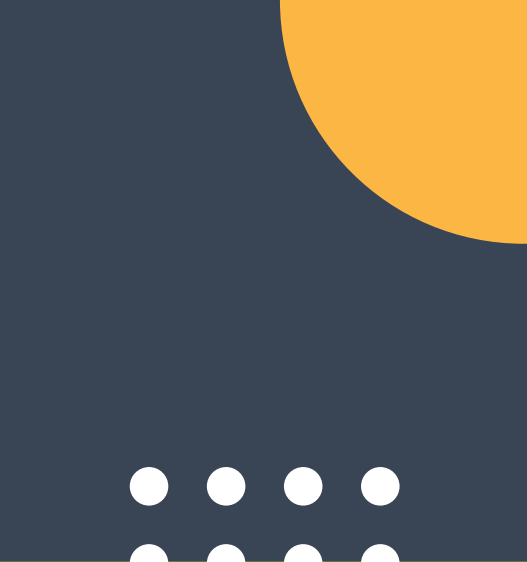




ANNUAL REPORT 2019-20



ACKNOWLEDGEMENT OF COUNTRY

Council respectfully acknowledges the traditional owners of the land on which we meet – the Larrakia People – and pay respect to their elders, past, present and future.

Below:

Local Larrakia artist Shaun Lee.



CONTENTS

- 4 OUR VISION
- 5 OUR CITY
- 6 OUR HIGHLIGHTS
- 8 COMMUNITY PLAN SCORECARD



- 10 MAYOR'S MESSAGE
- 11 CEO'S MESSAGE
- 12 OUR ELECTED MEMBERS
- 14 OUR STAFF



16 OUR OPPORTUNITIES AND CHALLENGES

17 Council's response to COVID-19

20 OUR PERFORMANCE

22 Family and Community

30 Vibrant Economy

38 Cultural Diversity

44 A Future Focus

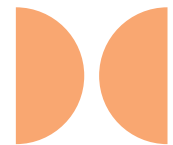
54 Environmental Sustainability

62 Governance



72 OUR COMMITMENT TO ENGAGE

76 OUR PEOPLE



82 FINANCIAL STATEMENTS



OUR VISION

- A Place for People.
- Palmerston is a welcoming vibrant family city that fosters diversity and unity.
- In Palmerston, everyone belongs.
- In Palmerston, everyone is safe.

City of Palmerston has a Community Plan that identifies six outcomes that are considered by the community as priorities for the next 10 years.

The outcomes have been identified to fulfil Council's vision of Palmerston being 'A Place for People'.

Each outcome has objectives for Council to achieve and measures of success to track performance in achieving the results desired by the community.

The plan recognises the importance of valuing and investing in the natural environment, balancing economic imperatives and focusing on innovation to enable social transformation in our city.

The plan enables Council to add to the wellbeing of people who live, play and work in Palmerston and report on progress based on a range of recognised wellbeing factors – safety, work-life balance, civic engagement, income and wealth, housing, work and job quality, health, knowledge and skills, social connections and environmental quality.

Council reports its activities against each of the Community Plan outcomes in its Annual Report 2019–20.

COMMUNITY PLAN

| OUTCOME | OBJECTIVES | MEASURES OF SUCCESS |
|--|---|---|
|  <p>1. Family and Community Palmerston is a safe and family friendly community where everyone belongs.</p> | <p>1.1 We focus on families</p> <p>1.2 The wellbeing of our community is a focus for all of our work</p> | <p>More people attend Council events and engage in community activities</p> <p>Reduce crime and violence</p> <p>Increased partnerships to address crime</p> <p>Increased access to Council facilities and resources for community activities for all members of our community</p> |
|  <p>2. Vibrant Economy Palmerston is a destination city for employment, it is a place where businesses are encouraged to set up and grow.</p> | <p>2.1 Improve Palmerston's image</p> <p>2.2 Palmerston's economic future is bright</p> | <p>People of Palmerston choose to shop local and retail shop spaces are full</p> <p>Palmerston's population is growing and employment rates increase</p> <p>More tourists visit Palmerston</p> <p>More funds available for Council to invest in the community</p> <p>There are more businesses located in Palmerston</p> <p>Council is committed to ensuring local businesses and industry receive the support they need to prosper</p> |
|  <p>3. Cultural Diversity In Palmerston we celebrate our cultures in a way that values our diversity.</p> | <p>3.1 To celebrate our rich culture and diversity</p> <p>3.2 Recognise and support diversity through our partnerships and leadership</p> | <p>Council consults with and includes the needs of people in its programs and planning</p> <p>Foster and promote arts and culture within our community and improve awareness of our local history</p> |
|  <p>4. A Future Focus Palmerston is an innovative city that can sustain itself through the challenges of the future.</p> | <p>4.1 We support and foster innovation</p> <p>4.2 Infrastructure is fit for purpose</p> | <p>Council consults with and includes the needs of people in its programs and planning</p> <p>Foster and promote arts and culture within our community and improve awareness of our local history</p> |
|  <p>5. Environmental Sustainability Palmerston is an environmentally friendly, liveable city that promotes renewable practices and sustainability.</p> | <p>5.1 Reduce our footprint on the environment</p> <p>5.2 Palmerston is a cool, shaded green city</p> <p>5.3 Encourage personal action and taking a leadership role</p> | <p>The amount of recycling increases and littering decreases</p> <p>Increase the areas shaded by trees</p> <p>Reduction in businesses using packaging and wrapping</p> <p>Improved performance in actively protecting and enhancing environmental assets and Council infrastructure while supporting local businesses and industry in sustainable land use</p> <p>Improved performance in committing to effective and responsible city planning that balances and meets residential and commercial needs in our community</p> |

OUR CITY

City of Palmerston is the Northern Territory's youngest city and has experienced strong growth over a short period of time.

Palmerston was first built in 1980 and is about 20 kilometres south east of the Northern Territory's capital Darwin.

It became its own municipality in 1985 before being declared a city in 2000.

The city has a population of almost 40 000 people in 2020 living in 14 suburbs and is bordered by two light industrial areas in Yarrowonga and Pinelands.



38 270

RESIDENTS LIVE IN PALMERSTON



\$266 MILLION

INCREASE IN GROSS REGIONAL PRODUCT FOR THE PAST FIVE YEARS



13 119

HOMES IN PALMERSTON



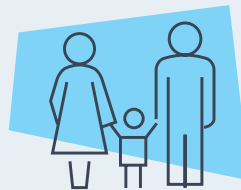
1581

BUSINESSES REGISTERED IN PALMERSTON



210 HA

OF OPEN SPACE PARKS AND GARDENS AND 14 LAKES



50%

OF HOUSEHOLDS ARE FAMILIES WITH YOUNG CHILDREN



\$719 MILLION

OF COMMUNITY INFRASTRUCTURE ASSETS



21 256

PEOPLE WORK IN PALMERSTON



MEDIAN AGE OF **30 YEARS**



6. Governance

Council is trusted by the community and invests in things that the public value.

- 6.1 Ensure we have a leading governance model
- 6.2 Community is at the centre
- 6.3 Healthy working partnerships

Community are satisfied that Council values and encourages participation in Council activities and is committed to delivering the highest possible levels of service and community engagement

Community are satisfied that Council is committed to ensuring its systems and processes support the organisation to deliver the best possible outcomes

Community are satisfied that Council values its people and culture of our organisation and is committed to continuous improvement and innovation while seeking to reduce service costs through increased efficiency

Community are satisfied that Council is showing corporate and social responsibility, ensuring the sustainability of Council assets and services and undertaking effective planning and reporting of Council performance to the community

OUR HIGHLIGHTS





COMMUNITY PLAN SCORECARD

Family and Community

Pages 22 to 29



Highlights

Increased the number of community events for the people of Palmerston

Provided grants, donations, in-kind support and sponsorship for local residents and businesses

Results

- ✓ 40% more people enjoyed local community events in Palmerston
- ✓ \$343 934 provided in grants, sponsorship, donations and in-kind support

Community survey:

Performance score
6.8/10



Challenge

Advocating for community planning

Looking forward

- Redeveloping community assets including Palmerston Swimming and Fitness Centre, Gray Community Hall and Marlow Lagoon Dog Park

Vibrant Economy

Pages 30 to 37



Highlights

Supported local business through Buy Local Policy and Support Local campaigns

Upgraded Palmerston's streetscape and improved public open space

Provided free parking to support residents and local business

Secured government funding to fast track seven projects with Special Community Assistance and Local Employment grants

Results

- ✓ Spent \$44.9 million in Palmerston's economy with 86% going to local businesses
- ✓ Awarded \$1 million in streetscape projects to local businesses to create 34 jobs

Community survey:

Performance score
6.28/10



Challenge

Increasing awareness of Council's vision for Palmerston to be 'A Place for People'

Looking forward

- Complete community consultation and finalise the Palmerston Local Economic Plan

Cultural Diversity

Pages 38 to 43



Highlights

Increased opportunities for the community to participate in events that celebrate culture and diversity

Results

- ✓ Hosted 21 culture and diversity events
- ✓ Won the 2019 Fitzgerald Diversity Award at the NT Human Rights Awards

Community survey:

Performance score
7.21/10



Challenge

Continuing to reflect Palmerston's culture and diversity in our programs and services

Looking forward

- Continue to host and support more events, programs and services that celebrate our culture and diversity
- Implement an inclusion strategy

A Future Focus

Pages 44 to 53



Highlights

Making the Switch program completed 12 months ahead of schedule and under budget

Spent \$11 million on upgrading and new facilities for Palmerston

Increased access to free wi-fi to six new locations in Palmerston

Results

- ✓ Replaced lights with 4879 LED lights to save 470 tonnes of carbon dioxide – equivalent of planting 500 hectares of forest trees
- ✓ Enabled 54 476 free wi-fi downloads
- ✓ Sourced \$91 000 in Black Spot Funding to improve safety on our roads

Community survey:
Performance score
6.84/10

●●●●●●●●●●

Challenge

Council maintaining flexibility

Looking forward

- Continue the Lighting Dark Spots program to improve lighting across the city
- Review Council's Environmental Sustainability Strategy to include environmental, economic, cultural and social outcomes

Environmental Sustainability

Pages 54 to 61



Highlights

Increased the kerbside collection recycling rate by decreasing contamination

Stopped more waste from going into landfill

Planted more shade trees and improved green spaces across the city

Results

- ✓ reduced contamination rate from 78% in November 2019 to 37% in June 2020
- ✓ Planted 625 shade trees to increase shade
- ✓ Beautified 320 road verges

Community survey:
Performance score
7.33/10

●●●●●●●●●●

Challenge

Continue to educate residents and businesses on how to recycle correctly to divert more waste from landfill

Looking forward

- Build a new solar generating shade structure to power Civic Plaza
- Provide incentives for people to reduce and recycle waste
- Preserve existing trees with an urban forest policy

Governance

Pages 62 to 71



Highlights

Provided training to upskill all employees at Council

Reviewed eight policies and introduced two new ones

Held 22 Ordinary Council Meetings

Results

- ✓ Spent \$160 000 on employee training
- ✓ 30 staff underwent new software training

Community survey:
Performance score
6.17/10

●●●●●●●●●●

Challenge

Providing more opportunities to consult with the community

Looking forward

- Risk Management and Audit Committee review of Council's three year Internal Audit Plan



MAYOR'S MESSAGE

I am proud to present the City of Palmerston Annual Report 2019–20 in what has been a challenging time for Council and the community.

Despite the challenges of the coronavirus (COVID-19) pandemic, we have delivered two major projects:

Smart Cities – which saw \$2 million of smart technology installed throughout the municipality with assistance from the Northern Territory and Australian governments.

Making the Switch – where street and open space lighting has been converted to LED lighting at a cost of \$3.65 million, saving about \$500 000 per year in running and maintenance costs.

Council has continued to meet the challenge of adapting its services and delivering programs and services during COVID-19 while supporting our residents and business community.

Council was innovative and agile in its response to COVID-19 during a dynamically shifting environment that saw us move many of our services online to protect the safety and health of our community.

Council worked collaboratively with our key stakeholders to identify ways to keep our workforce employed, offer rate relief, keep businesses operating and Palmerston residents employed during this time.

I met with Australian and Northern Territory government ministers and the Administrator of the Northern Territory to discuss initiatives to support the community in line with our Community Plan.

Through these important partnerships, Council sourced \$4.5 million in grant funding from the Australian and Northern Territory governments this year.

Council updated the community and key stakeholders during the year using a range of methods such as my regular Mayor's Talk video, radio segments, website pages and through our popular social media channels.

City of Palmerston hosted a stall for the first time at the 68th Royal Darwin Show in July 2019. We had a great response from the public and received a second-place award for the Best Government Stall.

We also engaged with our people through seven community consultation projects throughout the year including our rates strategy, laneways trial, dog park improvements, local Economic Plan, Municipal Plan and budget.

In celebration of the people of Palmerston, we hosted a total of 66 community events and 21 culture and diversity events. We also delivered 340 face to face library programs and offered online library services in response to COVID-19 including online Storytime and Click and Collect online borrowing.

We continued to support the community and local businesses by offering free all-day parking in the city area and free pool entry to the Palmerston Swimming and Fitness Centre once it re-opened.

To support Palmerston community groups, Council provided \$147 869 in grants, donations and sponsorship through the Community Benefit Scheme, including \$38 457 of community assistance in response to COVID-19, and \$196 065 of in-kind support.

I would like to acknowledge the hard work of the Elected Members, Council's Chief Executive Officer, Executive Leadership Team and all Council staff for being so adaptable and resilient to the changing situation during COVID-19.

We look forward to continuing to support the community by delivering on the outcomes of our Community Plan to ensure Palmerston is 'A Place for People'.

Athina Pascoe-Bell, Mayor

CEO'S MESSAGE

Our Community Plan has been at the centre of all projects, services and programs delivered by Council during 2019–20.

We have aligned our strategies to our six Community Plan outcomes of supporting Family and Community, concentrating on A Future Focus, fostering Culture and Diversity, creating a Vibrant Economy, improving Environmental Sustainability and maintaining good Governance.

We have been at the forefront of innovative new technology with the roll out of our Smart Cities and Make a Switch Program that has seen Council deliver several firsts in the Northern Territory.

Council has installed a dashboard that monitors and actions all street light faults. Our recycle trucks can report bin faults automatically and we have installed smart monitors to help manage our lakes.

As our city grows we face different and emerging challenges and Council is working to redevelop and continually improve our key community assets and services.

Council has invested \$11 million into building or renewing community assets and has committed to redeveloping Gray Community Hall and transforming the Palmerston Swimming and Fitness Centre into the new Swimming Wellness Events Leisure and Lifestyle Centre.

Council was quick to adapt to the emergence of the COVID-19 pandemic, and as an essential service continued to focus on delivering services to the community and redeploy staff to areas of need.

Our success included diverting 2612 tonnes of waste from landfill through the use of the Archer Waste Management Facility and kerbside recycling.

Council has injected \$44.9 million into our economy, with 86 per cent of this going to local businesses and subcontractors.

Council was able to fast track and help fund seven major capital works projects through the Northern Territory Government's Special Community Assistance and Local Employment (SCALE) grant scheme. These projects worth \$1 million will employ local contractors through Council's Buy Local policy and create 34 new jobs for the economy.

City of Palmerston achieved its highest score of 6.77 out of 10 for its overall performance rating in its annual Community Satisfaction Survey in 2019–20. The survey reports against each of the 14 objectives outlined in the Council's Community Plan, with an increase in performance recorded in each of the plan's six outcomes.

The performance areas identified as the most improved included Council's support and ability to attract new and existing businesses, Council's long term vision for the Palmerston economy and supporting innovation in the business community.

Thank you to all of our staff and Elected Members for their support and efforts during this year, which has been a challenging one for many.

I am proud of the work we have achieved this year and we will continue to engage with the community and operate with a focus on continuous improvement, sustainability and innovation to deliver on our Community Plan vision to make Palmerston 'A Place for People'.

Luccio Cercarelli, Chief Executive Office



OUR ELECTED MEMBERS

The 9th Council consists of the Mayor and seven Alderman who represent the entire city (Palmerston does not have divisible wards). Residents elect their Council every four years, with the next election due on 28 August 2021. Council elects one Alderman to serve as Deputy Mayor for a term of five months at a time.



MAYOR ATHINA PASCOE-BELL

Athina moved to Palmerston in 2004 with her husband, who was in the Defence Force at the time, and bought their home in Marlow Lagoon just a few months after arriving. She is the mother of two primary school aged children and is currently studying towards a law degree. Prior to becoming Mayor, Athina had an extensive career in the public service and is focused on the good governance of the Council and ensuring that the right decisions are made at the right time. Athina is the chair of the 1st Palmerston Scout Group and co-chair of the Palmerston-Litchfield Regional Reconstruction Committee.



ALDERMAN AMBER GARDEN

Amber moved to the Territory from Queensland in 2003, and with her ever-supportive husband purchased a property in Farrar in 2010. She is familiar with Council meeting processes, financial reporting and requirements under the *Local Government Act*, due to over nine years' experience in local government administration. Amber is also passionate about improving animal management, safety, accessibility and communication with the community to make it a liveable city for all to enjoy.

DEPUTY MAYOR: MAY 20 – OCT 20



ALDERMAN BENJAMIN GIESECKE

Ben was born in Melbourne but grew up in Adelaide. He moved to the Territory in 2004 to begin his career as a property professional after completing his Bachelor of Business (Property) degree. Ben bought his first home in Moulden in 2005, however he and his wife now live in Johnston. He has previously worked for two of the largest national valuation firms but is now with one of the big four banks. He has extensive experience in the real estate market across the Territory and is also active in the local multicultural community.

DEPUTY MAYOR: JULY 19 – DEC 19



ALDERMAN DAMIAN HALE

Damian came to the Northern Territory in 1974 and has lived in Maningrida, Katherine, Darwin and Palmerston. He currently lives in the suburb of Gunn with his partner Maria. Damian was the former Federal Member for Solomon from 2007 – 2010. After almost nine years Damian resigned from the Australian Workers Union in March 2019. He is employed as a Co-ordinator of Supports for local Indigenous company Sacred Business Services and is the Head Coach of the Northern Territory Titans Rugby League team.

DEPUTY MAYOR: APR 18 – SEPT 18



ALDERMAN SARAH HENDERSON

Sarah is a hardworking community advocate and businesswoman who has been an active member of the Palmerston community for three decades. With her husband, she has brought up five children in Palmerston and now her grandchildren are being raised in this community. She has been actively involved in many different Palmerston community groups over the years.

DEPUTY MAYOR: FEB 19 – JULY 19



ALDERMAN LUCY MORRISON

Lucy has lived in the Northern Territory since 2008 after moving to Palmerston from Queensland. She has more than 15 years' experience in the media industry and started her career as a print journalist working for newspapers in the Northern Territory and Queensland. Lucy then steered her career into communications, public relations and media advising. Lucy is passionate about healthy living and enjoying an active lifestyle. She is eager to involve more youth in sports and local activities in the community.

DEPUTY MAYOR: DEC 19 – MAY 20



ALDERMAN DR TOM LEWIS OAM

Tom is a teacher, author and war veteran. A Northern Territory resident for 30 years, Tom served with the Australian Defence Force in the Iraq War, and now writes history books and teaches at a local high school. Tom lives in Durack. He is married with two daughters. In what spare time he has left he enjoys playing tournament chess.



ALDERMAN MICK SPICK

Mick has lived in the Northern Territory since 2006. During his 11-year career in the Australian Army Mick and his wife Hannah bought their family home in Driver in 2016. Mick currently works in Indigenous health as an education and training officer. Mick is a current member of several local community groups, including the Palmerston RSL and Palmerston Raiders Rugby League Football Club. Mick's aspiration for Palmerston is to have the most liveable, sustainable and inclusive city within the Northern Territory.

DEPUTY MAYOR: SEPT 18 – FEB 19

OUR STAFF

As per the Northern Territory Local Government Act 2008, Council employs a Chief Executive Officer (CEO) and delegates responsibilities to carry out the day to day functions of Council. The CEO is responsible for the overall administration of Council and works closely with the Elected Members to ensure Council's goals and objectives are met. The CEO is supported in his responsibilities by three Directors who, with the CEO, form Council's Executive Leadership Team. Staff members operate under the CEO's direction across four key areas: Office of the Chief Executive Officer, City Growth and Operations, Lifestyle and Community and Organisational Services.



