected councillors to nominate and vote for their principal members. Roxanne Kenny was re-appointed as President of MacDonnell Regional Council and Greg Sharman was appointed as Deputy President.

Throughout its annual cycle, Council holds an Ordinary Council Meeting every two months, and Special Council Meetings as required. Meetings are held on any of the 13 communities within the Council, at a local business within the Council region or in Alice Springs. All Council meetings are open to the public unless confidential business is being considered. Residents of our communities and members of the public are encouraged to attend.

MacDonnell Regional Council has a Finance and Risk Committee, Audit Committee and Local Authorities in each of its 13 remote communities. Dates, times, agendas and minutes for all Council and committee meetings, including Local Authority meetings, are available on the MacDonnell Regional Council website: www.macdonnell.nt.gov.au/meetings

Services Offered by MacDonnell Regional Council by Community

	Amoonguna	Areyonga	Docker River	Finke	Haasts Bluff	Hermannsburg	Imanpa	Kintore	Mount Liebig	Papunya	Santa Teresa	Titjikala	Wallace Rockhole
Council Infrastructure	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Municipal Services	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Libraries											✓		
Outstations					✓	✓			✓	✓	✓	✓	
Swimming Pools		✓						✓			✓		
Airstrip Maintenance		✓	✓	✓	✓	✓		✓	✓	✓	✓		
Australia Post	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Centrelink	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Community Store	✓												
Power Maintenance		✓	✓	✓	✓		✓	✓	✓	✓		✓	
Water Maintenance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sewerage Maintenance	✓	✓	1/2*	✓		✓	✓	✓		✓	✓	✓	
Early Learning Centres		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	
Outside School Hours Learning	✓	✓			✓	✓		✓	✓	✓	✓	✓	
Community Safety	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Aged and Disability Services	✓	✓		✓	✓	✓	✓			✓		✓	
School Nutrition		✓		✓	✓		✓					✓	
Youth Services	✓	✓	✓✚	✓✚	✓	✓	✓✚	✓	✓	✓	✓	✓	

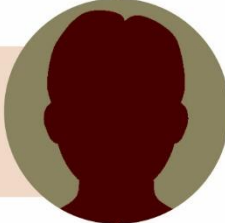
*Half the community receives mains sewerage and half is on septic ✚ Limited Sport and Recreation service only

Ljirapinta Ward

Council President
Roxanne Kenny
via Hermannsburg (Ntaria)
Service Delivery Centre



Councillor
B Abbott
via Wallace Rockhole
Service Delivery Centre



Councillor
Braydon Williams
via Hermannsburg (Ntaria)
Service Delivery Centre



Rodinga Ward

Deputy President
Greg Sharman
via Titjikala
Service Delivery Centre



Councillor
Susan Doolan
via Finke (Aputula)
Service Delivery Centre



Councillor
Lynette Ellis
via Amoonguna
Service Delivery Centre



Deputy President
Phillip Wilyuka
via Titjikala
Service Delivery Centre



Iyarrka Ward

Councillor
Marlene Abbott
via Docker River (Kaltukatjara)
Service Delivery Centre



Councillor
Selina Kulitja
via Docker River (Kaltukatjara)
Service Delivery Centre



Luritja Pintubi Ward

Councillor
Tommy Conway
via Kintore (Walungurru)
Service Delivery Centre



Councillor
Dalton McDonald
via Papunya (Warumpi)
Service Delivery Centre

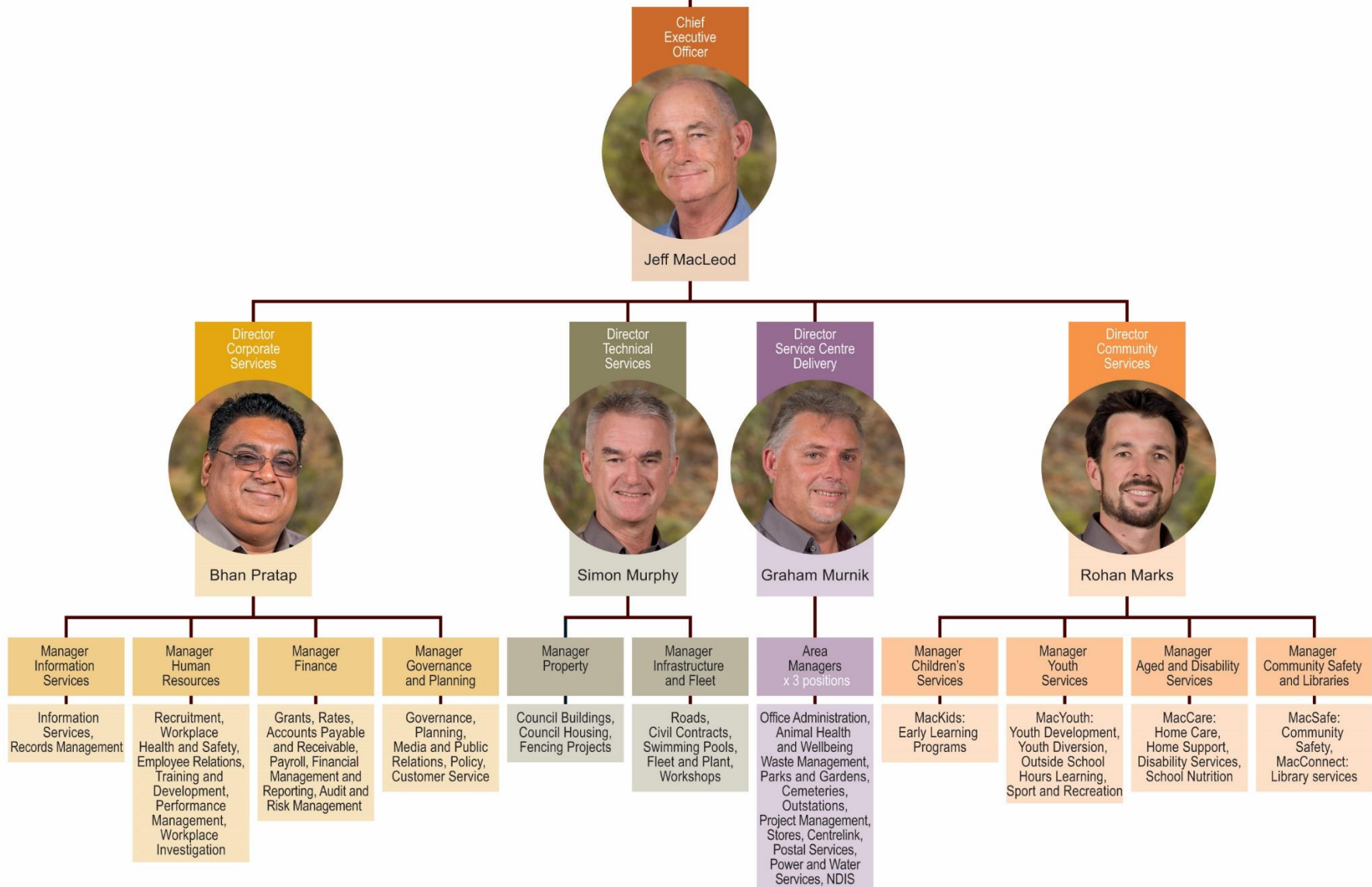


Councillor
Sarah Stockman
via Papunya (Warumpi)
Service Delivery Centre



MacDonnell Regional Council

MacDonnell Council administration



Strategic Planning

Strategic Planning acknowledges the vision, mission and values of the MacDonnell Regional Council. The following assesses our performance against our goals, objectives and key performance indicators for the past financial year.

Our Vision

many voices, one dream, building a quality desert lifestyle

Our Mission

to improve the lives of Council residents by delivering valued and relevant services

Our Values

open we will build strong relationships and seek feedback and input on our work

respectful we will respect and support our diverse cultures and heritage

accountable our work must be transparent and accountable to MacDonnell Regional Council residents

inclusive we will value and incorporate local knowledge, experience and perspectives into the work that we do

innovative we will seek new ideas and ways of working to achieve our outcomes and improve our services

Strategic planning assessments

MacDonnell Regional Council's mission is *to improve the lives of Council residents by delivering valued and relevant services* and our vision is *many voices, one dream, building a quality desert lifestyle*. To fulfil our mission and accomplish our vision we set goals, objectives and strategies that are supported by key performance indicators that provide a measure of our progress.

The 2018/19 financial year was one of further consolidation – building on the solid foundations established over the previous years, despite a challenging fiscal environment.

Council is faced with increasing constituent expectations against what is overall a shrinking income stream and rising costs. To address this, we have had to look to other sources of income and a reduction in expenditure. Our performance measures below should be seen in that context. As a whole we remain very proud of our performance.

We acknowledge the assistance of both Federal and Northern Territory governments in their support of services provision to MacDonnell Regional Council communities and the importance of Federal funding through the Financial Assistance Grants (FAG) program to support our continued delivery of quality services.

In order to measure progress across all our goals, outcomes (sub-goals) strategies and key performance indicators (KPIs), MacDonnell Regional Council has again used the following ratings system to quickly show the progress.

Strategic rating key

A	Achieved completely or almost completed
B	Partially achieved
C	Not achieved or very little achieved

When committing to ambitious targets, success is not always guaranteed. Of our 13 objectives, 3 had a majority or median of A key performance indicators, 9 had a majority or median of B key performance indicators, and only 1 had a C majority rating. A total of 40 KPIs yielded 12 As, 17 Bs and 11 Cs.

Rating summary

Objectives	13 total
A	majority or median in 3 outcomes
B	majority or median in 9 outcomes
C	majority in 1 outcomes

KPIs	40 total
A	12 achieved
B	17 partially achieved
C	11 not achieved

Goal 1. Developing communities

Objective	Strategy	Rating	KPI	Target
1.1 Maximise indigenous employment rating average: A The high rate of 85% Aboriginal employees based in communities was met throughout the year as was the rate of 10% Aboriginal employees in the Alice Springs office. A total of 15 employees placed in our employment through partnerships with community organisations exceeded our target of 10 employees.	Maintain a high percentage of Aboriginal employees based in communities	A	85% in community	June 2019
		A	10% in Alice Springs office	June 2019
	Local employment is supported through Council's procurement policy and tender documentation	A	10% of panel contractors use local indigenous employees	June 2019
	Partner with organisations that can offer job-ready candidates in communities	A	10 employees placed in employment	June 2019

Objective	Strategy	Rating	KPI	Target
1.2 Support Economic development rating average: B The target of 5 new contracts to be applied for to support economic opportunities was exceeded by 2 new contracts. The strategy to submit competitive tenders for housing contracts reflects residents' desire for housing maintenance and repairs to return to being a service provided by Council and employing community members. Unfortunately there were no housing contracts offered for tender during this reporting period.	Secure additional contracts that support economic opportunities	A	Five new contracts applied for.	June 2019
	Submit competitive tenders for housing contracts	C	Competitive tender/s for: Housing Tenancy	by due date
		C	Housing Maintenance	
		C	Room to Breathe/Move	

Objective	Strategy	Rating	KPI	Target
1.3 Support the creation of indigenous enterprise rating average: C MRC has not allocated budget for workshops and opportunities to engage through workshops organised by other organisation have not occurred. There were not many developing enterprises in our communities, but when identified various individual opportunities were supported.	Conduct community enterprise workshops in conjunction with supportive NTG departments	B	Six regional workshops conducted in identified locations	June 2019
	Provide in-kind support to Indigenous enterprises developing tourist activities in communities.	B	Provide one in-kind support to each new Indigenous tourism enterprise developed.	June 2019

Goal 2. Liveable communities

Objective	Strategy	Rating	KPI	Target
2.1 Advance the standards of Services rating average: B While community surveys were prepared, staffing changes impaired the surveys being conducted. Engagement with other councils continued through a shared approach to waste management and is being expanded to include a recycling operation. The strategy to secure long term land tenure for Council services has met with some success, while we continue to awaiting CLC community consults on the majority	Services provided meet community pride, safety and a sense of belonging	C	Community surveys held in 13 communities	June 2019
	Engage with other councils to improve service delivery standards.	A	Shared service >1	June 2019
	Secure long term land tenure for community service programs	B	Secure Section 19 leases for 80 % of community service facilities	June 2019
Objective	Strategy	Rating	KPI	Target
2.2 Advance the standard of infrastructure rating average: C An Infrastructure Improvement Plan was slightly progressed internally within the administration while external signs appeared through Local Authority driven planning opportunities. Improvements were made in the introduction of energy efficiencies to our buildings and facility infrastructure through retro fitting LED lighting and securing funding to rollout of solar hot water systems, more LED lighting and efficient reverse cycle air conditioners.	Implement the long term infrastructure improvement plan	C	13 meetings and consultations held with community.	June 2019
		C	Develop infrastructure evaluation matrix	June 2019
	Introduce energy efficient technologies into all building and facility developments	B	Upgrades performed in all 13 communities.	June 2019
Objective	Strategy	Rating	KPI	Target
2.3 Support community and cultural events rating average: A MRC continues to provide general in-kind support from across its directorates when community events are held.	Providing in-kind support for community-wide events	A	One in-kind support provided per community event.	June 2019

