

MOUNT ISA CITY COUNCIL

ANNUAL REPORT 2023-2024



WELCOME

Mount Isa City Council's Annual Report summarises Council's performance over the 2023-2024 financial year, including how the organisation met the objectives detailed in the Mount Isa City Council Operational Plan 2022-2023. The Annual Report includes statutory information and provides a transparent overview of the organisation's financial performance for the year.





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COUNCIL'S CORPORATE VALUES

Council is committed to having clear values that will assist all employees in working towards the same goals for the community. These values reflect Council's vision and what our employees stand for:



INTEGRITY

- Adhere to legislation, Council policies and procedures
- Treat customers and co-workers with respect and courtesy
- Act with honesty and in the best interest of the organisation



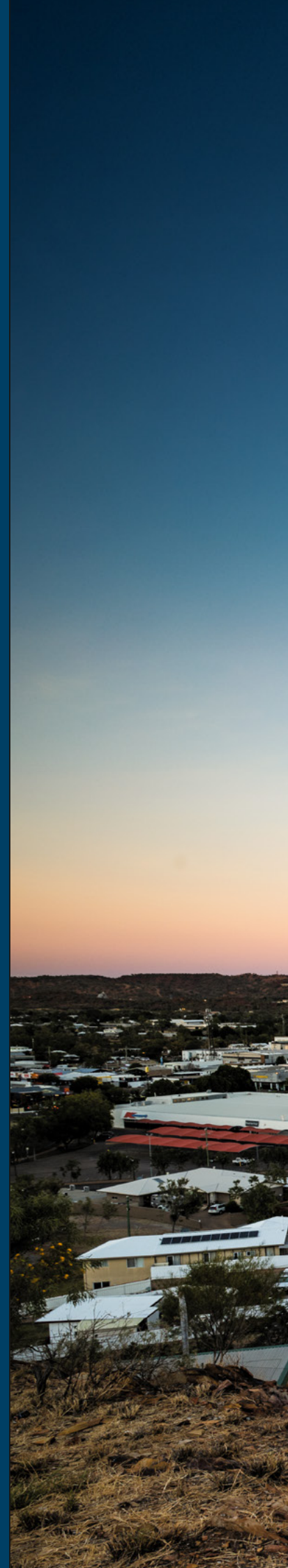
SERVICE

- Exceed the expectations of internal and external customers
- Demonstrate initiative and strive for continuous improvement
- Take pride in the services delivered to the community



ACCOUNTABILITY

- Manage time and resources effectively and efficiently
- Work as one team that is united and seamless
- Celebrate success and take ownership of failure



REGIONAL SNAPSHOT

Mount Isa City Council is one of the more remote local government areas in Queensland. Our region lies in the heart of Queensland's arid North West, adjoining the border of the Northern Territory. Mount Isa is located approximately 1,826 kilometres from Brisbane, the capital of Queensland, and 883 kilometres from the nearest main city and port of Townsville.

Covering an area of 43,841 square kilometres (including the township of Camooweal), making Mount Isa one of the largest cities in the world and home to over 19,000 people and 150 nationalities. Shaped by our remote, rural location and rich mineral bounty, Mount Isa has a long standing mining heritage.

Celebrating its 100th year in 2023, a feat among mining towns nation-wide, Mount Isa has grown from Australia's first 'company town' into one of the largest and most important industrial

powerhouses in the nation. Demonstrating a strong sense of identity and community, the Mount Isa of today is the administrative, commercial and industrial centre of North West Queensland. Our region produces some of the country's best beef and is renowned as one of the world's top 10 producers of copper, lead, silver and zinc. Mount Isa is home to several unique events including the Mount Isa Rodeo, which attracts visitors from across the globe.

- Traditional Owners of the land are the Kalkadoon and Indjilandji People
- The Mount Isa local government area covers both Mount Isa and Camooweal and extends from the head of the Leichhardt River near the Selwyn Ranges to the head of the Georgina River located on the Barkly Tableland
- Mount Isa City Council covers an area of 43,841 square kilometres





Peta MacRae
Mayor of Mount Isa

MAYOR'S MESSAGE

I am proud to present Mount Isa City Council's 2023-24 Annual Report.

Ever since the October 2023 announcement that Glencore would be closing its Mount Isa copper-mining and copper-concentrator operations by mid-2025, Council has been working diligently to advocate for the community's future and economic viability.

In response to the announcement, Council engaged the services of six consultants to focus on the strategic economic pillars of tourism, energy, resources, critical infrastructure, agriculture, and small and medium business, to develop an overall response plan – "Transitioning Mount Isa's Economy: Response to Glencore Copper Mining Closure".

Council also joined the Mount Isa and Region Futures Advisory Committee working group – members of which include Glencore and Local and State government representatives – with the goal of ensuring the closures' impact on the city is kept to a minimum.

Some of the projects identified in the response plan include accelerating the CopperString high-voltage powerline project; the proposed Transport and Logistics Centre (to establish a base for transport operations in the region); a common-user facility for critical minerals (adapting Glencore's large concentration facility to one that can also process vanadium, cobalt, and low-volume copper); and a renewable-energy industrial estate.

From the plan, Council developed the comprehensive Mount Isa Diversification and Transformation Strategy, which plots the way forward for the city and identifies potential projects, initiatives and programs that are worth several billion dollars and could help diversify the city's economy.

Some of the projects include a new copper and critical-minerals smelter; new sulphuric acid production facilities; new renewable-energy projects; new decarbonisation initiatives; and new transport and infrastructure projects.

As well as this, Council is also working closely with Next Economy – with input from local stakeholders – in the development of a Future Ready Economy Roadmap.

This Roadmap, set to be released in February 2025, will outline simple and practical steps to diversify and decarbonise the local economy, build resilience, and improve social wellbeing.

Mount Isa finds itself at a significant crossroads, and Council is determined to do all it can to advocate for the city's future and ensure the community gets through this transitional period as smoothly as possible.

I would like to thank Mount Isa City Council's hardworking and dedicated employees for their ongoing commitment to the community.

On behalf of Mount Isa City Council, I would also like to thank the residents of Mount Isa for their ongoing feedback and support.





ELECTED REPRESENTATIVES

PRE-ELECTION,
2020-2024 COUNCIL TERM



**MAYOR
DANIELLE SLADE**

ADDITIONAL RESPONSIBILITY

Mayor

PORTFOLIO

Not assigned

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- Local Disaster Management Group (Chair) (PEM08/04/20)
- North West Water Joint Evaluation Group (PEM08/04/20)
- North West Queensland Regional Organisation of Councils (PEM08/04/20)
- Living with Lead Alliance (PEM08/04/20)
- Mount Isa Townsville Economic Zone (Resolution Not Required)
- North West Flood Relief (Resolution Not Required)





**DEPUTY MAYOR,
CR PHIL BARWICK**

ADDITIONAL RESPONSIBILITY

Deputy Mayor (PEM02/04/20)

PORTFOLIO

Finance, Customer Service, Economic Development, Promotion & Community Development, Arts (PEM07/04/20)

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- Regional Arts Development Fund – RADF (PEM08/04/20)
- Local Disaster Management Group (Deputy Chair) (PEM08/04/20)
- Australian Mining Cities Alliance – AMCA (PEM08/04/20)
- Tennant Creek Mount Isa Cross Border Commission (PEM08/04/20)
- North West Hospital Health Service Community Advisory Committee (PEM08/04/20)

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Mount Isa City Council Owned Enterprises Board – MICCOE (OM42/04/16)
- Outback at Isa Board (OM42/04/16)
- Audit & Risk Management Committee (OM 39/05/19)
- Transport and Logistic Centre (PEM08/04/20)
- North West Motorsport Advisory Committee (PEM08/04/20)



**COUNCILLOR
KIM COGLAN**

PORTFOLIO

Youth, Beautification, Parks & Gardens

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- Living with Lead Alliance (Delegate in Mayoral Absence) (PEM08/04/20)

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Not assigned



**COUNCILLOR
GEORGE FORTUNE**

ADDITIONAL RESPONSIBILITY

Acting Mayor in the absence of both Mayor and Deputy Mayor (PEM03/04/20)

PORTFOLIO

Development and Town Planning (PEM07/04/20)

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- Mount Isa Water Board (PEM08/04/20)

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Mount Isa City Council Owned Enterprises
- Board – MICCOE (OM23/03/15)



**COUNCILLOR
PETA MACRAE**

PORTFOLIO

Tourism, Events, Sports and Recreation, Library (PEM07/04/20)

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- Riversleigh Community and Scientific Advisory Committee (PEM08/04/20)
- North Queensland Sports Foundation (Great Western Games) PEM08/04/20)

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Lake Moondarra Advisory Committee (PEM08/04/20)
- 100 Years Advisory Committee (Chair) (OM13/08/21)



**COUNCILLOR
PAUL STRETTON**

PORTFOLIO

Environmental Management, Waste Management, Environmental Health, Water and Sewerage, Local Laws, Camooweal (PEM07/04/20)

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- North Queensland Sports Foundation (Great Western Games) (PEM08/04/20)

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Mount Isa City Council Owned Enterprises Board – MICCOE (OM42/04/16)
- Outback at Isa Board (OM42/04/16)



**COUNCILLOR
MICK TULLY**

PORTFOLIO

Works and Engineering (PEM07/04/20)

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- North West Water Joint Evaluation Group (PEM08/04/20)

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Mount Isa City Council Owned Enterprises Board – MICCOE (OM42/04/16)
- Outback at Isa Board (OM42/04/16)
- Audit & Risk Management Committee (OM39/05/19)



ELECTED REPRESENTATIVES

POST-ELECTION,
2024-2028 COUNCIL TERM



**MAYOR
PETA MACRAE**

ADDITIONAL RESPONSIBILITY

Mayor

PORTFOLIO

Not assigned

COUNCIL REPRESENTATIVE – COUNCIL COMMITTEES/BOARDS

- Local Disaster Management Group (Chair)
- Regional Arts Development Fund Committee (Chair)
- MICCOE Board

COUNCIL REPRESENTATIVE – EXTERNAL ORGANISATIONS

- North West Queensland Regional Organisation of Councils
- Australian Mining Cities Alliance – AMCA
- Lead Alliance Committee
- Riversleigh World Heritage Advisory Committee





**DEPUTY MAYOR,
CR KIM COGLAN**

- ADDITIONAL RESPONSIBILITY**
Deputy Mayor
- PORTFOLIO**
Parks & Gardens, Splashez, Library & Cemetery
- COUNCIL REPRESENTATIVE –
COUNCIL COMMITTEES/BOARDS**
- Lake Moondarra Advisory Committee
- COUNCIL REPRESENTATIVE –
EXTERNAL ORGANISATIONS**
- North West Queensland Regional Organisation of Councils
 - Lead Alliance Committee (Proxy)



**COUNCILLOR
DAN BALLARD**

- PORTFOLIO**
Finance and Customer Service
- COUNCIL REPRESENTATIVE –
COUNCIL COMMITTEES/BOARDS**
- Audit & Risk Committee
 - Mine Workers Memorial Advisory Committee
- COUNCIL REPRESENTATIVE –
EXTERNAL ORGANISATIONS**
- North West Water



**COUNCILLOR
JAMES COGLAN**

- PORTFOLIO**
Environment, Local Laws, Development & Town Planning, Waste Management
- COUNCIL REPRESENTATIVE –
COUNCIL COMMITTEES/BOARDS**
- Audit & Risk Committee
 - Mine Workers Memorial Advisory Committee



**COUNCILLOR
TRAVIS CROWTHER**

PORTFOLIO

Economic Development

**COUNCIL REPRESENTATIVE –
COUNCIL COMMITTEES/BOARDS**

- North West Motorsport Advisory Committee
- Regional Arts Development Fund Committee

**COUNCIL REPRESENTATIVE –
EXTERNAL ORGANISATIONS**

- MICCOE Board



**COUNCILLOR
JOHN DOYLE**

PORTFOLIO

Tourism, Events, Sports & Recreation, Youth

**COUNCIL REPRESENTATIVE –
COUNCIL COMMITTEES/BOARDS**

- North West Motorsport Advisory Committee

**COUNCIL REPRESENTATIVE –
EXTERNAL ORGANISATIONS**

- North Queensland Sports Foundation



**COUNCILLOR
JOHN TULLY**

PORTFOLIO

Works & Engineering, Water & Sewerage

**COUNCIL REPRESENTATIVE –
COUNCIL COMMITTEES/BOARDS**

- Local Disaster Management Group (Deputy Chair)
- Lake Moondarra Advisory Committee

**COUNCIL REPRESENTATIVE –
EXTERNAL ORGANISATIONS**

- North Queensland Sports Foundation
- MICCOE Board
- Mount Isa Water Board



COUNCILLOR EXPENSES AND REMUNERATION

Council has adopted a Reimbursement of Expenses and Provision of Facilities policy for the Mayor and Councillors Policy. The objective of this policy is to provide provisions in which Councillors are reimbursed for reasonable expenses incurred whilst carrying out their official duties and the administering of any Councillor facilities.

The table below shows the total remuneration, including superannuation payments and the expenses incurred by each Councillor for the 2023-2024 financial year.

RENUMERATION

COUNCILLORS / EXECUTIVE	SALARY	COMMENTS
Peta MacRae	\$96,691	
Dan Ballard	\$25,288	Commenced 28/03/2024
James Coghlan	\$25,229	Commenced 28/03/2024
Travis Crowther	\$25,848	Commenced 28/03/2024
John Tully	\$25,848	Commenced 28/03/2024
Malcolm John Doyle	\$25,229	Commenced 28/03/2024
Kim Coghlan	\$68,742	
Danielle Slade	\$74,460	Terminated 28/03/2024
Phil Barwick	\$46,147	Terminated 28/03/2024
George Fortune	\$35,456	Terminated 28/03/2024
Paul Stretton	\$35,456	Terminated 28/03/2024
Mick Tully	\$35,456	Terminated 28/03/2024



EXPENSES

COUNCILLORS / EXECUTIVE	CONFERENCE TRAINING	TRAVEL & ACCOMMODATION	UNIFORM	GRAND TOTAL
Peta MacRae	\$1,754	\$7,003		\$8,757
Dan Ballard	\$1,732		\$19	\$1,751
James Coghlan	\$1,732		\$19	\$1,751
Travis Crowther	\$1,732		\$19	\$1,751
John Tully	\$1,732		\$19	\$1,751
Malcolm John Doyle	\$1,732		\$19	\$1,751
Kim Coghlan	\$1,732	\$2,451	\$19	\$4,202
Danielle Slade	\$129	\$4,512		\$4,641
Phil Barwick		\$1,935		\$1,935
George Fortune		\$59		\$59
GRAND TOTAL	\$12,275	\$15,959	\$114	\$28,348

MOUNT ISA CITY COUNCIL DISCRETIONARY FUNDS

Council had no discretionary funds budget for the financial year, therefore no discretionary funds were allocated to capital works for a community purpose or other community purposes.