LUCCIO CERCARELLI
Chief Executive Officer

Responsibilities include:

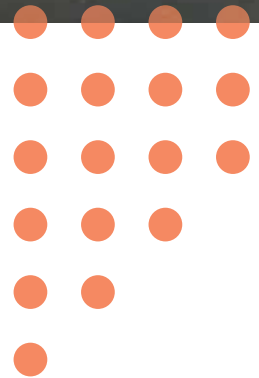
- Office of the Mayor and Elected Members
- Executive Support
- Council Meetings
- Governance
- Strategic Planning
- Partnerships



NADINE NILON
Director City Growth and Operations

Responsibilities include:

- Stormwater Drainage
- Waste and Environmental Sustainability
- Transport Network
- Parks and Open Space
- Public Lighting
- City Planning
- Infrastructure Design and Delivery
- Emergency Management



AMELIA VELLAR

Director Lifestyle and Community

Responsibilities include:

- Arts and Culture
- Placemaking
- Recreation and Leisure
- Community Events
- Regulatory Services
- Libraries
- Health and Wellbeing
- Community Facilities
- Community Development
- Local History and Heritage



RICHARD IAP

Director Organisational Services

Responsibilities include:

- Customer Services
- Human Resources
- Technology Services
- Marketing and Communications
- Property and Commercial
- Economic Development and Innovation
- Smart Cities
- Financial Management
- Risk Management
- Procurement

OUR OPPORTUNITIES AND CHALLENGES



City of Palmerston has a young and growing population with a large number of families.

Centrally located between the population centres of Darwin and the rural area, Palmerston is close to key industry growth sectors including defence and energy and minerals.

The city is near major health, education and transport infrastructure such as the port and railway, a university campus and a new, modern hospital.

City of Palmerston continues to work to cater for the city's growth and demand on local infrastructure.

Delivering on the outcomes of the Community Plan gives Council the ability to tackle the challenges of governance, sustainability, decision making, relevance, efficiency and engaging meaningfully with its stakeholders.

Council embraces the opportunities to:

- 📁 maintain trust
- 📁 be sustainable
- 📁 attract and retain the right people for the right jobs
- 📁 make informed and timely decisions
- 📁 deliver the strategic vision for the city
- 📁 respond quickly to opportunities and challenges
- 📁 develop effective relationships with stakeholders
- 📁 respond to events that impact business continuity.

The challenge for the City of Palmerston is to ensure it remains sustainable and able to deliver the lifestyle aspirations of the community as well as contribute to the Territory's overall sustainability.

In 2019–20, the community identified the following challenges in Council's annual Customer Satisfaction Survey:

- 📁 crime and safety issues
- 📁 supporting and attracting new businesses
- 📁 supporting innovation in the business community.

Right:

Learning to problem solve during Children's Week activities run by the City of Palmerston.



COUNCIL'S RESPONSE TO COVID-19






City of Palmerston responded quickly as the global coronavirus (COVID-19) pandemic emerged as a challenge to operations and services in March 2020.

Council immediately moved to ensure business continuity while supporting local businesses and residents during the COVID-19 period.

Council established the Executive Leadership Team (ELT) as the incident controllers who remained in continuous contact with the Department of the Chief Minister, Department of Health and other key agencies as required.

As the pandemic progressed, Council continued to deliver its essential services and moved several customer services online.

Council's objectives was to work with its partners and stakeholders to:

-  continue delivering essential services for people
-  keep Territorians employed
-  prioritise the health and wellbeing of our people
-  support businesses to keep operating
-  deliver community infrastructure to improve people's lives.





In line with Australian Government instructions Council closed its facilities to the public, including the Palmerston Swimming and Fitness Centre, Civic Plaza, Library and training rooms, Recreation Centre, and three community halls.

All Council playgrounds were closed and signage erected to notify residents of their responsibility to follow social distancing rules.






ENGAGING WITH THE COMMUNITY

The wellbeing of the people of Palmerston was a high priority for Council, which moved quickly to relieve financial pressure on residents.

Initiatives included:

-  waived fees, interest and charges for rates
-  made it easier to apply for financial hardship program for rates payment
-  continued free entry to the Palmerston Swimming and Fitness Centre once it re-opened
-  made all car parking in the city centre free.

Council used innovative technology to support people:

-  moved Council Meetings online via Zoom
-  organised a Click and Collect borrowing online service to borrow items from the Palmerston Library and pick up mobile printing
-  live streamed Citizenship Ceremonies
-  distributed boredom blaster kits for young people with robots, activities and books
-  loaned out 8000 e-resources and 380 DVDs.

Right:

City of Palmerston introduced Click and Collect so Library members could reserve and borrow books and e-resources online during the COVID-19 pandemic.



Below:

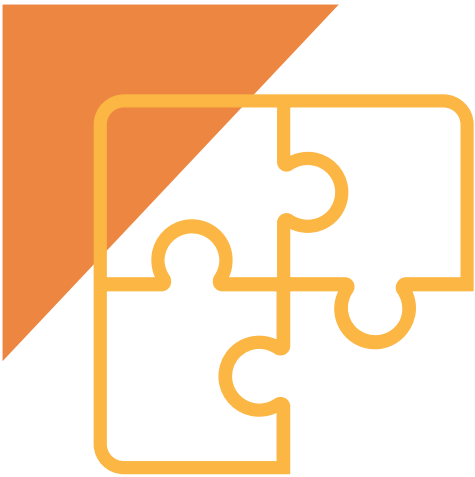
City of Palmerston Library team member Nadine Chambers prepares books for the new popular Click and Collect online borrowing service.



The wellbeing of the people of Palmerston is a priority for Council and it moved quickly to relieve financial pressure and ensure people could still access our community resources and services.

Left:

Support Local campaign winner Samantha Toft-Goulding won a \$100 voucher to spend at local businesses.







Council handed out 250 large poppy stickers for driveways as part of ANZAC Day commemorations and turned Maurice Terrace Park into a temporary dog park to give pet owners more area to exercise while enabling them to social distance.

Council delivered topsoil and grass seed to beautify verges and boost amenity in the suburbs through the Verge Beautification Assistance program.

SUPPORTED LOCAL BUSINESS

With local businesses impacted by the closures due to COVID-19, Council worked to support them to adapt to the changing environment and to continue operating.

Initiatives included:

-  launched a Support Local campaign and advertised the operating hours of Palmerston businesses
-  made a Liveable City Community Benefit Grant scheme available to Palmerston businesses to make alterations to their business or business model in response to COVID-19
-  reduced payment terms for local business from 28 days to 14 days
-  retained contract workers for the City of Palmerston projects and services.



Above:

With support from Council's Community Benefit Scheme, Instyle Hair and Beauty rebranded their Durack business with new signage.

Council used the shutdowns as an opportunity to bring forward works on several facilities including upgrades to the Recreation Centre, Swimming Pool and Fitness Centre, Library and Civic Plaza.

Council was able to fast track and help fund seven major capital works projects through the Northern Territory Government's Special Community Assistance and Local Employment (SCALE) grant scheme.

SUPPORTED EMPLOYEE WELLBEING

Council was able to continue to employ all staff during the COVID-19 pandemic by redeploying people who worked in facilities that were closed to work in other services and programs.

Council supported vulnerable employees to work from home if necessary, through a revised working from home policy and made additional leave available to employees who required it.

OUR PERFORMANCE

COMMUNITY SATISFACTION SURVEY

City of Palmerston conducts a Community Satisfaction Survey each year to determine the overall performance of Council.



The survey enables Council to monitor its performance and identify successful outcomes, community priorities and areas of improvement.

The survey reported against the six outcomes of the Community Plan and allowed for detailed feedback on key services and priorities for the community.

The survey results are compared to the 2018-19 survey to track how Council performed against the 14 objectives of its Community Plan.

The 2020 survey results are based on a telephone and online survey with 634 residents that were chosen as being representative of the community in terms of age and gender.

The 2019-20 survey results showed Council achieved its highest score of 6.77 out of 10 for its overall performance rating since 2014. This is up from a rating of 6.56 in 2018-19.

Council achieved increased scores for performance in all six of its outcome areas:

| Key Area | 2019 | 2020 | Change |
|------------------------------|-----------|-----------|---------|
| Family and Community | 6.68 | 6.80 | ⬆️ 0.12 |
| Vibrant Economy | 6.01 | 6.28 | ⬆️ 0.27 |
| Cultural Diversity | 7.04 | 7.21 | ⬆️ 0.17 |
| A Future Focus | 6.70 | 6.84 | ⬆️ 0.14 |
| Environmental Sustainability | 7.16 | 7.33 | ⬆️ 0.17 |
| Governance | 6.01 | 6.17 | ⬆️ 0.16 |
| Net promoter score | -9 | -4 | ⬆️ 5 |
| Overall Performance | 6.56 / 10 | 6.77 / 10 | ⬆️ 0.21 |






Above:

Library team members Nadine Chambers and Germano Bernardino with Palmerston residents enjoying activities during Children's Week.




Below:

Fun for all ages at the City of Palmerston's Children's Week program.

The areas that saw the biggest increases in performance in 2019-20 included:

-  supporting and attracting new and existing businesses
-  Council has a long term vision for Palmerston economy
-  supporting innovation in the business community.

Initiatives that residents said they wanted to see improved included:

-  providing and maintaining community halls
-  hosting quality community events
-  celebrating Palmerston as 'A Place for People'.

The results of the Community Survey will be presented to Council along with the results of a workshop that will identify initiatives Council can implement to improve programs and services for the community.

The survey results will also be used to inform existing and future programs and services and included in the development of the draft 2021-22 budget.





FAMILY AND COMMUNITY



IN THIS SECTION

- ▶ We focus on families
- ▶ The wellbeing of our community is a focus for all of our work

Palmerston is a safe and family friendly community where everyone belongs.

The people of Palmerston are the heart of our community and the focus of everything we do at the City of Palmerston.

Our strategy is to maintain a safe, friendly and family city that supports the wellbeing of our community.

MEASURES OF SUCCESS

City of Palmerston increased the number of people enjoying Council events and services, including:



4000

BOOKS DONATED TO THE COMMUNITY



5250

YOUNG PEOPLE ATTENDED PALMERSTON YOUTH FESTIVAL



\$147 869

IN GRANTS, DONATIONS AND SPONSORSHIP TO SUPPORT THE COMMUNITY VIA THE COMMUNITY CONTRIBUTION BENEFIT SCHEME (CCBS)



\$38 457

OF THE CCBS COMMUNITY ASSISTANCE WAS PROVIDED IN RESPONSE TO COVID-19



3 AWARDS WON FOR COUNCIL INITIATIVES AND SERVICES



600 PEOPLE ATTENDED THE PALMERSTON CHILDREN'S WEEK EVENT

WE FOCUS ON FAMILIES

Palmerston is a place that offers sanctuary and a sense of belonging and engages young people, parents, single people and older Territorians.

BRINGING OUR COMMUNITY TOGETHER

City of Palmerston hosted more community events compared to 2018–19, and attracted more people to participate in 2019–20.

About 22 900 people attended 66 different community events in 2019–20 compared to 15 900 people who enjoyed 56 events in 2018–19.

The range of community events included:

- On Frances Series
- Sanctuary Sessions
- Brekkie in the Park
- FlicNics
- Palmerston Youth Festival
- Palmerston Christmas Carols
- Children's Week event
- Live in the Lounge
- Gods of Floor Breaking Battle.

SWIMMERS FLOCK TO FREE POOL

Council is redeveloping the Palmerston Swimming and Fitness Centre and has increased its use by offering free swimming pool entry.

During the six week trial of free swimming pool fees, 7440 people visited the pool – a 150 per cent increase in attendance compared to the same period in 2018–19.

Council decided in March 2020 to make entry to the Palmerston Swimming and Fitness Centre free to increase the number of people who use the facility,

increase access for low socio-economic families and ensure it meets community needs.

The Centre currently has a 50 metre swimming pool with eight lanes, a separate toddler pool, kiosk and plenty of free carparking and shade.

Council agreed to permanently waive the pool fees and has secured funding to refurbish the swimming pool to increase community ownership and attract more people to use the community asset.

SAFETY FOR OUR SCHOOLS

Council installed 18 electronic speed light signs at nine school crossings around the city to improve community safety near schools in 2019–20.

The electronic speed signs display the speed that a vehicle is travelling at as it approaches the school crossing as a warning to slow down. The speed signs were installed at crossings located at Rosebery Primary School, Bakewell Primary School, Gray Primary School, Woodroffe Primary School, Zuccoli Primary School and Mother Teresa Catholic Primary School.

NATIONAL COVERAGE ON SUNRISE

City of Palmerston was voted to represent the letter 'P' on Channel 7's Sunrise Virtual A – Z Tour of Australia with an impressive 10 000 votes of support from the community.

City of Palmerston received 57 per cent of the vote over the community of Parkes in New South Wales to win the coveted spot that achieved wide national coverage.

Following the success of a video entry to the national competition, the City of Palmerston was able to showcase Palmerston as 'A Place for People' as part of the nationwide coverage.



COMMUNITY SOLVES PUZZLE

Solving puzzles is all part of the job for a busy Council.

Luckily City of Palmerston had some help with its latest addition to the Library - the Community Puzzle.

Charlie, pictured working on the puzzle, was visiting his son in Palmerston to escape the southern winter chill. Charlie spent a couple of weeks solving the puzzle with other Library visitors.

The Community Puzzle is available for visitors and community members to work on any time during the Library's opening hours to help bring the community together.

A LIBRARY FOR EVERYONE

In 2019-20, the Palmerston Library extended its opening hours to have the longest hours of operation than any other library in the Northern Territory.

The Library is now open every day of the week and for six hours longer. Staff have been working to improve services and offer other Council services such as dog registrations, rates or information requests.

The Library delivered 340 face to face library programs this year that were attended by 11 878 people.

Programs were delivered to increase inclusion and participation for older Territorians, youth, children, babies and parents, families and people who are culturally and linguistically diverse.

The Library connects the community and encourages the love of reading and activities that inspire and has introduced a number of new initiatives including:

- ▶ Tales to Tails to encourage young people who find it hard to read
- ▶ Geek Squad to support disengaged youth
- ▶ STEM robotics and gadgets to promote maths, science and technology.

The Library increased its services with a trial of Express Printing for the public with EFTPOS capability, six new tablet devices for community use and upgraded to cloud based technology to increase efficiencies.



TALES TO TAILS

Therapy dogs Roxy and Quinton dropped into the Palmerston Library as part of the Tales to Tails program to help children who have trouble reading by lending them a big fluffy ear to read to.

LOOKING AT LANEWAYS

Council conducted a number of trials on several laneways in Palmerston following feedback from the community about safety.

Trial closures were put in place with seven full time closures and 12 night time closures.

Following several stages of consultation, a report was provided to Council with the recommendation to develop a policy and set criteria around the future closures of laneways.

THE WELLBEING OF OUR COMMUNITY IS A FOCUS FOR ALL OF OUR WORK

City of Palmerston increased access to Council's facilities and services for activities for all members and sectors of our community in 2019-20.

The strategy to benefit the community is to increase partnerships between Council and other levels of government by improving coordination and effectiveness of these services.

CONNECTING OUR YOUTH

More than 5250 young people turned up to the Palmerston Youth Festival, which was a joint initiative by the City of Palmerston and Northern Territory Government.



The Northern Territory Government provided \$300 000 to help fund the Youth Festival in collaboration with Council to engage and provide more activities for the young people of Palmerston.

With young people representing more than 39.5 per cent of Palmerston's population, the Youth Festival was a huge success, delivering 10 events and seven competitions over eight days.

The event doubled the number of youth that participated in the 2018 Youth Festival and a highlight was the Geekfest Top End for 3200 young people attracted by a cosplay and Box Wars competition, laser tag and live entertainment.

Other highlights included the Rookie Cooks competition, Anime-athon Movie Night with Event Cinemas and the Palmy Street Party with local Indigenous celebrity Baker Boy.



With young people representing more than 39.5% of Palmerston's population, the Youth Festival was a huge success, delivering 10 events and seven competitions over eight days.

Left:

Hip hop artist J Milla performs at the Palmerston Youth Festival.

RESOURCES FOR OUR COMMUNITY IN TIMES OF NEED

City of Palmerston provided funding to 104 people, businesses, community groups and organisations through the Community Contribution Benefit Scheme in 2019-20.

The scheme is available to eligible community groups, individuals, incorporated organisations and associations that are offering activities, projects, services and events that benefit the Palmerston community. The Community Contribution Benefit Scheme (CCBS) includes sponsorships, donations, grants and scholarships.

This year Council amended the scheme to support the local economy, businesses and the community during the COVID-19 pandemic.

The amendments aimed at making it easier to apply for a grant from the scheme by:

- ▶ combining the scheme and Environmental Initiatives Fund into one pool of money
- ▶ making it available to Palmerston businesses to make alterations to their business or business model in response to COVID-19
- ▶ enabling the Chief Executive Officer to approve submissions up to \$5000 to streamline the application process
- ▶ enabling community groups and organisations to apply successfully for more than one application.

SPONSORING OUR COMMUNITY

City of Palmerston sponsored 104 people, community groups, businesses and sporting organisations with a total of \$147 869 provided for activities in the community.

These supported:

- ▶ Palmerston people to participate in youth sports including football, netball and hockey, Indigenous basketball and intrastate golf
- ▶ community events including children's Christmas party, golf championship, Anzac Day services, students awards and international events
- ▶ local businesses during COVID-19 in construction, veterinary, food, landscaping and beauty
- ▶ primary, secondary and university students with 11 scholarships.

Below:

Competitors of the Rookie Cooks Youth Cooking Competition celebrate with Mayor Athina Pascoe-Bell and celebrity foodie Hayden Quinn.



Rangers microchipped 67 dogs this year and 416 missing dogs were returned to their owners, while 170 dogs were re-homed.

IMPROVING ANIMAL SAFETY AND WELLBEING

Pets are important members of the family and Council is working to improve animal wellbeing and safety across the community.

Council has introduced a number of initiatives to improve awareness around animal education and its rangers continued to educate pet owners on their responsibilities to keep their pets safe.

Council's new Animal Education Officer set up pop-up booths at several community events and local parks, including at Brekkie at the Park and Maurice Terrace Park, to hand out information to dog owners about minimising barking, microchipping and dog registration.

Rangers provided an after hour call out service seven days a week to help the community manage pets safely and to improve their wellbeing.

Rangers were called out 2763 times in 2019-20, equating to 7.5 calls out every day of the year. Where possible, rangers return missing dogs to their owners. Council offered a free microchipping program to dog owners to help find missing pets and provided reduced registration costs as an incentive.

Rangers microchipped 67 dogs this year and 416 missing dogs were returned to their owners, while 170 dogs were re-homed.

Council has also worked on two projects to improve and increase the amount of park area that owners can take their dogs off-leash.

A section of Maurice Terrace Park in Bakewell and parkland on Temple Terrace in Gray was fenced off and gated to create a temporary dog off-leash exercise area in Palmerston. The aim was to increase the areas that residents could take their dogs off-leash to enable social distancing and support more outdoor activity during the COVID-19 pandemic.

A concept plan was also designed to improve Marlow Lagoon Dog Park in response to feedback from local residents.

Left:

City of Palmerston's Animal Education Officer Lynelle Young with her trusty companion.



COMMUNITY SATISFACTION SURVEY RESULTS

Council's score on its performance with initiatives and services under the Community Plan outcome of Family and Community increased in 2019-20.

The highest performing aspect was maintaining parks and playgrounds followed by managing Palmerston Swimming and Fitness Centre.

An area of improvement identified by the survey included advocating for the community in planning issues.

| Measure | Score 2019 | Score 2020 | |
|---|------------------|------------------|----------|
| Managing Palmerston Swimming and Fitness Centre | 6.86 | 7.08 | ↑ |
| Maintaining parks and playgrounds | 7.26 | 7.34 | ↑ |
| Providing and maintaining community halls | 6.80 | 6.59 | ↓ |
| Managing the Palmerston Recreation Centre | 6.69 | 7.02 | ↑ |
| Hosting enough quality community events | 6.78 | 6.70 | ↓ |
| Advocating for the community in planning issues | 5.76 | 5.99 | ↑ |
| Providing animal management services | 6.63 | 6.91 | ↑ |
| Overall | 6.67 / 10 | 6.80 / 10 | ↑ |

LOOKING FORWARD TO 2020-21

SPLASHING OUT FOR LOCAL SWIMMERS

Council will progress its Splashing Out project to revitalise the Palmerston Swimming and Fitness Centre to include new play equipment and activities and improve the liveability of our growing city. The \$15 million upgrade will take place over two years and attract more people to improve their health and wellbeing at the facility.