Goal 3. Engaged communities

Objective	Strategy	Rating	KPI	Target
3.1 Local authorities are engaged rating average: B Beautification plans were discussed in several Local Authority with Kintore instigating a project to engage an architect to assist their development of a public space for multiple community benefits. Communications opportunities through MacNews and videos were impaired by staffing changes over the year. Encouraged by planning initiatives in Local Authority meetings, having a specific agenda item is identified to further support an Infrastructure Improvement Plan.	LA guide beautification in their communities.	B	Beautification plans developed for each community	June 2019
	Increase community understanding of what Council and Local Authorities do.	B	One story in each MacNews edition from each directorate.	June 2019
		C	Develop and produce video communications to improve community understanding of council operations.	June 2020
	LA input into a long term infrastructure improvement plan	B	13 consultations held.	June 2019
Objective	Strategy	Rating	KPI	Target
3.2 Young people are engaged and future community leaders are developed rating average: B The development of an Engagement and Reporting Plan for Youth Development was not undertaken, however the strategy for young people to engage with Council and their community by forming Youth Boards was very successful with several young people attending Local Authority meetings and some nominating to become members.	Young people engage with Council and their community.	C	Develop a Youth Development Engagement and Reporting Plan.	June 2019
		B	A Youth Board member attends LA meetings.	June 2019
Objective	Strategy	Rating	KPI	Target
3.3 Stakeholders are engaged with community aspirations rating average: B Initiatives are still underway to achieve the councillor engagement and training plans strategies, however five new Councillors attended Australian Institute of Company Directors training. The strategy to engage and partner with community stakeholders to deliver priorities was particularly successful in one community. Santa Teresa was the lead community in this regard and was duly named Australian Tidy Town in the recent national awards.	Councillors conduct formal meetings with community members and stakeholders to identify community priorities	C	Feedback from meetings and engagement at Council meetings.	For Council discussion
	Engage and partner with community stakeholders to deliver priorities	A	2 meetings and engagements conducted.	June 2019
	Develop Councillors and Local Authority chair persons.	B	Individual training plan developed for each councillor and chairperson.	June 2019

Goal 4. A supportive organisation

Objective	Strategy	Rating	KPI	Target
4.1 Support the development and advancement of our staff rating average: A Staff satisfaction surveys have been prepared and are ready for information to be gathered this financial year. The Workforce Development Plan has been presented to Council and is becoming operational through current Regional Plan	Promoting career pathways and staff satisfaction.	B	Staff satisfaction surveys performed.	June 2020, held bi-annually
		A	MRC Workforce Development Plan reviewed and operational.	December 2018
		A	Tailor work hours to suit community aspirations	June 2019
	Training that improves staff capacity and career development is provided	A	Identify staff training needs through performance management appraisal	June 2019
Objective	Strategy	Rating	KPI	Target
4.2 We are leaders in safe workplace practices rating average: B Development of a compliant safety management system and improvements to understanding barriers to workforce participation were steadily improved.	Compliant Workplace Health and Safety	B	Develop a compliant safety management system	June 2019
	Improve understanding of barriers to workforce participation	B	20 % reduction in underspend of wages	June 2019
Objective	Strategy	Rating	KPI	Target
4.3 Improved communication through technology rating average: B Strategies supporting improved communication through technology progressed despite external inhibitors. Disregarding a Telstra licence agreement and the brand name Blue Jeans, conferencing equipment is being installed and becoming operational in our communities. A waste management app is nearly developed and we are awaiting the purchase of digital pads to engage this technology in the workplace.	Implement Blue Jeans video conferencing technology	B	Blue Jeans installed and operating in all communities	June 2019
	Improve data collection	B	Implement waste management app at 13 sites	June 2019
	Raise community awareness of Council services and profile using appropriate technology	B	Install communication technology in all Council offices in community.	June 2019

Objective	Strategy	Rating	KPI	Target
4.4 We will exercise care and diligence in fulfilling our corporate governance responsibility rating average: B Following previous nature disaster insurance claims in several communities we are updating our Risk Management Framework in response to the insurers' risk management report. An internal compliance audit was performed with our first desktop audit being successfully completed. Governance based training and mentoring opportunities were engaged.	Regular review of our risk management framework and performance	C	Risk Management Framework established.	June 2019
		C	Risk registers compiled.	June 2019
	Effective compliance in achieving our organisational goals, objectives and obligations	B	Rolling compliance audit performed.	December 2018
		B	Provide training to Governance and Policy Officer in audit performance	December 2018
		A	Appoint external mentor for Governance and Policy Officer	Ongoing

Service Centre Delivery

The Service Centre Delivery directorate is responsible for the effective delivery of Council's municipal services and some non-Council services such as commercial operations or agency functions delivered on behalf of government agencies and other stakeholders.

Council Services

Animal Management

The MacDonnell Regional Council currently delivers its animal management services to all communities in the Council's region. The primary objective of the program is to improve human health and safety in Indigenous communities by implementing effective animal control measures, and to improve the health of animals in a culturally-sensitive and sustainable way.

The Council contracts veterinarians, Dr Robert Irving, NT Veterinary Services and Dr Graeme Blanch. These vets visit remote communities treating animals for internal parasites and to conduct sterilisation treatments.

Education is an essential component of dog health, welfare and control. Both formal and informal educational campaigns are administered by the vets when they visit, which includes engagement with schools, health centres, working with local service providers and/or community stakeholders. Vets are often accompanied and supported by Council Civil Works employees when they are in communities.

Key achievements

Financial year vet visits to communities

	\$ expenditure at June 2018
Amoonguna	4,325
Areyonga (Utju)	6,009
Docker River (Kaltukatjara)	10,052
Finke (Aputula)	8,225
Haasts Bluff (Ikuntji)	4,000
Hermannsburg (Ntaria)	11,049
Imanpa	5,999
Kintore (Walungurru)	2,990
Mount Liebig (Watiyawanu)	4,000
Papunya (Warumpi)	4,102
Santa Teresa (Ltyentye Apurte)	11,850
Titjikala	11,900
Wallace Rockhole	2,755
Totals	87,256

Papunya Surgical Program

AMRRIC, PETstock, Drs Michael Archinal and Bob Irving and MRC collaborated to offer surgical de-sexing and an anti-parasitic program in the communities of Mt Liebig, Papunya and Haasts Bluff between 8 and 12 April 2019. The outcomes were rewarding with 101 dogs being de-sexed and treated for internal and external parasites. Ongoing plans are for the next surgical program in these 3 communities to occur in September 2019.

Key challenge

A key challenge for Council continues to be the level of funds available to deliver animal management services. Council currently fully funds these services from its operational funding. Increased funds would enable improved veterinary services, including enhanced education and de-sexing, to be delivered to communities.

Cemeteries

Cemetery management services are conducted in 12 MacDonnell Regional Council communities. Services include general maintenance of cemetery reserves and surrounds, preparation of burial plots, upkeep of burial details and identification of burial places within the cemetery.

Council has developed Cemetery Management Guidelines, providing the basis of a four level implementation plan for cemeteries. This outlines the service level standards that Council aims to achieve, taking into account the Council's goal of 'Developing Communities' and relevant legislation.

Service levels for the development of cemeteries include:

- site identification and clearing, including fencing, car parks and grave shoring
- shade structures, seating, wheelie bins and water
- signage and plot markers, including a cemetery register and grid plan of grave locations
- pathways and landscaping

A draft Burial and Cremation Bill is planned to be introduced into the NT Parliament in the 19-20 year, with a scheduled implementation date of 1 July 2020. The amendments to the Act will require significant compliance requirements from MRC for our main cemeteries. Additional requirements from these amendments make MRC responsible for receiving death notices, authorising burials and maintaining a statutory register.

Key achievements

The Docker River cemetery was expanded and a new perimeter fence was completed.

The Hermannsburg cemetery was also approved for expansion and the clearing and fencing for this project will be completed in 2019-20.

Internal Roads Maintenance

A number of speed humps have been delivered to most communities and Civil Works team are in the process of installing these new ones that meet Australian Standard.

Parks and Open Spaces

Parks and public spaces in each community are the responsibility of Council and work in this area includes upgrades and maintenance of facilities, such as shade structures, park furniture, signage, and playground equipment.

It also includes the provision of lighting for public safety, conducting monthly safety audits on playground equipment, litter control and ensuring grass is kept short to mitigate fire risks.

A special purpose grant was received to install soft-fall at seven (7) of our playgrounds. These included Papunya, Haasts Bluff, Areyonga, Hermannsburg x 2, Imanpa and Docker River. The Docker River Local Authority also approved funds for placing soft-fall at a second playground on their community.

Sports Grounds and Facilities

Community ovals are maintained by the Council. Many of the ovals received upgrades throughout the year including the installation of shade structures, seating, grand stands, fencing and lighting. Docker River has received a grant to have lighting installed at their footy oval in the 2019-20 year.

An NTG SP Grant has also been received to install new basketball courts at Haasts Bluff, Papunya and Amoonguna in the 2019-20 financial year.

Key achievements

The Imanpa Bottom Camp had playground equipment with soft-fall, a shade shelter and solar lights installed. Additional bollards will be installed to complete the project.

Soft-fall installed around playgrounds at Papunya, Haasts Bluff, Areyonga, Hermannsburg and Docker River.

Waste Management

MacDonnell Regional Council strives to deliver best practice waste management services for thirteen (13) remote communities in its region. Services include general waste collection, landfill management, litter management, and staff training. Domestic kerbside collections are conducted twice weekly in all communities, with landfill sites effectively managed and maintained against the relevant service level guidelines across all 13 remote locations.

Waste management operations are delivered in accordance with the Central Australian Remote Landfill Operating Manual (CARLOM), developed by Barkly, Central Desert and MacDonnell Regional Councils, the Local Government Association of the NT (LGANT), and the NT Department of Environmental Health. They make up the Central Australian Waste Management Working Group whose aim is to work collaboratively to discuss regional waste management and environmental health issues, along with developing sustainable and best practice waste management documents for Central Australian remote communities.

MacDonnell Regional Council continues to accommodate the Central Australian Waste Management Manager. This Manager reports quarterly to the Central Australian Waste Management Working Group (CAWMWG). Through this regional collaboration, consistent and improved waste management practice are delivered across all three Councils in the group.

Key achievements

A total of 1352 waste collections occurred throughout 2017/18 across 13 locations. Waste collections are conducted twice weekly at each of our 13 communities.

The audit of scrap metals and abandoned vehicles was conducted in 2017 identifying approximately 31,000 tonnes of stockpiled material. The Central Australian Waste Management Working Group has made a plan to establish a vehicle and metal recycling project model to address this issue in Central Australia.

In 2018, funding of \$3.5 million was provided by the Department of Local Government, Housing and Community Development (Department) to the LGANT to support initiatives to improve the health, safety and security of council communities.

The vehicle and metals recycling project has been identified by the Government as a prospective project that has the potential to deliver innovative and collaborative solutions to waste management challenges faced by communities of participating councils.

The Minister for the Department has provided his in-principle support for funding to be made available for a one-off contribution towards the project being pursued by the Central Australian Waste Management Working group. This will be through an Expression of Interest (EOI) process and the approval of any funding will be dependent on comprehensive and robust business planning. The working group has until 30 November 2019 to submit this EOI and business plan.

A new landfill site has been constructed at Santa Teresa on schedule and work completed by the June 2019 deadline. The remediation of the old site is nearing completion and the site will no longer receive waste with its

closure prior to September 2019. The lease for this site will be cancelled following the removal of the metal stockpiles (including abandoned vehicles). A schedule for this work is being developed and is subject to funding from the Department of Local Government, Housing and Community Development for a vehicle and scrap metals recycling project.

Regional depots have been identified for Imanpa and Hermannsburg for the central storage of recyclable materials. These sites will initially be used to be used to store materials prior to their transport to markets in Adelaide and other parts of Australia. Planning and costing for these sites are underway and the implementation of this system is subject to funding and the vehicle and metal recycling project

Stage 3 of the community litter and waste app is under development after receiving a further \$9600 worth of funding from the NT EPA. This stage will include recording waste volumes and life remaining of community general waste pits. The roll out to each community will be considered gain during the 2018/19 financial year. The app was developed by the Central Australian Waste Management Working Group to help council implement community litter and landfill plans with audits of key performance areas. The app helps council employees with language, literacy and numeracy skills to complete reports in the following areas:

- Bin audits
- Public Drop off Bays
- Council Landfill Compound
- Waste collection equipment
- Tidy Towns reporting

MRC, represented by the Regional Waste Manager and one Area Manager, attended the National 2019 Waste Conference in Coffs Harbour to present on the CAWMWG achievements. This was a four day conference, with the main topic being recyclables (mainly plastics) and the separation of food organics from general waste.

The Australian Government and Industry continue to work on options within Australia to ensure the recycling industry services and LG services remain. Contacts with Remondis, a national waste industry service provider, have been established to investigate options for the removal of recyclable commodities from our community landfills.

Landfill design improvements were drafted and implemented for Amoonguna, Haasts Bluff, Hermannsburg, Imanpa, Mt Liebig, Papunya and Wallace Rockhole.

A new Municipal Training waste training package has been developed in conjunction with the Central Australian Waste Management Working Group Manager for implementation throughout all our communities.

A Central Australian Waste Management Working Group Waste and litter Matrix has been created to drive continued improvements in waste management best practice in Central Australia.

The Santa Teresa community won the 2019 NT Tidy Towns Award. It also represented itself with honours in Tasmania, taking out the Australian 2019 outright Winner as well as winner of the Litter Prevention Category; Environmental Community and Engagement Category; Community Health, Wellbeing and Interest Category; Young legend Category; plus, "High Commended" recipients of the 2019 Australian Tidy Towns Sustainable Community Resource Recovery and Waste Management Category.