OVERSEAS TRAVEL MADE BY A COUNCILLOR OR EMPLOYEE

There was no overseas travel undertaken by a Councillor, in an official capacity, for the 2023-2024 financial year

ATTENDANCE OF COUNCIL MEETINGS

PRE-ELECTION, 2020-2024 COUNCIL TERM

During the 2023-2024 Financial Year, Council held 8 Ordinary Meetings and 2 Special Meetings.

COUNCILLOR	ORDINARY MEETINGS ATTENDED	SPECIAL MEETINGS ATTENDED
Mayor Cr Danielle Slade	8	2
Deputy Mayor Cr Phil Barwick	8	2
Cr Peta MacRae	8	2
Cr Kim Coghlan	6	2
Cr Mick Tully	7	1
Cr George Fortune	8	1
Cr Paul Stretton	4	1

POST-ELECTION, 2024-2028 COUNCIL TERM

During the 2023-2024 Financial Year, Council held 4 Ordinary Meetings and 1 Special Meetings.

COUNCILLOR	ORDINARY MEETINGS ATTENDED	SPECIAL MEETINGS ATTENDED
Mayor Cr Peta MacRae	4	1
Cr Kim Coghlan	3	0
Cr Dan Ballard	4	1
Cr James Coghlan	4	1
Cr Travis Crowther	4	1
Cr John Doyle	4	1
Cr John Tully	4	1

OUR ORGANISATIONAL STRUCTURE





SENIOR MANAGEMENT REMUNERATION

The table below shows the total remuneration packages payable to the Senior Management of Council in \$100,000 increments as required by the Local Government Act 2009.

TOTAL ANNUAL REMUNERATION	NUMBER OF EMPLOYEES
Band \$100,000 - \$200,000	0
Band \$200,000 - \$300,000	3
Band \$300,000 - \$400,000	1
Total Annual Remuneration to Senior Management	\$1,046,146

CUSTOMER SERVICE CHARTER

Mount Isa City Council is committed to best practice and continuous improvement across all aspects of the Customer Service experience. Council strives to provide quality services and programs that are consistent, efficient and effective and meet the Community needs.

Our commitment to you when you contact Mount Isa City Council, we will:

- Treat you with respect and honesty in a fair and professional manner
- Respect cultural and religious diversity
- Consult, inform and engage you while resolving your enquiry
- Provide complete and accurate information in a timely manner
- Value your feedback both positive and negative.

Your comments provide valuable information to allow for continuous improvement to our customer service.

We will ensure our decisions:

- Comply with relevant legislation
- Are fair and transparent
- Are made in a timely manner once all information is provided

We strive to improve our service by:

- Seeking feedback on our service delivery
- Welcoming feedback from the public in the development of products and services

HOW TO CONTACT US

Mailing address: 23 West Street, Mount Isa QLD 4825

P: 07 4747 3200 | **Fax:** 07 4747 3209 | **E:** city@mountisa.qld.gov.au

www.mountisa.qld.gov.au

Office Hours 9:00 am - 4:30 pm Monday to Friday

COUNCILLOR CONDUCT

In accordance with the Local Government Regulation 2012, Council is required to report on Councillor conduct complaints. The below table provides a summary of these complaints.

	PRE ELECTION	POST ELECTION
Orders made under section 150I(2) of the Local Government Act 2009.	Nil	Nil
Orders made under section 150AH(1) of the Local Government Act 2009.	Nil	Nil
Decisions, orders and recommendations made under section 150AR(1) of the Local Government Act 2009, including:	Nil	Nil
Complaints referred to OIA under s150P(2)(a) of the Local Government Act 2009 by the local government.	1	Nil
Number of complaints which came to Council before the OIA.	Nil	Nil
Notices given under s150R(2) of the Local Government Act 2009.	Nil	Nil
Matters mentioned in s150P(3) of the Local Government Act 2009, notified to the Crime and Corruption Commission.	Nil	Nil
Notices given under s150S(2)(a) of the Local Government Act 2009.	12	Nil
Decisions made under Section 150W(1):		Nil
(a) dismiss the complaint	12	Nil
(b) refer the suspected inappropriate conduct back to local government to deal with	Nil	Nil
(e) take no further action of the Local Government Act 2009. (Note: 3 decisions relate to complaints received prior to 30/06/2022)	Nil	Nil
Referral notices accompanied by a recommendation mentioned in s150AC(3)(a) of the Local Government Act 2009.	Nil	Nil
The occasions information was given under section 150AF(4)(a) of the Local Government Act 2009.	Nil	Nil
The occasions the local government asked for another entity to investigate, under chapter 5A, part 3 division 5 of the Local Government Act 2009 for the local government, the suspected inappropriate conduct of a councillor.	Nil	Nil
Applications heard by the conduct tribunal:		Nil
(a) under chapter 5A, part 3, division 6 of the Local Government Act 2009 about whether a councillor engaged in misconduct or inappropriate conduct.	Nil	Nil



COMPLAINTS

ADMINISTRATIVE ACTION COMPLAINTS

Council is committed to processing all administrative action complaints fairly and efficiently. This commitment is supported through the implementation of our Administrative Action Complaints Policy and Procedure which is reviewed, assessed and updated on an annual basis. Council employees involved in handling administrative action complaints are trained on an annual basis.

In accordance with the Local Government Regulation, Council is required to report on the particulars of the Administrative Action Complaints received and processed by Council. The below table provides a summary of these complaints.

Administrative Action Complaints made to Council in the financial year	10
Administrative Action Complaints resolved by Council in the financial year	4
Administrative Action Complaints not resolved by Council in the financial year	6
Administrative Action Complaints not resolved by Council that were made in a previous financial year	0

STATUTORY INFORMATION

INVITATION TO CHANGE TENDERS

There has been one invitation to change tenders in accordance with s228(8) of the Local Government Regulation 2012 during the 2023-24 financial year. (Resolution SM04/05/23)

MOUNT ISA CITY COUNCIL REGISTERS

Council maintains the following registers:

- Administrative Action Complaints Register
- Asset Register
- Authorised Officer Register
- Conflicts of Interest Register
- Contact with Lobbyists Register
- Contracts Register
- Councillor Conduct Register
- Dog Registry
- Financial Delegations Register
- Gifts and Benefits Register
- Land Register
- Local Laws Register
- Operational Risk Register
- Policy Register
- Register of Cost Recovery Fees
- Register of Delegations – Council to CEO
- Register of Delegations – CEO to Employees and Contractors
- Related Party Transactions Register
- Roads Map Register
- Strategic and Corporate Risk Register
- Human Rights Register

BENEFICIAL ENTERPRISES

Council operated one (1) Beneficial Enterprise, Mount Isa City Council Owned Enterprises.

BUSINESS ACTIVITIES

Expenditure, services or facilities that were supplied by another local government or via joint agreement:

There were no joint government activities in 2023-24.

COMPETITIVE NEUTRALITY PRINCIPLE

Council received no competitive neutrality complaints during the year in relation to any business activities nor were there any referrals or recommendations received by Council from the Queensland Competition Authority in relation to business units.

SIGNIFICANT BUSINESS ACTIVITIES NOT CONDUCTED IN LAST FINANCIAL YEAR

NON-REPORTABLE ITEMS

During the 2023-24 financial year Mount Isa City Council did not have any reportable activity in the following areas:

- Significant Business Activities
- Commercial Business Units

SPECIAL RATES AND CHARGES

There were no special rates or charges levied for 2023-2024.





CONCESSIONS FOR RATES AND CHARGES

CONCESSION FOR PENSIONERS

Council provides pensioners with a concession on General Rates and Utility Charges equivalent to that provided by the State Government, which is 20% of the amount levied to a maximum of \$200.00.

- No concession is provided on State Fire Services Levy as it is a State Government Charge.
- No concession is offered on any separate or special charges.

Council will be continuing to provide an additional \$85.00 per annum concession to pensioners in 2022/23. Council has determined that pensioners as defined by the Local Government Regulation 2012 are entitled to receive concessions on rates and charges levied by Council. Council may grant a concession for land that is owned by a pensioner under Section 120(1)(a) of the Local Government Regulation 2012.

In exercising these concession powers Council will be guided by the principles of:

- Transparency by making clear the requirements necessary to receive concessions; and
- Equity by ensuring that all applicants of the same type receive the same concession.

GENERAL ELIGIBILITY

Upon written application to Council, a pensioner may be eligible for a pension concession.

To be eligible under the Council Pension Subsidy Scheme for a

remission of rates, the applicant must be an approved pensioner who meets all of the criteria below:

- Is the sole owner, joint owner, part owner, or life tenant of a property
- The property must be the principal place of residence of the pensioner or life tenant
- Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges as defined herein, which are levied in respect of the said property by the Mount Isa City Council and
- Must be a current holder of one of the following cards:
 - Queensland 'Pensioner Concession Card' issued by Centrelink
 - a Veterans' Affairs 'Gold Card'
 - a Veterans' Affairs Pensioner Concession Card
 - Repatriation Health Card for all conditions

These cards do not qualify for a remission: Seniors Cards, Health Care Card, or Health Benefit cards.

In the case of life tenancy, the applicant must meet the above criteria and provide:

- A certified copy of the will, stating the applicant is a life tenant and responsible for paying rates, OR
- A court order and a duly signed copy of death certificate

Remissions can only be granted on one property per pensioner per half year.

CONCESSION FOR OWNER OCCUPIED RESIDENTIAL PROPERTY WITH A LARGER THAN STANDARD 20MM WATER METER

Council will grant a remission to all owner(s) occupied residential properties with a Council installed water meter larger than the standard 20mm water meter subject to the following criteria.

Conditions for receiving concessions

- Property is to be owner occupied and used for residential purposes only, no business (other than a home-based business) is carried out on the premises.
- Home based businesses must be a conforming home business under the City of Mount Isa Planning Scheme 2020 (commenced 9 March 2020)) by complying with all Acceptable Solutions of the residential planning area code and the home business code; and the property must be classified in one of the following differential rating categories:
 - 1 – Residential <1Ha – Camooweal
 - 4 – Residential <1Ha
 - 5 – Residential <10Ha
 - 82 – Residential – Owner Occupied <4,000 m², ≤\$60,000
 - 83 - Residential – Owner Occupied <4,000 m², ≤\$90,000; and
 - 84 - Residential – Owner Occupied <4,000 m², >\$90,000.

The property cannot currently be subject to any other Council approved concessions or remission for water access charges.

REMISSION AVAILABLE

All ratepayers who are eligible for this remission will be charged an annual water access charge equivalent to that of a 20mm water meter.

Council is satisfied that such circumstances justify the exercise of the remissions power and grants this remission on the basis that to require the ratepayer to pay full charges in these circumstances would result in hardship.

HOME HAEMODIALYSIS (KIDNEY DIALYSIS) TREATMENT

Pursuant to sections 120 and 122 of the Local Government Regulation 2012, if a ratepayer incurs higher water consumption charges as a result of home haemodialysis treatment.

Council is satisfied that such circumstances justify the exercise of the remissions power and grants this remission on the basis that to require the ratepayer to pay full charges in these circumstances would result in hardship. Where this remission applies there will a \$200 reduction in the water consumption charge per financial year based on application.

CHRISTIAN OUTREACH CENTRE:

Cleansing charges for 1 x 240 Litres residential bin for the period commencing 1 July 2017 for so long as the Christian Outreach Centre continue to provide community programs that allow the community to congregate and the utilise the services that the Centre offer. This is subject to an annual review with Christian Outreach Centre being required to provide evidence of continual delivery of these services to the community.

Resolution OM12/04/17.

THE COOTHARINGA SOCIETY OF NORTH QUEENSLAND:

On general rates only for the period commencing 1 January 2017 for so long as "The Cootharinga Society of North Queensland" remains a registered charity.

Resolution OM44/11/16.



CAMOOWEAL RURAL FIRE BRIGADE:

Council approve to reinstate the exemption given to Camooweal Rural Fire Brigade in September 1991 from all general rates and charges as per Section 93 (3)(b) of the Local Government Act 2009.

Resolution OM22/01/21.

GOOD SHEPHERD PARISH:

On cleansing charges for 5 x 240 Litres residential bins, for the period commencing 1 January 2017 for so long as "Good Shepherd Parish" continues to provide free meals for the homeless. This is subject to an annual review with Good Shepherd Parish being required to provide evidence of continual services delivery.

Resolution OM16/02/17.

LEICHHARDT SERVICES BOWLS CLUB:

Council approve a concession of 100% on general rate charges only under Section 120 (b)(i) and (c), AND this concession is subject to an annual review by Council management with the club being required to provide supporting financial documentation as evidence of severe financial hardship.

Resolution OM14/12/18

THE LAURA JOHNSON HOME FOR THE AGED

- The 1.5m³ Commercial garbage service rate be charged in lieu of the 3.0m³ commercial garbage service rate for the next (2) years (2022/23 to 2023/24), and
- The 16 additional 240L bins are charged at the residential rate for the next two (2) years (2022/23 to 2023/24), and
- That Council approve a 50% concession on the water access charge for the next two (2) years (2022/2023 to 2023/24), and
- That Council approve a 50% concession on the Sewerage Charges for the facility for the next two (2) years (2022/2023 to 2023/24)

Resolution OM20/04/22.