REDEVELOPING GRAY COMMUNITY HALL

Council secured Australian Government funding to redevelop the Gray Community Hall to a contemporary multi-use facility for the community to meet, play and socialise. Concepts are being developed for community consultation on the hall refurbishment, which will include expanding the footprint of the facility to provide more community space.

IMPROVING DOG PARK AREAS

Community consultation will be conducted on a concept plan to improve Marlow Lagoon Dog Park in 2020-21, which aims to enhance the experience at the park for dogs and their owners and increase the number of people who use the facility.

Council will consider making the Maurice Terrace Park dog off-leash exercise area permanent following feedback from the community after consultation with local residents and dog owners.



VIBRANT ECONOMY



IN THIS SECTION

- Improve Palmerston's image
- Palmerston's economic future is bright

Palmerston is a destination city for employment, it is a place where businesses are encouraged to set up and grow.

Our vibrant economy and business sector contribute in many positive ways to the people of Palmerston.

When businesses in Palmerston thrive, our families also thrive and the number of jobs grow. This enables our community to set down roots and build our vibrant economy.

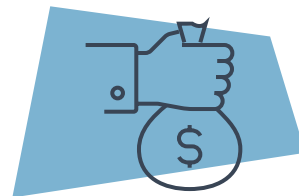
MEASURES OF SUCCESS

City of Palmerston supported local business, increased funding available and upgraded facilities to attract locals and tourists to visit by:



\$3200

WON IN SUPPORT LOCAL AND WIN VOUCHERS FOR PALMERSTON BUSINESSES



\$4.5M

SOURCED IN GOVERNMENT GRANT FUNDING



125 HA

OF PUBLIC OPEN SPACE (PARKS, ROAD VERGES AND DRAINS) KEPT CLEAN BY COUNCIL CONTRACTORS

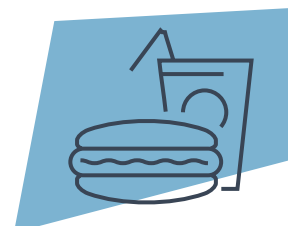


HELPED OWNERS BEAUTIFY

305 PROPERTIES



\$1M AWARDED IN STREETScape PROJECTS TO LOCAL BUSINESS TO CREATE 34 JOBS



LOCAL BUSINESSES SOLD FOOD AND DRINK TO

2700 PEOPLE DURING THE ON FRANCES SERIES

IMPROVE PALMERSTON'S IMAGE

We promote 'employ local' and 'buy local' where possible. Palmerston is committed to its Buy Local criteria as part of its project contracts.

Improving our city's image will attract new residents to grow our population and draw in tourists to visit Palmerston and contribute to our economy.

SUPPORT LOCAL INCENTIVES

Council moved quickly to provide support to local businesses when COVID-19 emerged as a challenge in March 2020.

The Support Local in Palmerston and Win Competition was introduced to encourage locals to support local businesses. The competition was open to all Northern Territory residents to attract people to Palmerston and people could spend \$20 at any business within the city for a chance to win a \$100 voucher.

A total of \$3200 in vouchers were distributed for people to spend in local businesses and the competition attracted 240 applications, equating to a spend of \$4800 to be in the draw.

At the same time Council ran a Support Local media campaign to support and promote the businesses, restaurants and services who were still operating during COVID-19.

Four double page spreads were taken out in the *Northern Territory News* to advertise the contact details and opening hours for 116 Palmerston businesses. A Facebook post to promote the campaign reached 29 375 people and was shared more than 240 times.



PARTNERING WITH LOCAL BUSINESS

The City of Palmerston works in partnership with the business community to attract visitors to the city to engage with the community and boost the local economy.

The On Frances Series held in June, August and September 2019 attracted 2700 people to the city centre to buy local food and drinks and enjoy live entertainment and activities on Frances Drive.

Three hotels and a restaurant partnered with Council for the events and teamed up together to supply tasty food and drinks at each event according to three different themes – Noches Cubana (Cuban Nights), Real Outback Country and American Rockin 'n Rollin.

The local hospitality businesses involved made a profit on the event and plans are in place to grow exposure of the On Frances Series in 2020–21.



KEEPING THE CITY CLEAN

More than 125 hectares of parks and road verges were kept clean and free from litter by local contractors employed by Council in 2019-20.

As part of Council's management of overgrown vacant lots, contractors picked up litter, including palm fronds and dead vegetation, from vacant blocks and verges around the city.

As part of the Council's Verge Beautification Program 320 properties were identified as needing support to clean up and beautify their verges and vacant blocks.

By June 2020, Council had helped beautify and improve 305 of the properties in partnership with property owners and residents. A total of 71 abandoned vehicles were also removed from verges in Palmerston.

Part of the funding for this program was diverted to the Verge Beautification Assistance program as part of Council's response to COVID-19.

CREATING JOBS FOR LOCALS

City of Palmerston continues to roll out a range of programs and initiatives to create jobs for locals and improve the lifestyle of people living in Palmerston.

Council is committed to delivering projects that create jobs for Palmerston residents and businesses and advance the economy.

Projects rolled out and in the planning stages in 2019-20 included:

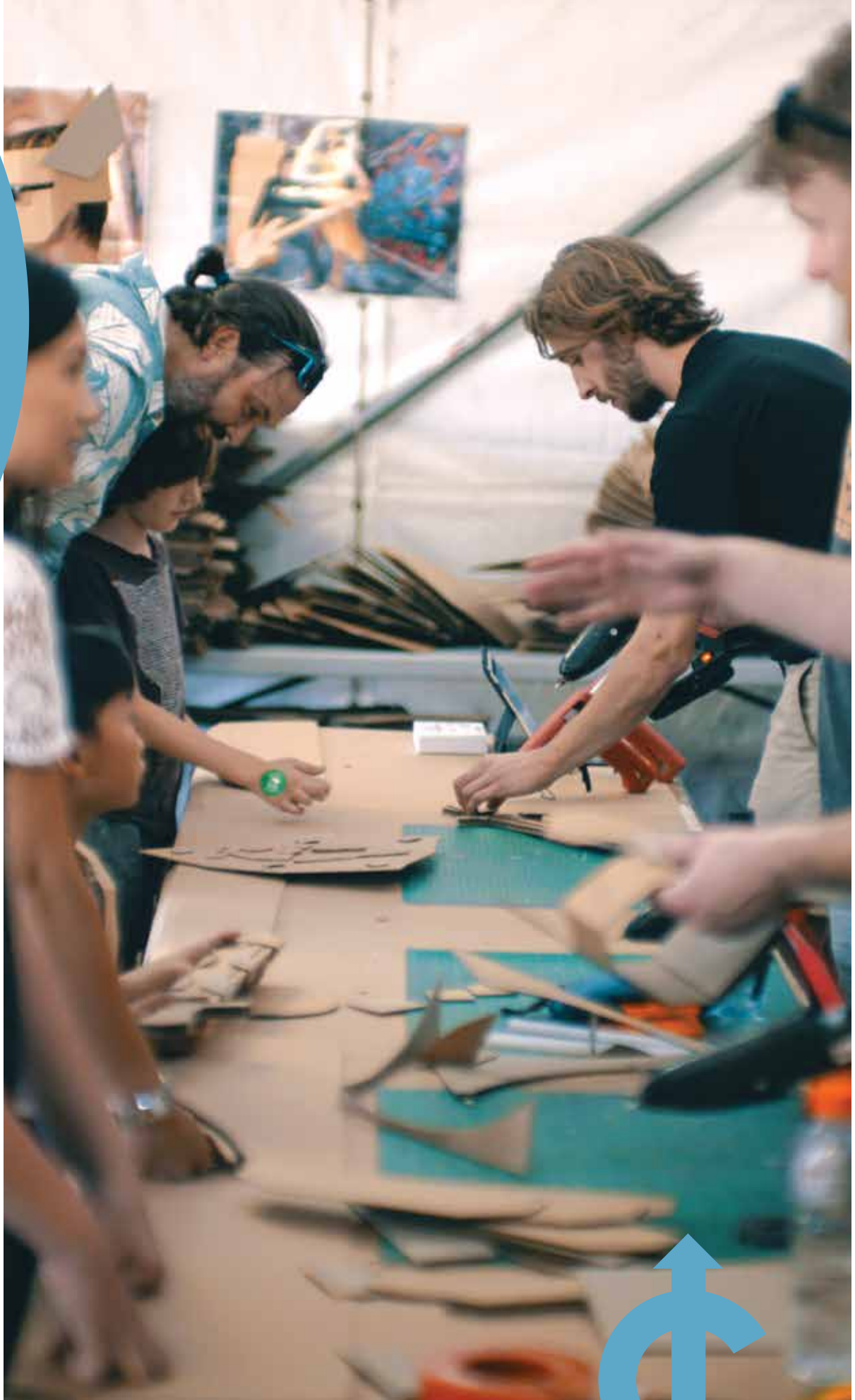
- ▶ Zuccoli Parade and Temple Terrace upgrade projects – A local business was recently awarded two packages of work to beautify the streetscapes by planting trees and native grass and installing irrigation, which will employ 34 local people and contribute to the Palmerston economy.

- ▶ Palmerston Library Upgrades – The Library services Palmerston and the regional area, with more than 150 000 people visiting each year. A review of the design and needs will be undertaken, and a plan for renewal and refurbishment to ensure the Library continues to meet the needs of the growing community.

- ▶ Mitchell Creek and Escarpment Feasibility and Operations Study – An opportunity has been identified to further protect and maintain this valuable ecosystem while exploring opportunities to boost tourism and community infrastructure by engaging with groups like the Larrakia people, Friends of Mitchell Creek and the community.

Other initiatives creating jobs and boosting the local economy that are already underway and mentioned in this report include:

- ▶ Community Safety – laneway treatment trials
- ▶ Connected Pathways – continuously improving pathways across the city to maintain and increase access, safety and convenience for the community
- ▶ Smart Cities – roll out smart technology including wi-fi, open data, smart lighting, smart waste bins and CCTV upgrades to improve efficiencies and create a sustainable community
- ▶ Greening and Cooling the City – maintain green spaces and plant more trees to cool and shade the city
- ▶ School Zone Safety Improvements – installing 18 electronic speed limit signs at school crossings
- ▶ Community Safety Public Lighting – rolling out the Dark Spot program to improve lighting across the city
- ▶ Palmerston Swimming and Fitness Centre upgrades – deliver a renewed facility to cater for the growing needs of the community and support our family city.



Left:
Participants in Council's Geekfest as part of the Youth Festival.



PALMERSTON'S ECONOMIC FUTURE IS BRIGHT

Palmerston has a long term vision to build and encourage a sustainable economy.

As a growing city we are sourcing alternative income streams such as government grant and program funding to make sure our local businesses and industry receive the support they need to grow and prosper in our region.

Our goal is to support residents and existing business as well as attract new businesses to Palmerston to grow our future economy.

BOOSTING OUR LOCAL ECONOMY

City of Palmerston injected \$44.9 million into the local economy in 2019-20 to boost the local economy and create local jobs.

Approximately 86 per cent of this amount went to local business, contractors and organisations.

To add to the amount of money to increase the number of programs and projects delivered in the city, Council applied for and received \$4.5 million in grant funding from the Northern Territory and Australian governments.



Above:

Council is committed to supporting all local businesses.



Across the 2019-20 financial year about \$4.5 million of grants were provided for the following projects:

- \$1.065 million for the Youth Drop-In Centre
- \$945 000 for Smart Cities
- \$500 000 for shared pathways in Yarrowonga
- \$400 000 for Lighting Dark Spots Program
- \$420 000 for Roads to Recovery
- \$350 000 for tree planting
- \$250 000 for pathways
- \$150 000 for the Civic Plaza Server Room for business continuity.

BUDGET FOR OUR FUTURE

A capital budget of \$9.84 million was endorsed by City of Palmerston for the 2019-20 financial year to stimulate the economy and benefit people's lives in Palmerston.

Council released its Municipal Plan and Budget 2019-20 in June 2019 as a commitment to maintain quality services and infrastructure for the community.

The plan including the following funded initiatives:

- developing the Palmerston Local Economic Plan
- \$2 million Smart Cities Program to improve liveability, and deter crime and anti-social behaviour
- 4879 street and public lights to be replaced with energy efficient LEDs
- \$770 000 in road resealing
- \$605 000 on new and renewed footpaths and driveways



- \$500 000 in tree planting to increase green coverage
- \$150 000 in drainage upgrade and maintenance
- \$130 000 for artificial shading
- solar PV systems on two Council buildings reducing energy demand and costs.

The Municipal Plan continues to make Palmerston 'A Place for People' and builds on the work Council has started to deliver on our vision for our city's growth, sustainability and liveability.

FINANCIAL RELIEF DURING COVID-19

In response to the hardship experienced by Palmerston residents during the COVID-19, Council made it simpler, faster and easier for ratepayers needing rating relief to seek financial assistance.

Council improved the process so ratepayers no longer needed to consult an independent financial councillor prior to submitting an application.

Interest, charges and fees on unpaid rate amounts were waived on application until the end of the financial year and external recovery action for unpaid rates could be deferred.

Council offered to refund these fees for ratepayers whose rate balance was in credit to put money back into ratepayers' pockets when they needed it the most.

FREE PARKING SUPPORTS LOCAL BUSINESS

Visitors to the city centre and local businesses increased after City of Palmerston introduced new free parking arrangements.

Following a review of car parking use in the city centre, Council developed a Palmerston City Centre Parking Study to meet the needs of the community and business owners to attract and retain customers and visitors.

A total of 365 free new car parks were introduced on 1 July 2019 and monitored to see how they increased visitation to the city. Council also reduced the hours parking was regulated to between 8 am to 4 pm Monday to Friday for greater convenience.

Parking in the city during weekends and public holidays remained free.

In an additional initiative to support local businesses and provide financial assistance to local residents during COVID-19, Council extended the free timed parking to free all day parking in the city area until 30 June 2020.

The free parking initiative was introduced to support local businesses in these challenging times and improve convenience for parking users who no longer had to use ticketing machines or display a ticket.

DEVELOPING A LOCAL ECONOMIC PLAN

Supporting local business and tourism is a priority for City of Palmerston and it has developed a local economic plan to assist with economic recovery.

Council has developed a draft Palmerston Local Economic Plan that reflects the NT Economic Development Framework to lead Palmerston into future economic success.

The plan will support Council's decision making over the next 10 years to plan for the growth and development of the Palmerston economy in partnership with local industry and business stakeholders.

The plan identifies Palmerston's advantages as a city with a young, growing population that is close to rail, hospital, university and port infrastructure and located near industry growth sectors including energy and mineral resources, agriculture, transport logistics, health and defence.

The plan has annual monitoring and reporting on outcomes and was developed through consultation with key industry groups, Palmerston businesses, retailers and community members.

Despite an interruption to the project due to COVID-19, work continues to update and refresh the draft plan and align it with the aims of the Northern Territory Government's Territory Economic Reconstruction Commission.

COMMUNITY SATISFACTION SURVEY RESULTS

Council's score on its performance with initiatives and services under the Community Plan outcome of Vibrant Economy increased in 2019-20.

The Council's best performing areas include having a long term vision for the Palmerston economy and supporting and attracting new and existing businesses.

Survey results indicated that Council could improve on promoting awareness for its vision as 'A Place for People'.

| Measure | Score 2019 | Score 2020 | |
|--|------------------|------------------|----|
| Awareness of Council's slogan 'A Place for People' | 37% | 43% | ⬆️ |
| Agreement that: Palmerston is 'A Place for People' | 6.83 | 6.80 | ⬇️ |
| Agreement that: Council has a long-term vision for Palmerston economy | 5.95 | 6.37 | ⬆️ |
| Performance in: Supporting and attracting new and existing business | 5.25 | 5.68 | ⬆️ |
| Overall | 6.01 / 10 | 6.28 / 10 | ⬆️ |

LOOKING FORWARD TO 2020-21

PLANNING FOR ECONOMIC RECOVERY

Council will continue to work on updating the Palmerston Local Economic Plan to identify opportunities to increase tourism, create opportunities with local growth industries and support local businesses. The final plan is expected to include a detailed implementation plan and will be presented to Council in September 2020.



CULTURAL DIVERSITY



IN THIS SECTION

- ▮ To celebrate our rich culture and diversity
- ▮ Recognise and support diversity through our partnership and leadership



In Palmerston we celebrate our cultures in a way that values our diversity.

Our community is strong and successful when we live in harmony and tap into the diverse mix of people and cultures to enrich our lives.

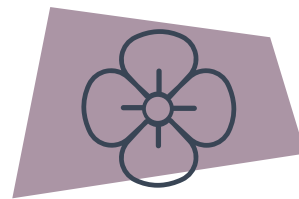
MEASURES OF SUCCESS

Palmerston's rich mosaic of cultures and diversity was recognised by City of Palmerston by:



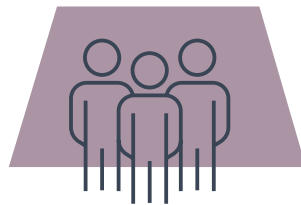
21

EVENTS HOSTED
CELEBRATING CULTURE
AND DIVERSITY



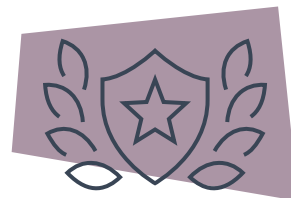
250

POPPY STICKERS GIVEN OUT
FOR ANZAC DAY DRIVEWAY
CELEBRATIONS



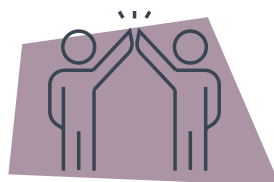
320

PEOPLE ATTEND
SENIORS' FORUM



WON

THE 2019 FITZGERALD
DIVERSITY AWARD AT THE
NT HUMAN RIGHTS AWARDS



250

YOUTH BENEFIT FROM YOUTH
DROP-IN SPORTS PROGRAM
AT THE RECREATION CENTRE

TO CELEBRATE OUR RICH CULTURE AND DIVERSITY

With a focus on inclusion, the City of Palmerston delivers a range of services, events and activities to meet the needs of our culturally diverse people.

A PLACE FOR EVERYONE TO CELEBRATE

In 2019–20, City of Palmerston hosted 21 events to celebrate culture and diversity. This was almost double the number of events compared to 11 events held in 2018–19.

The range of events included:

- Creative Palmerston Art Journal Project
- Bilingual Storytime
- International Women's Day
- Drag Queen Storytime
- Australia Day Awards presentation
- Australia Day Flag Raising and Citizenship Ceremony
- International Men's Day event
- Multicultural Community Dinners.



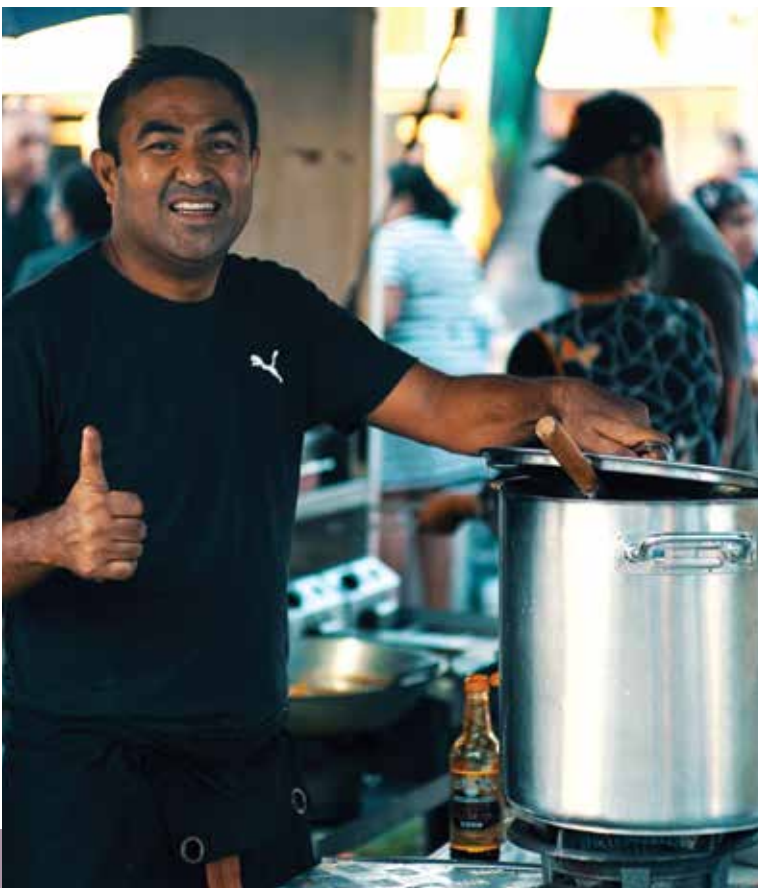
CONNECTING THROUGH DIVERSITY

City of Palmerston Library diversified its programming and hosted Bilingual Storytime sessions and Drag Queen Storytime as part of its inclusive approach to engaging the community.