Key challenges

Monitoring landfills and who accesses them on a daily basis again proved challenging due to their locations, outside communities. The landfills are of a size and volume where it is impractical to have them permanently staffed.

Improved waste separation achieved via the implementation of waste management best practice is seeing stockpiles of recycled material stored at

community landfills. The removal of these stockpiles from these communities continues to be challenging with the challenges of distance, road conditions and access to markets. Waste separation is a national strategy to protect the environment and also to reduce cost for the application of waste to landfill.

Tidy Towns

In an effort to improve the quality of life of the residents of its remote communities, Council registers each community in the Keep Australia Beautiful NT Tidy Towns Awards each year. The program encourages sustainable communities with better, healthier living conditions that improve the quality of life of residents.

The program enables Council to develop and promote effective partnerships with community stakeholder groups; and to acknowledge the hard work and efforts of the people living in the communities and working towards these better conditions.

Key achievements – Territory

The 2018 *NT Tidy Towns Awards* saw all communities across the Northern Territory recognised for their outstanding efforts in achieving sustainable outcomes. Once again, MacDonnell Regional Council was once again rewarded for its hard work and effort demonstrated by everyone in keeping their communities clean and tidy.

Council took out the *Best Regional Council Award* for the fifth consecutive year.

MRC communities collected seven major awards, and six commendations at the award ceremony held in Alice Springs, including the major accolade of *2017 Territory Tidy Town* going to Finke (Aputula) community. Finke went on to represent the Northern Territory at the national Tidy Towns awards held this year at Barmera in South Australia.

Finke, Santa Teresa, Areyonga, Wallace Rockhole and Imanpa were stand out communities on the night for MacDonnell Regional Council. Following is the list of commendations and major awards to our communities:

- *Litter Management* (commendation) – Areyonga
- *Litter Management* (commendation) – Imanpa
- *Litter Management* (commendation) – Santa Teresa
- *Community Participation* (commendation) – Areyonga
- *Community Participation* (commendation) – Finke
- *TTT School* (commendation) – Wallace Rockhole
- *Litter Management* (Southern Region winner) – Finke
- *Resource Recovery* (winner) – Finke
- *Community Participation* (Southern Region winner) – Santa Teresa
- *Waste Management Award* (winner) – Finke
- *TTT School* (winner) – Santa Teresa (Ltyentye Apurte Catholic Education Centre)
- *Best Medium Community* (winner) – Finke

Key achievements – National

Representing the Northern Territory at the 2019 National Tidy Towns Awards, Santa Teresa community was named the Tidiest Town in Australia

after having won two category awards and being highly commended in a third category. Following are the commendation and award categories:

- *Community Action and Well Being* (joint winner)
- *Heritage and Culture* (winner)
- *Dame Phyllis Frost Litter Prevention – Waste Management and Resource Recovery* (highly commended)

For the community to be broadly recognised at a national level, judged against the Tidy Towns winners in the other states of Australia, is testimony to the hard work by all who reside and work at Finke. It demonstrates the community has a strong focus on sustainable practices and successful collaborations in their community. They are creating a healthy community that engages with groups from all sectors, and has a commitment to improving the lives of their residents.

Get Grubby Program

MRC partnered with Mememe Productions during the year to introduce the Get Grubby program to MRC communities. The *dirtgirlworld* Get Grubby program is “an early childhood sustainable education program. The Get Grubby program enhances a child’s sense of Belonging, Being & Becoming. Get Grubby is accessible in the everyday settings of a child’s life, at home, at education and care centres and in the wider community.”

“It celebrates nature and empowers young children to do little things that make a big difference. From composting to worm farming, growing a veggie patch and recycling to being energy and water wise.

Lots and lots of fun and practical activities focused on sustainability.

It’s more than a three word slogan. It’s the quest for a new generation of children, with the support and guidance of educators, to build healthy and happy communities. The National Frameworks vision is for all children to

experience play – based learning that is engaging and builds success for life. The *dirtgirlworld* early childhood integrated curriculum project aims to address and explore the key learning outcomes of the National Quality framework for Early Childhood Education and Care. The Get Grubby Program is a holistic program that encourages connectedness with the child's sense of self identity, whilst building connections with their world. The learning program promotes confidence and involvement in the child's learning. By observing, exploring, experimenting and experiencing we will encourage children to act and respond to change in positive ways."

In November 2018, *dirtgirl*, *scrapboy* and *Costa the garden gnome* visited Santa Teresa, Wallace Rockhole and Hermannsburg.

Recently the NT Health Department has funded MRC over the next five years to rollout the Get Grubby program, coupled with a Healthy eating program, Bush Wok, to all MRC communities.

Local Authority Projects

Local Authority funded projects status

The Department of Housing and Community Development again provided the Council with funds for projects decided by Local Authorities and endorsed by Council to improve community life.

Amoonguna

Completed: Larger plate for gas barbeque trailer
Commenced: Fence Playgrounds x 2
Commenced: Bus Shelter near clinic
Commenced: 50 x chairs, 6 x fans, fixed bench seats for recreation hall
Commenced: 2 x wood BBQs for parks

Areyonga

Completed: Men's cultural area – shelter and water tank
Completed: Table setting for Bus Rest Area
Completed: BBQ Trailer
Commenced: Shade over grandstands at footy oval and water tank
Commenced: Toilet block

Docker River

Completed: Lasseter Park (playground, soft-fall, shelter and seating)

Finke

Completed: Replace footy oval fence
Completed: Repair softball backstop
Commenced: 3 x benches for cemetery

Haasts Bluff

Completed: Trees around community

Hermannsburg

Completed: Upgrade at racetrack with five shade shelters, solar lights and commentary box
Completed: Two shade shelters and water tanks at sorry camp
Completed: Installation of tyre changing shelter
Completed: Plumbing repairs to ablution block
Completed: Permanent performance stage
Commenced: Installation of ten solar lights

Commenced: Cemetery fence extension
Commenced: Bulk materials for footpath project
Commenced: Stage development (generator, container and music gear)
Commenced: Softball field (cracker dust, grandstand, commentary box)
Commenced: 2 x shade shelters for footy oval

Imanpa

Completed: Development of Bottom Park – shade shelter, playground and solar light
Commenced: Shade shelter at basketball court
Commenced: Table setting x 2 at basketball court
Commenced: Table setting at shelter near Lot 107
Commenced: 4 spring toys (2 at each park)

Kintore

Completed: Fencing and backstop of softball oval
Completed: Meshless fencing around football oval
Completed: Relocate playground to be near basketball court
Completed: Tin walls for shed at Sorry Camp
Commenced: Install water bubblers at Basketball court
Commenced: Water tank at business camp
Commenced: Solar lights at the playground
Commenced: Masterplan for Kintore

Mount Liebig

Completed: Install Fans/Lights in Church
Commenced: Stage
Commenced: Solar lights

Commenced: Cemetery Sign
Commenced: BMX track

Papunya

Completed: Softball oval commentary box
Completed: Second diamond for softball clearing, fencing and shade
Completed: Cemetery upgrade
Completed: Youth skate ramp
Completed: Cracker Dust on Road around Sporting Complex
Commenced: Cracker dust for cemetery
Commenced: Roof for the stage
Commenced: Water on Oval
Commenced: Securing Scoreboards

Santa Teresa

Completed: Recreation Hall Window replacement
Completed: Five signs for Parks
Completed: Community Garden Project
Commenced: Upgrade Community Entrance

Titjikala

Completed: Install new playground
Commenced: Footpath Project

Wallace Rockhole

Commenced: Floor in racetrack shade shelter, table setting and solar lights

Non–Council Services

Outstations

Council is contracted and funded by the NT Government to deliver services to 21 occupied outstations or homelands. Services include municipal and essential services, housing maintenance services and special purpose infrastructure projects. The Council's focus is to ensure reliable delivery of power, water and sewerage and to provide a safe and healthy environment for outstation residents. Regular inspections of outstations are conducted by outstation works team members.

Municipal services provide waste collection, roads maintenance, animal management, fire breaks and environmental activities. Essential services maintain power, water, and sewerage provision. Housing maintenance services include both urgent repairs, to address electrical risks, loss of power, septic/sewerage issues or loss of water, and general structural, plumbing, electrical and gas repairs.

Commercial operations

Australia Post

The Council is the service provider of Australia Post services at 12 of its remote communities. Mail services are provided to most communities weekly and are usually delivered by air services. Where airstrips are not available the Council organises mail collection from Alice Springs.

Centrelink

Council is contracted by the Department of Human Services to deliver remote Centrelink Agent services on behalf of the Commonwealth. These services are provided in 12 communities and include:

- accepting claim forms and other required documents
- responding to customer enquiries and provision of assistance, guidance or referral if needed
- assisting customers to access self service facilities

All sites are staffed by local Aboriginal employees who receive remote agent training from the Department of Human Services.

Community Store

One community store is currently operated by the Council at Amoonguna community. The store ensures the community has access to fresh produce and offers a range of well-priced goods and healthy food with a strong focus on fresh fruit and vegetables.

Essential Services

The Council delivers essential services across all 13 Council communities under contract to the Power and Water Corporation (PowerWater). Council employs 13 Essential Service Officers (ESOs), with a strong focus on training and developing local Indigenous employees in the role. ESOs are responsible for the day to day maintenance and upkeep of power, water and sewerage infrastructure in their community.

Key achievements

Of the 32 ESO qualified MRC employees, 50% are Indigenous. This includes Rachel Kantawara, who resides at Hermannsburg, our first qualified Indigenous female.

Technical Services

Property and Tenancy

The Property and Tenancy team are responsible for repairs, maintenance, upgrades and capital works for all MacDonnell Regional Council (MRC) buildings and facilities as well as tenancy services for staff housing. Our buildings include Service Delivery Centres, Home Care and Childcare Centres, depots, recreation halls, staff and outstation housing as well as swimming pools and other sporting facilities. Additionally, the team often deliver commercial and grant funded projects on behalf of NT and Federal Government Departments and other stakeholders.

Key achievements

The Property and Tenancy team were kept busy all year with multiple capital projects in addition to their usual activities, these included;

- Completion of the new Papunya Service Delivery Centre
- Design and feasibility work for an additional floor to the Alice Springs office to alleviate overcrowding of staff
- Completion of 2 new staff housing duplexes at Papunya and Haasts Bluff
- Upgrade works to staff housing, Service Delivery Centres and other facilities across many communities
- Successful grant applications for Aged Care centre upgrades in eight locations and Energy Efficiency works in two locations
- Successful grant applications for basketball courts with steel canopies at Papunya and Haasts Bluff as well as football oval lights at Docker River

- Ongoing Homeland Extra grant funding for upgrade works to 57 Outstation houses
- Centralising of staff and visitor bookings to the Alice Springs office in order to have one point of contact for all stakeholders both internal and external

Key Challenges

Mobilisation costs for trades is a perennial factor that adds to annual budgets in this area. Unfortunately there is not enough consistent work in each community to allow for permanent employment of the various trades in each community to then in turn take on local trainees. One of the key contracts with NTG that may enable this to occur is Territory Housing repairs and maintenance which will be coming up for tender in 2020

Section 19 Leasing for all communities (except Finke which is freehold) is also an impediment to investment using Council's own funds. As an example, to construct a dwelling for staff housing the considerable costs of lot servicing must be met before anything can be built. The total cost of development is invested in a scenario where the land is leased for 10-12 years, usually with a 28 year option after that but not guaranteed.

Fleet Services

The Fleet Services team are based from their Alice Springs based workshop where they maintain Council's Alice Springs cars as well as performing major works on larger fleet items. The team includes four mobile mechanics who travel to communities every week to maintain our large fleet of around 300 items including vehicles, trucks, garbage compactors, buses, tractors, skid steers, backhoes and large earthmoving plant. During the year the

team covered over 50,000 km to deliver this vital service and performed over 1,500 individual services. The team use a web based application called Fleetio to assist with the task of managing the fleet. This is a collaborative tool and has been now been used for 6 years and the data collected in that time has been invaluable to understand usage patterns and costs for forward planning as well as for day to day record keeping. Additionally the team has a Fleet Officer to ensure all items are registered and insured.

Key achievements

The team are measured by the number of 'issues' that are open at any one time on all fleet items. During the year we saw this number fall from an average of 300 to around 150 – 160 which is a great indication that planning ahead for community visits has been taking place using data from Fleetio.

The relative youth of our very large fleet of vehicles continues to be a major achievement, this year saw a record reached for average age of 14 months. The success is based on a long term vision by Council to adequately fund the fleet to ensure that service delivery is met with a minimum of disruption due to down time associated with repairs.

Successful grant funding applications were received from NTG for a road train rated prime mover truck and side tipper trailer as well as garbage compactor truck.

Key Challenges

Vehicle re-calls occur from time to time where a manufacturer often has to have each and every vehicle in our fleet brought to their dealership in Alice Springs. Given that Council has 120 vehicles in 14 locations this can be an extremely challenging logistical exercise. If the re-call is of a serious nature, for example a safety issue, the task can take many weeks and much coordination by the mechanical team as well as community staff to complete.

Our harsh environment and operating conditions is always a challenge for the team to manage. In order to alleviate issues compounding the team conduct services at shorter intervals than manufacturers recommend. They also constantly check for known issues to ensure that costly downtime is avoided. An example of this is cracked rear axle housings, the team look for the first indication of this which is often little more than a small patch of dust. From this initial diagnosis they can then plan to have the car brought in to the dealership for a replacement housing under warranty.