NON-PROFIT SPORT CLUBS AND COMMUNITY ORGANISATIONS

THAT Council approves and grants a Concession to Waiver and Write-Off rates & charges and reserve lease/trustee permit fees, excluding water consumption charges and the State Fire Service Levy charges for 36 identified Non-Profit Sporting Clubs & Community Organisations as defined in Council's Revenue Statement for the 2022/2023 & 2023/2024 Financial Period, under Sections 119, 120 (1)(c)(d), 121 (a) and 122 (1)(a) of the Local Government Regulation 2012, due to financial hardship, as long as the group is currently active and registered as non-profit sports club and/or community organisation

Resolution OM19/06/22

AND

THAT Council further approves and grants a Concession to Waiver and Write-off any current and/or outstanding rates & charges, reserve lease / trustee permit fees, and water consumption charges issued and/or to be issued for the remainder of the financial year ending 30 June 2022, for the 36 identified Non-Profit Sporting Clubs & Community Organisations, under Sections 119, 120 (1)(c)(d), 121 (a) and 122 (1)(a) of the Local Government Regulation 2012, due to financial hardship, as long as the group is currently active and registered as non-profit sports club and/or community organisation

Resolution OM19/06/22





LIST OF 36 IDENTIFIED GROUPS

ASSESSMENT	KEY NAME	OWNER NAME
00479-80000-000	COPPER	Copper City Tennis Club
01979-80000-000	BASKET	Mount Isa Basketball Centre
03631-00000-000	BOWLS	The Secretary Mount Isa Bowls Club
04337-00003-000	TOUCH	Mount Isa Touch Association
04337-00005-000	SOFTBA	Mount Isa Softball Association
04391-87000-000	DIRT	Mount Isa Dirt Bike Club Inc
04489-60000-000	LEICHHAR	Leichhardt Services Bowls Club Inc
05244-30000-000	HIGHLAND	Isa Highlanders Dance Association Inc
05244-50000-000	NETBAL	Mount Isa Amateur Netbal Association
05671-46000-000	RUGBY	Mount Isa Rugby Union
06275-20000-000	KARATE	Sikaran Karate Inc
06507-26000-000	RUGBY	Mount Isa Junior Rugby League
06507-50000-000	RUGBY	Mount Isa Rugby League
07097-80000-000	RACE	Camooweal Jockey Club
01980-00000-000	HOCKEY	Mount Isa Hockey Association
09997-00001-000	SOCCER	North West Queensland Soccer Zone Inc, Mount Isa Junior Soccer Association
01979-00000-000	AFL	Mount Isa Australian Football League Inc
03630-00000-000	ISLAND	Island BMX Club Mt Isa Inc
06911-50000-000	PISTOL	Mount Isa Pistol Club
-	GOKART	Mount Isa Go Kart Club
-	ISACAMP	Mount Isa Campdraft Association
i	RACECLUB	Mount Isa Race Club Inc
01486-10000-000	PLAYGR	Mount Isa Playgroup
01628-00000-000	SCOUT	The Mount Isa Scout Group
04243-00000-000	MEALS	Meals on Wheels
04391-70011-000	IRISH	Mount Isa Irish Club Assn. Sports Ground
04391-88000-000	RESTOR	Mount Isa Restored Car Club
05671-42000-000	FOLK	Isa Folk Club Inc
06275-30000-000	THEATR	Mount Isa Theatrical Society
03743-00000-000	GIRL	Girl Guides Queensland
05671-43000-000	LAPIDARY	Mount Isa Lapidary Club Inc
05671-41000-000	CANCER	Mount Isa Cancer House
07041-00000-000	GOLF	Mount Isa Golf Club



RESOLUTIONS MADE BY COUNCIL

Council is required to report any resolutions made under s206(2) of the Local Government Regulation 2012.

There are no resolutions made during the 2023-2024 financial year under s206(2) of the Local Government Regulation 2012 regarding threshold for non-current physical asset to be treated as an expense.

INTERNAL AUDIT REPORT FOR THE 2023-2024 FINANCIAL YEAR

Section 190 of the Local Government Regulation 2012 requires a report on internal audit to be included in the Annual Report.

Council uses the internal audit function to improve internal organisational controls, risk management, and comply with internal policies. Internal audit provides independent, objective assurance and is designed to add value to and improve Council's operations. It helps Council by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

As part of the Financial Year 2023-24 Annual Internal Audit Plan, it was agreed that four projects would be undertaken at management's request:

1. Fraud Prevention and Management
2. Corporate Governance
3. Project Management
4. Cyber Security

The findings from these projects will assist in improving internal controls within the Council.

Further, Council has an Audit & Risk Management Committee which meets several times per year and is bound by its Charter; among other things it considers the results of Internal Audit and External Audit findings and monitors the implementation of business improvements.

COMMUNITY GRANTS AND RADF 2023-2024

COMMUNITY GRANTS ROUND 1 – 2023

Organisation	Project/Event	Amount
Barkly Highway State School	POD garden project	\$2,500.00
Estelle Cardiff Community Kindergarten	New Fence	\$5,000.00
Football Qld	PA System for Mount Isa Football Park	\$5,000.00
Mount Isa Pistol Club Inc	Install Target System Transport System	\$5,000.00
Mount Isa Clay Target Club Inc	Construct trap House Thrower cover	\$4,806.00
		\$22,306.00

SPONSORSHIP ROUND 1 – 2023

Organisation	Project/Event	Amount
Commerce North West	2023 Jemena Northern Outback Business Awards	\$3,500.00
Mount Isa School of Dance	End of Year concert	\$9,116.00
		\$12,616.00

COMMUNITY GRANTS ROUND 2 – 2024

Organisation	Project/Event	Amount
Mount Isa Pistol Club Inc	Purchase LabRadar	\$1,360.00
QCWA North Western Division	Install Security Screens	\$3,323.00
Arts on Alma	Replace Security system	\$1,411.00
MIANA	Purchase Defibrillator and First Aid Supplies	\$2,605.00
PCYC	Braking the Cycle Program	\$5,000.00
Parkside United Junior Football Club	Upgrade Soccer Goals	\$5,000.00
		\$18,699.00

SPONSORSHIP ROUND 2 – 2024

Organisation	Project/Event	Amount
Good Shepherd Catholic Parish	2024 Multicultural Festival	\$6,470.95
Mount Isa Apex Club	2024 Rock Pop mime	\$8,000.00
Mount Isa Campdraft Assoc Inc	2024 Mount Isa Campdraft	\$11,710.00
Mount Isa Motorsports and Recreation Inc.	2024 Mount Isa Motorshow	\$3,300.00
Royal Flying Doctor Service	2024 RFDS Mount Isa Hanger Ball	\$10,000.00
Drovers Camp Association Inc.	2024 Drovers Festival	\$10,000.00
Commerce North West	2024 North West MPX	\$10,000.00
		\$64,680.95

OTHER COMMUNITY SPONSORSHIP 2023-24

Organisation	Project/Event	Amount
Mount Isa Show Society (final year)	Mount Isa Show (final year)	\$25,000.00
Isa Rodeo Ltd	Road to Rodeo	\$40,000.00
Legends of League	Legends of League event	\$20,000.00
Zonta Club of Mount Isa	International Women's Day	\$5,000.00
Opera Qld	Do we need another hero?	\$8,000.00
Isa Rodeo Ltd	2024 Indigenous Rodeo	\$20,000.00
Mount Isa Agricultural Show Society venue hire	2024 Mount Isa Show	\$39,312.00
Mount Isa Agricultural Show Society	2024 ancillary products bins etc	\$5,690.92
Mount Isa Amateur Netball Assoc	waste disposal - amenities replacement	\$9,306.00
Isa Rodeo Ltd venue hire	2024 Mount Isa Mines Rodeo	\$92,000.00
		\$264,308.92

IN-KIND SUPPORT

Organisation	Project/Event	Amount
26 Local Not For Profit Organisations	Support for clubs and community organisations to assist in site improvements, venue hire fee waivers, events and maintaining grounds, including use of Council equipment.	\$22,570.94
Grand Total <i>N.B. Amounts are plus GST if applicable</i>		\$378,666.81

RADF FY2023-24

Organisation	Project/Event	Amount
Children's Book Council of Australia	Regional Tour	\$5,376.00
North Qld History Collections	stands, frames and storage for historical photos	\$3,014.00
		\$8,390.00

COUNCIL INITIATED PROJECTS

Bin Skins	Splashes Mural
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COMMUNITY FINANCIAL REPORT

MOUNT ISA CITY COUNCIL

The Community Financial Report provides an explanation of Council's financial statements for the year ended 30 June 2024. This enables our community to understand Council's financial position and how Council's funds were used during the year to deliver services for the residents of Mount Isa City Council.

During the financial year Mount Isa City Council delivered a large program of operational and capital works. Council continued to meet all financial commitments and made regular repayments on its borrowings. Council's Financial Statements must be certified by both the Mayor and the Chief Executive Officer as 'presenting fairly' the Council's financial results for the year. They are also required to be adopted by Council – ensuring responsibility for and ownership of the Financial Statements by management and elected representatives.

This Community Financial Report focuses on consolidated figures for:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Cash Flows
- Measures of Financial Sustainability



STATEMENT OF COMPREHENSIVE INCOME

This statement which is often referred to as the Profit and Loss Statement measures what Council has earned (revenue) and what costs Council has incurred (expenses) throughout the financial year. Operating revenue is referred to as recurrent revenue in Council's financial statements.

REVENUE - WHERE DID COUNCIL'S FUNDS COME FROM?

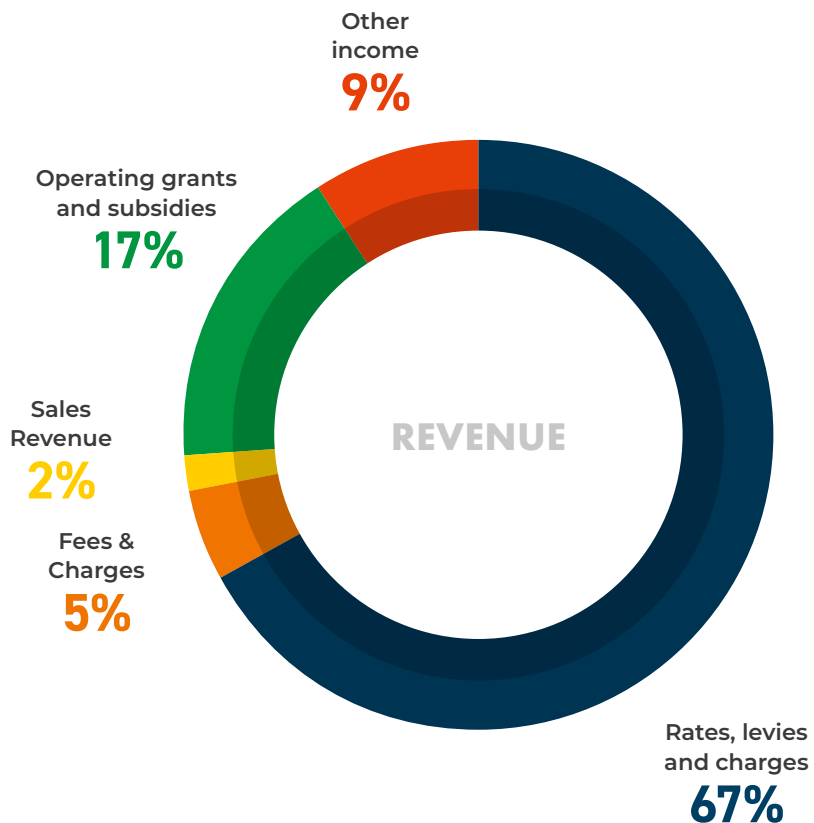
Council reported total income of \$88.9m during the 2023/24 financial year. This is broken up into two areas:

- Operating Income of \$76.4m*
- Capital Income of \$12.4m*

The more significant contributors to Council's revenue stream include:

- Rates and utility charges \$51.2m*
- Fees and charges \$3.7m*
- Sales Revenue \$2.0m*
- Operational grants and subsidies \$12.9m*
- Other income \$6.6m*

The revenue categories are graphed as a percentage above.



Council aims to maximise its revenue from sources other than rates and fees to reduce the burden on residents. We actively pursued grants and subsidies from State and Federal Governments and were successful in obtaining \$12.5m worth of funds to be invested in our community.

*Consolidated

EXPENDITURE – WHERE WAS YOUR MONEY SPENT?

Council incurs both operating and capital expenditure. Operating expenses are referred to as recurrent expenses in Council’s financial statements. Operating expenses represent the costs of maintaining community assets such as Council roads and parks as well as providing services such as refuse collection. A significant amount of Council’s day to day activities are focused on the maintenance, upgrade and construction of infrastructure assets to ensure there are adequate services for the community.

Expenses are monitored constantly throughout the year. Detailed estimates are prepared at the beginning of each financial year and performance against these estimates is measured through budget reviews to ensure community funds are used efficiently.

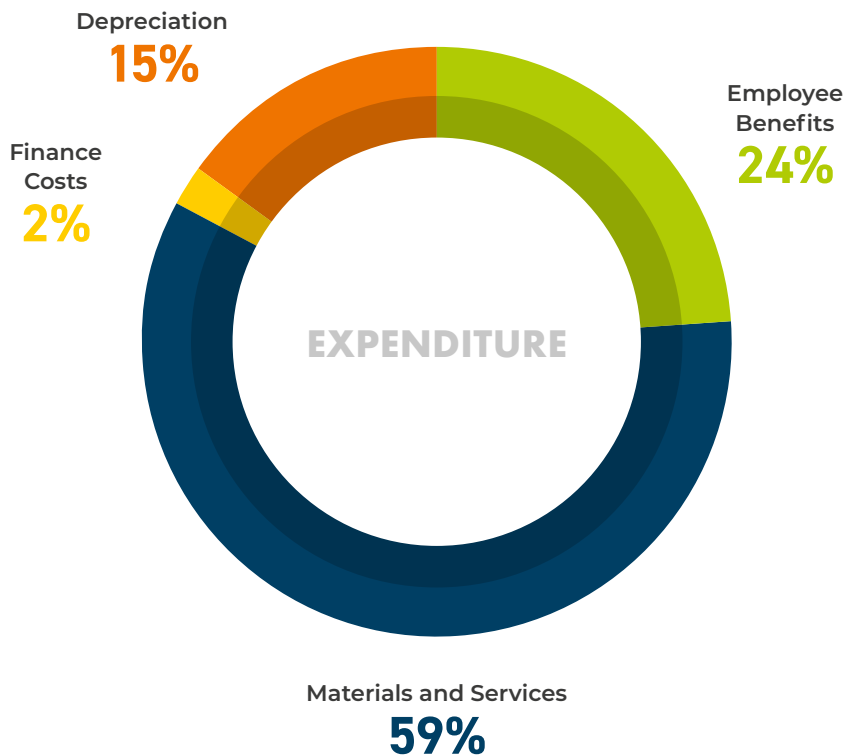
Total operating expenditure amounted to \$92.4m which is broken up into:

- **Employee Benefits** \$22.3m*
- **Materials and Services** \$54.8m*
- **Finance costs** \$1.8m*
- **Depreciation and Amortisation** \$13.5m*

Employee benefits consist of wages and other entitlements such as superannuation which are paid to our staff members. As Council’s workforce predominantly resides in Mount Isa City, the community directly benefits from having this money available for spending locally.

Materials and Services consist of goods Council purchases to use in day to day operations. Finance costs consist predominantly of interest on loans used to construct community assets such as the upgrade of the sewerage treatment plant and for upgrades to Council’s road network.

The expense categories are graphed as a percentage below.



*Consolidated





STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position is commonly referred to as the Balance Sheet and provides a snapshot at 30 June 2024 of Council’s net asset base. The statement measures what Council owns (Assets) and what Council owes (Liabilities). The difference between these two components is the net asset wealth of Council (Community Equity).