Three Bilingual Storytime sessions were delivered by local volunteers in Portuguese, French and Russian for people who speak English as a second language. The first event was able to be held face to face at the Palmerston Library and attracted 25 families of 60 participants.

Two bilingual online Storytime sessions were moved online due to COVID-19 and were viewed 1699 times on Facebook and YouTube.

Council celebrated the Rainbow Community by hosting Drag Queen Storytime with Ms Vogue, Ms Prawn Cracker Spice and Ms Ferocia, which also moved online during the COVID-19 period.





Left:

Mayor Athina Pascoe-Bell addresses the Seniors' Forum as part of Council's events to celebrate Seniors Month.

CONSULTING OUR SENIORS

Council helped to harness the wisdom and experience of our seniors in Palmerston and the Litchfield area during a Seniors' Forum held as part of the celebration of Seniors Month in August 2019.

Funded by the Council, 320 seniors attended the events, including 180 from Palmerston, which included a fortnight of activities such as the Seniors' Forum, luncheons, Darwin Harbour cruise and visits to Batchelor Butterfly Farm and Mt Bundy.

Council organised the Seniors' Forum through the Palmerston Seniors Advisory Committee (PSAC) and hosted a number of workshops as well as special presentations on police services and statistics from NT Police and 2019 NT Senior of the Year ABC broadcaster Charlie King on the NO MORE domestic violence campaign.

The workshops were used to establish the upcoming priorities and activities of PSAC.

RECOGNISE AND SUPPORT DIVERSITY THROUGH OUR PARTNERSHIP AND LEADERSHIP

City of Palmerston develops and supports the community by providing and fostering leadership on including diverse views and perspectives in its programs, planning and decision-making.

Council consults with and includes the needs of all people in its programs and planning.

PROMOTING HUMAN RIGHTS

City of Palmerston was awarded the 2019 Fitzgerald Diversity Award for an organisation at the NT Human Rights Awards.

The award recognises organisations that host activities that focus on promoting, protecting and fulfilling the human rights and equal opportunities of diverse communities in the Northern Territory.

Council received the award for its programs that celebrate culture in a way that values diversity,

Below:

City of Palmerston staff Amanda Stevenson, Anna Ingram and Alyssa Finn (far right) are pictured with Alderman Ben Giesecke holding the Council's 2019 Fitzgerald Diversity Award.



including the successful youth festival, International Women's Day events, Harmony Day and the Drag Queen Storytime.

The award is a true reflection of the city's vision for Palmerston is 'A Place for People'.

COMMEMORATING OUR DIGGERS

The returned service men and women were remembered on a very different ANZAC Day with a touching tribute from the City of Palmerston.

Council designed, printed and gave out 250 large stickers of poppies for residents to put on their driveways for the ANZAC Day commemorations after events were cancelled due to the COVID-19 pandemic.

The poppies enabled Palmerston RSL members and past and present Palmerston members of the Australian and New Zealand defence forces to participate in ANZAC Day commemorations and were very well received by the community.

Right:

RSL member Rex Palmer with a poppy sticker on his driveway to commemorate ANZAC Day during the COVID-19 pandemic.



YOUTH VOLUNTEER AWARDED

Palmerston youth volunteer Rachel Fosdick was awarded the 2019 Club Champion Award for her support of local youth as part of the National Good Sports Awards.

Rachel tirelessly sources external funding and sponsorship from local businesses to help fund basketball programs that promote social inclusion and celebrate diversity.

Her dedication has led to the success of the City of Palmerston's Youth Drop-in Sports Program, which sees over 250 Palmerston children 'drop in' to the Palmerston Recreation Centre each week as a place for safety, activity and social engagement.

Rachel is also an active representative on several youth and community focused working groups within Palmerston.

Council Chief Executive Officer Luccio Cercarelli supported Rachel on her trip to Canberra to receive the award in November 2019.

City of Palmerston proudly supports the Palmerston's Youth Drop-in Sports Program by providing Palmerston and Regional Basketball Association (PaRBA) with free access to the Recreation Centre to deliver after school and school holiday activities for the program.

This vital service supports up to 100 participants daily on weekdays, or 23 000 visits annually.

Left:

Youth volunteer Rachel Fosdick accepted her 2019 Club Champion Award with City of Palmerston CEO Luccio Cercarelli in Canberra.



COMMUNITY SATISFACTION SURVEY RESULTS

Council's score on its performance with initiatives and services under the Community Plan outcome of Culture and Diversity increased in 2019–20.

All four measures of performance increased and the largest areas of improvement included Council's promotion of art and culture and supporting our Indigenous and multicultural community.

Providing a diverse range of library services continued to be scored highly by the community.

| Measure | Score 2019 | Score 2020 | |
|--|------------------|------------------|-----------|
| Supporting culturally diverse events | 7.02 | 7.14 | ⬆️ |
| Promoting art and culture (e.g. public art, murals, paving etc) | 6.28 | 6.56 | ⬆️ |
| Providing libraries and library services to the community | 8.20 | 8.27 | ⬆️ |
| Providing recognition and support for our Indigenous and multicultural community | 6.68 | 6.88 | ⬆️ |
| Overall | 7.04 / 10 | 7.21 / 10 | ⬆️ |

LOOKING FORWARD TO 2020–21

CELEBRATE MORE EVENTS

Continue to host more events that celebrate our culture and diversity.

PROMOTE DIVERSITY

Continue to support programs and services that promote diversity for a range of people in Palmerston including youth, older Territorians, people with English as a second language.

REDEVELOP THE LIBRARY

Re-imagining library and community services to reflect our culture and diversity.



A FUTURE FOCUS



IN THIS SECTION

- We support and foster innovation
- Infrastructure is fit for purpose

Palmerston is an innovative city that can sustain itself through the challenges of the future.

Our city is full of opportunities and we are a leading regional community in the Northern Territory.

Palmerston is an inspirational city and we model best practice in smart cities to save money, increase efficiencies and stay focused on the future.

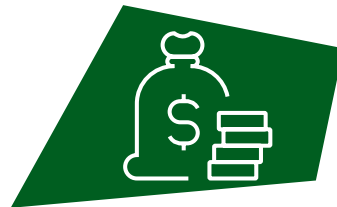
MEASURES OF SUCCESS

City of Palmerston upgraded facilities and introduced innovative technology and initiatives to improve the lives of residents, such as:



24 000

VIEWS OF STORYTIME ONLINE



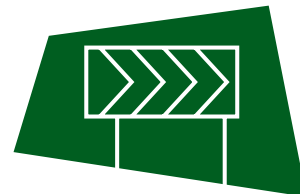
\$11m

SPENT ON NEW AND UPGRADED COMMUNITY ASSETS



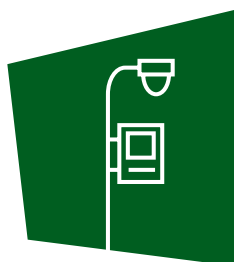
6.3km

OF ROAD RESURFACED



\$91 000

IN BLACK SPOT FUNDING SUCCESSFULLY SOURCED TO IMPROVE SAFETY ON OUR ROADS



821

STREET LIGHTS REPAIRED



54 476

FREE WI-FI DOWNLOADS ENABLED

WE SUPPORT AND FOSTER INNOVATION

City of Palmerston shows by example how people and businesses can embrace change and innovate to improve outcomes for our city.

CREATING A SMARTER CITY

Innovative technology solutions have been introduced across Palmerston to address the challenges of an urban city and improve the lifestyle and amenity of residents and business owners.

The City of Palmerston contributed \$500 000 and attracted a further \$500 000 from the Northern Territory Government and \$1 million from the Australian Government as part of the second funding round for the Smart Cities and Suburbs Program.

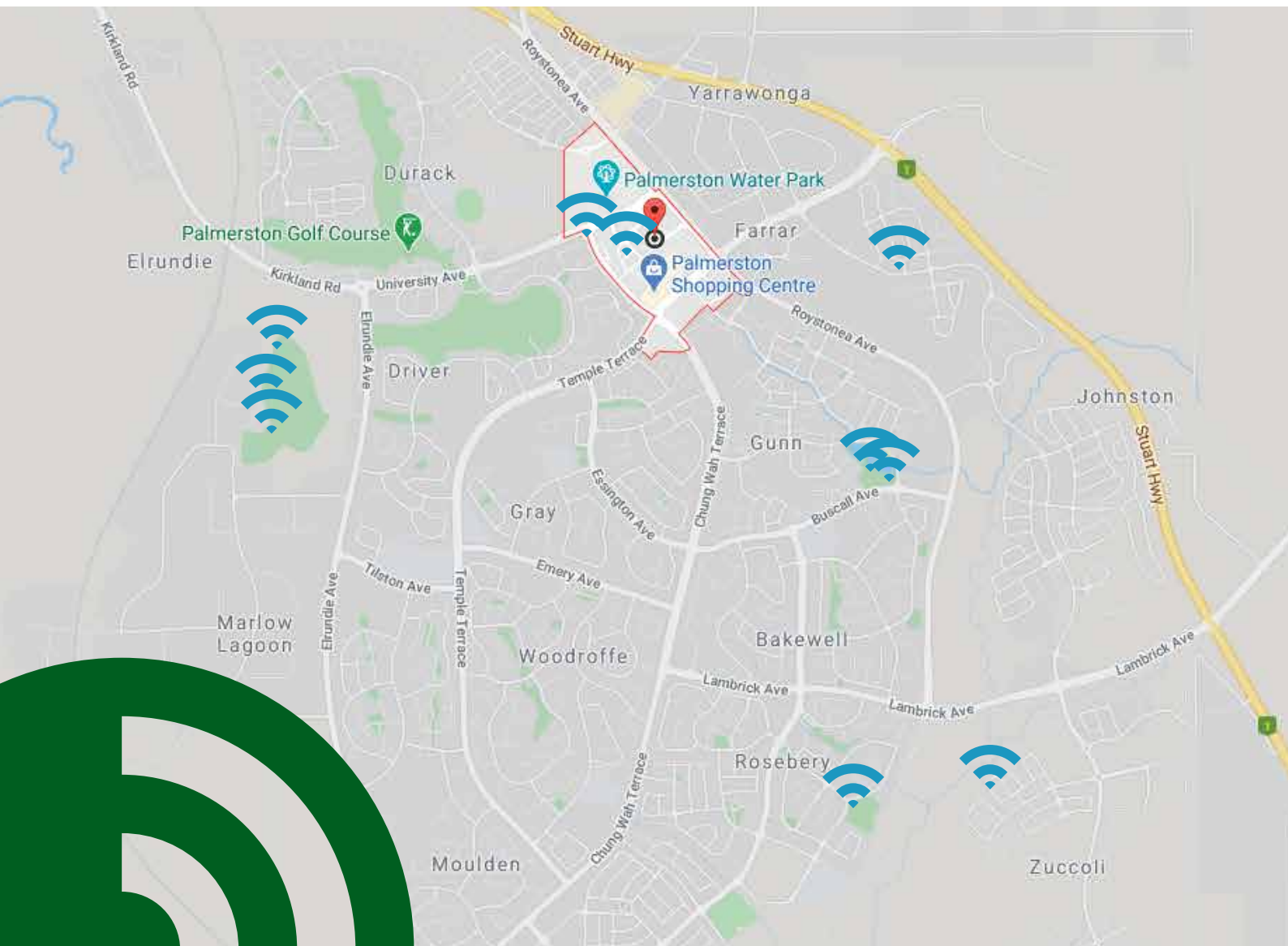
In 2019-20 the \$2 million project focused on:

- expanding access to free wi-fi in six more locations to connect residents experiencing digital poverty
- introducing state of the art closed circuit television (CCTV) initiatives to help reduce crime
- preparing to install smart environmental monitors to help manage our lakes
- tender for a Smart City Platform and Open Data to increase connection, transparency and accountability for the community
- installing smart waste sensors in 10 locations to improve waste collection and management at our parks.

Below:

Wi-fi installation at a park in Palmerston.





INCREASING WI-FI TO COMMUNITY

Council has continued to increase the number of people in Palmerston who can access high speed free wi-fi as part of the Smart Cities program by installing networks in six new locations:

- Marlow Lagoon Recreation Centre
- Marlow Lagoon Dog Park area
- Sanctuary Lakes, Gunn
- Phyllis Uren Park, Farrar
- Joan Fejo Park, Rosebery
- Deleny GWA Park, Zuccoli.

These locations expand the ability to access free wi-fi outside the city centre.

As a result of the expansion, the number of sessions of people using and downloading from the free wi-fi has increased by five times – from 10 397 downloads in 2018-19 to 54 476 downloads in 2019-20.

Above:

City of Palmerston has expanded its free wi-fi to an additional six locations in parks around the city to supplement the existing free wi-fi installed in the central business district.



In a first for the Territory, Council introduced new machine learning software that uses artificial intelligence that can identify unusual events and enable police to identify and manage behaviour before a crime is committed.

FIRST CCTV OF ITS KIND IN NT

New CCTV cameras have been installed across Palmerston as part of the Smart Cities Program to help improve safety while still respecting the privacy of residents.

The new cameras feature fixed views, the ability for police to move them remotely and a speaker to allow police to communicate with people on the ground if anti-social behaviour or a crime is detected.

The CCTV cameras were installed by Council but are continuously monitored remotely by Northern Territory Police.

In what is considered a first of its kind in the Northern Territory, Council introduced new machine learning software that uses artificial intelligence to enable police monitoring the CCTV cameras to identify unusual events and better manage behaviour before a crime is committed.

The software is being trialled in partnership with the NT Police with training delivered in May 2020 before the trial started in June.

INCREASING EFFICIENCIES

Council has installed a new innovative dashboard that uses a geographic information system (GIS) that makes it quicker to identify and fix issues with street lights around Palmerston.

Council installed a GIS dashboard that records all street light faults and dispatches repair work requests straight to a local contractor. The system allows contractors to upload photos and descriptions of the repairs once the works are complete.

The new reporting and monitoring system has significantly reduced the response time to street light faults, with more than 90 per cent of street light faults being resolved within a few days after reporting.

A total of 821 light faults were repaired in Palmerston to maintain safety in 2019–20.



Above:

Veterans Rodney Greenwood and Alderman Mick Spick deliver a special ANZAC Day online storytime session during the COVID-19 pandemic.

EMPOWERING OUR COMMUNITY TO BE SUSTAINABLE

City of Palmerston has committed to developing a new Sustainability Strategy that empowers the community to make sustainable choices and expand the focus on environmental to economic, cultural and social sustainability.

Council has continued to meet the objectives of the original Environmental Sustainability Strategy 2013 – 2018, which was created in 2013, through its Community Plan outcomes of Environmental Sustainability, Vibrant Economy and A Future Focus.

Council will review its Environmental Sustainability Strategy and update it to include innovative and sustainable living practices that create personal benefits for our people including saving money, improved health, greater connections within the community and increased knowledge and skills.

All areas of sustainability will be considered in the plan and strategies will include clear measurable outcomes and baseline data to assess these outcomes.

The strategy will undergo community consultation to create buy-in from a range of important stakeholders and residents to empower them to help Council create a more sustainable society.

TAKING STORYTIME ONLINE

Council delivered Storytime Online for the first time in March 2020 after the Palmerston Library closed as part of its response to COVID-19.

Stories were read by special guests including the Administrator, Chief Minister, Elected Members, Palmerston Rangers and a keen Palmerston boy Noah who loves reading stories.

The first online video session attracted 2000 views with 30 sessions delivered between March and June 2020 and a total of 24 000 views.



Above:

Three of the innovative new recycling trucks with their stunning local designs to encourage people to recycle.

SMART TRUCKS IMPROVE SERVICE

Five new, innovative residential waste collection trucks hit the streets of Palmerston in November 2019 to help improve recycling.

The trucks are Australian made and feature innovative on-board tracking technology that will provide the community with a greater level of customer service and include GPS information that is accessible in real-time to resolve resident concerns quickly.

The trucks can also detect and report damaged bins without the resident needing to contact Council to report the issue.

Eye-catching external designs were created to increase awareness about the importance of recycling while reflecting the Northern Territory lifestyle by featuring barramundi, magpie geese, goanna, turtle and mudcrab.

LIBRARY GOES VIRTUAL

Palmerston is leading the way by introducing Anytime Library vending machines to revolutionise library services for the community.

In a first for the Northern Territory, the two contactless mobile vending machines enable people to borrow from a selection of books, movies and magazines at different locations around the city.

Council has ordered the two machines, which are expected to be placed at Palmerston pool and in the suburb of Zuccoli or Johnston in 2020-21.

ESPORTS BRING COMMUNITY TOGETHER

City of Palmerston is joining local sporting enthusiasts together on new social media platform to support the rising new Esports sector in the Northern Territory.

Esports have more than a million fans in Australia and tournaments on platforms like Twitch involve individuals and teams playing against each other while spectators watch virtually from the comfort of their homes.

Council ran a series of professional development workshops to upskill participants on running a successful Esports competition in May 2020.

The workshop series led up to Palmerston's inaugural *AEL Palmy Cup* – an online competition in Super Smash Bro's Ultimate and Rocket League – with \$500 in prizes for each game that started in June 2020 and will finish in mid-July.

INFRASTRUCTURE IS FIT FOR PURPOSE

Council continues to work to forecast and respond to the predictability of change by planning the best use of our human, built and natural resources.

Our strategy is to continue to use innovation to adapt the use of our facilities and ensure they remain well suited and useful for the community.

ENSURING CONNECTIVITY AND SAFETY

Council continues to improve the connectivity, safety and amenity of the city by repairing and resurfacing local roads and upgrading the pathway of networks.

In 2019-20, Council resurfaced 6.3 kilometres of roads to improve access and safety for residents and visitors in Palmerston. A total of 138 potholes were also fixed during the year.

Council also upgraded 2152 metres of pathways to make it safer for people to walk and travel by bike, scooter, skateboard or wheelchair to services and amenities.

The pathways were upgraded along Essington Avenue, Victoria Drive and Emery Avenue as well as inside Marlow Lagoon Park.

A total of 2543 metres of new pathways were built in the growing new suburbs of Zuccoli and along the Marlow Lagoon Access Road, Tilston Avenue, Buscall Avenue, Lorna Lim Terrace and Joan Fejo Park.

MANAGING ASSETS TO MEET COMMUNITY NEED

City of Palmerston has a number of large assets it manages to engage and interact with residents within our community.

Council has completed works on a number of Council buildings during 2019-20, including:

- Civic Plaza – refurbishment of the first floor access and replaced office lights with energy saving LED light and upgraded the optic fibre between Civic Plaza to the Recreation Centre and Library to create faster connectivity and efficiencies
- Library – replaced the front entrance door to ensure all ability access
- Swimming and Fitness Centre – painted the kiosk, gym hall and toilets
- Recreation Centre – painted the foyer and community rooms, replaced the vinyl floor coverings with sealed concrete floor and major repairs to the airconditioning system
- Driver Hall – replaced the damaged fence at the front of the building
- Depot – installed a fence wrap around the property boundary and major cleaning.

SMART LIGHTING SAVES FUTURE COSTS

A project to replace all of the lighting in public spaces across Palmerston was completed by Council 12 months ahead of schedule and under budget.