Infrastructure and Projects

Our Infrastructure and Projects team is responsible for management of the 1,555km Council road network, maintenance of community street lighting and airstrips, operation of three swimming pools, as well as the delivery of numerous and diverse projects.

Key achievements

Roads

National Disaster Relief and Recovery Arrangements (NDRRA) projects were completed throughout the affected communities. The final project was Roambenka road at Hermannsburg where a floodway was re-constructed and the road realigned as required.

Grading of unsealed internal and outstation roads by the Council grader team (made up of 100 per cent Indigenous staff) was successfully completed based on the frequency schedule, priorities, annual plans and programs.

Outstation Capital Infrastructure Projects (MESSPG)

The team delivered many NTG grant funded Outstation Capital projects to enable residents to have better water security, sanitation and electricity production and storage. The projects included;

- Solar power system and solar bore pumping including a new tank at Wataru outstation (Docker River)
- Provision of solar bore pumping equipment at Mt Peachy and secondary bore at Walkabout outstations
- Provision of solar bore pumping equipment at Amundurrgua Springs outstation (Mt Liebig)
- Provision of solar bore pumping equipment at New Bore outstation (Mt Liebig)
- Demolition of fire damaged house at John Holland outstation (Titjikala)
- Emergency drilling and equipping of a new bore hole at M'Bungara (Papunya)
- Provision of a new solar power system at Walkabout Bore House six outstation (Titjikala)
- Rebuilding tank stand and provision of new tank at Warren Creek outstation (Mt Liebig)

Swimming Pools

Successful operation of the three swimming pools was achieved for the season. Many community based pool assistants were employed during this time which helped make it a success. This year was the first time Council charged entry fees to patrons, while this may have had some impact on attendance numbers the income did assist with operations.

The team submitted a grant application to Sport Australia (\$131k) to repair and epoxy line the pool shells at Kintore and Areyonga. The grant was successful and the work took place during the off season. The result is a

much more durable and serviceable surface which will last for many years compared the previous painted finish

Key Challenges

Weather conditions play a large part in the maintenance requirements for all of our unsealed roads. Recent lack of rainfall during the reporting period has meant that many roads have deteriorated and literally blown away leaving underlying pavement exposed. This has meant that our Grader team have had to find material as best they can to make repairs but additionally surfaces are left vulnerable to even further deterioration when rainfall eventuates.

Keeping our graders and team on the road and working to program is always challenging. Often what seems like a small problem can keep a machine off the road for some time which effectively halves production. Mechanical parts are often not readily available and have to be imported from the United States for our CAT graders which can impose significant delays on repair. The other factor which impacts from time to time is team absences at short notice. If a team member misses the day that the other team members travel to the work location from their home base then it can impact on production for the week.

Community Services

The Community Services directorate delivers aged and disability services, children's services, community safety and youth services across 12 of our remote communities. These programs are delivered by our team of 308 dedicated staff, of which approximately 85% are Aboriginal.

Community Services strives to deliver culturally sensitive programs that meet the needs of community residents, through innovative and sustainable service delivery models. We are committed to investing in our local Indigenous staff and seeing them progress into senior roles within the organisation.

Aged and Disability Services

Our Aged and Disability Service, known as MacCare, delivers services in eight of our remote communities. Through a person-centred approach, MacCare supports clients to live in their own communities and provides choice and flexibility in the way their care and services are delivered.

Services include personal care, meals, transport, domestic assistance and social activities to assist clients to connect with their community.

The service also delivers a School Nutrition Program in five remote communities within the region, promoting health, school attendance and achieving positive educational outcomes.

Programs delivered by Aged and Disability Services in 2018/19 include:

- Commonwealth Home Care Packages – funded by the Commonwealth Department of Health
- Commonwealth Home Support Program – funded by the Commonwealth Department of Health
- Disability in Home Support Program – funded by the NT Department of Health
- School Nutrition Program – funded by the National Indigenous Australians Agency

Key Achievements

- 94 elderly community members supported to live in their community
- 7 community members living with a disability supported to live in their community.
- 35,279 meals delivered
- 2,715 transports provided
- 2,732 hours of domestic care provided
- 580 hours of personal care provided
- 1,691 hours of social support provided
- 89 per cent Indigenous employment.
- 52,780 meals were delivered through the school nutrition program

In June a notification was received notification that the MacCare application to transfer funding of high-care clients from the Commonwealth Home Care Packages program to the National Aboriginal and Torres Strait Islander Flexible Aged Care program (NATSIFAC), had been successful. This change is expected to come into effect in October 2019 and will substantially improve the financial viability of the Aged Care service, allowing MacCare to provide sustainable, quality and more flexible care to clients.

MacCare successfully met the requirements for registration under the National Disability Insurance Scheme (NDIS), allowing the continuation of support to clients living with a disability.

MacCare applied for funding under the Aged Care Regional, Rural and Remote Infrastructure Grant to undertake maintenance and upgrades to the facilities at each of the 8 centres. MacCare were successful with 6 of its 8 applications and works have already commenced at a number of sites.

MacCare applied for project support through The Remote and Aboriginal and Torres Strait Islander Aged Care Service Development Assistance Panel (SDAP), to review our policies, procedures, documents and systems in line with the new Home Care Standards. This application was successful and KPMG has been appointed to work with MRC on this project.

Key Challenges

MacCare services are low volume and very high cost to operate. Council does not operate these services for a profit and has had to subsidise the financial shortfall of these services over the past 4 years. The financial viability during 2018/19 did not improve and had MRC not been successful in our application to be funded through the NATSIFAC program, services would likely have had to cease.

Over the past 12 months services to clients living with a disability have been funded through the Northern Territory Government's Disability in Home Support program. This funding ceased on 30 June 2019 in line with the scheduled rollout of the NDIS in Central Australia. The transition to NDIS involves clients being assessed and having a care plan approved by National Disability Insurance Agency (NDIA) prior to being able to access

funded services. Many of our existing clients have still not had assessments and care plans finalised by the NDIA and MRC has been working closely with clients to support them through this period.

Children's Services

Children's Services programs are known as MacKids. MacKids delivers Early Learning programs for children from birth to school age in 10 of Council's remote communities.

The early learning program is play-based and reflective of children's interests, abilities and culture. The programs' operational hours in all communities have been extended this year to better support working families on community, with quality childcare. However, our programs are open to all children under school age and we encourage all families to access our quality early learning programs. We encourage families to stay and be involved with their child's learning if possible, as this provides parents with opportunities to build on their skills in supporting continued learning in the home environment.

Programs delivered by MacKids in 2018/19 included:

- Early Learning Program – funded by the Commonwealth Department of Education and Training
- Early Childhood Education and Care Program – funded by the Department of the Prime Minister and Cabinet- (July 2018 – December 2018)

Key Achievements

- 13,788 hours of Early Learning programs and childcare delivered
- 217 children accessed the Early learning program across the 10 centres
- 86% Indigenous Employment
- 50% of families have successfully completed their registration for the Child Care Subsidy, with the support of the MacKids staff.
- 15 Educators are progressing through Certificate III Early Childhood Education, with 2 having completed the qualification this year
- 5 Educators progressing through a Diploma early childhood education

MacKids successfully transitioned all ten Early Learning programs to the new childcare funding package (Jobs for Families Package).

The Areyonga Early Learning team presented at the National Aboriginal Early Childhood Conference on “A story about how relationships shape early childhood in the remote community of Areyonga”.

Partnered with the Service Centre Delivery team in the delivery of the “Get Grubby” program in Santa Teresa, Titjikala, Finke, and Hermannsburg.

MacKids teams in Hermannsburg, Titjikala and Finke delivered combined events with MacCare, promoting the sharing of cultural songs and stories between community elders and children.

MacKids developed an Induction Manual for all Educators.

Community Yarning circles have been held in Haasts Bluff, Hermannsburg, Santa Teresa, Finke, Titjikala, and Papunya. These community consultations have been invaluable in the continued development of programs across all communities that reflect local aspirations and culture.

All services have continued to make significant progress towards the National Quality Standards for Early Childhood and care, meeting all the agreed targets within their Quality improvement Plans.

Key Challenges

Under the Jobs for Families funding package MacKids’ funding is partly dependant on families registering for the Child Care Subsidy scheme (CCS). This has required extensive work from MacKids staff to educate families about the change, the process and the benefits of registering for the CCS.

During 2019/20 MacKids will need to move to an electronic sign in system for all children attending the Early Learning programs. This system is part of our transition to a new software package that will provide significant savings to the service through reduced administration. MacKids has been working through the technology requirements and how they can be implemented in our centres as well as working with families and staff to prepare them for the change.

Community Safety

MacDonnell Regional Council’s Community Safety Program, known as MacSafe, is delivered in 12 of Council’s remote communities.

MacSafe provides a proactive and preventative approach to divert Indigenous people away from contact with the criminal justice system, increase personal and community safety, and to improve school attendance by ensuring children are at home or in a safe location at night so they are ready and able to go to school every day.

MacSafe is a responsive service, working collaboratively with the community, NT Police, service providers and other stakeholders, to ensure a partnership approach to addressing issues that the community identify as impacting on the safety of residents.

Programs delivered by MacSafe in 2018/19 included:

- MacSafe Community Safety Service – funded by the National Indigenous Australians Agency as a part of the Indigenous Advancement Strategy (IAS)
- The Alcohol Harm Action Initiative funded by NT Department of Health (Papunya)
- Yarning Circles Program (Titjikala and Finke) funded by NT Department of Health

Key Achievements

- 15,328 hours of Community Safety services were delivered across 12 communities.
- 93 per cent Indigenous employment
- 37 per cent female employment
- 21,482 Community Safety Issues were responded to across the MRC Region
- 47,341 engagements with community residents, providing assistance with community safety issues
- 22,817 engagements with young people, providing transport home at night
- 56 community members engaged across 6 Community Safety Cultural Camps
- 2 Yarning Circles constructed (Titjikala and Finke), with 15 Yarning Circle gatherings being held
- 13 MacSafe staff completed Cert III in Community Night Patrol
- 65 staff received informal Language, Literacy and Numeracy training as well as Digital Literacy training.
- 51 staff completed Aboriginal Mental Health First Aid Training
- 25 MacSafe staff completed Domestic Violence Awareness Training and Men's Behaviour Change training

MacSafe has taken a pro-active approach to improving the safety of large community events, including sports weekends. This involved working closely with community organisers, other Council services, AFL NT, NT Police, and the National Indigenous Australians Agency, from the early stages of the event planning process. Implemented for the Papunya, Finke, Haasts Bluff and Hermannsburg sports weekends, the process resulted in a varied approach to the supports provided at the event and a reduction in the prevalence of incidents during these events.

Key Challenges

The demand for increased MacSafe service hours continues to be driven by Local Authorities, community members and MacSafe staff. MacSafe has expanded the service hours in 7 of the 12 communities, however the lack of indexation to the program funding over the past 4 years makes further expansion unsustainable.

Youth Services

MacDonnell Regional Council's Youth Services, known as MacYouth, delivers a range of youth programs and innovative activities for young people aged 5 to 25 years, across nine communities within the region.

MacYouth also delivers the Remote Sport Program in three additional communities.

Programs delivered by MacYouth in 2018/19 included:

- Youth Services - funded by the National Indigenous Australians Agency

- Outside School Hours Learning Program – funded by the National Indigenous Australians Agency
- School Nutrition Program – funded by the National Indigenous Australians Agency
- Remote Sport Program – funded by the NT Department of Tourism and Culture; Community Participation, Sport and the Arts Division
- Remote Sport Vouchers Scheme – funded by the NT Department of Tourism and Culture; Community Participation, Sport and the Arts Division
- Community Youth Diversion – funded by the NT Department of Territory Families
- Volatile Substance Abuse Program (Kintore) – funded by the NT Department of Health
- Support for Youth Boards – funded by the NT Department of Health
- Youth Engagement Strategy (Papunya and Hermannsburg) – funded by Central Australian Youth Link-Up Service (CAYLUS)
- Ntaria Bush Camps – funded by the NT Department of Health
- Ntaria School Holiday Program – funded by Central Land Council Community Development Unit
- Santa Teresa School Holiday – funded by Atyenhenge Atherre Aboriginal Corporation (facilitating partner for Stronger Communities for Children Program)
- Santa Teresa Youth Engagement Officer - funded by Atyenhenge Atherre Aboriginal Corporation (facilitating partner for Stronger Communities for Children Program)

Key Achievements

- 13,534 hours of youth programming delivered across nine communities (8,159 hours of sport and recreation, 2,307 hours of leadership and

culture, 1,384 hours of safety and diversion, 783 hours of jobs, education and training, and 901 hours of staff development)

- 15 young people engaged per activity (on average)
- 16 young people supported through Youth Diversion, preventing them from entering the criminal justice system.
- 72% per cent Indigenous employment
- Active Youth Boards in all nine communities. Emerging young leaders provided regular input into youth programming, discussed community issues and presented agenda items to Local Authority meetings.
- 9 young people travelled to Melbourne as part of a cross cultural exchange enabled through a partnership with the Glen Iris Football Club. As a result, these young people from Papunya and Mount Liebig were able explore boarding school opportunities in Melbourne.
- 3 cultural camps were delivered in Hermannsburg for young men and women who were identified as being at risk of engaging with alcohol and other drugs.