- Total Assets \$751.6m
- Total Liabilities \$47.0m
- Total Community Equity \$704.6m

ASSETS - WHAT THE COMMUNITY OWNS

The total value of all assets was \$751.6m at 30 June 2024, of which \$686.9m relates to property, plant and equipment. These community assets include buildings, roads, storm-water drainage, water, sewerage, waste management and parks infrastructure. Careful management is required to ensure the level of service provided by these assets is adequate.

Other major components of our assets include:

- Property, plant and equipment..... \$686.9m
- Cash and investments \$42.8m
- Trade and Other receivables..... \$21.9m

LIABILITIES - WHAT THE COMMUNITY OWES

The major components of our liabilities are:

- Borrowings (loans)..... \$15.4m
- Amounts payable to our suppliers \$14.8m
- Provisions and other liabilities \$16.8m

Council reviews the need to borrow funds as part of the annual budget process. Council had no plans to borrow in the 2023 – 2024 financial year and continues to focus on managing within the funds it has available.



KEY SUSTAINABILITY RATIOS

It is important that Council remains financially sustainable. Council is considered to be sustainable if its infrastructure and financial capital is able to be maintained over the long term. The Department of State Development, Infrastructure, Local Government and Planning has developed a range of indicators to assist in assessing the sustainability of Council.

The table below summarises the indicators and compares Council's actual results for the June 2024 financial year against the targets set by the Department of State Development, Infrastructure, Local Government and Planning.

TYPE	MEASURE	TARGET (TIER 5)	CONSOLIDATED		COUNCIL	
			ACTUAL CURRENT YEAR	5-YEAR AVERAGE	ACTUAL CURRENT YEAR	5-YEAR AVERAGE
Liquidity	Unrestricted Cash Expense Cover Ratio	> 4 months	5.78 months	N/A	5.86 months	N/A
Operating Performance	Operating Surplus Ratio	> -2%	-20.98%	-5.58%	-20.88%	-3.86%
	Operating Cash Ratio	> 0%	-2.01%	17.25%	-1.70%	19.65%
Asset Management	Asset Sustainability Ratio	> 90%	24.65%	41.29%	24.65%	41.29%
	Asset Consumption Ratio	> 60%	62.67%	59.00%	62.66%	58.98%
Debt Servicing Capacity	Leverage Ratio	0-3 times	-9.98 times	-0.93 times	-11.99 times	-1.43 times

Mount Isa City Council
Financial Statements
For the year ended 30 June 2024

Mount Isa City Council

Financial statements

For the year ended 30 June 2024

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Mount Isa City Council
Statement of Comprehensive Income
For the year ended 30 June 2024

	Consolidated		Council		
	Note	2024 \$	2023 \$	2024 \$	2023 \$
Income					
Revenue					
Recurrent revenue					
Rates, levies and charges	3(a)	51,151,287	47,534,626	51,326,932	47,587,341
Fees and charges	3(b)	3,738,004	3,327,097	3,738,004	3,327,097
Sales revenue	3(c)	1,992,870	2,294,633	792,397	966,668
Grants, subsidies, and contributions	3(d)	12,902,458	20,029,241	12,899,458	20,029,241
Total recurrent revenue		<u>69,784,619</u>	<u>73,185,598</u>	<u>68,756,791</u>	<u>71,910,348</u>
Capital revenue					
Grants, subsidies, and contributions	3(d)	10,309,485	7,695,881	10,309,485	7,695,881
Total capital revenue		<u>10,309,485</u>	<u>7,695,881</u>	<u>10,309,485</u>	<u>7,695,881</u>
Rental income		15,931	21,061	15,931	21,061
Interest received	4(a)	2,944,271	2,449,829	2,944,271	2,449,829
Other income	4(b)	3,652,636	4,591,573	3,652,636	4,564,300
Other capital income	5	2,139,651	5,568,151	2,139,651	5,568,151
Total income		<u>88,846,593</u>	<u>93,512,093</u>	<u>87,818,765</u>	<u>92,209,570</u>
Expenses					
Recurrent expenses					
Employee benefits	6	(22,321,902)	(19,419,331)	(20,664,941)	(17,937,792)
Materials and services	7	(54,754,453)	(42,090,300)	(55,126,362)	(42,291,784)
Finance costs	8	(1,822,351)	(1,697,809)	(1,822,041)	(1,697,568)
Depreciation : Property, plant and equipment	13	(13,525,644)	(12,798,768)	(13,495,085)	(12,756,221)
		<u>(92,424,351)</u>	<u>(76,006,208)</u>	<u>(91,108,430)</u>	<u>(74,683,364)</u>
Capital expenses	9	(3,384)	(103,892)	-	(103,892)
Total expenses		<u>(92,427,735)</u>	<u>(76,110,100)</u>	<u>(91,108,430)</u>	<u>(74,787,257)</u>
Net result		<u>(3,581,141)</u>	<u>17,401,993</u>	<u>(3,289,664)</u>	<u>17,422,313</u>
Other comprehensive income					
Items that will not be reclassified to net result					
Increase / (decrease) in asset revaluation surplus	13	18,959,302	132,296,808	18,959,302	132,296,808
Total other comprehensive income for the year		<u>18,959,302</u>	<u>132,296,808</u>	<u>18,959,302</u>	<u>132,296,808</u>
Total comprehensive income for the year		<u>15,378,161</u>	<u>149,698,801</u>	<u>15,669,638</u>	<u>149,719,121</u>

"The above statement should be read in conjunction with the accompanying notes and accounting policies."

Mount Isa City Council
Statement of Financial Position
As at 30 June 2024

	Note	Consolidated		Council	
		2024 \$	2023 \$	2024 \$	2023 \$
Current assets					
Cash and cash equivalents	10	42,752,520	62,737,927	42,665,463	62,649,252
Receivables	11	13,957,459	14,375,362	13,992,957	14,406,496
Inventories	12	349,692	261,791	271,851	218,505
Contract assets	14 (a)	7,617,109	2,458,993	7,617,109	2,458,993
Total current assets		64,676,779	79,834,072	64,547,380	79,733,244
Non-current assets					
Other financial assets		-	-	1	1
Property, plant and equipment	13	686,924,026	653,507,836	686,801,464	653,359,845
Total non-current assets		686,924,026	653,507,836	686,801,465	653,359,846
Total assets		751,600,805	733,341,907	751,348,846	733,093,090
Current liabilities					
Payables	15	14,849,164	9,132,285	14,521,329	9,047,309
Contract liabilities	14 (b)	3,922,882	2,933,309	3,922,882	2,933,309
Borrowings	16	2,002,255	1,892,335	2,002,255	1,892,335
Provisions	17	2,897,515	2,349,380	2,747,806	2,274,257
Other liabilities	25	979,287	948,033	979,287	948,033
Total current liabilities		24,651,103	17,255,342	24,173,559	17,095,243
Non-current liabilities					
Borrowings	16	13,353,288	15,319,612	13,353,288	15,319,612
Provisions	17	6,872,804	8,506,907	6,851,488	8,462,766
Other liabilities	25	2,160,809	3,075,405	2,160,809	3,075,405
Total non-current liabilities		22,386,901	26,901,924	22,365,585	26,857,783
Total liabilities		47,038,004	44,157,265	46,539,144	43,953,025
Net community assets		704,562,802	689,184,643	704,809,701	689,140,065
Community equity					
Asset revaluation surplus		427,571,989	408,612,688	427,571,990	408,612,688
Retained surplus		276,990,813	280,571,955	277,237,712	280,527,377
Total community equity		704,562,802	689,184,643	704,809,701	689,140,065

Mount Isa City Council
Statement of Changes in Equity
For the year ended 30 June 2024

Consolidated	Asset revaluation surplus	Retained surplus	Total
	\$	\$	\$
Balance as at 1 July 2022	276,315,879	263,169,932	539,485,810
Net result	-	17,401,993	17,401,993
Adjustment on rounding off		32	32
Other comprehensive income for the year			
Increase / (decrease) in asset revaluation surplus	132,296,808	-	132,296,808
Total comprehensive income for the year	132,296,808	17,402,025	149,698,833
Balance as at 30 June 2023	408,612,688	280,571,957	689,184,643
Balance as at 1 July 2023	408,612,688	280,571,957	689,184,643
Net result	-	(3,581,141)	(3,581,141)
Adjustment on rounding off		(3)	(3)
Other comprehensive income for the year			
Increase / (decrease) in asset revaluation surplus	18,959,302	-	18,959,302
Total comprehensive income for the year	18,959,302	(3,581,144)	15,378,158
Balance as at 30 June 2024	427,571,990	276,990,813	704,562,802

"The above statement should be read in conjunction with the accompanying notes and accounting policies."

**Mount Isa City Council
Statement of Changes in Equity
For the year ended 30 June 2024**

Council	Asset revaluation surplus	Retained surplus	Total
	\$	\$	\$
Balance as at 1 July 2022	276,315,879	263,105,064	539,420,943
Net result	-	17,422,313	17,422,313
Other comprehensive income for the year			
Increase / (decrease) in asset revaluation surplus	132,296,808	-	132,296,808
Total comprehensive income for the year	132,296,808	17,422,313	149,719,121
Balance as at 30 June 2023	408,612,688	280,527,376	689,140,064
Balance as at 1 July 2023	408,612,688	280,527,376	689,140,064
Net result	-	(3,289,664)	(3,289,664)
Other comprehensive income for the year			
Increase / (decrease) in asset revaluation surplus	18,959,302	-	18,959,302
Total comprehensive income for the year	18,959,302	(3,289,664)	15,669,637
Balance as at 30 June 2024	427,571,990	277,237,712	704,809,701

"The above statement should be read in conjunction with the accompanying notes and accounting policies."

Mount Isa City Council
Statement of Cash Flows
For the year ended 30 June 2024

	Note	Consolidated		Council	
		2024 \$	2023 \$	2024 \$	2023 \$
Cash flows from operating activities					
Receipts from customers		58,546,495	56,490,931	57,619,873	55,020,380
Payments to suppliers and employees		(76,020,230)	(66,212,929)	(75,097,502)	(64,665,757)
		<u>(17,473,734)</u>	<u>(9,721,998)</u>	<u>(17,477,629)</u>	<u>(9,645,377)</u>
Dividends received		2,756,831	3,495,031	2,756,831	3,495,031
Interest received		2,944,271	2,449,829	2,944,271	2,449,829
Operating grants and contributions		12,902,458	20,029,241	12,899,458	20,029,241
Rental Income		15,931	21,061	15,931	21,061
Borrowing costs		(1,822,041)	(1,697,568)	(1,822,041)	(1,697,568)
Net cash inflow/(outflow) from operating activities	21	<u>(676,284)</u>	<u>14,575,598</u>	<u>(683,179)</u>	<u>14,652,219</u>
Cash flows from investing activities					
Payments for property, plant and equipment		(28,499,796)	(26,584,886)	(28,491,282)	(26,575,469)
Capital grants, subsidies, and contributions		10,309,485	7,695,881	10,309,485	7,695,881
Proceeds from sale of property plant and equipment		737,591	1,251,934	737,591	1,251,934
Net cash inflow/(outflow) from investing activities		<u>(17,452,720)</u>	<u>(17,637,071)</u>	<u>(17,444,206)</u>	<u>(17,627,654)</u>
Cash flows from financing activities					
Net repayment of borrowings		(1,856,404)	(1,748,501)	(1,856,404)	(1,748,501)
Net cash inflow/(outflow) from financing activities		<u>(1,856,404)</u>	<u>(1,748,501)</u>	<u>(1,856,404)</u>	<u>(1,748,501)</u>
Net increase/(decrease) in cash and cash equivalent held		<u>(19,985,408)</u>	<u>(4,809,974)</u>	<u>(19,983,789)</u>	<u>(4,723,936)</u>
Cash and cash equivalents at the beginning of the financial year		62,737,928	67,547,902	62,649,252	67,373,187
Cash and cash equivalents at end of the financial year	10	<u>42,752,520</u>	<u>62,737,927</u>	<u>42,665,463</u>	<u>62,649,252</u>

"The above statement should be read in conjunction with the accompanying notes and accounting policies".

Mount Isa City Council

Notes to the financial statements

For the year ended 30 June 2024

1 Information about these financial statements

1.A Basis of preparation

The Mount Isa City Council is constituted under the *Queensland Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the period 1 July 2023 to 30 June 2024. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment.

1.B Basis of consolidation

Council and its controlled entities together form the consolidated entity, the financial statements of controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Transactions between council and entities controlled by council have been eliminated when preparing consolidated accounts. In addition, the accounting policies of controlled entities have been adjusted on consolidation where necessary, to ensure the financial statements of the consolidated entity are prepared using accounting policies that are consistent with those of the council. Information on controlled entities that have been consolidated is included in Note 25.

The following entities have been consolidated:

Mount Isa City Council Owned Enterprises Pty Ltd (MICCOE)

MICCOE is a company limited by shares, incorporated and domiciled in Australia. It commenced operations on 1 July 2014. The principal activity of the Company is the management of various entertainment facilities in Mount Isa.

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

Mount Isa City Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2023, none of the standards had a material impact on reported position, performance and cash flows.

1.D Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2024, these standards have not been adopted by Council and will be included in the financial statements on their effective date. The Standards are not expected to have a material impact for Council.

1.E Estimates and judgements

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

Valuation and depreciation of property, plant and equipment (Note 13)

Impairment of property, plant and equipment (Note 9 and Note 13)

Provisions (Note 17)

Contingent liabilities (Note 19)

Financial instruments (Note 23)

Revenue recognition (Note 3)

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

1 Information about these financial statements (continued)

1.F Rounding

The financial statements are in Australian dollars and have been rounded to the nearest \$1, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard on the same basis as prior year.

1.G Taxation

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

Mount Isa City Council Notes to the financial statements For the year ended 30 June 2024

2. Analysis of Results by Function

2(a) Components of council functions

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

Business Services and finance

This function includes budget support, financial accounting, taxation advice, asset management, marketing and communication and information technology services. The goal of this function is to provide accurate, timely and appropriate information to support sound decision making and meet statutory requirements.

Construction and maintenance

Construction and maintenance is responsible for constructing new and maintaining existing infrastructure across a diverse range of assets that underpin the wellbeing of the Mount Isa community. These assets include the drainage network, stormwater, cemeteries, parks and open spaces.

Community services

The goal of community services is to ensure Mount Isa City Council is a healthy, vibrant, contemporary and connected community. Community services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, health, welfare, environmental and recreational services.

This function includes:

- libraries
- entertainment venues
- public health services including vaccination clinics
- environmental licences and approvals, mosquito and other pest management programs
- animal management

Planning and development

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

Transport infrastructure

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

Waste management

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

Water and Sewerage infrastructure

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

Mount Isa City Council Owned Enterprises Pty Ltd (MICCOE)

The principal activity of the Company is the management of various entertainment facilities in Mount Isa.

**Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024**

- 2 Analysis of results by function
(b) Income and expenses defined between recurring and capital are attributed to the following functions:

Functions	Gross program income				Elimination of inter-function transactions	Total income	Gross program expenses				Elimination of inter-function transactions	Total expenses	Net result from recurrent operations	Net Result	Assets	Elimination of inter-function transactions	Assets
	Recurrent	Other	Grants	Capital			Recurrent	Capital	Grants	Other							
Business services and finance	310,463	-	-	-	-	27,066,797	(13,136,789)	-	-	1,400,000	(11,736,789)	15,096,297	15,320,008	280,864,031	(207,373)	280,656,658	
Construction and maintenance	-	1,041,239	2,678,503	-	-	3,719,741	(20,507,798)	-	-	-	(20,507,798)	(19,466,559)	(16,788,057)	10,182,490	-	10,182,490	
Community services	11,745,019	730,068	732,230	-	-	13,207,316	(6,534,728)	-	-	-	(6,534,728)	5,940,359	6,672,589	-	-	-	
Planning & development	743,739	485,048	-	-	-	1,228,787	(4,645,502)	-	-	-	(4,645,502)	(3,416,715)	(3,416,715)	324,522,014	-	324,522,014	
Transport infrastructure	100,237	-	-	-	-	1,166,811	(16,453,444)	-	-	-	(16,453,444)	(16,353,206)	(15,286,633)	-	-	-	
Waste management	-	14,900,946	5,489,419	-	-	22,390,364	(7,228,602)	-	-	-	(7,228,602)	7,672,344	15,136,232	-	-	-	
Water and Sewerage infrastructure	-	18,614,602	284,232	-	-	18,898,834	(22,601,565)	-	-	-	(22,601,565)	(3,986,963)	(3,702,731)	135,780,310	-	135,780,310	
Total Council	12,899,456	62,470,171	10,309,485	2,139,651	(175,645)	87,643,120	(91,108,427)	-	-	1,400,000	(89,708,427)	(14,514,443)	(2,065,306)	751,348,846	(207,373)	751,141,473	
Controlled entity net of eliminations	3,000	2,600,473	-	-	(1,400,000)	1,203,473	(2,891,569)	(3,384)	-	175,645	(2,719,308)	(1,512,451)	(1,515,835)	459,333	-	459,333	
Total consolidated	12,902,456	65,070,643	10,309,485	2,139,651	(1,575,645)	88,846,593	(93,999,996)	(3,384)	-	1,575,645	(92,427,735)	(16,026,894)	(3,581,141)	751,808,178	(207,373)	751,600,805	

Functions	Gross program income				Elimination of inter-function transactions	Total income	Gross program expenses				Elimination of inter-function transactions	Total expenses	Net result from recurrent operations	Net Result	Assets	Elimination of inter-function transactions	Assets
	Recurrent	Other	Grants	Capital			Recurrent	Capital	Grants	Other							
Business services and finance	8,452,627	23,233,505	-	8,062	(119,366)	31,574,828	(10,483,058)	(103,892)	-	1,212,000	(9,374,951)	22,295,708	22,199,878	258,738,336	(58,964)	258,679,372	
Construction and maintenance	-	1,086,619	-	-	-	1,086,619	(4,851,793)	-	-	-	(4,851,793)	(3,755,174)	(3,755,174)	10,461,114	-	10,461,114	
Community services	8,306,336	624,302	7,695,881	-	-	16,626,519	(16,297,441)	-	-	-	(16,297,441)	(7,366,803)	329,078	-	-	-	
Planning & development	173,518	826,504	-	-	-	1,000,022	(1,680,465)	-	-	-	(1,680,465)	(660,443)	(660,443)	-	-	-	
Transport infrastructure	3,096,760	-	-	-	-	3,096,760	(13,287,877)	-	-	-	(13,287,877)	(10,117,117)	(10,117,117)	312,201,166	-	312,201,166	
Waste management	-	6,415,337	-	-	-	11,975,425	(11,972,219)	-	-	-	(11,972,219)	(5,556,883)	3,205	-	-	-	
Water and Sewerage infrastructure	-	26,720,030	-	-	-	26,720,030	(16,120,511)	-	-	-	(16,120,511)	10,599,516	10,599,516	151,692,473	-	151,692,473	
Total Council	20,029,241	58,916,295	7,695,881	5,568,150	(119,366)	92,090,203	(74,683,364)	(103,892)	-	1,212,000	(73,575,257)	5,354,807	18,514,946	733,093,090	(58,964)	733,034,126	
Controlled entity net of eliminations	-	2,633,889	-	-	(1,212,000)	1,421,889	(2,654,209)	-	-	119,366	(2,534,843)	(1,332,320)	(1,112,954)	353,620	(45,848)	307,782	
Total consolidated	20,029,241	61,550,185	7,695,881	5,568,150	(1,331,366)	93,512,093	(77,337,573)	(103,892)	-	1,331,366	(76,110,100)	4,122,487	17,401,993	733,446,709	(104,802)	733,341,907	

Year ended 30 June 2023

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

3 Revenue

(a) Rates, levies and charges

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

	Consolidated		Council	
	2024 \$	2023 \$	2024 \$	2023 \$
General rates	19,065,137	17,041,544	19,240,782	17,094,259
Separate rates	534,555	489,085	534,555	489,085
Water rates	11,028,436	10,600,847	11,028,436	10,600,847
Water consumption, rental and sundries	11,343,552	7,467,713	11,343,552	7,467,713
*Less: Allowance For Water Consumption Credits	(3,573,203)	-	(3,573,203)	-
Sewerage	8,150,637	7,875,579	8,150,637	7,875,579
Waste Management	4,686,161	4,170,082	4,686,161	4,170,082
Total rates and utility charge revenue	51,235,275	47,644,849	51,410,920	47,697,564
Less: Discounts	-	90	-	90
Less: Pensioner remissions	(83,988)	(110,313)	(83,988)	(110,313)
	<u>51,151,287</u>	<u>47,534,626</u>	<u>51,326,932</u>	<u>47,587,341</u>

* An Allowance for Water Consumption Credits has been made due to some mismatches between the actual on meter reading and the reading available in OnConnect (meter reading portal). This mainly affects conventional helix meters with a pulse output due to the sensors being the wrong type.

(b) Fees and charges

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

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

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

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

Animal Control	133,425	193,296	133,425	193,296
Buchanan Park fees	38,299	6,164	38,299	6,164
Building and Development	343,578	549,529	343,578	549,529
Cemetery fees	140,322	126,529	140,322	126,529
Finance	55,895	84,131	55,895	84,131
Infringements	146,144	99,483	146,144	99,483
Splashz Aquatic Services	337,921	302,778	337,921	302,778
Other fees and charges	338,197	222,556	338,197	222,556
Refuse tip and recycling	2,204,222	1,742,630	2,204,222	1,742,630
	<u>3,738,004</u>	<u>3,327,097</u>	<u>3,738,004</u>	<u>3,327,097</u>

(c) Sales revenue

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

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.

Rendering of services

Contract and recoverable works	12,883	39,211	12,883	39,211
Concrete sales	779,514	927,457	779,514	927,457
	<u>792,397</u>	<u>966,668</u>	<u>792,397</u>	<u>966,668</u>

Sale of goods

Tourism and Event Revenue	1,200,473	1,327,965	-	-
	<u>1,200,473</u>	<u>1,327,965</u>	<u>-</u>	<u>-</u>
Total Sales revenue	<u>1,992,870</u>	<u>2,294,633</u>	<u>792,397</u>	<u>966,668</u>

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

3 Revenue (continued)

(d) Grants, subsidies, and contributions

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied. The performance obligations varied based on the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any remaining asset value at the time that the asset is received.

Capital grants

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

	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$
(i) Operating				
General purpose grants	359,320	11,536,887	356,320	11,536,887
State government subsidies and grants	12,543,138	8,492,354	12,543,138	8,492,354
	<u>12,902,458</u>	<u>20,029,241</u>	<u>12,899,458</u>	<u>20,029,241</u>

On June 26, 2023 an advance payment of the Financial Assistance Grant 2023-24 was received amounting to \$9,033,944. No such advance payment was received in the 2023-24 financial year.

(ii) Capital

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

	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$
State Government subsidies and grants	3,850,973	7,695,881	3,850,973	7,695,881
*Commonwealth Government subsidies and grants and contributions	6,458,513	-	6,458,513	-
Total capital grants, subsidies and contributions	<u>10,309,485</u>	<u>7,695,881</u>	<u>10,309,485</u>	<u>7,695,881</u>

*No Commonwealth Government subsidies and grants and contributions funding was received in 2022-23 financial year.

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

Revenue recognised at a point in time

	2024	2023	2024	2023
	\$	\$	\$	\$
Grants and subsidies	13,421,794	21,349,253	13,421,794	21,349,253
	<u>13,421,794</u>	<u>21,349,253</u>	<u>13,421,794</u>	<u>21,349,253</u>

Revenue recognised over time

	2024	2023	2024	2023
	\$	\$	\$	\$
Grants and subsidies	9,790,149	6,375,869	9,787,149	6,375,869
	<u>9,790,149</u>	<u>6,375,869</u>	<u>9,787,149</u>	<u>6,375,869</u>

4 Interest and other income

(a) Interest received

	2024	2023	2024	2023
	\$	\$	\$	\$
Interest received from financial institutions	2,128,376	1,708,523	2,128,376	1,708,523
Interest from overdue rates and utility charges	815,895	741,306	815,895	741,306
	<u>2,944,271</u>	<u>2,449,829</u>	<u>2,944,271</u>	<u>2,449,829</u>

(b) Other income

	2024	2023	2024	2023
	\$	\$	\$	\$
Dividend (Mount Isa Water Board)	2,756,831	3,495,031	2,756,831	3,495,031
Other income	895,805	1,096,542	895,805	1,069,269
	<u>3,652,636</u>	<u>4,591,573</u>	<u>3,652,636</u>	<u>4,564,300</u>

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$
5 Other capital income				
Proceeds from sale of property, plant and equipment	737,591	-	737,591	-
Less: Carrying value of disposed property, plant and equipment	(517,263)	-	(513,879)	-
Gain /(loss) on disposal of non-current assets	220,327	-	223,711	-
Proceeds from sale of land and improvements	-	64,721	-	64,721
Less: Carrying value of disposed land	-	(56,859)	-	(56,859)
	-	8,062	-	8,062
Provision for Landfill Rehabilitation				
Adjustment due to change discount rate	2,587,174	(146,912)	2,587,174	(146,912)
Adjustment due to change in inflation rate	(58,529)	1,283,600	(58,529)	1,283,600
Adjustment due to change in cost estimate	(612,705)	4,423,401	(612,705)	4,423,401
	1,915,940	5,560,089	1,915,940	5,560,089
Total Other capital income	2,136,267	5,568,151	2,139,651	5,568,151
6 Employee benefits				
Staff wages and salaries	16,691,525	15,233,317	15,389,279	13,983,392
Councillors' remuneration	543,094	522,206	543,094	522,206
Annual, Sick and Long Service Leave Entitlements	3,228,271	2,625,145	3,023,246	2,521,475
Workers compensation Insurance	291,258	194,747	291,258	194,747
Fringe Benefits Tax (FBT)	59,053	61,887	59,053	61,887
Superannuation	1,755,774	1,863,210	1,606,084	1,735,266
	22,568,975	20,500,511	20,912,014	19,018,972
Less: Capitalised employee expenses	(247,073)	(1,081,181)	(247,073)	(1,081,181)
	22,321,902	19,419,331	20,664,941	17,937,792

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

Total Council employees at the reporting date:	Consolidated		Council	
	2024	2023	2024	2023
	Number	Number	Number	Number
Elected members	7	7	7	7
Administration staff	117	113	83	83
Depot and outdoors staff	109	113	109	113
Total full time equivalent employees	233	233	199	203

7 Materials and services	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$
Advertising, marketing and promotion	105,103	55,879	47,745	55,879
Audit Fees *	241,000	216,138	209,500	216,138
Bulk Water Purchases	13,782,008	12,969,847	13,782,008	12,969,847
Communications and IT	2,935,690	2,140,394	2,917,529	2,140,394
Council Enterprises Support	143,283	677,506	1,543,283	1,942,221
Governance and Promotions	1,638,729	1,492,946	1,638,729	1,492,946
Land Use Planning and Regulation	364,231	233,732	364,231	233,732
Parks and Gardens	2,570,761	1,877,706	2,570,761	1,877,706
Facilities Management ***	1,342,148	-	1,342,148	-
Recruitment and Training	909,691	1,218,895	909,691	1,218,895
Community Services ***	2,309,941	-	2,309,941	-
Road Maintenance	3,196,286	1,888,941	3,196,286	1,888,941
Flood Works	10,800,548	8,198,458	10,800,548	8,198,458
Utilities	1,240,558	1,016,748	1,117,709	1,016,748
Vehicle and plant operating costs	2,964,937	2,667,477	2,964,937	2,667,477
Waste Levy Payments (Total)	2,270,702	2,136,502	2,270,702	2,136,502
Waste Levy Refund **	(948,033)	(1,040,755)	(948,033)	(1,040,755)
Waste Management	3,774,003	2,683,863	3,774,003	2,683,863
Water and Sewerage Maintenance	3,160,181	1,627,923	3,160,181	1,627,923
Other materials and services	1,952,687	2,028,101	1,154,464	964,870
	54,754,453	42,090,300	55,126,362	42,291,784

* Total audit fees quoted by the Queensland Audit Office relating to the 2023-24 financial statements are \$209,500 (2023: \$204,600)

** The State Government rebated \$948,033 of the State waste levy to mitigate the direct impacts on households. (2023: \$1,040,755)

*** Due to the change in accounting software and the mapping of services, comparative figures for the prior year cannot be recalculated.