The project replaced street lighting with 4879 smart controlled LED lights to manage the lighting in real time, reduce energy costs and improve lighting across the city.

The project will save \$517 000 in energy and maintenance costs for the city each year and equates to saving more than 470 tonnes of carbon dioxide in the atmosphere and is the equivalent of planting more than 500 hectares of Australian forest trees.

The project was delivered under its \$3.65 million budget and completed one year into its two year timeframe with the final LED light installed by the local Northern Territory electrical contractor on 1 May 2020.

The new lighting upgrade provides a number of benefits to the community including improvements for pedestrian and vehicle safety, general community safety, liveability and amenity.

LIGHTING THE DARK SPOTS

The savings in energy costs created by the City of Palmerston's Make the Switch is being put to good

use in a new program to light up 'dark spots' in the community.

The Lighting Dark Spots Program is designed to upgrade existing lighting infrastructure or install lighting in areas identified as having poor or no lighting.

The program upgraded or installed new lighting at Memorial Park in the City Centre, roads, drains or roundabouts in Marlow Lagoon, Driver, Moulden, Gray, Gunn and Woodroffe.

A local company, Top End RACE, was awarded the tender to complete the lighting upgrade program.

This project received \$750 000 in funding from the Northern Territory Government, to be spent across a three-year program. The 2019–20 year was the first year of the program, with \$400 000 of the funding spent on the project.

IMPROVING SAFETY ON OUR ROADS

City of Palmerston successfully applied for \$91 000 in funding from the Australian Government's Black Spot Program to improve the safety of roads in the city.

The funding was spent on upgrading the streetlighting on Bonson Terrace, with works completed in June 2020.



Above:

New smart street lighting installed across Palmerston will save the city and residents \$517 000 in energy and maintenance costs.

COMMUNITY SATISFACTION SURVEY RESULTS

There was an increase in Council's score on its performance with initiatives and services under the Community Plan outcome of A Future Focus in 2019–20.

The area with the highest performance score was maintaining roads and the area that experienced the biggest increase in performance was in supporting innovation in the business community.

Council being flexible was identified as a challenge by the community.

| Measure | Score 2019 | Score 2020 | |
|---|------------------|------------------|-----------|
| Performance in: Supporting innovation in the business community | 5.65 | 6.04 | ⬆️ |
| How: Innovative is the City of Palmerston? | 5.95 | 6.08 | ⬆️ |
| Flexible is the City of Palmerston? | 5.89 | 6.00 | ⬆️ |
| Performance in: Ensuring roads built by developers are fit for purpose | 7.10 | 7.22 | ⬆️ |
| Maintaining roads | 7.31 | 7.51 | ⬆️ |
| Ensuring footpaths built by developers are fit for purpose | 7.07 | 7.17 | ⬆️ |
| Maintaining footpaths | 6.95 | 6.99 | ⬆️ |
| Providing shared pathways | 6.81 | 6.92 | ⬆️ |
| Maintaining shared pathways | 6.88 | 7.00 | ⬆️ |
| Maintaining drainage facilities | 7.37 | 7.44 | ⬆️ |
| Overall: | 6.70 / 10 | 6.84 / 10 | ⬆️ |

LOOKING FORWARD TO 2020–21

FOCUS ON SUSTAINABILITY

Council will undergo community consultation in 2020–21 to review its current Environmental Sustainability Strategy to create a new Sustainability Strategy to encourage stakeholders and residents to be involved in creating a sustainable city through environmental, economic, cultural and social outcomes.

LIGHTING DARK SPOTS

Council will continue its Lighting Dark Spot Program after funding was received from the Northern Territory Government under the SCALE program with more lighting to be upgraded in Driver, Gray, Marlow Lagoon, Rosebery and Woodroffe in 2020–21.



ENVIRONMENTAL SUSTAINABILITY



IN THIS SECTION

- Reduce our footprint on the environment
- Palmerston is a cool, shaded green city
- Encourage personal action and taking a leadership role

Palmerston is an environmentally friendly, liveable city that promotes renewable practices and sustainability.

We know that our climate is changing and we need to live within our means in Palmerston.

Our environment is important and we need to protect and enhance our green spaces while supporting others to do the same.

Council is committed to effective and responsible city planning, which balances and meets the needs of our residents and businesses to improve our community.

MEASURES OF SUCCESS

City of Palmerston reduced the impact on our environment and supported residents to do the same and together we:



40%

REDUCTION IN CONTAMINATION RATES IN KERBSIDE RECYCLING



2270 m³

FREE SOIL AND 600 KGS FREE GRASS SEED GIVEN TO BEAUTIFY 320 ROAD VERGES



4080

HOUSEHOLDS PUT OUT WASTE IN THE CLEAN-UP – DOUBLE THE NUMBER IN 2018



152t

WASTE COLLECTED IN THE 2019 PRE-CYCLONE CLEAN UP






625

TREES PLANTED – EQUAL TO REMOVING 13 TONNES OF CO²

REDUCE OUR FOOTPRINT ON THE ENVIRONMENT

Council provided more opportunities to recycle and found ways to reduce costs and increase efficiencies to reduce the impact on our environment with a number of initiatives.

| Initiative | MWh generated 2019-20 | Cost saving each year 2019-20 | CO2 saving in tonnes Over life of instalment 2020 + | Equivalent trees planted Over life of instalment 2020 + |
|---|-----------------------|-------------------------------|---|---|
|  SOLAR PV panels on Library | 134.5 MWhs | \$22 000 | 40.8 tonnes | 1218 trees |
|  SOLAR PV panels on Recreation Centre | 90.95 MWhs | \$35 000 | 99.8 tonnes | 2977 trees |
|  MAKING THE SWITCH | | \$517 000 | 470 tonnes | 500 hectares of trees |



Above:
Solar panels on Palmerston Recreation Centre.

SAVING ENERGY COSTS

Council offset its carbon footprint through the use of solar photovoltaic systems. These systems generated up to 38 per cent of the electricity needs for the Palmerston Library and the Recreation Centre, saving Council about \$57 000 in electricity costs in 2019-20.

Over the lifetime of these instalments, 140.6 tonnes of carbon dioxide will be saved from going into the atmosphere, which is the equivalent of planting 4195 trees.

The Civic Plaza will be the next site to get an energy makeover with a shade structure to be built in the car park to house a solar photovoltaic system to save energy costs.

KEEPING WASTE FROM GOING INTO LANDFILL

Council has been working with Palmerston residents to improve their recycling habits and we have seen a reduction in the contamination of our recycling bins from 78 per cent contamination in November 2019 down to 37 per cent in June 2020.

The collection of waste at the Archer Management Facility continues to result in high diversion rates with 39 per cent of all materials sent for re-purposing.

This year, Council and the people of Palmerston stopped the following from going into landfill:

- 95 tonnes of cardboard
- 350 tonnes of steel
- 1300 fridges were de-gassed and recycled
- 20 000 litres of oil was reclaimed
- 3.5 tonnes of aluminium cans were recycled
- 32 tonnes of batteries.



RECORD WASTE RECOVERED DURING CLEAN UP

Palmerston recorded its second highest amount of waste collected in five years as part of a pre-cyclone clean up in 2019-20.

A total of 152 tonnes of hard waste was collected from residents in two rounds during September and October 2019.

The waste collected included household white goods, airconditioners, steel, bicycles, furniture and household materials and a total of 34 per cent of the waste was able to be recycled with 52 tonnes diverted from landfill.

Residents of the Boulevard Plaza in the city centre were included in the pre-cyclone clean up collection for the first time in 2019-20.

The largest amount of general waste collected was from the suburb of Moulden with a total of 18.46 tonnes, while Marlow Lagoon recorded the most amount of waste collected per household with 52 kilograms.

Almost 4080 households put items out for collection – twice as many as in 2018 when 2000 households participated in the clean-up.

Below:

City of Palmerston lakes are often enjoyed by young fishers.



MANAGING OUR LAKES

Palmerston's 14 lakes are becoming iconic destinations for residents and visitors and Council continues to work towards improving management of these valued community assets.

In 2020, Council started preparing a Lake Management Plan to undertake a strategic approach to managing the lakes and it includes a review of the purpose, community value, current infrastructure, management practices and improvements.

Council also continued to undertake activities to improve the water quality, amenity and function of the lakes including manually harvesting weeds and installing a remote sensing apparatus to provide real time data on water quality of the lakes.

PALMERSTON IS A COOL, SHADED GREEN CITY

As the climate changes, temperatures are rising and the need to cool down our city increases.

PLANTING MORE SHADE

Council continues to prioritise increasing the amount of shade in the city and planted 625 trees in 2019-20 to increase our natural tree canopy across Palmerston. This was an increase to the number of trees planted in 2018-19, when 513 trees were planted.

Planting 625 trees equates to saving 13 tonnes of carbon dioxide from the atmosphere.

**CO2 saving in tonnes
Over life of instalment**

Initiative

2020 +



Planted
625 TREES

13 tonnes

ENCOURAGE PERSONAL ACTION AND TAKING A LEADERSHIP ROLE

Council is committed to encouraging and teaching people to recycle and participate in initiatives that promote green infrastructure across the city.

SHARING RESPONSIBILITY TO GO GREEN

Almost 600 kilograms of free grass seed was delivered to residents in Palmerston to help improve their verges and create greening corridors through the city.

A street verge provides space for facilities and services such as footpaths, cycle ways, bus stops, power and gas infrastructure, telecommunications and street lights.

Council introduced the initiative to increase street appeal, public safety and manage water runoff.

Council delivered the seed along with 2370 cubic metres of free topsoil as part of a Verge Beautification Assistance Program to empower residents to maintain their verges.

Hundreds of Palmerston residents took the Council up on their offer to beautify their verges, particularly during the COVID-19 period.

Due to its popularity, Council diverted funds to the program to boost the number of verges that could be improved.

Almost 528 people applied for the free seed and soil as part of the program, with 320 verges successfully top dressed and re-seeded in 2019-20.

The program will continue in 2020-21 with information for residents and businesses on verge care, design, suitable plants and materials.



Above:

Council manages 14 lakes in the municipality.



TEACHING OUR YOUTH TO RECYCLE

It is never too early to learn how to recycle as the City of Palmerston's new school initiative discovered during the year.

Council engaged with 14 schools in Palmerston to deliver several programs to increase awareness and teach students how to recycle.

A Mini-Bin Game proved popular and was mailed out to primary schools and pre-schools to teach children what can and cannot go into general waste and recycling bins using a card style game with answer sheets.

A meeting was held with school staff as part of their professional development to explain how to play the game and discuss future recycling awareness activities at the schools.

Schools have also been invited to participate in programs run by environmental sustainability education program officers, including recycle relays, papermaking, bin audits and litter less investigations.

Council sent a survey to each school to determine their preference for different waste education programs to be delivered in 2020–21.

Above:

Driver Primary School students learn how to recycle correctly as part of Council's waste management education program for local schools.



COMMUNITY SATISFACTION SURVEY RESULTS

Council's score on its performance with initiatives and services under the Community Plan outcome of Environmental Sustainability increased in 2019-20.

Kerbside waste collection saw the largest increase in Council's performance score followed by promoting environmental sustainability and increased initiatives to shade and green the city.

| Measure | Score 2019 | Score 2020 | |
|---|------------------|------------------|----------|
| Providing opportunities for recycle and re-use through the pre-cyclone clean up | 7.56 | 7.77 | ↑ |
| Managing gardens and nature reserves | 7.27 | 7.34 | ↑ |
| Maintaining lakes | 7.12 | 7.15 | ↑ |
| Increasing shading and greening the city | 6.27 | 6.52 | ↑ |
| Kerbside waste collection | 8.02 | 8.33 | ↑ |
| Providing and maintaining Archer Waste Management Facility | 7.78 | 7.87 | ↑ |
| Promoting environmental sustainability | 6.07 | 6.36 | ↑ |
| Overall | 7.16 / 10 | 7.33 / 10 | ↑ |

LOOKING FORWARD TO 2020-21

SAVING MORE ENERGY

The Civic Plaza is set to generate up to 40 per cent of its own annual electricity costs with plans to develop a new solar generating shade structure over the car park area. A tender has been released in 2019-20 and construction is expected to start for the shade structure in 2020-21.

PLEDGE TO RECYCLE MORE

City of Palmerston will be launching its Take a Pledge program to encourage residents to reduce their waste production and improve their recycling by rewarding them with incentives and prizes. Residents are given a Take a Pledge sticker to put on their bin to raise awareness in their neighbourhood.

PRESERVING OUR EXISTING TREES

Council is developing a Preserving Urban Forest Policy to set clear guidelines on when trees can and can't be cut down on public land such as parks, public spaces and verges. The policy will apply to native vegetation or any type of tree in the Palmerston area and will be developed in 2020-21.

REDUCE PACKAGING AND WRAPPING

Council works in partnership with the Palmerston Markets stall holders to put in place a strategy to reduce the amount of single use plastics at the markets. The strategy will consider different incentives and subsidies and empower residents to consider alternatives to plastic containers for food and drinks.

GOVERNANCE



IN THIS SECTION

- Ensure we have a leading governance model
- Community is at the centre
- Healthy working partnerships

Council is trusted by the community and invests in things that the public value.

The City of Palmerston strives for continuous improvement to deliver the highest possible level of services to the community, recognising what the community values and valuing our employees.

MEASURES OF SUCCESS

Council is committed to being open, transparent and accountable. We value our employees and partner with the community to provide best practice services and programs by:



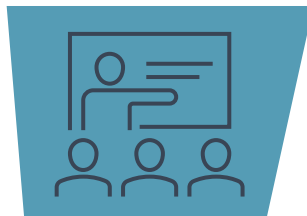
22

ORDINARY COUNCIL MEETINGS HELD



\$160 000

SPENT ON TRAINING EMPLOYEES



86

EMPLOYEES PARTICIPATED IN TRAINING



8

POLICIES REVIEWED



2

NEW POLICIES INTRODUCED

ENSURE WE HAVE A LEADING GOVERNANCE MODEL

Council continued to work to be effective, accountable and courageous in trying new solutions so it can adapt to its changing operating environment.

COUNCIL MEETINGS FOR THE COMMUNITY

Open to the public to attend, Ordinary Council Meetings are held in Council Chambers (Civic Plaza, City Centre) on the first and third Tuesday of every month, commencing at 5.30 pm. Community members can submit written questions to be answered during Council meetings (*in accordance with Council Policy MEE03 Public Question Time*) or they may attend a 30 minute public forum, an informal session for residents, to speak with and raise ideas with Elected Members.

There were 22 Council Meetings held, with three Ordinary Meetings held in community locations across Palmerston, including Gray Community Hall in Gray, Mother Teresa Catholic Primary School in Zuccoli and Palmerston Raiders Rugby League Club in Rosebery.

Workshops

During the past financial year, Elected Members attended 12 workshops on varying topics, including training on governance, the 2019 and 2020 Community Satisfaction Survey results, Municipal Boundary Review and other community orientated matters.

Professional Development for Elected Members

In accordance with Section 71 of the *Local Government Act 2008* and the Local Government Guidelines 2: allowances for Council Members, Council's Elected Members were entitled to access a Professional Development Allowance of up to \$3734.50 during the financial year to attend appropriate and relevant conferences or training courses.

The purpose of this allowance is to sustain a member's professional competence by keeping them informed of, and able to comply with, development in professional standards applicable to their role as a Council member.

ELECTED MEMBERS ARE ACCOUNTABLE TO THE COMMUNITY

Council Meeting Attendance

| Elected Members | Attended |
|----------------------------|----------|
| Mayor Athina Pascoe-Bell | 22 |
| Alderman Amber Garden | 21 |
| Alderman Benjamin Giesecke | 19 |
| Alderman Damian Hale | 22 |
| Alderman Sarah Henderson | 22 |
| Alderman Dr Tom Lewis OAM | 20 |
| Alderman Lucy Morrison | 18 |
| Alderman Mick Spick | 19 |

| Elected Members | Reason | Total |
|----------------------------|--|----------------------|
| Mayor Athina Pascoe-Bell | Bachelor of Laws | \$2738.00 |
| Alderman Amber Garden | Diploma of Leadership and Management | \$3734.50 |
| Alderman Benjamin Giesecke | Master of Business Administration Property Council Event 'The Road Ahead: 2020 and Beyond - Future Proofing the NT' | \$3494.00 \$54.54 |

Number of Confidential Items

During the past financial year, Council considered a total of 42 confidential matters, 24 items being released to the public record. The following chart shows the number of confidential items and the grounds for exclusion:

| | |
|--|----|
| 8(a) information about the employment of a particular individual as a member of the staff or possible member of the staff of the Council that could, if publicly disclosed, cause prejudice to the individual. | 1 |
| 8(b) information about the personal circumstances of a resident or ratepayer. | 1 |
| 8(c) information that would, if publicly disclosed, be likely to: | |
| (i) cause commercial prejudice to, or confer an unfair commercial advantage on, any person | 6 |
| (ii) prejudice the maintenance or administration of the law | 0 |
| (iii) prejudice the security of the Council, its members or staff | 3 |
| (iv) prejudice the interests of the Council of some other person. | 16 |
| 8(d) information subject to an obligation of confidentiality at law, or in equity. | 0 |
| 8(e) information provided to the council on condition that it be kept confidential. | 12 |
| Items requiring the use of more than one Confidential Clause. | 3 |

A six monthly review is undertaken on the retainment and release of Confidential Items.

CONTINUOUS POLICY IMPROVEMENT

Council is committed to ensuring that its systems and processes deliver the best possible services and reviews Council's strategies and policies to achieve continuous improvement.

Internal strategies and policies reviewed by Council in 2019-20 included:

Reviewed

- REG02 Feral Cat
- FIN22 Grant Income
- FIN17 Financial Reserve
- FIN20 Borrowing
- FIN18 Grants, Donations, Scholarships
- AD05 Recognition of Service to the Community
- FIN17 Rate Concession
- REG01 Outdoor Dining

New

- FIN02 Rating Policy
- FIN17(a) Public Benefit Concessions Policy for Commercial Ratepayers.

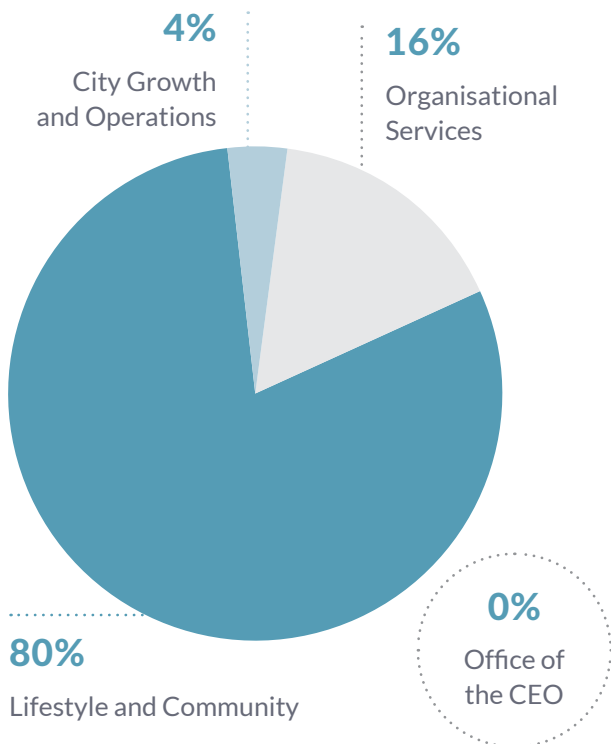
This year Council held three Ordinary Council Meetings in community locations and conducted 12 workshops on different topics including training and governance.

MANAGING EMPLOYEE SAFETY

Providing a safe workplace is a high priority for Council, which continues to monitor and respond to any safety incidents in the workplace to inform future policies and procedures.

A total of 50 internal and external incidents were reported by employees in 2019–20, which mainly related to disruptive anti-social behaviour at or near Council facilities or members of the community requiring medical attention.

No of Incidents by Directorate



| Directorate | Number of Incidents |
|----------------------------|---------------------|
| Organisational Services | 8 |
| Lifestyle and Community | 40 |
| City Growth and Operations | 2 |
| Office of the CEO | 0 |

Worker's Compensation claims in 2019–20:

| | |
|---------------|---|
| Total Claims | 3 |
| Open Claims | 2 |
| Closed Claims | 1 |

ACCOUNTABLE TO THE PUBLIC

Members of the public who are unsatisfied with a matter that has been previously addressed by Council can seek further action through the Chief Executive Officer, Elected Members and the Mayor. Further action can also be taken through the office of the Northern Territory Ombudsman, which Council assists with and uses any requests to improve processes.