4 regional sports competitions delivered (Soccer, AFL 9's, Softball and Basketball).

Hermannsburg Youth softball team represented MacYouth at the NT Softball Championship and Barunga Softball Competition.

MacYouth delivered both in house and external training in leadership and governance for Youth Boards, umpiring and coaching, first aid, trauma informed practice and child protection.

Key Challenges

Responsibility for the delivery of the Outside School Hours Learning Program (OSHLP) has transitioned from MacKids to MacYouth. MacYouth had identified previously that the target age group (ages 12-25) were often engaging with the youth services already and the expansion of the Early

Learning program hours had resulted in reduced facility capacity to continue delivering the OSHLP. The upgrading of MacYouth facilities to enable the delivery of age targeted, appropriate activities, along with the expansion of the MacYouth team has been challenging. A revised team structure has now been adopted for MacYouth and a number of facility upgrades have been completed.

There have been numerous youth suicide and self-harm attempts in Central Australia over the past year and there are very few supports available for young people who are showing signs of being at risk. MacYouth has continued to work collaboratively with other stakeholders to advocate for increased support services for at risk youth. MacYouth worked alongside the Mental Health Association of Central Australia to support the delivery of 'Suicide Story' workshops to local staff and community members.

Corporate Services

The Corporate Services directorate provides professional support to Council's service delivery across the region through the provision of administrative, information technology (IT), human resources (HR), accounting and finance, customer services, insurance and risk and governance and planning services.

The activities of the Corporate Services directorate ensure that Council and its 13 Local Authorities have a strong governance framework and are compliant with the *Local Government Act*, other relevant legislation and related regulations and guidelines. This is achieved by good regional planning. Consistent and accurate secretariat support for Council and Local Authority meetings, training for Councillors and Local Authority members, and the development and review of a wide range of policies to guide Council operations and services in communities. Strong human resource practices, financial management and reporting systems, and IT management, enable and provide critical support for these operations and services.

In 2018/19 financial year the corporate services directorate continued with number of projects which include records management, HR, and IT projects. These will gain momentum in 2019/20 and strategies identified through these projects will become part of MRC's regional plan KPI's in 2019/20 and 2020/21 with the view of strengthening Corporate Services' capability on service excellence, employee and community satisfaction, and sustainable operations. Accounting and finance staff continued to strive to manage the

Council's finances through regular reviews of the budgets, accounting systems and processes.

Human Resources

The Human Resources department of MacDonnell Regional Council manages recruitment, staffing, inductions, performance management, employee relations, training and development, exit processes, work health and safety and employee wellbeing.

As at 30 June 2019, the Council had a total of 505 employees with demographic breakdowns per gender, Aboriginal and Torres Strait Islander (ATSI) origin and employment category are indicated below:

Staff	number	percentage
Male	245	48.2
Female	263	51.8
Total	508	
ATSI	391	77.0
Non ATSI	117	23.0
Full Time	156	30.7
Part Time	165	32.5
Casual	187	36.8

Council has 436 staff members based in communities, with 88% of those roles occupied by Indigenous staff. The Council is a very significant and consistent employer of Aboriginal people.

Key achievements

The Workforce Development Plan was endorsed by Council and now forms part of the 2019/20 Regional Plan. Strategy 1 initiatives from the plan will be implemented during 2019/20 and 2020/21

To support the implementation of the Workforce Development Plan the Human Resources Department staffing was restructured and additional resourcing added, including in the Work, Health and Safety (WHS) area. It is hoped this resourcing change will aid in the provision of improved HR services and work, health and safety support at the community level.

Council managed to maintain a high percentage of Indigenous staff, with 88% of community based roles occupied by Indigenous staff. Of the Council's 13 communities, six are led by Indigenous Coordinators. Indigenous employees above entry level roles continue to have an upward trend - 63 in 2016/7, 72 in 2017/8 and 79 in 2018/19. The 2018/19 figure represents a 20% increase in indigenous employees.

A total of 206 employees left Council during the period under review, while 126 new employees were hired.

Work health and safety within MacDonnell Regional Council continues to improve. Visits by NT WorkSafe Inspectors to a couple of the closer communities has provided the works teams an opportunity to learn about WHS directly from the regulators. Visits will continue to be scheduled depending on availability.

WHS incidents continue to be reported accurately and within expected timeframes. The content and description of the incidents has improved.

The first aid and fire extinguisher training has now been successfully completed across all the communities with good feedback from workers participating.

There is additional training being rolled out to the civil workers in Certificate III in Local Government, currently being conducted in Haasts Bluff, Hermannsburg, Wallace Rockhole and Amoonguna. Feedback and attendance has been exceptional so the training will begin on other communities.

Key challenges

The key challenge for Human Resources remains the attraction and retention of skilled candidates, particularly Essential Services Officer, Team Leader and Coordinator positions. Recruiting for community based positions is a challenge given the remoteness of our communities. The Human Resources department is preparing updated induction materials for new staff, reviewing the performance management system and undertaking a comprehensive update of HR policies.

Governance and Engagement

Bringing together remaining Corporate Services functions outside of single function departments, the Governance and Planning department services the areas of governance, policy, customer service, communications and engagement. Challenged by the competing and disparate functions, a restructure this year sought to better support all service areas and improve capacity across the department's remit. The department's services are delivered by two small teams through the over-arching functions of governance and engagement.

Governance ensures the organisation's compliance through its legislative, statutory, policy and performance obligations. The team specifically provides secretariat support to Council and its 13 Local Authorities. The team also provides stewardship to the development of policies, procedures and supporting documents.

Engagement provides the organisation's communications, internally for the workforce and externally for stakeholders through various media channels. Along with the organisation's planning and reporting processes, the team also facilitates opportunities for community engagement activities that support an understanding and relationship with Council services, Councillors and Local Authority members.

Key achievements

A restructure of the department and the revision of position descriptions, along with the recruiting that follows, came after careful assessment of gaps and achievements over the five years since it was formed. The new teams offer the capacity to fulfil competing and disparate functions

Governance staff travelled around 25,000 kilometres to facilitate six Ordinary Council, one Special Council and 39 Local Authorities meetings

Elected members have collectively travelled around 100,000 kilometres, often on unsurfaced roads, to engage and represent their constituents

Across our 13 communities, Local Authorities presided over a range of community beneficial projects based on short term needs while some communities have begun longer term planning to improve public spaces and facilities

Following planning sessions with Councillors, Local Authority members and Council staff via their managers the 2019-2020 Regional Plan has been

refocused through its strategies and key performance indicators to more accurately capture strategic information

A systematic review of all policies, procedures and associated documents was begun in this reporting period and will continue through into this financial year

The big news from Communications was that Santa Teresa won National Tidy Towns Award. Having been named the Territory Tidy Town the community became our fifth to represent the territory at the national level.

Finke community featured in an episode of Backroads that aired nationally in February to an audience of one million viewers, (an ABC TV video promoting the episode on social media was viewed over half a million times) in many cases viewers were Australians who have no insight of life in a remote Aboriginal community

Following the retirement of Cr S Anderson and preparations for an August by-election for the Luritja Pintubi ward Sarah Stockman was declared the new councillor for the MacDonnell Regional Council.

Key challenges

While the new department structure and its teams offer the capacity to fulfil competing and disparate functions in the department, challenges are presented in recruitment, team building and the general administrations' take-up of operational and compliance improvements

Tyranny of distance and varying connectivity of our communities is always a challenge to delivering exceptional governance across 13 Local Authorities

Information Technology

The Information Technology department manages the Council's information and communications technology across its 14 locations (13 remote communities and the Alice Springs office). This includes ensuring connectivity through close relations with providers such as Telstra Activ8me, iinet and CouncilBiz, Council's computer network provider; and continuous enhancement of the IT operating environment through equipment improvements while reducing capital and ongoing costs.

Key achievements

Modernisation of operational systems and computer equipment at the Alice Springs Office and Community Offices. Standardisation of ICT Operating environment, computers, monitors and printers in all major office spaces.

Network Configuration of Meraki Routers and Switches has vastly increased response for outages, Papunya new office is due to be complete in Oct 2019.

The Federal Government/Telstra implemented communications black spot program has seen improvements to our community communications and mobile coverage.

Mobile coverage under the Black Spot program:

- Amoonguna, Docker River, Hermannsburg, Papunya, Mount Liebig, Kintore, Santa Teresa, Titjikala and Wallace Rockhole currently have Mobile Coverage at the commencement of 2019.

Mobile Black spot upgrade plan for remainder of communities is listed below:

- Areyonga – Not Listed – Mobile coverage not available (Mainly due to the location of the community, investigations for improvements to connectivity are still ongoing)

- Finke – Listed to be commenced in 2019 – Has not commenced as yet
- Haasts Bluff – Listed to be commenced in 2019 – Has not commenced as yet
- Imanpa – Listed to be commenced in 2019 – Has not commenced as yet

Staff Houses Internet Connectivity :

- Staff Houses at Papunya and Hermannsburg are connected by Telstra landline and ADSL services for internet. The remainder of the communities remain on Satellite Connections installed under the NBN program. Individuals have the option to increase or decrease their plans however they are required to pay for the extra data. Staff are required to pay for their network connectivity on a Monthly basis.

Video Conferencing :

- Video Conferencing equipment has been installed in some of our communities along with Alice Springs Office. Docker River and Alice office have tested the links with this proving fully operational. Other communities will come on line as Telstra technicians progress the stages of installations.

Records :

- The records management system has been fully updated and are online. This will complete a very long process and the challenge ahead is to train our staff to utilise these programs to their fullest capacity. Infocouncil and Magiq are now operational for Alice Springs Office staff and will be rolled out to Community Office staff in the near future. This project is nearly complete.

Key challenges

MacDonnell Regional Councils vast distances and Staff Turnover still manages to challenge the IT department. With the implementation of Meraki equipment and online help tools (Teamviewer) the down time of equipment

and services has decreased immensely. However this does not negate the requirement to travel to community to repair or install equipment and the weather is still a contributing factor for timeframes.

Finance

The Finance department ensures that Council income, payments and financial reporting is done in a timely and accountable manner. The Finance department manage all payments and receipts across the 14 offices of the Council, as well as the acquittal of all grant money received.

The MacDonnell Regional Council finished the year with an operating surplus of \$6,469,662. This includes:

- \$1,447,345 of Commonwealth Government Financial Assistance General Purpose and Roads funding for the 2019/20 year.
- \$1,624,077 of PM&C Indigenous Advancement Strategies (IAS) – Community Safety program funding for the 2019/20 year
- \$1,420,100.00 of Department of Housing and Community Development SLGIF new funding to upgrade Bagot Street upper floor
- \$1,349,664 of Department of Tourism and Culture – Sport and Active recreation new funding to upgrade oval at Haasts Bluff and Papunya

At the end of the 2019/20 financial year the Council holds \$1.73 in current assets for every \$1 owed in current liabilities including the unexpended grant (Current ratio). The result provides a clear indication that Council is in a good position to pay its debts when due.

Current ratio = Current assets / (Current liabilities + unexpended grants reserve)

Grant funding received during the financial year, but which remains unspent at year end is included in Grants, Subsidies and Contributions. During the 2018/19 financial year the unexpended grants, included in Grants, Subsidies and Contributions increased by \$5,760,746 – this can be found in the Statement of Changes in Equity.

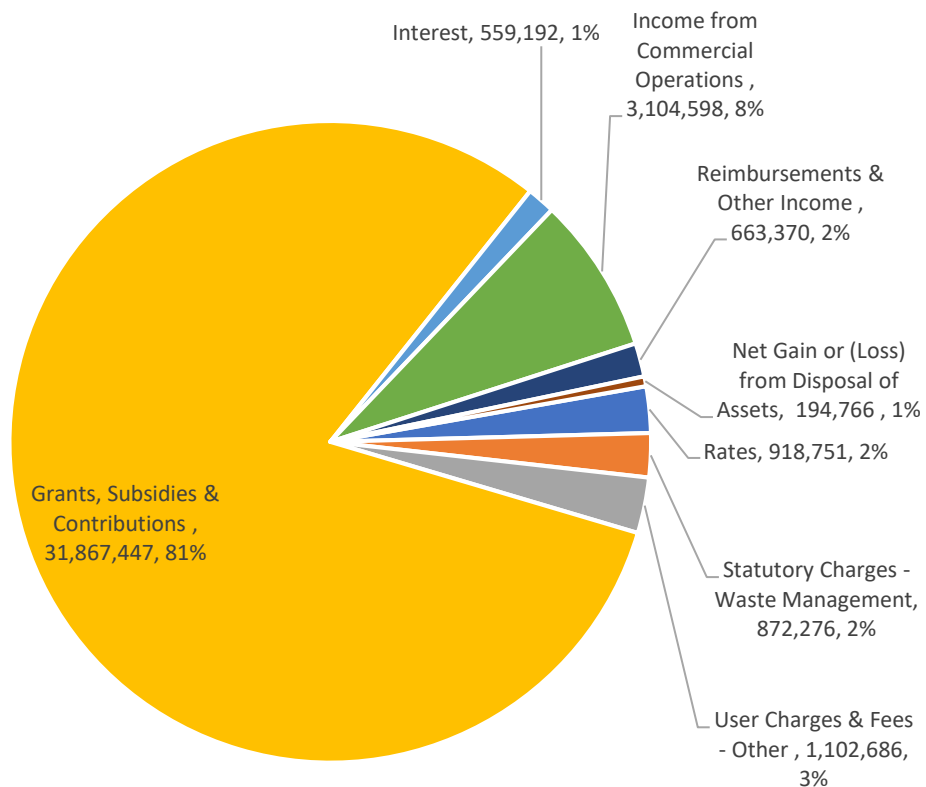
Key challenges

The income from grants and subsidies in 2018/19 increased to 81.53% of total revenue and was offset by a significant decrease in self-generated funds. This area continues to be a challenge and unless the decline is reversed it could leave the Council once again being at risk of being reliant on too few income streams.