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

		Consolidated		Council	
		2024	2023	2024	2023
		\$	\$	\$	\$
8 Finance costs					
Finance costs charged by the Queensland Treasury Corporation		963,362	1,055,553	963,362	1,055,312
Bank charges		145,698	187,228	145,388	187,228
Impairment of receivables		399,811	200,843	399,811	200,843
Unwinding of discount on provisions	17	313,479	254,185	313,479	254,185
		<u>1,822,351</u>	<u>1,697,809</u>	<u>1,822,041</u>	<u>1,697,568</u>
9 Capital expenses					
Loss on disposal of non-current assets					
Proceeds from sale of plant and equipment		-	(1,187,212)	-	(1,187,212)
Less: Carrying value of disposed plant and equipment	13	-	1,291,104	-	1,291,104
		<u>-</u>	<u>103,892</u>	<u>-</u>	<u>103,892</u>
Total Capital expenses		<u>-</u>	<u>103,892</u>	<u>-</u>	<u>103,892</u>
10 Cash and cash equivalents					
Cash at bank and on hand		788,920	2,567,906	701,864	2,479,231
Deposits at call		41,963,600	60,170,021	41,963,600	60,170,021
Balance as per Statement of Financial Position		<u>42,752,519</u>	<u>62,737,927</u>	<u>42,665,463</u>	<u>62,649,252</u>
Council is exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed.					
Cash and cash equivalents		42,752,519	62,737,927	42,665,463	62,649,252
Less: Externally imposed restrictions on cash		(5,207,750)	(4,767,899)	(5,207,750)	(4,767,899)
Unrestricted cash		<u>37,544,769</u>	<u>57,970,027</u>	<u>37,457,713</u>	<u>57,881,352</u>

Council's cash and cash equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use. These include:
 Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

		Consolidated		Council	
		2024	2023	2024	2023
		\$	\$	\$	\$
Unspent Government Grants and Subsidies	14b	3,922,882	2,933,309	3,922,882	2,933,309
Special Rate Levies Unspent		1,192,037	1,606,109	1,192,037	1,606,109
Unspent developer contributions		92,831	228,482	92,831	228,482
Total externally imposed restrictions on cash assets		<u>5,207,750</u>	<u>4,767,899</u>	<u>5,207,750</u>	<u>4,767,899</u>

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

10 Cash and cash equivalents (continued)

Cash and deposits at call are held in the Westpac Bank and business cheque accounts.

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

	Consolidated		Council	
	2024 \$	2023 \$	2024 \$	2023 \$
Trust funds held for outside parties				
Monies collected or held on behalf of other entities yet to be paid out	23,472	26,061	23,472	26,061
Security deposits	-	1,667	-	1,667
	<u>23,472</u>	<u>27,728</u>	<u>23,472</u>	<u>27,728</u>

11 Receivables

Receivables are measured at amortised cost which approximates fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

Current trade and other receivables

Rates and charges	7,794,592	8,770,848	8,001,964	8,770,848
Statutory Charges (Water charges not yet levied)	7,970,786	3,603,446	7,970,786	3,603,446
*Less: Allowance For Water Consumption Credits	(3,573,203)	-	(3,573,203)	-
GST Recoverable	360,907	531,050	360,907	531,050
** Prepayments	429,061	-	429,061	-
** Waste management debtors	970,413	-	970,413	-
Other debtors	479,056	1,544,360	307,182	1,575,494
	<u>14,431,613</u>	<u>14,449,704</u>	<u>14,467,111</u>	<u>14,480,838</u>
Less: Expected credit losses				
Rates and general debtors	(474,154)	(74,343)	(474,154)	(74,343)
Total Current trade and other receivables	<u>13,957,459</u>	<u>14,375,362</u>	<u>13,992,957</u>	<u>14,406,496</u>

Movement in accumulated impairment losses (other debtors) is as follows:

Opening balance	115,207	115,624	74,343	115,624
Additional provision provided for during the year	399,811	200,843	399,811	200,843
Less: Debts written off during the year	-	(201,259)	-	(242,124)
Closing balance	<u>515,018</u>	<u>115,207</u>	<u>474,154</u>	<u>74,343</u>

Council applies normal business credit protection procedures prior to providing goods or services to minimise credit risk. The Council does not require collateral in respect of trade and other receivables. Interest is charged on outstanding rates. No interest is charged on other debtors.

* An Allowance for Water Consumption Credits has been made due to some mismatches between the actual on meter reading and the reading available in OnConnect (meter reading portal). This mainly affects conventional helix meters with a pulse output due to the sensors being the wrong type.

** Due to the change in accounting software and the mapping of services, comparative figures for the prior year cannot be recalculated.

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

11 Receivables (continued)

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information.

Economic changes impacting debtors, and relevant industry data form part of the impairment assessment.

Council has identified 4 distinctive groupings of its receivables: Rates & Charges, Statutory Charges, Waste Management and Other Debtors.

Rates and Charges:

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

Statutory charges:

In some limited circumstances Council may write off impaired statutory charges, on this basis Council calculates an Expected Credit Loss for Statutory Charges (non-rates & utility charges). Although not material, disclosure is being made for the purposes of public interest and transparency.

Waste Management Debtors:

Council identifies Waste Management debtors as receivables for commercial charges for disposal of waste at the Mount Isa landfill.

Other Debtors:

Council identifies other debtors as receivables which are not rates and charges; statutory charges; lease receivables; or grants. Outstanding debtors are assessed individually to determine collectability based on nature and timing.

Expected credit loss assessment

The Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers, which comprise a very large number of small balances.

12 Inventories

	Consolidated		Council	
	2024 \$	2023 \$	2024 \$	2023 \$
Inventories held for sale				
Merchandise stocks	75,570	41,697	-	-
Civic Centre consumable stock	2,271	1,589	-	-
	<u>77,841</u>	<u>43,286</u>	<u>-</u>	<u>-</u>
Inventories held for distribution				
Quarry and road materials	271,851	184,098	271,851	184,098
Plant and equipment stores	-	34,406	-	34,406
	<u>271,851</u>	<u>218,505</u>	<u>271,851</u>	<u>218,505</u>
Total Inventories	<u>349,692</u>	<u>261,791</u>	<u>271,851</u>	<u>218,505</u>

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

13 Property, Plant and Equipment

Consolidated - 30 June 2024

Basis of measurement Fair value category	Land		Buildings and Other Structures		Plant and equipment		Road Infrastructure		Water		Sewerage		Capital Work in progress		Total
	Fair Value Level 2	Fair Value Level 3	Fair Value Levels 2 & 3	Cost	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Fair Value Level 3	Cost	Cost			
Asset values	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2023	6,873,636	171,966,319	21,180,012	8,514	480,739,525	1,78,489,182	143,004,488	27,312,025	28,491,282	1,009,566,086	28,499,796				
Additions	-	-	-	(2,237,080)	-	-	-	-	-	-	-	-	-	-	(2,237,080)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation adjustment to other comprehensive income(asset revaluation surplus)	-	15,727,423	-	-	25,732,451	3,082,946	(1,260,150)	-	-	43,282,670	-	-	-	-	43,282,670
Transfers between classes	-	18,581,496	1,872,546	1,872,546	1,321,287	4,195,288	-	-	-	-	-	-	-	-	-
Closing gross value as at 30 June 2024	6,873,636	206,275,238	20,823,992	20,823,992	487,793,263	185,767,416	141,744,338	29,833,590	29,833,590	1,079,111,473	29,833,590				1,079,111,473
Accumulated depreciation and impairment															
Opening balance as at 1 July 2023	-	26,482,175	11,008,013	11,008,013	148,756,863	109,033,866	60,767,331	-	-	356,058,248	-	-	-	-	356,058,248
Depreciation expense	-	3,580,607	1,521,077	1,521,077	5,417,818	1,303,994	1,702,149	-	-	13,525,644	-	-	-	-	13,525,644
Depreciation on disposals	-	-	(1,719,816)	(1,719,816)	-	-	-	-	-	(1,719,816)	-	-	-	-	(1,719,816)
Revaluation adjustment to asset revaluation surplus	-	1,546,923	-	-	8,047,132	4,082,264	10,647,049	-	-	24,323,368	-	-	-	-	24,323,368
Accumulated depreciation and impairment as at 30 June 2024	-	31,619,705	10,809,273	10,809,273	162,221,813	114,420,124	73,116,529	-	-	392,187,444	-	-	-	-	392,187,444
Total Written Down Value as at 30 June 2024	6,873,636	174,655,533	10,014,719	10,014,719	325,571,450	71,347,292	68,627,809	29,833,590	29,833,590	686,924,026	29,833,590				686,924,026
Range of estimated useful life in years	Not depreciated	5 - 210	4 - 35	4 - 35	22 - 200	4 - 300	12 - 220	Not depreciated	Not depreciated	-	Not depreciated				-
Additions comprise:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Renewals	-	528,436	2,013,604	2,013,604	680,394	355,253	1,394,184	-	-	4,972,871	-	-	-	-	4,972,871
Other Additions	-	21,567,423	82,080	82,080	739,271	1,028,340	109,814	-	-	23,526,928	-	-	-	-	23,526,928

Note

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**Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024**

13 Property, Plant and Equipment (continued)

Consolidated - 30 June 2023

Basis of measurement Fair value category	Note		Cost	Fair Value		Cost	Fair Value		Capital Work in progress	Total
	Land Level 2	Buildings and Other Structures Levels 2 & 3		Road Infrastructure Level 3	Water Level 3		Sewerage Level 3			
Asset values										
Opening gross value as at 1 July 2022	6,930,295	150,137,661	22,137,428	436,291,057	157,271,892	125,362,866	12,546,511	910,677,710		
Additions	-	-	9,419	-	-	-	26,575,469	26,594,888		
Movement between asset class	-	1,562,964	(2,438,151)	(427,325)	-	29,244	-	(2,494,811)		
Disposals	(56,659)	-	(2,438,151)	-	-	-	-	(2,494,811)		
Revaluation adjustment to other comprehensive income(asset revaluation surplus)	-	17,175,961	-	19,609,204	20,499,071	17,514,063	-	74,798,299		
Write off	-	-	-	-	-	-	-	-		
Transfers between classes	-	3,089,733	2,636,199	5,266,589	716,219	98,315	(11,809,054)	-		
Closing gross value as at 30 June 2023	6,873,636	171,966,319	21,180,012	460,739,525	178,489,182	143,004,488	27,312,925	1,009,566,086		

Accumulated depreciation and impairment

Opening balance as at 1 July 2022	-	63,136,354	10,941,213	158,851,976	106,582,518	62,768,544	-	401,980,506
Movement between asset class	-	236,150	(216,177)	(49,290)	73	29,244	-	-
Depreciation expense	-	3,176,433	1,305,591	5,079,498	1,391,700	1,883,545	-	12,798,788
Depreciation adjustment to asset revaluation surplus	-	(40,056,762)	(1,222,615)	-	-	-	(3,416,002)	(57,499,509)
Impairment/write off	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment as at 30 June 2023	-	26,492,175	11,008,013	448,756,863	109,033,866	60,767,331	-	366,058,249

Total Written Down Value as at 30 June 2023

	6,873,636	145,474,144	10,171,999	311,982,662	69,455,316	82,237,157	27,312,925	653,507,836
Range of estimated useful life in years	Not depreciated	5 - 210	4 - 35	22 - 200	4-300	12-220	Not depreciated	-
Additions comprise:	\$	\$	\$	\$	\$	\$	\$	\$
Renewals	-	729,423	-	3,448,804	1,020,048	581,060	-	5,759,133
Other Additions	-	11,409,430	2,894,471	3,711,408	2,763,815	247,411	-	20,816,335

**Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024**

13 Property, Plant and Equipment (continued)

Council - 30 June 2024

Basis of measurement Fair value category	Land Fair Value Level 2	Buildings and Other Structures Fair Value Levels 2 & 3	Other plant and equipment At Cost	Road, drainage and bridge network Fair Value Level 3	Water Fair Value Level 3	Sewerage Fair Value Level 3	Capital Work in progress		Total
							Cost		
Asset values									
Opening gross value as at 1 July 2023	6,873,636	171,684,064	21,009,848	460,739,525	178,469,182	143,004,488	27,312,925	1,009,113,668	
Additions	-	-	-	-	-	-	28,491,282	28,491,282	
Disposals	-	-	(2,216,847)	-	-	-	-	-	(2,216,847)
Revaluation	-	15,727,423	-	25,732,451	3,082,946	(1,260,150)	-	43,282,670	
Transfers between classes	-	18,581,496	1,872,546	1,321,287	4,195,288	-	(25,970,618)	-	
Closing gross value as at 30 June 2024	6,873,636	205,992,983	20,665,547	487,793,263	185,767,416	141,744,338	29,833,590	1,078,670,774	

Note

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Accumulated depreciation and impairment

Opening balance as at 1 July 2023	-	26,489,735	10,696,027	148,756,863	109,033,866	60,767,331	-	355,753,821
Depreciation expense	-	3,580,607	1,490,518	5,417,818	1,303,994	1,702,149	-	13,495,085
Depreciation on disposals	-	-	(1,702,967)	-	-	-	-	(1,702,967)
Revaluation	-	1,546,923	-	8,047,132	4,062,264	10,647,049	-	24,323,368
Accumulated depreciation and impairment as at 30 June 2024	-	31,627,265	10,483,578	162,221,813	114,420,124	73,116,529	-	391,869,307

5,9

Total Written Down Value as at 30 June 2024

	6,873,636	174,365,718	10,181,970	325,571,450	71,347,292	68,627,809	29,833,590	686,601,464
Not depreciated		5 - 210	4 - 35	22 - 200	4 - 300	12 - 219	Not depreciated	-
	\$	\$	\$	\$	\$	\$	\$	\$
Renewals	-	529,436	2,013,604	680,394	355,253	1,394,184	-	4,972,871
Other Additions	-	21,567,423	73,566	738,271	1,028,340	109,814	-	23,518,414

Range of estimated useful life in years

Additions comprise:

Renewals

Other Additions

Mount Isa City Council**Notes to the Financial Statements**

For the year ended 30 June 2024

13 Property, Plant and Equipment**Recognition**

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

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than \$5,000, infrastructure assets and buildings with a total value of less than \$10,000 and land of less than \$1 dollar are treated as an expense in the year of acquisition. All other items of property, plant and equipment (including land which has no threshold) are capitalised.

Measurement

Property, plant and equipment are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Depreciation

Land, work in progress, certain cultural and heritage assets with heritage listing, road formations and formation work associated with the construction of reservoirs are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets

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

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

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

The condition assessments performed as part of the annual valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 13.

Key judgements and estimates

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical or physical obsolescence that may change the utility of infrastructure assets.

Impairment of Non-Current Assets

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the revaluation surplus of the relevant class to the extent available.

Mount Isa City Council
Notes to the Financial Statements
For the year ended 30 June 2024

13 Property, Plant and Equipment (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so 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 as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation surplus increase.

Valuation

Key judgements and estimates:

Some of the Council's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Council uses market-observable data to the extent it is available and other inputs as necessary.

Land, buildings and other structures and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with *AASB 116 Property, Plant & Equipment* and *AASB 13 Fair Value Measurement*. Plant and equipment and work in progress are measured at cost.

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every 3-5 years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council undertakes a "desktop" valuation for land and improvements, buildings and major plant asset classes which involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for each asset class in each of the intervening years.

Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 13b.

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

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life. Separately identified components of assets are measured on the same basis as the assets to which they relate.