There were two requests to have decisions reviewed by the Ombudsman in 2019–20.

There were seven Freedom of Information (FOI) requests to the City of Palmerston in 2019–20 under the *Information Act*.

FOI requests are a key component of transparent and open governance and Council meets these requests as quickly as possible.

Members of the public can seek reviews of decisions made in response to FOI requests through Council and the Information Commissioner.

The following table shows the total number of requests dealt with in 2019–20:

| Category | Number of requests actioned |
|---|-----------------------------|
| Access to information: personal information held by Council | 1 |
| Access to information: other information held by Council | 6 |

In addition, the Northern Territory Government has established the Independent Commissioner Against Corruption (ICAC).

ICAC is the independent commissioner against corruption and is a specialist investigator with a focus on government corruption.

ICAC provides the community another avenue for making reports to where it has concerns regarding Council.



Left:

Our staff are our most important assets at the City of Palmerston.

COMMUNITY IS AT THE CENTRE

The community is at the centre of everything we do and we ensure community members actively participate in all aspects of our business.

IMPROVING CUSTOMER TRAINING

In November 2019, Council held Customer Service workshops for all employees, facilitated by a training provider specialising in local government training. The workshops were designed to embed a culture of “people being at the centre of everything we do and deliver”.

The workshop was developed around Council’s vision of ‘A Place for People’ and was sought to create a cultural shift in Council’s approach to customer service to ensure the customer’s needs are at the forefront of all decision making and action.

COMMUNITY INPUT INTO DECISION MAKING

City of Palmerston values the advice and input from a range of voices in our community and supports a number of advisory groups and committees to provide advice directly to Council.

Risk Management and Audit Committee

The Risk Management and Audit Committee (the Committee) is established as an Advisory Committee to the City of Palmerston.

The Committee is established by Council, pursuant to the *Northern Territory Local Government Act* (the Act) and the Local Government (Accounting) Regulations with the key functions of:

- To monitor and review the integrity of the council’s financial management
- To monitor and review internal controls
- To make recommendations to the Council about any matters the committee considers require the council’s consideration as a result of the committee’s functions under paragraph (a) or (b).

Palmerston Animal Management Advisory Committee

Palmerston Animal Management Advisory Committee (PAMAC) facilitates consultation and co-operation between Council and its stakeholders in the development of domestic animal management policy. This year PAMAC considered several policy issues including the introduction of a subsidised program for animal de-sexing, cat management education and expanding community engagement.

Palmerston Safe Communities Committee

Palmerston Safe Communities Committee (PSCC) works in partnership with Council and the Northern Territory Government, businesses, not-for-profit organisations and the community to reduce and prevent injuries, accidents and crime in Palmerston. The PSCC is committed to promoting the safety and wellbeing of Palmerston residents and visitors.

Palmerston Kids Network

Palmerston Kids Network (PKN) is a committed network of workers representing organisations who provide services and programs to children (0-12 years) and their families living in Palmerston.

Youth Inspiring Palmerston (YIP) consists of youth from Palmerston and keeps Council informed on issues that are significant and important to young people in Palmerston.

Palmerston Seniors Advisory Committee

Palmerston Seniors Advisory Committee (PSAC) is an advisory committee to Council, providing advice and feedback in relation to issues that affect Palmerston and rural seniors who access services, businesses, events and activities in Palmerston. The committee facilitates the Palmerston Seniors' Forum each year in conjunction with Council staff.

Palmerston And Rural Youth Services

Palmerston And Rural Youth Services (PARYS) network provides a forum for workers in the youth sector to discuss local youth issues and develop strategies to deliver a range of services for Palmerston and rural young people aged from 12 to 25 years.

Below:

Local seniors participate in a workshop facilitated by the Palmerston Seniors Advisory Committee as part of the Seniors' Forum.





Right:

Alderman Amber Garden, Mayor Athina-Pascoe-Bell, Alderman Sarah Henderson and Alderman Lucy Morrison celebrate International Women's Day.

HEALTHY WORKING PARTNERSHIPS

Council must be closely connected to the Palmerston community and work in partnership to deliver what is needed to support people's lives.

TRAINING OUR STAFF TO BE THE BEST

City of Palmerston is committed to the continuous professional development and upskilling our employees to support them in their roles as they deliver services and projects to the community.

All 86 employees at the City of Palmerston underwent training during the 2019-20 year.

Council contributed approximately \$160 000 on training for our employees, which included:

- First Aid and Fire Warden renewals throughout the year
- Records Management Training completed by the records team in April 2020
- Australia Wide Taxation and Payroll Training completed by finance and human resources (HR) teams in April 2020
- Anti-Discrimination and Challenging Unconscious Bias delivered by the Anti-Discrimination Commission throughout the year
- ChildSafe Training - Keeping Children and Vulnerable People Safe awareness training completed by our Library team in June 2020

- Compliance Officer Essentials Workshop for Local Government course was attended by members of our Regulatory Services team in March 2020
- Leadership Training.

Council introduced a new Meeting Solution software in February 2020 and approximately 30 staff completed training in Doc Assembler Meeting Solution Software.

Employees from City Growth completed traffic management refresher training and HR employees completed policy writing training.

LIFESTYLES INVENTORY TRAINING

Eighteen Council employees, including directors and managers, were identified by the Executive Leadership Team to take part in LifeStyles Inventory (LSI) training.

LSI training encourages self and peer review to improve leadership styles and was rolled out successfully with follow up sessions scheduled for employees in 2020-21.

INTERNATIONAL WOMEN'S DAY CONFERENCE

The City of Palmerston was represented at the International Women's Day Conference by eight of our female employees. Council's female workforce equates to approximately 65 per cent of employees and we were proud to attend this conference.

SUPPORTING STAFF THROUGH COVID-19

Council moved quickly to put initiatives in place to ensure staff safety and wellbeing during the COVID-19 pandemic.

COVID-19 employee initiatives:

- Introduced a Working from Home (WFH) Policy, Working from Home Employee Self-Assessment Checklist, Working from Home Employee Agreement Form, Tips and Tricks for Working from Home to facilitate employees who needed to work from home.
- Conducted an employee survey to determine whether people preferred to stand down/ work from home/continue working as normal to gauge workforce personal requirements to be considered when reviewing operational requirements.
- Successfully obtained COVID-19 Safety Management Plan for Council sites and Civic Plaza so it could reopen to the public at 12 pm on 15 May 2020.

- Three weeks of additional COVID-19 (personal) leave made available to all employees, including casuals, for people who had exhausted all other leave entitlements.
- Increased cleaning at Council sites for employees and the community.
- Provided flu immunisations free of charge to all employees with 54 employees and Elected Members taking the opportunity to get their flu shots in early April.

HELPING TO PLAN FOR THE FUTURE

City of Palmerston put in a submission to the Northern Territory Planning Commission to provide feedback on the Central Palmerston Area Plan Discussion Paper.

Council also participated in the third stage of consultation for the Northern Territory Government's Planning Reforms and reviewed the government's Uniform Subdivision Guidelines to assist in amalgamating all relevant guidelines and standards required for subdivision development in the Northern Territory.



Left:

City of Palmerston Library team members Alyssa Finn and Kristy Joyce celebrate the Library's Carer Friendly Employer Award.

VALUING OUR STAFF

City of Palmerston Library won the Carer Friendly Employer Award at the Northern Territory Carer Friendly Business Awards in October 2019.

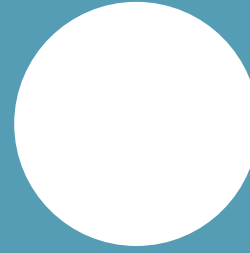
Hosted by Carers NT, the Library was nominated by an employee for supporting them as a carer looking after two sons and assisting her mother who has terminal cancer.

The employee nominated the Library because library management made it easy for her to continue to do the work she loved, take time out for her caring role and lead a normal life away from stresses.

COMMUNITY SATISFACTION SURVEY RESULTS

There was an increase in Council's score on its performance with initiatives and services under the Community Plan outcome of Governance in 2019-20.

Council received its highest performance score for being effective while providing more opportunities to consult with the community was identified as an area of improvement.



| Measure | | Score 2019 | Score 2020 | |
|------------------------|---|------------------|------------------|----|
| How: | Accountable is the City of Palmerston Council? | 6.13 | 6.27 | ⬆️ |
| | Effective is the City of Palmerston Council? | 6.22 | 6.41 | ⬆️ |
| Performance in: | Providing you with the opportunity to comment on Council's decision making and interact with Council | 5.63 | 5.71 | ⬆️ |
| | Achieving funding and getting things done by working in partnership with government and the community | 6.05 | 6.30 | ⬆️ |
| Overall: | | 6.01 / 10 | 6.17 / 10 | ⬆️ |

LOOKING FORWARD TO 2020-21

■ FUNDING COMMUNITY ASSETS

Continue to source external funding to develop our community assets including:

- building the new Swimming Wellness Events Leisure and Lifestyle centre at the existing Palmerston Swimming and Fitness Centre
- redeveloping the Gray Community Hall
- staging the improvements for the Marlow Lagoon Dog Park
- establishing the Palmerston Library recording studio.

■ REVIEW AUDIT PLAN

Risk Management and Audit Committee reviewing Council's three year Internal Audit Plan.



OUR
COMMITMENT
TO ENGAGE



IN THIS SECTION

- Involving our community

We are committed to working alongside our community in planning our city's future.

Council sees significant value in expanding the understanding of the community about Council's work and tapping into the 'wisdom of the crowd' to consider complex challenges and issues we face.

MEASURES OF SUCCESS

City of Palmerston improved the connection and engagement with the community with:



33

MEDIA RELEASES SENT OUT TO INFORM THE COMMUNITY



192 930

VISITS TO THE COUNCIL WEBSITE



13 144

FACEBOOK FOLLOWERS



7

MAJOR CONSULTATION PROJECTS

SHARING INFORMATION

City of Palmerston continued to share information with the community using local media and social media platforms.

Council's projects were promoted across multiple channels including newspapers, magazines, television and radio. There was also a focus on Council's website and social media platforms.

Council sent out 33 media releases to provide residents and businesses with information about changes to programs and updates to services as well as announcing community events and consultation projects.

Results of the 2020 Community Satisfaction Survey showed 43 per cent of our community obtained information from Council's website and 27 per cent from Facebook.

Council has a total of 13 144 followers on its Facebook page, which is an increase of 1114 followers since 2018-19. Council's most popular post for the year was a crocodile sighting in one of Palmerston's lakes, with a reach of 101 000 views.

Council's website is designed to be responsive and mobile-friendly and is regularly modified and maintained. It hosts Council's latest news, project updates, general Council information, achievements and future events in Palmerston.

IMPROVING UNDERSTANDING OF COUNCIL

Council staff and Elected Members continue to strive to increase the understanding of Council and how it operates.

In 2019-20, three initiatives continued to promote awareness about Council and it's vision as 'A Place for People':

Mayor's Talk

Twice a month Council released a video of Mayor Athina Pascoe-Bell talking about new programs and services offered by Council.

Called 'Mayor's Talk' the video was distributed via Council's Facebook site, which has 13 144 followers. Topics discussed in the videos during the year included projects out for community consultation, major projects and community events.

Regular radio updates

The Mayor participated in regular radio media segments including a weekly update with Territory

FM and features each month on the radio shows – ABC Grassroots, 360 with Katie Woolf on 104.9 and Radio Larrakia.

IMPROVING COUNCIL'S WEBSITE

Council's vision statement 'A Place for People' is the foundation of everything we do.

To improve recognition of this vision, Council included this statement on the City of Palmerston logo and website homepage. This was an action based on feedback from the 2018-19 Community Satisfaction Survey.

A 'Was this page helpful?' customer reporting function was added to landing pages to allow users to let Council know whether a page was helpful or not and there were minor updates to the website design to continue to feature a more modern look.

New online forms were added to the functionality of the website, including:

- ▶ Online Library Membership Application (response to COVID-19)
- ▶ Zone E Car Parking Permit Refund Application (response to COVID-19)
- ▶ Verge Assistance Program
- ▶ Waste New Bin/Missed Service Request.

In 2019-20, Council's website recorded 384 763 page views by 192 930 people visiting the website for information.

ENGAGING WITH THE COMMUNITY

Engaging with the community to hear their thoughts and concerns continues to be a priority for the City of Palmerston.

COMMUNITY HAD THEIR SAY

Council engaged with the community on a number of key projects during 2019-20.

The aim of consulting with the community is to test ideas and concepts, and encourage feedback on different initiatives that can influence the lives of people and local business operations.

Council consulted the community on the following projects:

- ▶ Rates consultation – Council consulted the community to seek feedback from ratepayers



Left:

City of Palmerston's Amelia Vellar, Kelly Blackburn and Kathy Jarrett consult with the community about the Tiverton Park upgrade.

about a rates strategy to set out how rates are calculated for each type of property. The consultation included creating an online rate calculator for residents, online survey and discussion kiosks at several shopping centres.

- D Laneways trial – Three stages of consultation was conducted throughout the year about trial laneway closures, which included a community information meeting, pop-up survey sessions in the laneways, doorknocks and online surveys.
- D Marlow Lagoon dog park redevelopment – Consultation started on a new concept plan to improve the dog park following feedback from

the community, however it was suspended and then re-scheduled to August 2020 following the impacts of COVID-19.

- D Draft Palmerston Local Economic Plan – Consultation with Palmerston businesses, retailers and community members was conducted on the draft plan through an online survey, pop up stall at a local shopping centre, phone survey and after hours workshop.
- D Draft Municipal Plan and Budget 2020-21 – The draft plan went out for community consultation for one month and all submissions were received at an Ordinary Council Meeting in July 2019.
- D Tiverton Park – Council undertook a participatory budgeting exercise with students from Moulden Park Primary School to prepare a concept plan for improvements to the playground at the park.
- D Draft FIN02 Rating Policy.

City of Palmerston Elected Members continued to host a monthly stall at the Palmerston Markets to discuss different consultation projects and concerns as well as encourage feedback on a number of initiatives in 2019-20.



PALMERSTON A HIT AT THE SHOW

Hot coffee and rock painting were the hottest commodities at Council's first display at the Royal Darwin Show.

The Mayor and Elected Members all attended the display that included rock painting, free coffee, icy poles, dog registration vouchers, merchandise, competitions and a Storytime experience.

The focus was to engage with the members of the Palmerston community who attended the three day Show and increase awareness of the services Council provides for the people of Palmerston.

Council was awarded a well-deserved second place prize for the Best Government Stall for the 2019 Royal Darwin Show.



OUR PEOPLE

IN THIS SECTION

- An employer of choice
- Create a diverse workforce
- Support staff wellbeing



EMPLOYER OF CHOICE

Council is an employer of choice, building a diverse and gender balanced workforce.

Council is committed to strengthening the skill sets of our people through personal development and organisation wide training initiatives.

These initiatives include:

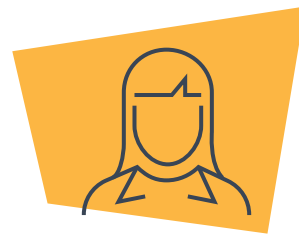
- continuously upskilling all staff on new processes and policies
- leadership and management training
- improving workplace benefits packages, which offer employee support services such as health benefits, enhanced leave entitlements and salary sacrifice options.

City of Palmerston began negotiating the Enterprise Agreement 2020 for all staff in November 2019, which is anticipated to be completed by the end of 2020.



86

LOCAL PEOPLE EMPLOYED



65%

WORKFORCE IS FEMALE



17

EMPLOYEES BORN OVERSEAS



35%

WORKFORCE IS MALE



54

EMPLOYEES AND ELECTED MEMBERS RECEIVED A FREE FLU SHOT

OUR LOCAL STAFF

City of Palmerston employs 86 local people as full time, part time and casual employees as at 30 June 2020.

Council recruited 22 employees in 2019–20, while 30 employees vacated Council during the year.

EMPLOYEE POSITION TYPE BY GENDER

| Status | Ongoing | Fixed Term | Casual | Total |
|--------|---------|------------|--------|-------|
| Male | 22 | 7 | 1 | 30 |
| Female | 39 | 12 | 5 | 56 |
| | | | | 86 |

DIVERSE WORKFORCE

Diversity and age of workforce as at 30 June 2020

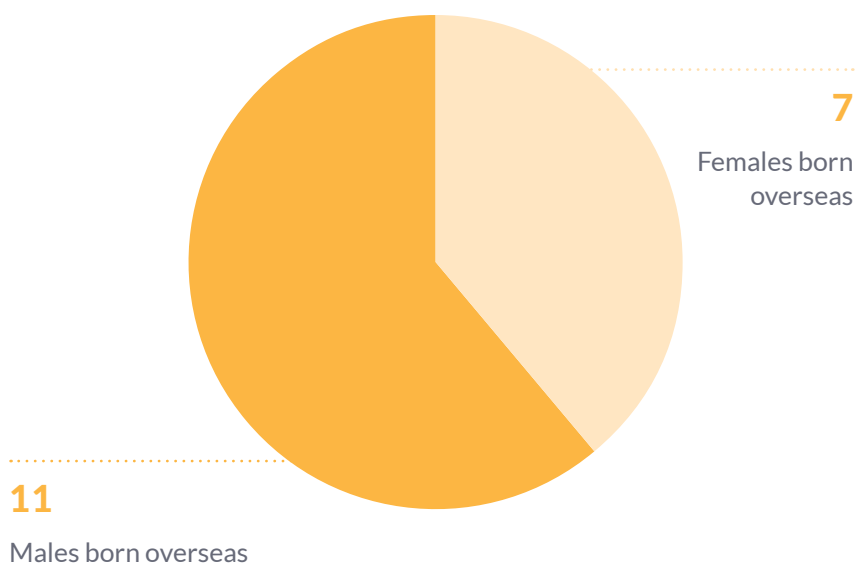
| Diversity of Age and Gender of Workforce | Male | Female | Total |
|--|------|--------|-------|
| 18-24 years | 3 | 1 | 4 |
| 25-29 years | 1 | 5 | 6 |
| 30-34 years | 5 | 13 | 18 |
| 35-39 years | 4 | 12 | 16 |
| 40-44 years | 3 | 9 | 12 |
| 45-49 years | 2 | 7 | 9 |
| 50-54 years | 7 | 3 | 10 |
| 55-59 years | 3 | 2 | 5 |
| 60-64 years | - | 3 | 3 |
| 65-70 years | 2 | 1 | 3 |
| 70 + years | - | - | - |
| | 30 | 56 | 86 |

SALARY BREAKDOWN AS AT 30 JUNE 2020

| Employee by Salary | Male | Female | Total |
|-----------------------|------|--------|-----------|
| \$0 - \$64 445 | 1 | 5 | 6 |
| \$64 446 - \$70 682 | 6 | 18 | 24 |
| \$70 683 - \$76 940 | 4 | 5 | 9 |
| \$76 941 - \$81 491 | 7 | 5 | 12 |
| \$81 492 - \$89 358 | 1 | 13 | 14 |
| \$89 359 - \$97 185 | 2 | 3 | 5 |
| \$97 186 - \$106 344 | 4 | 1 | 5 |
| \$106 345 - \$115 000 | 1 | - | 1 |
| \$115 001 - \$130 000 | 1 | 1 | 2 |
| \$130 001 - \$160 000 | 1 | 3 | 4 |
| \$160 001 + | 2 | 2 | 4 |
| | | | 86 |

**Please note that casual and part-time employees are assumed to work full-time hours.*

NUMBER OF EMPLOYEES BORN OVERSEAS BY GENDER AS AT JUNE 2020



EMPLOYEE SATISFACTION SURVEY

Council conducted three employee satisfaction surveys during 2019–20 to gauge how employees felt about working at the City of Palmerston.

The surveys were aimed at identifying areas where Council can improve the work environment and meet employees' expectations, such as in communication, safe working environments, having the right tools and their future.

The survey showed an increase in:

- employees knowing what is expected of them at work
- receiving recognition for doing good work
- team commitment to doing quality work
- happiness about their future working at Council
- working in a safe environment
- having the tools and resources to do their job.