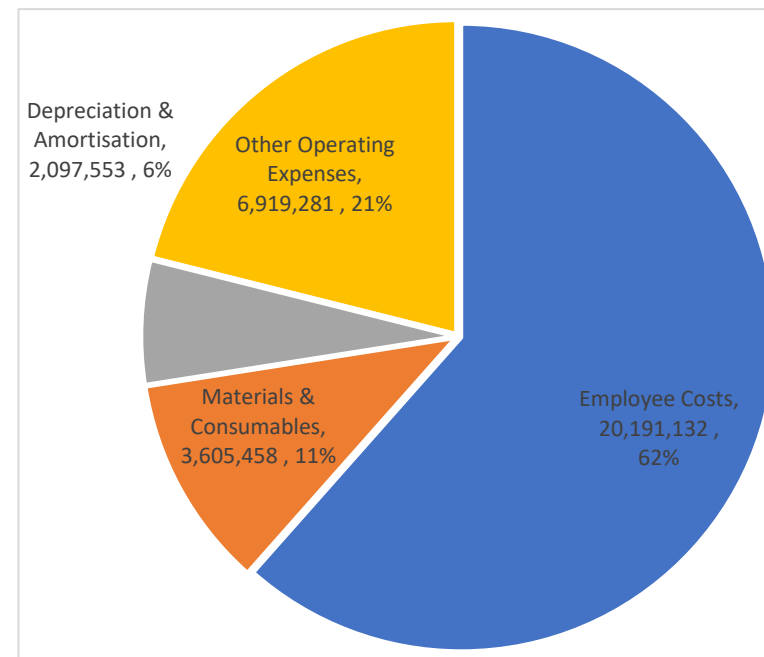
The Council accumulated depreciation ratio is 37.9% meaning the Council existing fixed assets are worth around 63% the original value. Low ratio mean that the assets have plenty of life in them and high ratio means the opposite. However, this financial ratio is relative to the Council line of business and industry standards.

Accumulated depreciation to fixed assets ratio = $\frac{\text{Accumulated depreciation}}{(\text{Fixed assets} - \text{Lands})}$

Source of Income 2018/19



Source of Expenditure 2018/19



General Purpose Financial Report

MacDonnell Regional Council
General Purpose Financial Reports
for Year Ending 30 June 2019



MacDonnell Regional Council

General Purpose Financial Reports

for

Year Ending 30 June 2019

MacDonnell Regional Council

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MacDonnell Regional Council

CHIEF EXECUTIVE OFFICER'S CERTIFICATE For the Year Ended 30th June 2019

I hereby certify that to the best of my knowledge, information and belief:

- a) The Financial Statements have been properly drawn up in accordance with the applicable Australian Accounting Standards, the Local Government Act, and the Local Government (Accounting) Regulations so as to present fairly the financial position of the Council for the year ended 30 June 2019, and
- b) the Financial Statements are in accordance with the accounting and other records of the Council, and
- c) there are reasonable grounds to believe that the Council will be able to pay its debts when they become due and payable.



 Chief Executive Officer

27.9.19.

 Date

INDEPENDENT AUDITOR'S REPORT TO MACDONNELL REGIONAL COUNCIL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MacDonnell Regional Council (the "Council"), which comprises the statement of financial position as at 30 June 2019, statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration, as set out on pages 2 and 6 to 28.

In our opinion, the accompanying financial report presents fairly, in all material respects, the Council's financial position as at 30 June 2019 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Northern Territory Local Government Act.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Responsibility of the Chief Executive Officer for the Financial Report

The chief executive officer of the Council is responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the Northern Territory Local Government Act and for such internal control as the chief executive officer determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the chief executive officer is responsible for assessing the ability of the Council to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless chief executive officer either intend to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO MACDONNELL REGIONAL COUNCIL (continued)

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 chief executive officer.
- Conclude on the appropriateness of chief executive officer'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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.



**INDEPENDENT AUDITOR'S REPORT TO MACDONNELL REGIONAL COUNCIL
(continued)**

We communicate with the chief executive officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

EDry

E Dry
Partner
Chartered Accountants

Alice Springs, 30 / 09 / 2019.

MacDonnell Regional Council

**INCOME STATEMENT
For the Year Ended 30th June 2019**

	Notes	2019 \$	2018 \$
INCOME			
Rates	2c(i)	918,751	883,197
Statutory Charges - Waste Management	2c(ii)	872,276	851,797
User Charges & Fees - Other	3a	1,102,686	860,320
Grants, Subsidies & Contributions	3b	31,867,447	29,926,447
Interest	2c(iii)	559,192	549,920
Income from Commercial Operations	3c	3,104,598	4,280,652
Reimbursements & Other Income	3d	663,370	419,006
Total Income		39,088,320	37,771,339
EXPENSES			
Employee Costs	4a	20,191,132	20,339,618
Materials & Consumables	4b	3,605,458	3,806,701
Depreciation & Amortisation	4c	2,097,553	2,138,385
Other Operating Expenses	4d	6,919,281	11,618,140
Total Expenditure		32,813,424	37,902,844
OPERATING SURPLUS / (DEFICIT)		6,274,896	(131,505)
Grants Received for New or Upgraded Assets	3b	-	-
Net Gain or (Loss) from Disposal of Assets	5	194,766	429,445
NET SURPLUS / (DEFICIT)		6,469,662	297,940

**STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 30th June 2019**

NET SURPLUS / (DEFICIT)	*	6,469,662	297,940
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		6,469,662	297,940

This Statement is to be read in conjunction with the attached Notes.

** This includes amounts transferred to reserves see the Statement of Changes in Equity.*

MacDonnell Regional Council

STATEMENT OF FINANCIAL POSITION At 30th June 2019

	Notes	2019 \$	2018 \$
CURRENT ASSETS			
Cash on Hand & at Bank	6	3,749,986	1,871,039
Investments - Term Deposits	7	23,500,000	20,000,000
Trade & Other Receivables	8	947,208	1,056,920
Inventories & Work in Progress	9	53,852	500,924
		<u>28,251,046</u>	<u>23,428,883</u>
NON CURRENT ASSETS			
Property, Plant & Equipment	10	6,606,845	6,701,367
WIP		1,757,019	-
		<u>8,363,864</u>	<u>6,701,367</u>
TOTAL ASSETS		<u>36,614,910</u>	<u>30,130,250</u>
CURRENT LIABILITIES			
Payables & Accruals	11a	1,777,289	1,560,800
Employee Benefits	11b	1,727,273	2,000,059
		<u>3,504,562</u>	<u>3,560,859</u>
NON CURRENT LIABILITIES			
Employee Benefits	11c	555,029	439,413
		<u>555,029</u>	<u>439,413</u>
TOTAL LIABILITIES		<u>4,059,591</u>	<u>4,000,272</u>
NET ASSETS		<u>32,555,319</u>	<u>26,129,978</u>
EQUITY			
Unexpended Grants Reserve	13	12,789,267	7,028,521
Accumulated Funds		18,714,654	18,400,754
Future Works Reserve		1,051,398	700,703
TOTAL EQUITY		<u>32,555,319</u>	<u>26,129,978</u>

This Statement is to be read in conjunction with the attached Notes.

MacDonnell Regional Council

STATEMENT OF CHANGES IN EQUITY For the Year Ended 30th June 2019

		2019 \$	2018 \$
Unexpended Grants Reserve			
Unexpended Grants Reserve at Beginning of the year		7,028,521	7,063,204
Transfers To/(From) Reserve from Accumulated Surplus		5,760,746 -	34,683
Unexpended Grants Reserve at End of the year	13	<u>12,789,267</u>	<u>7,028,521</u>
Future Works Reserve			
Future Works Reserve at Beginning of the year		700,703	3,406,058
Transfer To / (From) Reserve		350,695	(2,705,355)
Future Works Reserve at End of the year		<u>1,051,398</u>	<u>700,703</u>
Accumulated Surplus			
Accumulated Surplus at Beginning of the year		18,400,754	15,362,776
Net Surplus / (Deficit)		6,469,662	297,940
Transfer (To) / From Unexpended Grants Reserve	13	(5,760,746)	34,683
Transfer (To) / From Future Works Reserve		(350,695)	2,705,355
Minor prior period adjustment		(44,321)	-
Accumulated Surplus at End of the year		<u>18,714,654</u>	<u>18,400,754</u>
Total Equity		<u>32,555,319</u>	<u>26,129,978</u>

MacDonnell Regional Council

STATEMENT OF CASH FLOWS For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		918,751	880,398
Statutory Charges - Waste Management		872,276	850,000
User Charges & Fees - Other		1,367,611	860,320
Grants, Subsidies & Contributions		32,400,989	29,926,447
Income from Commercial Operations		2,499,082	4,278,216
Reimbursements & Other Income		1,381,940	419,006
Payments			
Employee Costs		(20,484,441)	(20,194,375)
Materials & Consumables		(3,607,421)	(3,806,701)
Other Operating Expenses		(6,963,749)	(12,189,389)
Net Cash provided by (or used in) Operating Activities	12a	8,385,038	1,023,922
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Grants Received for New or Upgraded Assets		-	-
Interest		559,192	549,920
Sale of Replaced Property, Plant, Equipment & Vehicles		175,487	570,044
Sale of Surplus Property, Plant, Equipment & Vehicles		19,297	111,403
Payments			
Purchase of Replacement Property, Plant, Equipment & Vehicles		(2,092,123)	(2,905,605)
Payments for work in progress		(1,667,944)	-
Net Cash Provided By (or Used In) Investing Activities		(3,006,091)	(1,674,238)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Repayments of Borrowings		-	-
Net Cash Provided By (or Used In) Financing Activities		-	-
Net Increase (Decrease) in Cash Held		5,378,947	(650,316)
Cash & Cash Equivalents at Beginning of the Reporting Period		21,871,039	22,521,355
Cash & Cash Equivalents at End of the Reporting Period	12b	27,249,986	21,871,039

This Statement is to be read in conjunction with the attached Notes.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements For the Year Ended 30th June 2019

1 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general purpose report, which has been prepared in accordance with the Local Government Act, Local Government Regulations and Australian Accounting Standards.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS') as they apply to "not for profit" entities. AIFRS include certain specific provisions relating to not for profit entities that are not included in the International Financial Reporting Standards.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report has been adjusted to align to the Local Government Association of South Australia's Model Financial Statements. In doing so current year and comparative figures have been amended where necessary.

Date of authorisation for issue

The date the financial statements were authorised for issue is as shown on the Chief Executive Officer's Certificate.

Critical accounting estimates

In the application of the Australian Accounting Standards management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments made by management in the application of the Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

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

Because the major assets and liabilities are carried at historical cost, there are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

The Local Government reporting entity

MacDonnell Regional Council (MRC) is a not-for-profit local government authority incorporated under the Local Government Act of the Northern Territory of Australia. The principal place of business and registered address of MRC is:

1 Bagot Street, Alice Springs, NT, 0870.

All funds through which MRC controls resources to carry on its functions have been included in the financial statements forming part of this financial report.

In the process of reporting on the local government as a single unit, all balances between activities have been eliminated.

CouncilBiz

MRC is a member of CouncilBiz, a local subsidiary operating under the auspices of the Local Government Act (NT). The other members are Barkly, Central Desert, East Arnhem, Roper Gulf, Tiwi Islands, Victoria Daly, West Arnhem and West Daly Regional Councils and the Local Government Association of the Northern Territory.

CouncilBiz provides an Information Technology support service and charges its members on a user-pays basis based on a formula agreed to by all members.

Under the terms and conditions of CouncilBiz Constitution, the debts and liabilities of CouncilBiz are guaranteed by the members in equal shares or on the basis of the formula agreed by the members.

The CouncilBiz Constitution also provides that all income and property, however derived, must be applied solely towards promoting their objectives.

Upon the dissolution of CouncilBiz, the amount that remains after such dissolution and the settlement of all debts and liabilities shall be transferred to another organisation, as agreed to by the members, with similar purpose and with similar rules prohibiting the distribution of assets and income to its members.

Information regarding CouncilBiz can be found on MRC's Web Site: www.macdonnell.nt.gov.au

Income tax

MRC is not subject to income tax.

Revenue recognition

Revenue from the sale of goods and disposal of other assets is recognised when MRC has passed control of the goods or other assets to the buyer.

Revenue from the provision of services is recognised when the services have been provided.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

Revenue from investments is recognised on an accrual basis.

Government grants

Grants, contributions and donations are recognised as revenues when MRC obtains control over the assets comprising the contribution.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts pertaining to those undischarged conditions are included as a liability for Deferred Income.

Economic dependency

A significant proportion of the Council's revenue is derived from Government grants.

Income from commercial operations

For works undertaken on a contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of future claimed entitlement are classified as work in progress.

Financial instruments

Trade receivables, trade payables and other financial liabilities are measured at cost.