In accordance with AASB 13 fair value measurements are categorised on the following basis:

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

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable the asset is included in level 2. If one or more of the significant inputs is not based on observable market data the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

The table presents the Council's assets and liabilities measured and recognised at fair value as at 30 June 2024.

	Council & Consolidated	Council & Consolidated	Council & Consolidated
Recurring Fair Value Measurements 2024	Level 2	Level 3	TOTAL
Land	6,873,636	-	6,873,636
Buildings and Other Structures	141,368	174,514,165	174,655,533
Infrastructure	-	325,571,450	325,571,450
Water	-	71,347,292	71,347,292
Sewerage	-	68,627,809	68,627,809

Transfers between asset classes totalled \$25.97 million for the year.

Mount Isa City Council
Notes to the Financial Statements
For the year ended 30 June 2024

13 Property, Plant and Equipment (continued)

Recurring Fair Value Measurements 2023	Level 2	Level 3	TOTAL
Land	6,873,636	-	6,873,636
Buildings and Other Structures	141,368	145,184,329	145,184,329
Infrastructure	-	311,982,662	311,982,662
Water	-	69,455,316	69,455,316
Sewerage	-	82,237,157	82,237,157

Council's Condition Rating Matrix

The Remaining Useful Life (RUL) of assets was assessed using condition ratings, considering factors such as physical state, age, repairs, functionality, and obsolescence. The Council's Condition Rating Matrix was applied to ensure consistency in the evaluation process.

Condition Rating	Description	Remaining Life
1	Brand new or rehabilitated to new, no visible deterioration.	95% - 100%
2	Excellent overall condition, early stages of deterioration.	55% - 95%
3	Fair overall condition, obvious deterioration, some serviceability loss.	15% - 55%
4	Poor overall condition, obvious deterioration, some serviceability loss, high maintenance costs.	5% - 15%
5	Extremely poor condition, severe serviceability problems. Renewal required immediately.	0% - 5%

Where site inspections cannot be undertaken the remaining useful life is calculated on an age basis taking into consideration current and planned maintenance records.

Valuation Processes

Council's valuation policies and procedures are set by Council resolution and by the Executive Management Team. They are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information. Council's current policy for the valuation of property, plant and equipment is set out in this note. Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

13 Property, plant and equipment (continued)
Valuation techniques used to derive fair values

Consolidated - 30 June 2024

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in Index recognised this year)	Other interim revaluation adjustment
Land (level 2)	Market approach	30-Jun-21	2021: Comprehensive Valuation - Australls Advisory Group	Input used is a rate per square metre or rate per hectare of land area basis. Where an active market can be established for land assets and are not subject to restrictions, the likely methodology is typically considered a level 2. The land assets were assessed for any movement in market values by APV for the year ending 30 June 2024. The assessment outcome was immaterial hence no change is reflected in the financial statements.	0%	Nil
2024: \$6,873,636 2023: \$6,873,636						
Buildings and other assets (levels 2 & 3)	Current replacement cost (level 3) and market value (level 2)	31-Oct-20	2020: Comprehensive Valuation - Australls Advisory Group	Gross replacement cost. The asset's fair value is the result of the gross current value less accumulated depreciation, to reflect the consumed or expired service potential of the asset. The most significant inputs into the valuation were the rate per square meter or unit, the useful life of the asset and a condition rating reflecting the remaining useful life of the asset. In determining the level of accumulated depreciation, the economic life was provided to each asset on either a single line or componentised asset basis. The condition rating was then assessed and applied, age, recent capital works as well as factors such as functionality, capability, utilisation and obsolescence. However, for council this asset class is specialised in nature, hence the fair value is measured by way of a cost approach (level 3), except for one building which is categorised as level 2.	5% to 11.25%	Nil
2024: \$174,655,534 2023: \$145,474,144						
Roads (level 3)	Current replacement cost	30-Jun-23	2023: Comprehensive valuation: Australls Pacific Valuers	Gross replacement cost. Unit rates were developed using combination of sources, cost guides, historical costs, contractor rates, future works and regional information including overheads and source of raw materials, asset linear and area specifications. Council assumes that environmental factors such as soil type, climate, topography are consistent across each segment and is designed and constructed to the same standard. In determining the level of accumulated depreciation, roads assets were disaggregated into significant components which exhibited different useful lives. In addition, condition was assessed taking into consideration factors such as age and functional obsolescence. The remaining useful lives were assessed using visual condition, construction date and evidence of recent capital works. There is no active market and the use of this asset class is restricted, therefore fair value is measured using cost approach, level 3.	3.1% to 13.2%	Nil
2024: \$325,571,451 2023: \$311,982,662						

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

13 Property, plant and equipment (continued)
Valuation techniques used to derive fair values

Consolidated - 30 June 2024

Water assets (level 3) 2024: \$71,347,292 2023: \$69,455,316	Current replacement cost	30-Jun-24	2024: Comprehensive Valuation - Australian Pacific Valuers	Gross replacement cost. Costs were calculated by reference to asset linear and area specifications, labour and material inputs, service costs and overhead allocations. Inputs used being a rate per square metre or per unit using council historical construction price and renewal records, construction cost guides, feedback from council staff and local contractor information. Remaining useful lives were assessed taking into account visual condition, construction date, evidence of recent capital works and environmental factors. There is no active market and are subject to restrictions as to use of the asset, therefore fair value is measured using cost approach, level 3.	Nil	Nil
Sewerage assets (level 3) 2024: \$68,627,809 2023: \$82,237,157	Current replacement cost	30-Jun-24	2024: Comprehensive Valuation - Australian Pacific Valuers	Gross replacement cost. Costs were calculated assuming that pipes will be relined. The relining of pipes was valued at relime rates and depreciated over the relime life. Condition was assessed taking into accounts factors such as the age of the asset, overall condition and functional obsolescence. Remaining useful lives were assessed taking into account visual condition, construction date, evidence of recent capital works and environmental factors. There is no active market and are subject to restrictions as to use of the asset, therefore fair value is measured using cost approach, level 3.	Nil	Nil

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

14 Contract balances

	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$
(a) Contract assets	7,617,109	2,458,993	7,617,109	2,458,993
	<u>7,617,109</u>	<u>2,458,993</u>	<u>7,617,109</u>	<u>2,458,993</u>
(b) Contract liabilities				
Funds received upfront to construct Council controlled assets	1,524,911	1,692,989	1,524,911	1,692,989
Non-capital performance obligations not yet satisfied	2,397,971	1,240,320	2,397,971	1,240,320
	<u>3,922,882</u>	<u>2,933,309</u>	<u>3,922,882</u>	<u>2,933,309</u>
Revenue recognised that was included in the contract liability balance at the beginning of the year.				
	2024	2023	2024	2023
	\$	\$	\$	\$
Funds to construct Council controlled assets	1,354,595	1,540,617	1,354,595	1,540,617
Non-capital performance obligations	1,209,724	1,662,451	1,209,724	1,662,451
	<u>2,564,319</u>	<u>3,203,068</u>	<u>2,564,319</u>	<u>3,203,068</u>

Satisfaction of contract liabilities

The contract liabilities in relation to grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs and maintains the assets. Council expects to recognise the contract liability as income in the next two to three years.

(c) Significant changes in contract balances

Significant movements in contract assets and contract liabilities occurred during the year which include change in the timing of the work and cash advance received in advance of construction:

- for Flood Damage, Works for Queensland, Building Better Regions, LGSSP funding, and Local Road and Community Infrastructure program (contract assets), and
- for Flood Damage, Building our Regions, Local Road & Community Infrastructure, DITRD, and Department of Agriculture and Fisheries (contract liabilities).

15 Payables

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

	2024		2023	
	\$	\$	\$	\$
Current				
Creditors and accrued expenses	12,956,782	7,292,248	12,648,693	7,207,272
Prepaid Rates & Charges	1,443,229	1,631,432	1,443,229	1,631,432
Other creditors	449,153	208,604	429,407	208,604
	<u>14,849,164</u>	<u>9,132,285</u>	<u>14,521,329</u>	<u>9,047,309</u>

16 Borrowings

No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 31 December 2028 to 15 March 2034.

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

Current

Loans - QTC	2,002,255	1,892,335	2,002,255	1,892,335
	<u>2,002,255</u>	<u>1,892,335</u>	<u>2,002,255</u>	<u>1,892,335</u>

Non-current

Loans - QTC	13,353,288	15,319,612	13,353,288	15,319,612
	<u>13,353,288</u>	<u>15,319,612</u>	<u>13,353,288</u>	<u>15,319,612</u>

Opening balance at beginning of financial year	17,211,947	18,960,448	17,211,947	18,960,448
Principal repayment	(1,856,404)	(1,748,501)	(1,856,404)	(1,748,501)
Book value at end of financial year	<u>15,355,543</u>	<u>17,211,947</u>	<u>15,355,543</u>	<u>17,211,947</u>

The QTC loan market value at the reporting date was \$15,737,933.15 (\$17,852,376 in 2023). This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the council for any liabilities, however all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2024 or 2023 financial years.

2024	As at 30 June 2023 \$	Cash flows \$	As at 30 June 2024 \$
Borrowings	<u>17,211,947</u>	<u>(1,856,404)</u>	<u>15,355,543</u>
2023	As at 30 June 2022 \$	Cash flows \$	As at 30 June 2023 \$
Borrowings	<u>18,960,448</u>	<u>(1,748,501)</u>	<u>17,211,947</u>

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

17 Provisions

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates.

Landfill rehabilitation

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

Landfill rehabilitation provision represents the present value of anticipated future costs associated with the closure of the dump site, decontamination and monitoring of historical residues and leaching on this site.

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

	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$
Current				
Annual leave	1,883,414	1,528,612	1,778,236	1,453,489
Long service leave	939,868	820,767	895,337	820,767
Landfill rehabilitation	74,234	-	74,234	-
Total Current Provisions	2,897,515	2,349,380	2,747,806	2,274,257
Non-Current				
Long service leave	296,802	254,211	275,486	210,070
Landfill rehabilitation	6,576,002	8,252,697	6,576,002	8,252,697
Total Non-Current Provisions	6,872,804	8,506,907	6,851,488	8,462,766
Landfill rehabilitation				
Balance at beginning of financial year	8,252,696	13,558,600	8,252,696	13,558,600
Increase due to unwinding of discount rate	8 313,479	254,185	313,479	254,185
Adjustment due to change in cost estimate and inflation	5,9 671,234	(4,423,401)	671,234	(4,423,401)
Increase/(Decrease) in provision due to change in discount rate	5,9 (2,587,174)	(1,136,888)	(2,587,174)	(1,136,888)
Balance at end of financial year	6,650,235	8,252,696	6,650,235	8,252,696

This is the present value of the estimated cost of restoring three landfill sites: the Old Mount Isa, Mount Isa and Camooweal landfills to a useable state at the end of their useful life. The end of the useful life for the Mount Isa landfill site is expected to be 2097.

18 Commitments for expenditure

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

Plant Purchases	2,862,121	975,549	2,862,121	975,549
Other Capital Works Projects	10,941,315	21,705,141	10,941,315	21,705,141
Flood Works	10,001,535	6,005,981	10,001,535	6,005,981
Other expenditure commitments	8,291,908	2,779,781	8,291,908	2,779,781
Kerbside waste collection contract ends in 2032	9,600,000	10,800,000	9,600,000	10,800,000
	41,496,879	42,266,432	41,496,879	42,266,432
These expenditures are payable as follows:				
Within one year	33,096,879	32,666,432	33,096,879	32,666,432
One to five years	6,000,000	6,000,000	6,000,000	6,000,000
Later than five years	2,400,000	3,600,000	2,400,000	3,600,000
	41,496,879	42,266,432	41,496,879	42,266,432

19 Contingent liabilities

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

New Reserve Road

Mount Isa City Council is party to a contract under which it may be obligated to construct a new road reserve. This contract is currently undergoing legal review and engineering assessment. Until such time as this is completed, the extent and timing of any liability on Council in relation to this contract is unable to be accurately quantified.

Local Government Mutual

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

As at 30 June 2024 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Mount Isa City Council
Notes to the financial statements
For the year ended 30 June 2024

19 Contingent liabilities (continued)

Local Government Workcare

The Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$525,506 (\$455,068 in 2023).

20 Superannuation - Regional Defined Benefit Fund

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

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

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of the council.

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

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

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

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

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

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

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

	Consolidated		Council	
	2024 \$	2023 \$	2024 \$	2023 \$
Superannuation contributions made to the Regional Defined Benefits Fund	7,421	28,075	7,421	28,075
Other superannuation contributions for employees	1,748,353	1,835,135	1,598,663	1,707,191
Total superannuation contributions paid by Council for employees	6 1,755,774	1,863,210	1,606,084	1,735,266

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

	2024 \$	2023 \$	2024 \$	2023 \$
Net result	(3,581,141)	17,401,993	(3,289,664)	17,422,313
Non-cash items:				
Depreciation and amortisation	13,525,644	12,798,768	13,495,085	12,756,221
Impairment of receivables	399,811	200,843	399,811	200,843
Unwinding discount on provisions	313,479	254,185	313,479	254,185
Provision for restoration of landfill	(1,915,940)	(5,580,089)	(1,915,940)	(5,580,089)
Investing and development activities (non-cash):				
Net (profit)/loss on disposal of non-current assets	(220,327)	95,830	(223,711)	95,830
Capital grants and contributions	(10,309,485)	(7,695,881)	(10,309,485)	(7,695,881)
	1,793,182	93,656	1,759,239	51,109
Changes in operating assets and liabilities:				
(Increase)/ decrease in receivables	18,092	(2,237,286)	13,725	(2,405,313)
(Increase)/ decrease in contract assets	(5,158,117)	(592,939)	(5,158,117)	(592,939)
(Increase)/decrease in inventory	(87,902)	86,501	(53,346)	76,034
Increase/(decrease) in payables	5,716,879	209,818	5,474,020	513,315
Increase/(decrease) in contract liabilities	989,573	(332,572)	989,573	(332,572)
Increase/(decrease) in other liabilities	(883,342)	49,930	(883,342)	49,930
Increase/(decrease) in employee leave entitlements	516,492	(103,502)	464,732	(129,657)
	1,111,675	(2,920,051)	847,246	(2,821,202)
Net cash inflow/(outflow) from operating activities	(676,284)	14,575,598	(683,179)	14,652,219

Mount Isa City Council
Notes to the Financial Statements
For the year ended 30 June 2024

22 Events after the reporting period

There were no material adjusting or non-adjusting events after the balance date.

23 Financial Instruments

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

- credit risk
- liquidity risk
- market risk

Risk Management Framework

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

Council's Audit and Risk Management Committee oversees policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

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

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

Council does not enter into derivatives.

Credit Risk

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

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

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

No collateral is held as security relating to the financial assets held by Council.