The overall score for Council increased and was on par with other local governments.

EMPLOYEE WELLBEING

City of Palmerston conducted a number of initiatives to improve employee wellbeing and connections through human resources engagement activities.

In 2019–20 these included:

CEO ROADSHOW AND EMPLOYEE ENGAGEMENT

The CEO met with employees once a quarter throughout 'CEO Roadshows' at the Recreation Centre and Civic Plaza.

The CEO takes all new employees on a 'City of Palmerston Tour' showing them the sites of Palmerston, Council properties, new projects underway, Council facilities and the history of the suburbs.

The aim is for new employees to connect with their new employer and learn more about Palmerston.

FORMATION OF SENIOR LEADERSHIP TEAM

In February 2020 the senior leaders of the organisation formed the Senior Leadership Team, a group comprising of department managers.

The team has been working on organisation wide projects including the Customer Service Charter and Customer Relationship Management System.

They have been working together to collaborate more effectively across the organisation and striving to find efficiencies and improve working relationships.

CHRISTMAS

In the true spirit of Christmas all staff and Elected Members attended a combined Christmas breakfast at the Recreation Centre in early December 2019.

Christmas cakes were provided to everyone who attended to support the Lions Club through the purchase of the cakes. Years of Service awards were given out to employees who completed five and 10 years of service at City of Palmerston.

For employees still working on Christmas Eve, Council hosted a small lunch on 24 December 2019 to celebrate together before the Christmas close down period.



CELEBRATING EMPLOYEE MILESTONES

In 2019-20 Council acknowledged the longstanding service of Mike Staunton (pictured left), who has dedicated 19 years as an employee at the City of Palmerston.

The current City Growth and Operations staff member was acknowledged at the December 2019 Christmas gathering along with the below staff members who also reached milestones:

5 YEARS: Paige Setter, Jeffrey Borella, Danielle Norris, Stacey Towan, Samantha Abdic, Hayley Arkininstall, Kate Patten and Lorraine Gillis.

10 YEARS: Nigel Wilson, Nicole Stokes, Rishenda Moss and Michael Castelli.

R U OK? DAY IN 2019

All Council employees participated in R U OK? Day in 2019 with a tasty barbecue cooked up by the Organisational Services team at Civic Plaza.

All employees were encouraged to attend in rotating shifts throughout the day to connect with each other.

R U OK? Day is about inspiring and empowering people to meaningfully connect with the people around them and start a conversation with anyone who may feel like they are struggling with life.

Council plans to continue building awareness about caring for your mental health in the workplace through the R U OK? Day in 2020.



Above: Richard Lap and Mark Armstrong cook up hamburgers for staff for R U OK? Day.



FROM LADIES TO TRADIES

Council staff weren't going to let COVID-19 ruin their fun with two staff transforming themselves from ladies to tradies to deliver vital services during the pandemic.

Two staff who were impacted by the closure of the Palmerston Library and Recreation Centre, Alfiya Pocock and Nadine Chambers (pictured left and right) moonlighted as princesses reading out stories for the online Storytime segment before donning high vis and helmets to help count trees.

Council made sure all Council staff impacted by closures could work in other areas and the ladies undertook important audits on the number and health of trees around Palmerston.





GENERAL PURPOSE FINANCIAL STATEMENTS

IN THIS SECTION

- ▶ 2019–20 financial statements review
- ▶ General purpose financial statements
- ▶ Statement of comprehensive income
- ▶ Statement of financial position
- ▶ Statement of changes in equity
- ▶ Statement of cash flows
- ▶ Notes to and forming part of the financial report

2019-20 FINANCIAL PERFORMANCE REVIEW

The impact of COVID-19 on Council occurred from the fourth quarter in the year. As such, the effect is only visible in direct income foregone. However, the crisis will have a marked financial impact on Council over the next years.

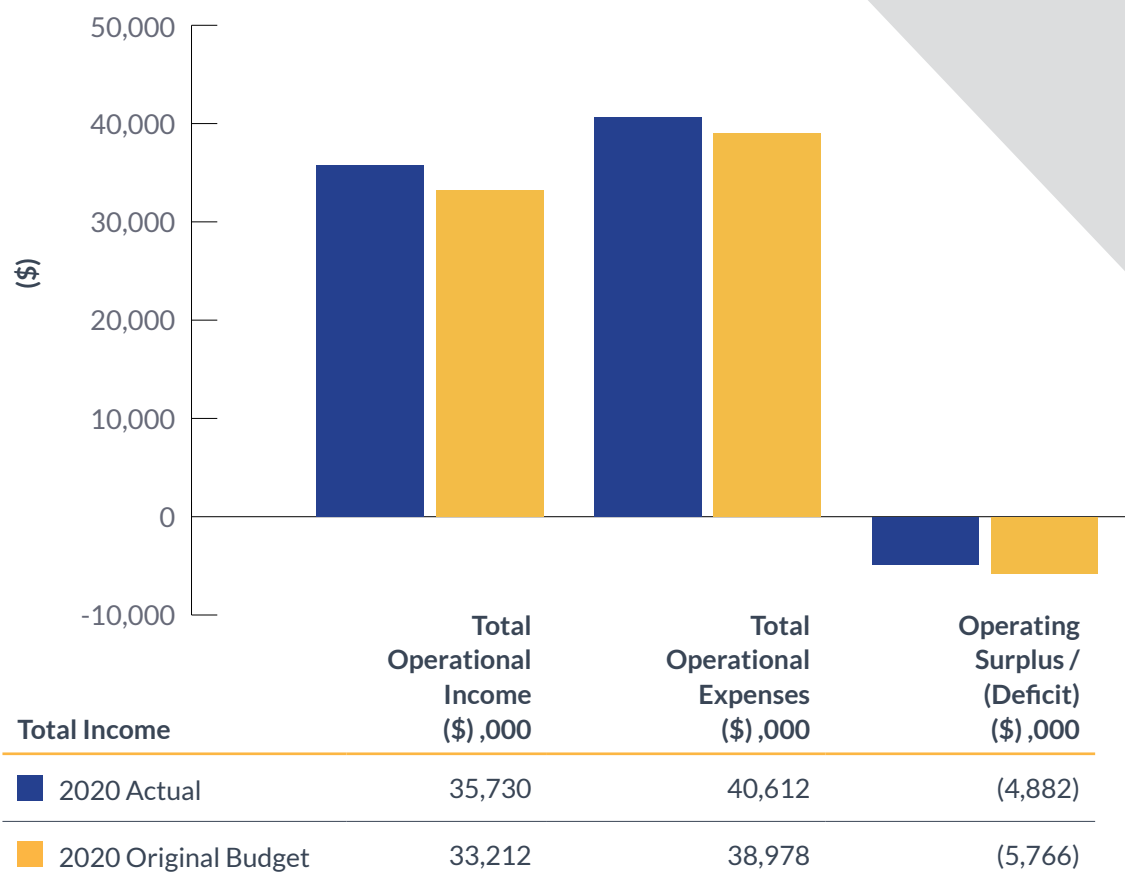
The situation means a significant impact to rate revenue, both in terms of the rates raised and rates in arrears. As part of quantifying this impact Council has commenced a review of its previous long-term financial plan.

In the 2019-20 financial year, City of Palmerston generated a total comprehensive income surplus of \$7.529 million. Total comprehensive income is inclusive of one-off items such as revaluation and fair value movements on assets and non-recurring capital grants received as well as assets and contributions received free of charge from developers and the Northern Territory Government. After the removal of these items, Council ended the financial year with an operational deficit of \$4.882 million, inclusive of depreciation. Council had expected to generate an operating deficit of \$5.766 million, so this is an improvement over the original budget for 2019-20.

In late May 2020, Council received a part payment of its 2020-21 Financial Assistant Grant allocation in advance. Depreciation was also slightly lower than expected, at \$9.8 million compared to the expected amount of \$10 million. All other material variances were explained in detail in the Budget Reviews for the 2019-20 financial year, which is publicly available on Council's website.

| Description | 2020 Actual | 2020 Original Budget | % Change Budget to Actual |
|---|-------------|----------------------|---------------------------|
| Total Operational Income (\$) '000 | 35,730 | 33,212 | 7.58% |
| Total Operational Expenses (\$) '000 | 40,612 | 38,978 | 4.19% |
| Operating Surplus / (Deficit) (\$) '000 | (4,882) | (5,766) | -15.33% |

2019-2020 ACTUALS VS ORIGINAL BUDGET



Operating Surplus / (Deficit) includes non-cash items like depreciation. Council remains compliant with legislation.

TOTAL INCOME

| Total Income | 2020 - Actual | 2020 - Original Budget | % Change Budget to Actual |
|-------------------------------------|---------------|------------------------|---------------------------|
| Rates and Annual Charges | 28,840 | 28,205 | 2.25% |
| Statutory Charges | 153 | 283 | -45.94% |
| User Charges | 910 | 1,178 | -22.75% |
| Grants, Subsidies and Contributions | 2,930 | 2,562 | 14.36% |
| Capital Grants | 4,481 | 2,580 | 73.68% |
| Investment Income | 1,039 | 983 | 5.70% |
| Reimbursements and Other Revenue | 1,858 | 1 | |
| Total Income | 40,211 | 35,792 | 12.35% |

Changes of more than 10% are explained on next page.

RATES AND ANNUAL CHARGES

The revenue stream from rates was slightly higher than Council's expectation. Rates from residential properties contribute most of the growth and show an increase of \$649 000 compared to the 2018-19 financial year. The rise in rate income is in line with the rise in the population and rates increases and is expected to rise in the 2020-21 financial year when more residential developments are finished.

STATUTORY CHARGES

The significant reduction in statutory charges for the 2019-20 financial year compared to the original budget is predominantly due to COVID-19 revenue reduction. To support local businesses with the COVID-19 crisis, Council has offered free all-day parking in the city area from late March 2020 until 30 June 2021. Even though the income is lower than the expectation, the car parking fines still represent an increase as better enforcement has been applied.

GRANTS, SUBSIDIES AND CONTRIBUTIONS INCLUDING CAPITAL

Grant funding income inclusive of capital grants forms the largest variance to the budgeted income of approximately \$2.269 million. This occurred as Council only budgeted initially to receive the recurring Financial Assistance Grant provided through the Northern Territory Government with Australian Government funds, the Roads to Recovery capital grant from the Australian Government, payments from developers in lieu of construction and finally the Library Grant received from the Northern Territory Government.

The adoption of Accounting Standard AASB 1058 Income of Not-for-Profit Entities has significantly impacted the way that Council recognised particular capital purpose grants. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation, related to an asset (such as cash or another asset) received by an entity. The impact relating to previous years has been reflected in equity. Grant funding with performance obligations is reflected in Liabilities instead of Reserves. The detailed effect of AASB 1058 is provided in Note 1.16 and Note 25 in the attached financial statement.

INVESTMENT INCOME

Investment income for the 2019-20 financial year was above the original budget by 5.7% but lower than the actual 2018-19 by 12.6%. This variance was primarily due to a drop in interest rates on term deposits caused by market depression and COVID-19.

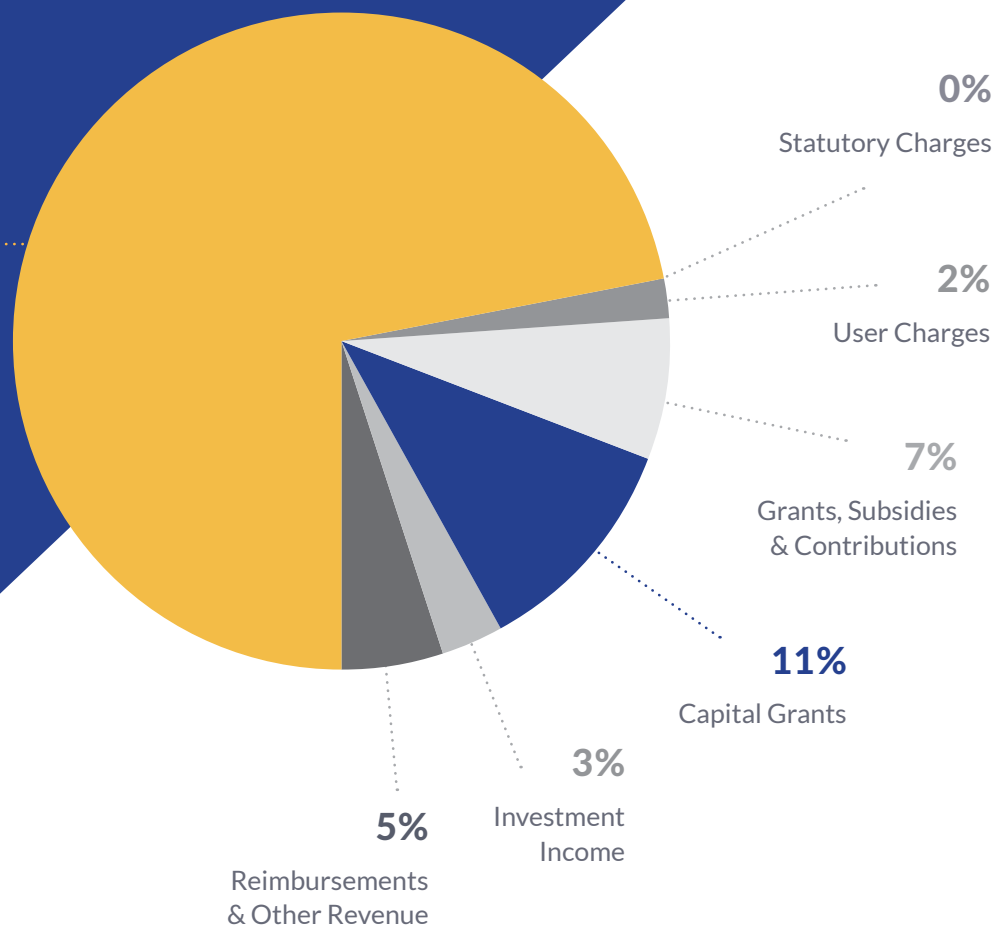
REIMBURSEMENTS AND OTHER REVENUE

During the 2019-20 financial year Council received other income from several sources including shared service agreements as well as unbudgeted other income items, including insurance recovery and other related receipts.

INCOME BY SOURCE

72%

Rates & Annual Charges

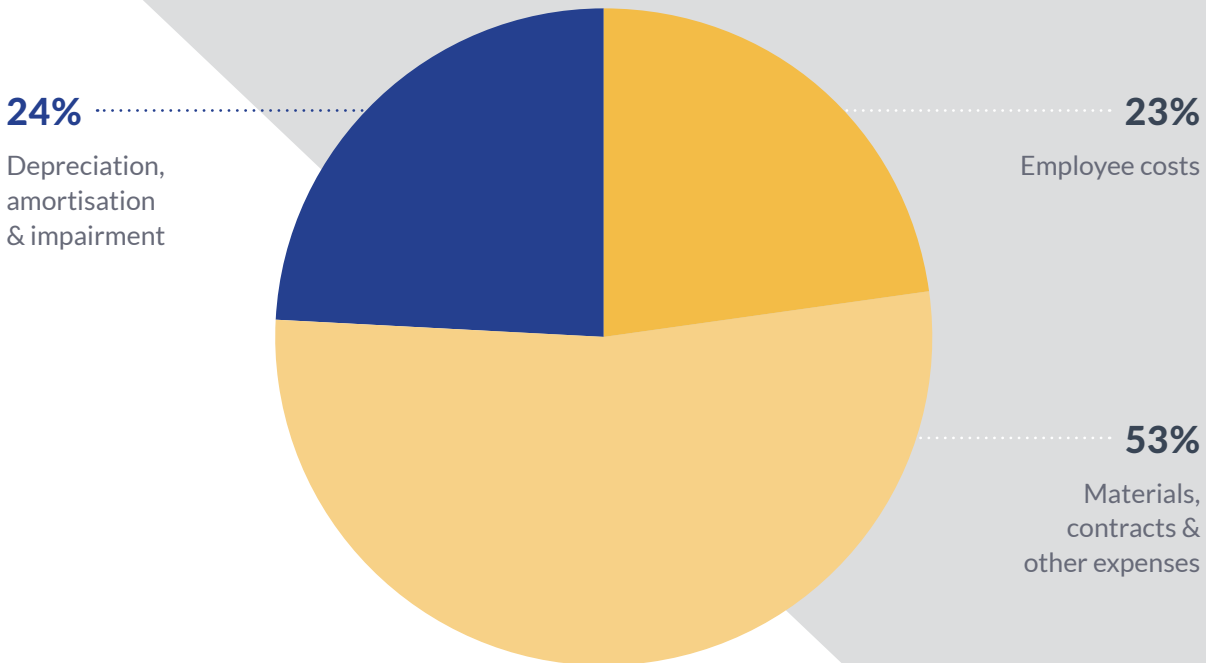


EXPENSES

| Description | 2020 Actual | 2020 Original Budget | % Change Budget to Actual |
|---|---------------|----------------------|---------------------------|
| Employee costs | 9,206 | 9,632 | -4.42% |
| Materials, contracts and other expenses | 21,629 | 19,312 | 12.00% |
| Depreciation, amortisation and impairment | 9,777 | 10,034 | -2.56% |
| Total Expenses | 40,612 | 38,978 | 4.19% |

Changes of more than 10% are explained on next page.

EXPENSES BY TYPE



MATERIALS, CONTRACTS AND OTHER EXPENSES

The only significant variance concerning expenses between the original budget and actuals for the 2019-20 financial year was in materials, contract, and other expenses. The contributing factor to this variance is the costs to create and maintain green spaces in Palmerston through plantings and landscaping to improve the environment and liveability for the community. Council undertook a significant tree planting program through two main projects: Tree Replacement Program and Liveable Cities Project. However, the budgets for these projects were reflected in capital.

The remaining variance relates to several smaller adjustments but includes increases in professional services and consulting costs. The increase in the professional services and consulting fees relates to various initiatives that Council had undertaken to improve governance, community engagement and future service delivery.

DEPRECIATION, AMORTISATION AND IMPAIRMENT

The depreciation, amortisation and impairment for 2019-20 are lower than the budget and the previous financial year. It was caused by several assets having reached the end of their useful life, which includes assets such as open space infrastructures, furniture and fittings, footpaths and driveways. As part of Council's five-year rolling revaluation cycle at the end of 2019-20 financial year, Council engaged a certified independent valuer to do an assessment of fair value for kerb and gutter and roads and pavement assets. This assessment increased the valuation of these assets. The revaluation application date is 30 June 2020 and any changes in fair value will be reflected in depreciation in following years.

EMPLOYEE LEAVE ENTITLEMENT PROVISION

The employee leave entitlement provision is established to recognise the value of both short-term and long-term leave (excluding sick leave) that has accrued, but that remains untaken as at 30 June each year. The provision recognises the fact that if an employee finishes with the organisation, there would be a financial cost as the employee would be entitled to receive payment for the untaken leave.

The below table identifies the trend that is currently occurring at City of Palmerston.

| Year | Short Term (000's) | Long Term (000's) | Total (000's) | Percentage Increase |
|------|-----------------------|----------------------|---------------|------------------------|
| 2016 | 696 | 504 | 1,200 | |
| 2017 | 960 | 393 | 1,353 | 12.75% |
| 2018 | 1,036 | 396 | 1,432 | 5.84% |
| 2019 | 1,345 | 423 | 1,768 | 23.46% |
| 2020 | 1,260 | 377 | 1,637 | -7.41% |

Although it is reasonable that there will usually be an increase in the value of the leave due to enterprise agreement increases and an increase in numbers of employees, the increase over the past several years indicates that there are numerous employees at the organisation that are not taking their leave as it accrues for various reasons. The short-term portion of the provision is backed by short term assets, including cash and cash equivalents, thereby ensuring that the organisation can pay short term entitlements as required.

The long-term provision represents long service leave accrued, but not yet available to the employee as they have not met the required number of years' service. However, as soon as the employee meets that requirement, the provision becomes a short-term provision and is short-term asset backed.

The 2020 employee leave entitlement provision is lower than in 2019 as some employees' entitlements had been paid out when their contracts with Council were completed.