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that the estimated future cash flows of the investment have been impacted. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account.

Held-to-maturity investments

Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Inventories

Finished goods are valued at the lower of cost and net realisable value. Costs have been assigned to inventory on hand at balance date using the first in first out basis.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements For the Year Ended 30th June 2019

Property, plant and equipment

At each reporting date, MRC reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, MRC estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss.

Depreciation

Items of property, plant and equipment are depreciated over their estimated useful lives using the straight line method. The main rates used are:

Buildings	10%
Plant	20%
Motor vehicles	20%
Furniture and equipment	20%

Accounts payable

Trade payables and other accounts payable are recognised when MRC becomes obliged to make future payments resulting from the purchase of goods and services.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

The current portion of employee benefits is the portion to which employees will become unconditionally entitled to within 12 months from balance date.

Provisions made in respect of wages and salaries, annual leave and other employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements For the Year Ended 30th June 2019

Provisions made in respect of other employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by MRC in respect of services provided by employees up to reporting date.

The superannuation expense for the reporting period is the amount of the contributions MRC makes to the superannuation plans which provide benefits to its employees plus provision for superannuation in respect of leave entitlements owed.

Council does not have any employees who are members of defined benefit funds.

All superannuation schemes to which Council makes contributions on behalf of employees are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

Provisions

Provisions are recognised when MRC has a present obligation (legal or constructive) as a result of a past event, it is probable that MRC will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

Section 19 leases held are treated as operating leases as the value of the lease is calculated purely on the land which remains the property of the lessor who substantially retains all of the risks and benefits incidental to ownership, lease payments are therefore charged to expense over the lease term.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Operating receipts and payments in the cash flow statement are stated inclusive of GST.

Adoption of new and revised Accounting Standards

In the current year, MRC has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current annual reporting period.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective. These standards are not expected to result in any material impact on the financial statements.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
IFRS 15 Revenue from Contracts with Customers (and related clarifications)	01 Jan 2019	30 Jun 2020
IFRS 16 Leases	01 Jan 2019	30 Jun 2020
AASB 1058 Income of Not-For-Profit Entities (and related clarifications)	01 Jan 2019	30 Jun 2020
AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities	01 Jan 2019	30 Jun 2020
AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets for Not-for-Profit Entities	01 Jan 2019	30 Jun 2020
AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material	01 Jan 2020	30 Jun 2021
AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework	01 Jan 2020	30 Jun 2021

2a ACTIVITIES UNDERTAKEN

The MacDonnell Regional Council commenced operations on 1st July 2008, it undertakes all local government functions in the following communities:

Amoonguna
Areyonga (Utju)
Docker River (Kaltukatjara)
Finke (Aputula)
Haasts Bluff (Ikuntji)
Hermannsburg (Ntaria)
Imanpa
Kintore (Walungurru)
Mount Liebig (Watiyawanu)
Papunya (Warumpi)
Santa Teresa (Ltyentye Apurte)
Titjikala
Wallace Rockhole

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

The major functions undertaken are:

General public services

Corporate management, administrative support and governance.

Public order and safety

Community Safety, Companion animal management.

Economic affairs

Centrelink services, Essential services, Local roads maintenance, Amoonguna Community store. Postal services, Commercial fuel sales.

Housing, Community Amenities

Outstation and Staff Housing repairs and maintenance, Fencing.

Health

Child Nutrition program.

Recreation, Culture & Religion

Provision of sports, recreation and leisure facilities, Swimming pools.

Social Protection

Children's Services, Public Behaviour & Youth Program, Home Care

MacDonnell Regional Council

Notes to and forming part of the Financial Statements For the Year Ended 30th June 2019

2b Functon Results

OPERATING REVENUES

Rates	918,751	892,690	0	0	0	0	0	0	0	0	0	0	0	0	0	0	918,751	892,690
Statutory Charges - Waste Management	872,276	869,740	0	0	0	0	0	0	0	0	0	0	0	0	0	0	872,276	869,740
User Charges & Fees - Other	60,399	90,200	40,114	40,000	80	100	0	0	288,463	245,800	131,487	139,470	43,153	44,740	404,160	352,180	967,856	912,490
Grants - Cth Operational	0	0	4,872,231	3,330,850	897,678	1,029,000	0	0	0	0	421,911	421,910	0	0	9,211,004	9,689,640	15,402,825	14,471,400
Grants - Cth Capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grants - NT Operational	7,777,289	7,897,730	10,000	90,000	1,024,629	2,037,370	9,600	9,600	668,429	1,100,500	0	0	136,448	115,800	1,473,864	1,453,620	11,100,259	12,704,620
Grants - NT Capital	948,069	1,593,570	11,151	0	4,405,143	6,192,290	0	0	0	0	0	0	0	157,940	0	0	5,364,363	7,943,800
Interest	559,192	500,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	559,192	500,000
Income from Commercial Operations	648	0	0	0	3,103,950	3,175,870	0	0	0	0	0	0	0	0	134,830	127,000	3,239,428	3,302,870
Reimbursements & Other Income	440,994	389,160	54,706	0	81,242	65,470	142,135	151,170	89,507	74,900	0	0	1,817	5,080	47,735	36,250	858,136	722,030
	11,577,619	12,233,090	4,988,202	3,460,850	9,512,722	12,500,100	151,735	160,770	1,046,399	1,421,200	553,398	561,380	181,418	323,560	11,271,594	11,658,690	39,283,087	42,319,640

OPERATING EXPENSES

Employee Costs	8,806,231	10,069,530	2,257,187	2,327,130	1,944,576	2,160,750	98,373	120,730	129,019	139,000	83,597	81,680	243,835	314,820	6,628,315	6,817,270	20,191,133	22,030,910
Materials & Consumables	426,929	1,333,900	124,688	136,040	520,366	628,950	25,740	29,800	161,976	217,550	161,256	143,460	182,213	222,120	1,615,788	1,666,780	3,218,955	4,378,600
Depreciation & Amortisation	2,097,553	2,150,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,097,553	2,150,000
Other Operating Expenses	160,634	(131,030)	999,558	993,080	1,160,595	3,950,000	215,918	251,080	1,156,255	2,398,800	308,545	336,240	122,411	126,750	3,181,866	3,147,340	7,305,763	11,072,260
	11,491,348	13,422,400	3,381,433	3,456,250	3,625,537	6,739,700	340,031	401,610	1,447,249	2,755,350	553,398	561,380	548,459	663,690	11,425,969	11,631,390	32,813,423	39,631,770

OPERATING SURPLUS / (DEFICIT)

	(86,271)	1,189,310	(1,606,769)	(4,600)	(5,887,186)	(5,760,400)	188,295	240,840	400,851	1,334,150	0	0	367,041	340,130	154,375	(27,300)	(6,469,664)	(2,687,870)
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TOTAL ASSETS

	6,140,452	-	345,493		25,686,909		68,212	-	314,254		-		-	-	-	-	32,555,320	
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MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
2c (i) Rates			
Rate income		918,751	883,197
Total Rates Income		918,751	883,197
2c(ii) Statutory charges - Waste Management			
Waste Charges		872,276	851,797
Total Statutory charges - Waste Management		872,276	851,797
2c(iii) Interest - Financial Investment			
Interest Income		559,192	549,920
Total Interest Income		559,192	549,920
3a USER CHARGES & FEES - OTHER			
Equipment Hire		31,771	44,346
Landfill Tipping Fees		20,511	22,807
Property Fees		336,693	226,420
Service Fees		678,208	545,717
Other User Charges & Fees		35,503	21,230
Total User Charges & Fees - Other		1,102,686	860,320
3b GRANTS, SUBSIDIES & CONTRIBUTIONS			
Commonwealth of Australia Government Agencies			
Operating Grants		897,678	855,124
Special Purpose Grants		-	-
Capital Grants		-	-
Agency Services Grants		14,505,146	12,818,829
Sub-total		15,402,824	13,673,953
Northern Territory Government Agencies			
Operating Grants		9,573,395	12,135,331
Special Purpose Grants		3,068,004	1,113,396
Capital Grants		2,296,359	1,496,180
Grants Received for New or Upgraded Assets		-	-
Agency Services Grants		1,526,864	1,507,587
Sub-total		16,464,622	16,252,494
<i>Grants Received for Operating Purposes</i>		31,867,447	29,926,447
<i>Grants Received for New or Upgraded Assets</i>		-	-
Total Grants Revenue		31,867,447	29,926,447
3c INCOME FROM COMMERCIAL OPERATIONS			
Contract Fees		2,937,202	4,018,551
Fuel Sales		648	18,515
Sales - Amooonguna Store		166,748	243,586
Total Income from Commercial Operations		3,104,598	4,280,652
3d REIMBURSEMENTS & OTHER INCOME			
Fuel Tax Rebate		28,471	36,236
Fundraising & Donations		1,817	5,000
Insurance Recoveries		85,579	112,658
Reimbursements		470,935	243,958
Other Income		76,568	21,154
Total Reimbursements & Other Income		663,370	419,006

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
4a EMPLOYEE COSTS			
Salaries, Wages, Leave and Allowances, including On-Costs		17,749,916	17,547,594
Employer's Superannuation Contributions		1,719,473	1,667,207
Workers Compensation Insurance		49,310	335,069
Protective Clothing		2,042	3,893
Recruitment Expenses		66,855	64,244
Training Programs		288,577	400,070
Employee Benefits & Other Employee Costs		314,959	321,541
Total Employee Costs		20,191,132	20,339,618
4b MATERIALS & CONSUMABLES			
Building Materials		23,794	125,728
Buildings Repairs & Maintenance		442,552	277,361
Cleaning Services & Materials		73,629	66,278
Community Infrastructure		811,558	1,033,883
Food for Services & Catering Costs		609,266	655,659
Furniture & Fittings		169,847	178,711
Plant & Equipment		87,121	75,773
Purchases - Amooonguna Store		150,975	160,418
Road Furniture & Signage		287	4,610
Tools, Equipment & Minor Assets		394,006	512,122
Vehicles Parts & Tyres		215,706	203,349
Other Materials & Consumables		626,717	512,809
Total Materials & Consumables		3,605,458	3,806,701

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
4c DEPRECIATION & AMORTISATION			
Buildings & Facilities		176,466	141,401
Furniture & Fittings		107,481	109,775
Plant & Equipment		550,682	475,850
Vehicles		1,262,924	1,411,359
Total Depreciation & Amortisation		2,097,553	2,138,385
4d OTHER OPERATING EXPENSES			
Advertising & Promotional Activities		16,798	27,611
Audit Services - Deloitte Touche Tohmatsu		61,000	61,000
Computer Services		478,663	410,399
Consulting Fees		97,210	385,300
Contract Labour		2,334,602	6,676,120
Elected Members' Allowances & Training		340,930	330,446
Freight Charges		150,997	184,970
Fuel for Plant & Vehicles		156,354	485,989
Gas, Power, Sewerage & Water		705,706	717,736
Insurance Premiums & Fees		930,106	530,082
Legal & Professional Services		27,409	61,819
Local Authority Members' Allowances		17,053	17,617
Memberships & Subscriptions		66,250	61,575
Operating Leases		306,276	301,644
Repayment of Unaccrued Grant Liabilities		4,876	8,304
Telephone & Internet Services		570,667	585,307
Transaction Fees & Taxes		13,855	14,973
Travel, Accommodation & Entertainment		389,972	389,241
Vehicle Registration, Repairs & Maintenance		250,557	367,807
Total Other Operating Expenses		6,919,281	11,618,140

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
5 ASSET DISPOSALS			
PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		19,297	111,403
Less: Carrying amount of assets sold		-	-
Gain (Loss) on disposal		19,297	111,403
<i>Assets surplus to requirements</i>			
Proceeds from disposal		-	-
Less: Carrying amount of assets sold		-	-
Gain (Loss) on disposal		-	-
VEHICLES			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		175,469	476,936
Less: Carrying amount of assets sold		-	-
Gain (Loss) on disposal		175,469	476,936
<i>Assets surplus to requirements</i>			
Proceeds from disposal		-	-
Less: Carrying amount of assets disposed of		-	(158,894)
Gain (Loss) on disposal		-	(158,894)
NET GAIN (LOSS) ON DISPOSAL OF ASSETS		194,766	429,445
6 CASH ON HAND AND AT BANK			
Westpac Operating Account		1,027,248	106,671
Westpac Trust Account		2,421,735	1,714,324
Westpac Territory Housing Account		272,185	47,110
Bank Accounts for Community Stores		12,513	641
Westpac Centrelink Processing Account		14,105	93
Petty Cash		1,000	1,000
Amoonguna Store Float		1,200	1,200
Total Cash on Hand & at Bank		3,749,986	1,871,039