The following represents the maximum exposure to credit risk based on the carrying amounts of financial assets at end of the reporting

	Note	Consolidated		Council	
		2024	2023	2024	2023
Financial Assets		\$	\$	\$	\$
Cash and Equivalents	10	42,752,519	62,737,927	42,665,463	62,649,252
Receivables - Rates	11	7,794,592	8,770,848	8,001,964	8,770,848
Receivables - Other	11	2,239,438	2,075,410	2,067,564	2,106,544
Impairment	11	(474,154)	(74,343)	(474,154)	(74,343)
Other Credit Exposures					
Guarantees	19	525,506	455,069	525,506	455,069
Total Financial Assets		52,837,902	73,964,911	52,786,344	73,907,370

Trade and Other Receivables

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of defaults. In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

By the nature of Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely agricultural and mining, there is also a concentration in the agricultural and mining sectors.

Mount Isa City Council
Notes to the Financial Statements
For the year ended 30 June 2024

23 Financial Instruments (continued)
Liquidity Risk

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

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

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

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

Consolidated		0 to 1 year	1 to 5 years	Over 5 years	Total Contractual Cash Flows	Carrying Amount
Note		\$	\$	\$	\$	\$
2024						
Trade and Other Payables	15	13,405,935	-	-	13,405,935	13,405,935
Loans - QTC	16	2,803,813	10,963,264	4,867,985	18,635,062	15,355,543
		<u>16,209,748</u>	<u>10,963,264</u>	<u>4,867,985</u>	<u>32,040,997</u>	<u>28,761,478</u>
2023						
Trade and Other Payables	15	7,207,272	-	-	7,207,272	7,207,272
Loans - QTC	16	2,803,813	11,215,251	7,419,811	21,438,874	17,211,947
		<u>10,011,085</u>	<u>11,215,251</u>	<u>7,419,811</u>	<u>28,646,147</u>	<u>24,419,219</u>
Council						
		0 to 1 year	1 to 5 years	Over 5 years	Total Contractual Cash Flows	Carrying Amount
		\$	\$	\$	\$	\$
2024						
Trade and Other Payables	15	13,078,100	-	-	13,078,100	13,078,100
Loans - QTC	16	2,803,813	10,963,264	4,867,985	18,635,062	15,355,543
		<u>15,881,913</u>	<u>10,963,264</u>	<u>4,867,985</u>	<u>31,713,162</u>	<u>28,433,643</u>
2023						
Trade and Other Payables	15	7,207,272	-	-	7,207,272	7,207,272
Loans - QTC	16	2,803,813	11,215,251	7,419,811	21,438,874	17,211,947
		<u>10,011,085</u>	<u>11,215,251</u>	<u>7,419,811</u>	<u>28,646,147</u>	<u>24,419,219</u>

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

Market Risk

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

Interest Rate Risk

Council is exposed to interest rate risk through investments with QTC. Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised. Financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

Sensitivity

Sensitivity to interest rate movements applies for variable financial assets and liabilities based on the carrying amount at reporting date.

In relation to the QTC loans held by the Council, the following has been applied:

QTC Generic Debt Pool - the generic debt pool products approximate a fixed rate loan. There is a negligible impact on interest sensitivity from changes in interest rates for generic debt pool borrowings.

Fair Value

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

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 16.

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

Mount Isa City Council
Notes to the Financial Statements
For the year ended 30 June 2024

	Consolidated		Council	
	2024	2023	2024	2023
	\$	\$	\$	\$

24 Transactions with Related Parties

(a) Transactions with key management personnel

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

KMP include the Mayor, councillors, council's Chief Executive Officer and some executive management.

Short-Term Employee Benefits	1,583,530	1,270,308	1,472,897	1,193,808
Long-Term Benefits	16,681	1,935	16,681	1,935
Post Employment Benefits	111,762	129,909	99,663	129,909
Termination Benefits	-	59,073	-	59,073
Total	1,711,973	1,461,224	1,589,241	1,384,724

Council purchased the following materials and services from entities that are controlled by members of key management personnel or their related parties. All purchases were at arm's length and were in the normal course of council operations based on public tenders or competitive quotes. The values below include GST:

*Other Suppliers	176,752	32,721	176,522	32,101
Total	176,752	32,721	176,522	32,101

* Other supplies, include key expenditure items such as \$58,915 for plumbing works, \$13,351 for plant repairs, \$22,671 for governance and promotions, \$73,562 for facilities management repairs, and \$8,023 for other miscellaneous supplies.

Most of the entities and people that are related parties of council live and operate within Mount Isa City Council. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include payment of rates, dog registration, and borrowing books from the library. Council has not included these types of transactions in its disclosure, where they are made on the same terms and conditions available to the general public.

(b) Transactions with Controlled entities

Council has a controlled entity which is detailed in note 1.B. The results of this entity is included with council to form the consolidated entity.

The principal activity of the Company is the management of various entertainment facilities in Mount Isa with the principal place of business at 19 Marian St, Mount Isa.

Council subsidy to MICCOE		1,400,000	1,212,000
Council Sales to MICCOE		52,493	66,651
Rates Issued to and for MICCOE		175,645	52,715
Amounts receivable from MICCOE		194,802	58,964
Amounts payable to MICCOE		12,570	45,838

MICCOE is substantially dependent on funding provided by Council which has been agreed to for the 2024/25 financial year.

MICCOE Going Concern: MICCOE is dependent upon the continuation of the annual subsidy arrangement with Council, pursuant to the Service Level Agreement.

In addition, Council has received approval from the Minister for Local Government and Water to provide a guarantee under the Statutory Bodies Financial Arrangements Act 1982 for financial support to MICCOE in the form of a letter of support. The guarantee covers financial support for a period of 12 months from the date of approval (28 November 2024) or \$500,000, whichever comes first.

25 Other liabilities

In 2021-22 Council received an upfront waste levy payment from the Queensland State Government of \$ 3,973,508. This payment was for the financial years 2022-23 to 2025-26. Another upfront payment received in 2022-23 of \$1,075,159 for the financial year 2026-27.

Waste levy advance payment

Current	979,287	948,033	979,287	948,033
Non current	2,160,809	3,075,405	2,160,809	3,075,405
	3,140,096	4,023,438	3,140,096	4,023,438

Mount Isa City Council
Financial statements
For the year ended 30 June 2024

Management Certificate
For the year ended 30 June 2024

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

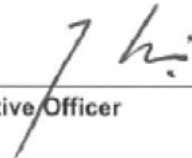
In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 32, present a true and fair view, in accordance with Australian Accounting Standards, of the council's and the consolidated entity's transactions for the financial year and financial position at the end of the year.



 Mayor
 Peta MacRae

Date: 13, 12/2024



 Chief Executive Officer
 Tim Rose

Date: 13, 12/2024

INDEPENDENT AUDITOR'S REPORT

To the councillors of Mount Isa City Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Mount Isa City Council (the council) and its controlled entities (the group).

The financial report comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the certificate given by the Mayor and Chief Executive Officer.

In my opinion, the financial report:

- a) gives a true and fair view of the council's and group's financial position as at 30 June 2024, and of their financial performance for the year then ended; and
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

Basis for opinion

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

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

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

Other information

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in Mount Isa City Council's annual report for the year ended 30 June 2024 was the current year financial sustainability statement, current year financial sustainability statement - contextual ratios and unaudited long-term financial sustainability statement.

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

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

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

Responsibilities of the councillors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

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



Prescribed requirements scope

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

A handwritten signature in black ink that reads "M. Claydon".

Michael Claydon
as delegate of the Auditor-General

13 December 2024

Queensland Audit Office
Brisbane

Mount Isa City Council
Current-year Financial Sustainability Statement
For the year ended 30 June 2024

Type	Measure	Target (Tier 5)	Actual Current Year		5-Year Average	Actual Current Year		5-Year Average	Council Narrative
			Consolidated	Council		Consolidated	Council		
Audited ratios									
Liquidity	Unrestricted Cash Expense Cover Ratio	> 4 months	5.78 months	N/A	5.86 months	N/A	N/A		
	Operating Surplus Ratio	> - 2%	-20.98%	-5.58%	-20.88%	-3.86%	Current year ratio is less than the average due to Financial Assistance Grant not prepaid during the 23/24 FY.		
Operating Performance	Operating Cash Ratio	> 0%	-2.01%	17.25%	-1.70%	19.65%	Current year ratio is less than the average due to Financial Assistance Grant not prepaid during the 23/24 FY.		
	Asset Sustainability Ratio	> 90%	24.65%	41.29%	24.65%	41.29%	Current year ratio is below target however Council has established a Strategic Asset Management Committee to lead the improvement of this ratio.		
Debt Servicing Capacity	Asset Consumption Ratio	> 60%	62.67%	59.00%	62.66%	58.98%	N/A		
	Leverage Ratio	0-3 times	-9.98 times	-0.93 times	-11.99 times	-1.43 times	N/A		

Note 1: The current year financial sustainability statement is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2024*. The amounts used to calculate the six reported measures are prepared on an accrual basis and are drawn from the council's audited general purpose financial statements for the year ended 30 June 2024.

Certificate of Accuracy
For the year ended 30 June 2024

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

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

Mayor 
 Petra MacRae
 Date: 13, 12, 2024

Chief Executive Officer 
 Tim Rose
 Date: 13, 12, 2024

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Mount Isa City Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Mount Isa City Council for the year ended 30 June 2024, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Mount Isa City Council for the year ended 30 June 2024 has been accurately calculated.

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2024 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2024, but does not include the financial sustainability statement and our auditor's report thereon.

At the date of this auditor's report, the available other information in Mount Isa City Council's annual report for the year ended 30 June 2024 was the general-purpose financial report, current-year financial sustainability statement - contextual ratios, and the unaudited long-term financial sustainability statement.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.



However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the general-purpose financial report.

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

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

Responsibilities of the councillors for the current year financial sustainability statement

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

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

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

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

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

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



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

A handwritten signature in black ink that reads "M. Claydon".

Michael Claydon
as delegate of the Auditor-General

13 December 2024

Queensland Audit Office
Brisbane

Mount Isa City Council
Current-year Financial Sustainability Statement - Contextual Ratios
For the year ended 30 June 2024

Type	Measure	Target (Tier 5)	Actual Current Year		Actual Current Year	5-Year Average	Council Narrative
			Consolidated	5-Year Average			
Contextual ratios (unaudited)							
Financial Capacity	Council-Controlled Revenue	N/A	71.85%	69.03%	73.06%	71.42%	N/A
	Population Growth	N/A	-0.88%	-0.33%	-0.88%	-0.33%	N/A
Asset Management	Asset Renewal Funding Ratio	N/A	N/A	N/A	N/A	N/A	N/A

The current year financial sustainability statement - Contextual Ratios is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2024*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the council's audited general purpose financial statements for the year ended 30 June 2024.

Certificate of Accuracy
For the year ended 30 June 2024

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

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


 Mayor
 Peta MacRae
 Date: 13, 12, 2024


 Chief Executive Officer
 Tim Rose
 Date: 13, 12, 2024

Mount Isa City Council
 Unaudited Long-Term Financial Sustainability Statement
 Prepared as at 30 June 2024

Consolidated

Type	Measure	Target (Tier 5)	Actuals as at 30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033
Financial Capacity	[^] Council-Controlled Revenue	N/A	71.85%	64.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
	^{**^} Population Growth	N/A	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%
Asset Management	^{***} Asset Renewal Funding Ratio	N/A	Not applicable until 2026/27									
Operating Performance	Operating Surplus Ratio	Greater than -2%	-20.98%	0.20%	-0.30%	0.00%	0.50%	0.50%	0.70%	1.50%	2.40%	2.50%
	Operating Cash Ratio	Greater than 0%	-2.01%	17.70%	18.00%	18.00%	18.40%	18.60%	18.80%	19.20%	19.50%	19.80%
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 4 months	5.78 months	Not applicable for long-term sustainability statement								
Asset Management	Asset Sustainability Ratio	Greater than 90%	24.65%	50.00%	20.00%	10.00%	150.00%	130.00%	130.00%	130.00%	140.00%	140.00%
	Asset Consumption Ratio	Greater than 60%	62.67%	63.00%	62.00%	61.00%	61.00%	60.00%	59.00%	59.00%	58.00%	58.00%
Debt Servicing Capacity	Leverage Ratio	0 to 3 times	-9.98	1.11	0.90	0.74	0.57	0.40	0.25	0.16	0.10	0.04

Council

Type	Measure	Target (Tier 5)	Actuals as at 30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033
Financial Capacity	[^] Council-Controlled Revenue	Contextual	73.06%	64.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%	65.00%
	^{**^} Population Growth	Contextual	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%	-0.88%
Asset Management	^{***} Asset Renewal Funding Ratio	Contextual	Not applicable until 2026/27									
Operating Performance	Operating Surplus Ratio	Greater than -2%	-20.88%	0.20%	-0.30%	0.00%	0.50%	0.50%	0.70%	1.50%	2.40%	2.50%
	Operating Cash Ratio	Greater than 0%	-1.70%	17.70%	18.00%	18.00%	18.40%	18.60%	18.80%	19.20%	19.50%	19.80%
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 4 months	5.86 months	Not applicable for long-term sustainability statement								
Asset Management	Asset Sustainability Ratio	Greater than 90%	24.65%	50.00%	20.00%	10.00%	150.00%	130.00%	130.00%	130.00%	140.00%	140.00%
	Asset Consumption Ratio	Greater than 60%	62.66%	63.00%	62.00%	61.00%	61.00%	60.00%	59.00%	59.00%	58.00%	58.00%
Debt Servicing Capacity	Leverage Ratio	0 to 3 times	-11.99	1.11	0.90	0.74	0.57	0.40	0.25	0.16	0.10	0.04

*Data source - ABS category number 3235.0 (Population by Age and Sex, Regions of Australia) This ratio is calculated for the previous financial year i.e., FY2022-23 will report FY21-22 population growth.

**The transition periods for the Asset Renewal Ratio for council groupings can be found in the Financial Management (Sustainability) Guideline 2024.

[^] The Council-Controlled Revenue Ratio, Population Growth Ratio, and Asset Renewal Funding Ratio are contextual measures, which are published but not audited.

Council's long term financial management strategy is to achieve a financially sustainable operating position and to ensure that there is balance between capacity to maintain the delivery of council services that continue to meet community expectations and the relative rating effort required, and this is consistent with council's long term forecast.

Certificate of Accuracy
For the long-term financial sustainability statement prepared as at 30 June 2024

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

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



Mayor
Peta MacRae

Date: 13 / 12 / 2024



Chief Executive Officer
Tim Rose

Date: 13 / 12 / 2024



MOUNT ISA
City of Opportunity

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