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
7 INVESTMENTS - TERM DEPOSITS			
<u>Analysis of term deposits</u>			
Term deposits		23,500,000	20,000,000
Total Term Deposits		23,500,000	20,000,000
8 TRADE AND OTHER RECEIVABLES			
Trade Receivables		280,408	427,511
Allowance for Doubtful Debts		(118,509)	(133,618)
Rates & Charges Receivable		344,814	247,739
Accrued Income		343,452	288,719
GST Receivable		97,043	221,921
Prepayments		-	4,648
Total Trade & Other Receivables		947,208	1,056,920
The average credit period on sales of goods and rendering of services is 60 days. No interest is charged on the trade receivables.			
<u>Ageing of past due but not impaired trade debtors</u>			
30-90 days		266,822	181,990
90-180 days		13,337	5,747
Greater than 180 days		249	2,365
		280,408	190,102
<u>Movement in the Allowance for Doubtful Debts</u>			
Balance at the Beginning of the Year		133,618	150,000
Bad Debt Amounts written off		(15,109)	(16,382)
Balance at the End of the Year		118,509	133,618
A loyalty fund has been set up on Council's behalf by Telstra as part of a contract entered into in the 2015/16 financial year. The remaining balance as at 30 June 2019 available to Council under this loyalty funds is \$175,000. The fund has not been recorded in these accounts as an asset as the actual amount of benefit the Council will receive is unknown			
9 INVENTORIES & WORK IN PROGRESS			
Goods for Sale Held at Community Stores & in Bulk Fuel Tanks		53,852	85,174
Work in Progress		0	415,750
Total Inventories & Work in Progress		53,852	500,924

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

10 PROPERTY, PLANT & EQUIPMENT

Year Ended 30 June 2019	Land	Buildings & Facilities	Furniture & Fittings	Plant & Equipment	Vehicles	Total
Gross Carrying Amount at Cost						
Opening balances at 1 July 2018	404,250	20,435,794	897,805	6,245,042	7,590,857	35,573,748
Additions	-	1,088,195	20,286	296,939	686,703	2,092,123
Less: Disposals	-	(57,179)	-	(126,000)	(692,405)	(875,584)
Adjustment to correct asset classification balance	-	-	-	-	-	0
Balance at 30 June 2019	404,250	21,466,810	918,091	6,415,981	7,585,154	36,790,286
Accumulated Depreciation						
Opening balances at 1 July 2018	-	19,922,274	671,050	4,686,141	3,592,917	28,872,382
Charge for the year	-	176,466	107,481	550,682	1,262,924	2,097,553
Less: Accumulated depreciation on disposals	-	(57,179)	-	(126,000)	(603,314)	(786,493)
Adjustment to correct asset classification balance	-	-	-	-	-	-
Balance at 30 June 2019	-	20,041,561	778,531	5,110,823	4,252,527	30,183,442
Net Book Value						
Carrying value at 1 July 2018	404,250	513,520	226,755	1,558,901	3,997,940	6,701,366
Carrying value at 30 June 2019	404,250	1,425,249	139,560	1,305,158	3,332,628	6,606,845

Year Ended 30 June 2018	Land	Buildings & Facilities	Furniture & Fittings	Plant & Equipment	Vehicles	Total
Gross Carrying Amount at Cost						
Opening balances at 1 July 2017	404,250	20,304,422	888,986	5,812,602	7,696,323	35,106,583
Additions	-	174,574	8,818	699,894	2,022,319	2,905,605
Less: Disposals	-	(43,202)	-	(267,454)	(2,127,786)	(2,438,442)
Adjustment to correct asset classification balance	-	-	-	-	-	-
Balance at 30 June 2018	404,250	20,435,794	897,804	6,245,042	7,590,857	35,573,747
Accumulated Depreciation						
Opening balances at 1 July 2017	-	19,824,076	561,275	4,477,744	4,057,339	28,920,434
Charge for the year	-	141,401	109,775	475,850	1,411,359	2,138,385
Less: Accumulated depreciation on disposals	-	(43,203)	-	(267,454)	(1,875,782)	(2,186,439)
Adjustment to correct asset classification balance	-	-	-	-	-	-
Balance at 30 June 2018	-	19,922,274	671,050	4,686,140	3,592,916	28,872,380
Net Book Value						
Carrying value at 1 July 2017	404,250	480,346	327,711	1,334,858	3,638,984	6,186,149
Carrying value at 30 June 2018	404,250	513,520	226,754	1,558,902	3,997,941	6,701,367

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	Notes	2019 \$	2018 \$
11a PAYABLES & ACCRUALS			
Creditors		1,189,565	808,221
Unearned Income		2,027	-
Accruals & Other payables		585,696	752,579
Total Trade and Other Payables		1,777,289	1,560,800
11b CURRENT EMPLOYEE BENEFITS & PROVISION OTHERS			
Annual leave, including on-costs		1,166,718	1,435,554
Long service leave		560,555	564,505
Total Current Employee Benefits & Provision Others		1,727,273	2,000,059
11c NON CURRENT EMPLOYEE BENEFITS			
Long service leave		555,029	439,413
Total Non Current Employee Benefits		555,029	439,413
12 RECONCILIATION OF STATEMENT OF CASH FLOWS			
Net Surplus / (Deficit)		6,469,662	297,940
(Profit) loss on disposal of assets		(194,766)	(429,445)
Interest received		(559,192)	(549,920)
Depreciation of non-current assets		2,097,553	2,138,385
Minor prior period adjustment		(44,321)	-
Changes in Net Assets:			
(Increase) / Decrease in trade and other receivables		(15,166)	(6,608)
Decrease / (Increase) in Inventory		447,072	(248,497)
Increase / (Decrease) in trade and other payables		287,254	(311,184)
Increase / (Decrease) in provisions		(103,058)	133,251
12a Net cash provided by operating activities		8,385,038	1,023,922
Reconciliation of Cash and Cash Equivalents			
Cash on Hand & at Bank		3,749,986	1,871,039
Investments - Term Deposits		23,500,000	20,000,000
12b Cash & Cash Equivalents at End of the Reporting Period		27,249,986	21,871,039

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

	2019 \$			2018 \$
13 UNEXPENDED GRANTS RESERVE				
The following grants and other income have been paid to the Council for specific purposes. Any unexpended amounts are treated as deferred income at the end of the financial year. This is because funding bodies will require either that the unused funds be returned or be applied against activities undertaken in future periods.				
	Closing Balance at 30 June 2019	Movements		Opening Balance at 1 July 2018
		Income	Expenses	
General Purpose				
FAA General Purpose	925,574	1,855,598	1,824,232	894,208
FAA Roads	1,406,979	1,024,629	648,972	1,031,322
NT Operational Subsidy	-	3,751,177	3,751,177	-
Specific Purpose				
Baby Fast NT	3,931	-	-	3,931
Central Australia Suicide Prevention Workshop	10,000	10,000.00	-	-
Children's Services - DoE	29,431	3,263,386	3,233,955	-
Children's Services - IAS	1,133	401,971	400,838	-
Community Safety Program	1,713,747	4,967,050	3,253,303	-
Community Safety Vehicles, Core, LLN, Cert III	-	-	-	-
Community Child Care Fund Capital Works Program	-	40,000	40,000	-
Community Home Support Program	-	706,112	706,112	-
Disability in Home Support Services (DIHS) - DOH	-	199,644	199,644	-
Docker River Child Care Capital Works	206,279	206,640	361	-
Energy Efficiency and Sustainability Grant	250,009	250,009	-	-
Good Things Activation Grant	15,300	18,000	2,700	-
Good Things Capacity Building Grant	21,250	25,000	3,750	-
Holiday Program Ntaria	(6,000)	24,000	30,000	-
Holiday Program Santa Teresa	12,401	61,150	48,748	-
Home Care Projects	559,119	559,939	820	-
Home Care Services	405,992	825,962	1,080,548	660,578
Indigenous Jobs Package Funding	-	1,335,000	1,335,000	-
Improved Emergency Response Capabilities	-	11,151	-	(11,151)
Local Authority Project Funding	655,588	571,710	425,151	509,029
Natural Disaster Relief Fund	187,223	0	268,505	455,728
Ntaria Bush Camps	(5,000)	0	23,003	18,003
NT Jobs Package	-	975,521	975,521	-
NT Library Grant	103,668	93,448	27,172	37,392
Outside School Hours Learning Program - DoE	171,340	1,114,886	943,546	-
Outstations - Homelands Extra Allowance	481,028	456,000	337,407	362,435
Outstations - Housing Maintenance Program	360	212,429	282,050	69,981

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

2019
\$

2018
\$

	Closing Balance at 30 June 2019	Movements		Opening Balance at 1 July 2018
		Income	Expenses	
Outstations - Municipal and Essential Services Program	38,546	503,962	650,030	164,613
Outstations - Homeland Jobs Package	-	331,552	331,552	-
Outstations - MES SPG	1,047,663	765,680	363,431	645,414
Papunya Harm Reduction Program	(10,000)	-	85,000	75,000
Papunya SDC Building	24,858	370,300	1,076,180	730,737
Papunya Town Hall R&M - CAYLUS	-	8,900	8,900	-
Pool Seating Upgrade	-	131,099	131,099	-
Remote Aboriginal Development Fund	-	-	3,000	3,000
Remote Oval Capital Grant - Docker River	540,000	540,000	-	-
Remote Oval Capital Grant - Haasts Bluff & Papunya	1,349,664	1,350,000	336	-
Roads to Recovery	-	-	-	-
Remote Sport Program	-	525,000	525,000	-
School Nutrition Program	-	553,398	553,398	-
Self Funded Sport & Rec	1,528	890	289	927
Shade Picnic Area Titjikala	595	-	-	595
Solar Park Lighting in 13 Communities	100	-	-	100
SLGIF Projects	448,942	262,948	371,135	557,129
SLGIF Projects - Bagot Street Building Upgrade	1,420,100	1,500,000	79,900	-
SPG Backhoe	-	-	200	200
SPG Prime Mover and Side Tipping Trailer	232,275	232,275	-	-
SPG 8m Side Loading Compactor Truck	144,084	144,084	-	-
SPG 45' Drop Deck Trailer	1,915	-	134,339	136,254
SPG Install Softfall at various parks	-	-	152,735	152,735
SPG Re-vegetation Project	10	-	-	10
Support Youth Boards	(5,000)	20,000	125,000	100,000
Yarning Circles Finke & Titjikala	(5,000)	-	5,000	-
Youth Development Program	(31,660)	2,602,258	2,630,470	(3,448)
Youth Development - CAYLUS	183,284	177,111	180,495	186,668
Youth Diversion Program	-	133,350	133,350	-
Youth Engagement and Education Program	-	88,120	88,120	-
Youth Engagement Officer - Santa Teresa	-	20,793	50,984	30,191
Youth Papunya - CAYLUS	-	-	8,900	8,900
Youth The Right Track Program	250,000	250,000	-	-
Youth Vibe Grant	-	-	9,404	9,404
Waste Management Co-Ordinator - Council	-	300,127	300,127	42,008
Waste Project Stage 3	6,109	9,600	3,491	-
Other Purposes				
Other Committed Funds 17-18 FY	-	-	87,301	87,301
Tech Services Projects	36	-	47,902	47,938
Social Club Funds	1,869	480	-	1,389
Total Unexpended Grants Reserve	12,789,267	33,782,339	27,979,583	7,028,521

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

14 FINANCIAL INSTRUMENTS

The Council is exposed through its financial instruments to liquidity risk, credit risk, and interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Council will not be in a position to meet its financial obligations as and when they fall due. The Council manages its liquidity risk by monitoring cash flows and through budget management. Liquidity is also supported by the fact that a high proportion of government subsidies and grants are received before the activities and projects to which they relate are undertaken.

Credit Risk

Credit risk is the risk of financial loss to the Council in the event of the failure by a commercial debtor or funding agency to meet its contractual or statutory obligations. Credit risk is greatly mitigated by the fact that the only parties with whom the Council has material dealings are agencies of the Commonwealth and Northern Territory Governments.

Interest rate risk management

The entity has no material exposure to interest rate risk.

	Average interest rate %	Variable Interest rate \$	Fixed Interest rate		Non-Interest Bearing	Total
			Less than 1 year	1 to 5 years		
2019						
Financial Assets						
Cash	0.4	3,749,986				3,749,986
Term deposits at Bank	2.49		23,500,000	-		23,500,000
Trade Receivables					161,899	161,899
Rates Receivable					344,814	344,814
Total Financial Assets		3,749,986	23,500,000	0	506,713	27,756,699
Financial Liabilities						
Trade Payables					808,221	808,221
Total Financial Liabilities		-	-	-	808,221	808,221
2018						
Financial Assets						
Cash	0.6	1,871,039				1,871,039
Term deposits at Bank	2.64		16,500,000	350,000		20,000,000
Trade Receivables					293,893	293,893
Rates Receivable					247,739	247,739
Total Financial Assets		1,871,039	16,500,000	3,500,000	541,632	22,412,671
Financial Liabilities						
Trade Payables					808,221	808,221
Total Financial Liabilities		-	-	-	808,221	808,221

* Interest is calculated on the closing daily balance on each account in excess of \$2,000. Tiered rates of interest apply to the credit balance. Interest is calculated daily and credited monthly in arrears on the last business day of each calendar month.

There is no foreign exchange risk.

MacDonnell Regional Council

Notes to and forming part of the Financial Statements
For the Year Ended 30th June 2019

15 RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the President, Vice President, Councillors, CEO and certain prescribed officers under section 112 of the *Local Government Act 1999*. In all, 18 persons were paid the following total compensation:

	2019	2018
	\$	\$
Salaries, allowances & other short term benefits	1,461,809	1,379,088
Post-employment benefits	109,752	-
Long term benefits		-
Termination benefits		-
TOTAL	1,571,561	1,379,088

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

11 close family members of key management personnel are employed by Council in accordance with the terms of the Award, and as recorded in the Public Register of Salaries maintained in accordance with the *Local Government Act*.

16 POST BALANCE DATE EVENTS

There were no Post Balance Date Events

MacDonnell Regional Council

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