RESERVES

Council held \$17.794 million in reserves at 30 June 2020. Of this amount, \$4.57 million related to grant funding not yet utilised. The application of AASB 1058 has significantly reduced this amount with grants with pending performance obligation are reflected in current liabilities instead of reserves. The Unexpended Capital Works Reserve contained \$2.597 million for the finalisation of the 2018-19 capital programs. During the 2018-19 financial year, Council received reimbursement through the Natural Disaster Relief and Recovery Arrangements (NDRRA) to the value of approximately \$866 000. This amount was allocated to the Major Initiatives Reserve to contribute to funding works to be undertaken at the aquatic centre. The balance remaining in this reserve was \$0.6 million.

The Working Capital Reserve held a balance of \$9.546 million, representing the cash available to Council to undertake operations. In the original budget for 2019-20, Council estimated that working capital reserves would decrease by approximately \$2.3 million, however, they increased by \$0.6 million. This significant increase in funds predominately relates to the part prepayment of the Financial Assistance Grant of approximately \$1 million. The timing of the prepayment will have an adverse impact on the 2019-20 annual budget and reserves will need to be drawn down in the 2020-21 financial year to account for this timing issue.

The Council's reserve structure and Reserve Policy was revised in August 2019 and applied in the preparation of these Financial Statements. The revised structure and policy only allocate money into specific purpose reserves, where there is a particular project or purpose associated with those funds. The remaining balance is assigned to the Working Capital Reserve. This provides the community with greater clarity and transparency about the purpose of funds held by Council and the level of funds available to the Council for discretionary use.

City of Palmerston

GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

CONTENTS

| | |
|--|-----|
| 1. CHIEF EXECUTIVE OFFICER'S STATEMENT | 91 |
| 2. PRIMARY FINANCIAL STATEMENTS | |
| ▶ Statement of Comprehensive Income | 92 |
| ▶ Statement of Financial Position | 93 |
| ▶ Statement of Changes in Equity | 94 |
| ▶ Statement of Cash Flows | 95 |
| 3. NOTES TO THE FINANCIAL STATEMENTS | 96 |
| 4. INDEPENDENT AUDITOR'S REPORT | 129 |

City of Palmerston

General Purpose Financial Statements for the year ended 30 June 2020

Chief Executive Officer's Statement

I, Luccio Franco Cercarelli, the Chief Executive Officer of City of Palmerston, hereby certify that the Annual Financial Statements:

- have been drawn up in accordance with the applicable Australian Accounting Standards, the *Local Government Act 2008* and the *Local Government (Accounting) Regulations* so as to present fairly the financial position of the Council and the results for the year ended 30 June 2020; and
- are in accordance with the accounting and other records of Council.



Luccio Franco Cercarelli
CHIEF EXECUTIVE OFFICER

Date: 28 October 2020

City of Palmerston

Statement of Comprehensive Income

for the year ended 30 June 2020

| \$ '000 | Notes | 2020 | 2019 |
|--|-------|----------------|----------------|
| Income | | | |
| Rates | 2a | 28,840 | 28,199 |
| Statutory Charges | 2b | 153 | 133 |
| User Charges | 2c | 910 | 1,300 |
| Grants, Subsidies and Contributions | 2g | 2,930 | 3,713 |
| Investment Income | 2d | 1,039 | 1,189 |
| Reimbursements | 2e | 5 | 925 |
| Other Income | 2f | 1,853 | 183 |
| Total Income | | 35,730 | 35,642 |
| Expenses | | | |
| Employee Costs | 3a | 9,206 | 8,779 |
| Materials, Contracts & Other Expenses | 3b | 21,576 | 20,335 |
| Depreciation, Amortisation & Impairment | 3c | 9,777 | 10,094 |
| Finance Costs | 3d | 53 | - |
| Total Expenses | | 40,612 | 39,208 |
| Operating Surplus / (Deficit) | | (4,882) | (3,566) |
| Asset Disposal & Fair Value Adjustments | 4 | (45) | (2,209) |
| Amounts Received Specifically for New or Upgraded Assets | 2g | 4,481 | 8,208 |
| Physical Resources Received Free of Charge | 2i | 518 | 7,498 |
| Net Surplus / (Deficit) ¹ | | 72 | 9,931 |
| Other Comprehensive Income | | | |
| <i>Amounts which will not be reclassified subsequently to operating result</i> | | | |
| Changes in Revaluation Surplus - I,PP&E | 9a | 7,457 | 507 |
| Total Other Comprehensive Income | | 7,457 | 507 |
| Total Comprehensive Income | | 7,529 | 10,438 |

¹ Transferred to Statement of Changes in Equity

City of Palmerston

Statement of Financial Position

as at 30 June 2020

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 5a | 17,422 | 23,925 |
| Trade & Other Receivables | 5b | 2,073 | 2,013 |
| Other Financial Assets | 5c | 9,165 | 7,664 |
| Total Current Assets | | 28,660 | 33,602 |
| Non-Current Assets | | | |
| Infrastructure, Property, Plant & Equipment | 7a | 554,098 | 548,294 |
| Investment Property | 7a | 5,200 | 5,100 |
| Other Non-Current Assets | 6 | 4,409 | 1,171 |
| Total Non-Current Assets | | 563,707 | 554,565 |
| TOTAL ASSETS | | 592,367 | 588,167 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 8a | 9,281 | 4,139 |
| Borrowings | 8b | 228 | 221 |
| Provisions | 8c | 1,357 | 1,814 |
| Total Current Liabilities | | 10,866 | 6,174 |
| Non-Current Liabilities | | | |
| Borrowings | 8b | 1,510 | 1,739 |
| Provisions | 8c | 1,806 | 1,771 |
| Total Non-Current Liabilities | | 3,316 | 3,510 |
| TOTAL LIABILITIES | | 14,182 | 9,684 |
| Net Assets | | 578,185 | 578,483 |
| EQUITY | | | |
| Accumulated Surplus | | 206,259 | 204,380 |
| Asset Revaluation Reserves | 9a | 354,132 | 346,675 |
| Other Reserves | 9b | 17,794 | 27,428 |
| Total Council Equity | | 578,185 | 578,483 |

City of Palmerston

Statement of Changes in Equity
for the year ended 30 June 2020

| \$ '000 | Notes | Asset | | | Total Equity |
|---|-------|---------------------|---------------------|----------------|----------------|
| | | Accumulated Surplus | Revaluation Reserve | Other Reserves | |
| 2020 | | | | | |
| Balance at the end of previous reporting period | | 204,380 | 346,675 | 27,428 | 578,483 |
| Adjustments (due to compliance with revised Accounting Standards) - not retrospective | 23 | (7,827) | - | - | (7,827) |
| Restated Opening Balance | | 196,553 | 346,675 | 27,428 | 570,656 |
| Net Surplus / (Deficit) for Year | | 72 | - | - | 72 |
| Other Comprehensive Income | | | | | |
| - Gain (Loss) on Revaluation of I,PP&E | 7a | - | 7,457 | - | 7,457 |
| Other Comprehensive Income | | - | 7,457 | - | 7,457 |
| Total Comprehensive Income | | 72 | 7,457 | - | 7,529 |
| Transfers between Reserves | | 9,634 | - | (9,634) | - |
| Balance at the end of period | | 206,259 | 354,132 | 17,794 | 578,185 |
| 2019 | | | | | |
| Balance at the end of previous reporting period | | 206,136 | 346,168 | 15,741 | 568,045 |
| Restated Opening Balance | | 206,136 | 346,168 | 15,741 | 568,045 |
| Net Surplus / (Deficit) for Year | | 9,931 | - | - | 9,931 |
| Other Comprehensive Income | | | | | |
| - Gain (Loss) on Revaluation of I,PP&E | 7a | - | 507 | - | 507 |
| Other Comprehensive Income | | - | 507 | - | 507 |
| Total Comprehensive Income | | 9,931 | 507 | - | 10,438 |
| Transfers between Reserves | | (11,687) | - | 11,687 | - |
| Balance at the end of period | | 204,380 | 346,675 | 27,428 | 578,483 |

City of Palmerston

Statement of Cash Flows

for the year ended 30 June 2020

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|-----------------|---------------|
| Cash Flows from Operating Activities | | | |
| <u>Receipts</u> | | | |
| Rates | | 28,458 | 28,055 |
| Statutory Charges | | 153 | 133 |
| User Charges | | 920 | 1,429 |
| Grants, Subsidies and Contributions (operating purpose) | | 2,930 | 3,713 |
| Investment Receipts | | 1,039 | 1,189 |
| Reimbursements | | 5 | 925 |
| Other Receipts | | 4,996 | 2,128 |
| <u>Payments</u> | | | |
| Payments to Employees | | (9,407) | (8,396) |
| Payments for Materials, Contracts & Other Expenses | | (24,409) | (23,195) |
| Finance Payments | | (53) | - |
| Net Cash provided by (or used in) Operating Activities | 11b | 4,632 | 5,981 |
| Cash Flows from Investing Activities | | | |
| <u>Receipts</u> | | | |
| Amounts Received Specifically for New/Upgraded Assets | | 1,609 | 8,208 |
| Sale of Replaced Assets | | 39 | 172 |
| Sale of Surplus Assets | | 3 | 15 |
| <u>Payments</u> | | | |
| Expenditure on Renewal/Replacement of Assets | | (5,520) | (1,537) |
| Expenditure on New/Upgraded Assets | | (5,511) | (3,465) |
| Net Purchase of Investment Securities | | (1,501) | (3,164) |
| Net Cash provided by (or used in) Investing Activities | | (10,881) | 229 |
| Cash Flows from Financing Activities | | | |
| <u>Receipts</u> | | | |
| Proceeds from Borrowings | | - | 1,960 |
| <u>Payments</u> | | | |
| Repayments of Borrowings | | (222) | - |
| Repayment of Bonds & Deposits | | (32) | (387) |
| Net Cash provided by (or used in) Financing Activities | | (254) | 1,573 |
| Net Increase (Decrease) in Cash Held | | (6,503) | 7,783 |
| plus: Cash & Cash Equivalents at beginning of period | 11 | 23,925 | 16,142 |
| Cash & Cash Equivalents at end of period | 11 | 17,422 | 23,925 |
| Additional Information: | | | |
| plus: Investments on hand - end of year | 5c | 9,165 | 7,664 |
| Total Cash, Cash Equivalents & Investments | | 26,587 | 31,589 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Contents of the Notes accompanying the Financial Statements

| Note | Details | Page |
|---------|--|--------|
| 1 | Significant Accounting Policies | 8 |
| 2 | Income | 14 |
| 3 | Expenses | 18 |
| 4 | Asset Disposal & Fair Value Adjustments | 19 |
| | Current Assets | |
| 5a | Cash & Cash Equivalent Assets | 20 |
| 5b | Trade & Other Receivables | 20 |
| 5c | Other Financial Assets (Investments) | 20 |
| 6 | Non-Current Assets | 20 |
| | Fixed Assets | |
| 7a (i) | Infrastructure, Property, Plant & Equipment | 21 |
| 7a (ii) | Investment Property | 21 |
| 7b | Valuation of Infrastructure, Property, Plant & Equipment | 22 |
| | Liabilities | |
| 8a | Trade & Other Payables | 25 |
| 8b | Borrowings | 25 |
| 8c | Provisions | 25 |
| | Reserves | |
| 9a | Asset Revaluation Reserve | 25 |
| 9b | Other Reserves | 26 |
| 10 | Assets Subject to Restrictions | 27 |
| 11 | Reconciliation to Statement of Cashflows | 28 |
| 12 | Functions | 29 |
| 13 | Financial Instruments | 30 |
| 14 | Capital Expenditure and Investment Property Commitments | 33 |
| 15 | Financial Indicators | 34 |
| 16 | Leases | 35 |
| 17 | Superannuation | 36 |
| 18 | Interests in Other Entities | 36 n/a |
| 19 | Non Current Assets Held for Sale & Discontinued Operations | 36 n/a |
| 20 | Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet | 36 |
| 21 | Events After the Statement of Financial Position Date | 37 |
| 22 | Related Party Transactions | 38 |
| 23 | Equity - Retained Earnings and Revaluation Reserves Adjustments | 39 |

n/a - not applicable

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations, the requirements of the *Local Government Act 2008*, the Local Government (Accounting) Regulations and other relevant Northern Territory legislation.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

City of Palmerston ("the Council") is incorporated under the NT *Local Government Act 2008* and has its principal place of business at 1 Chung Wah Terrace, Palmerston. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on

its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Council expects to be entitled in exchange for those goods and services. Performance obligations may be completed at a point in time or over time.

3.1 Grants

The Council recognises grant revenues under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

3.2 Rates Revenues

Rates are recognised at the commencement of rating period. Rates overpaid at the end of reporting period are classified as current liability.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

3.3 Non-cash contributions

Non-cash contributions with a value in excess of the recognition thresholds as stated in Note 1 – 6.2 are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses. Physical assets contributed to Council by developers in the form of road works, stormwater and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

3.4 Developer Charges

Developers also pay infrastructure charges for the construction of assets, such as roads and stormwater drainage. Infrastructure charges are recognised as income when received.

3.5 Rental income

Rental revenue from investment and other property is recognised as income on a periodic straight-line basis over the lease term.

3.6 Interest and dividends

Interest received from term deposits is accrued over the term of the investment. No dividends were received during the reporting period.

3.7 Sales revenue

Sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

3.8 Statutory and User Charges

Statutory and User Charges are recognised upon unconditional entitlement to the funds. Generally, this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the *Local Government Act 2008*. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

5 Inventories

Council does not hold any inventories.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

6.2 Materiality

Assets with an economic life more than one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

| | |
|------------------------------|----------|
| Furniture & Equipment | \$5,000 |
| Plant & Equipment | \$5,000 |
| Buildings & Other Structures | \$5,000 |
| Roads | \$10,000 |
| Footpaths and Bicycle ways | \$5,000 |
| Kerb and Gutter | \$5,000 |
| Motor Vehicles | \$5,000 |
| Irrigation | \$5,000 |
| Intangible Assets | \$10,000 |
| Stormwater Drainage | \$10,000 |
| Land Improvement | \$10,000 |

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on information available to Council as well as from an Engineering firm who undertook a review of the infrastructure assets in 2018. However, appropriate

records covering the entire life cycle of these assets are not available, and care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment

| | |
|-------------------------|----------------|
| Furniture and Equipment | 3 to 100 years |
| Motor Vehicles | 5 to 10 years |
| Plant & Equipment | 5 to 15 years |

Building & Other Structures

| | |
|-----------|------------------|
| Buildings | 7.5 to 100 years |
|-----------|------------------|

Infrastructure

| | |
|----------------------------|-----------------|
| Roads – Earthworks | 100 years |
| Roads – Pavement | 35 to 100 years |
| Roads – Seal | 10 to 60 years |
| Roads - Other | 35 to 100 years |
| Footpaths and Bicycle ways | 15 to 100 years |
| Kerb and Gutter | 30 to 100 years |
| Driveways | 15 to 100 years |
| Irrigation | 25 to 30 years |
| Stormwater Drainage | 60 to 100 years |
| Streetlights | 75 to 100 years |

Other Assets

| | |
|------------------|----------------|
| Land Improvement | 3 to 100 years |
|------------------|----------------|

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Investment property is carried at fair value, representing an open-market value determined annually by external valuers.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Fair value adjustments".

Full valuations are carried out every year.

The last full valuation for Council's Investment Properties was dated 30/06/2020.

8 Payables

8.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. Due to COVID-19 and to assist vendors council is currently paying 14 days after the date of the invoice. No interest is payable on these amounts.

8.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

9 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates and is recorded as part of "Payables".

10 Employee Benefits

10.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

10.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 17.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

11 Provisions for Reinstatement, Restoration and Rehabilitation

Council is in the final stages of taking remedial action regarding a pollution abatement notice over 240 Elrundie Avenue, Archer, NT. Costs associated with remedial action and after care management have been measured and recognised. After care management costs consist of a provision for thirty years potential monitoring. The provision is in accordance with AASB 137 – Provisions, Contingent Liabilities and Contingent Assets. The after-care management plan provision estimate has been discounted over the period and is reviewed annually.

12 Leases

Council Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 16.

In respect of finance leases, Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

13 Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a

percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

14 Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 18.

15 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

16 New and amended accounting standards And UIG interpretations

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The Council applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related Interpretations. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). Details of the accounting policy adopted for these standards can be found in Note 1 Significant Accounting Policies. The Council has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related Interpretations.

The Council has determined the impact of the new standards will mainly impact the timing of revenue recognition in relation to capital grants. These grants are provided to the Council to construct or acquire an asset to be controlled by the Council. They are accounted for under AASB 1058 and as such, amounts received in relation to these grants are recorded as a liability "Unearned Grant Income" and recorded in revenue as the asset is constructed. The impact of adopting the new standards as at 1 July 2019 was an increase to liabilities of 7.8 million dollars and a decrease to Accumulated Surplus of 7.8 million dollars.

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058.

The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

| | Amounts prepared under | |
|-------------------------------------|------------------------|---------------|
| | AASB 15/1058 | Previous AASB |
| | \$'000 | \$'000 |
| Grants, subsidies and contributions | \$7,411 | \$4,496 |

AASB 16 Leases

The Council applied AASB 16 Leases, for the first time from 1 July 2019. This standard requires that the right of use conveyed by leasing contracts (except leases with a maximum term of 12 months and leases for low-value assets) be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, Council has no leases to which this treatment will need to be applied."

17 COVID-19

Council recognises that COVID-19 has affected the operations of its services to the community in 2020 and have planned into 2020/21 a support package to assist the future economic, social and well-being of the community and the organisation. However due to the evolving nature of the pandemic, as at reporting date, the long-term impact of COVID-19 remains uncertain.

18 Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

19 Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 2. Income

| \$ '000 | 2020 | 2019 |
|--|---------------|---------------|
| (a). Rates Revenues | | |
| General Rates | | |
| Residential | 18,763 | 18,133 |
| Commercial | 2,277 | 2,012 |
| Industrial | 923 | 897 |
| Rates Received in Advance | - | 94 |
| Other | 29 | 61 |
| Total General Rates | 21,992 | 21,197 |
| Other Rates (Including Service Charges) | | |
| Waste Management Service | 6,848 | 7,002 |
| Total Other Rates | 6,848 | 7,002 |
| Total Rates Revenues | 28,840 | 28,199 |
| (b). Statutory Charges | | |
| Animal Registration Fees & Fines | 33 | 23 |
| Parking Fines / Expiation Fees | 58 | 42 |
| Other Licences, Fees & Fines | 62 | 68 |
| Total Statutory Charges | 153 | 133 |
| (c). User Charges | | |
| Parking Fees | 126 | 245 |
| Sundry | 10 | 5 |
| Developer Charges | 10 | 129 |
| Animal Control | 51 | 60 |
| Rent and Hire of Council Equipment | 338 | 450 |
| Library | 27 | 46 |
| Rate Searches and Dog Registrations | 295 | 288 |
| Licences and Permits | 53 | 77 |
| Total User Charges | 910 | 1,300 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 2. Income (continued)

| \$ '000 | 2020 | 2019 |
|--|--------------|---------------|
| (d). Investment Income | | |
| Interest on Investments | | |
| - Banks & Other | 490 | 568 |
| - Interest on Overdue Rates and Charges | 103 | 175 |
| Investment Property Rental Income | 446 | 446 |
| Total Investment Income | 1,039 | 1,189 |
| (e). Reimbursements | | |
| Private Works | 2 | - |
| Other | 3 | 925 |
| Total Reimbursements | 5 | 925 |
| (f). Other Income | | |
| Insurance & Other Recoupments - Infrastructure, IPP&E | 44 | 28 |
| Sundry | 1,809 | 155 |
| Total Other Income | 1,853 | 183 |
| (g). Grants, Subsidies, Contributions | | |
| Amounts Received Specifically for New or Upgraded Assets | 4,481 | 8,208 |
| Other Grants, Subsidies and Contributions | 2,930 | 3,713 |
| Total Grants, Subsidies, Contributions | 7,411 | 11,921 |
| The functions to which these grants relate are shown in Note 12. | | |
| (i) Sources of grants | | |
| Commonwealth Government | 865 | 381 |
| State Government | 6,495 | 10,615 |
| Other | 51 | 925 |
| Total | 7,411 | 11,921 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 2. Income (continued)

| \$ '000 | 2020 | 2019 |
|---|----------------|--------------|
| (h). Conditions over Grants & Contributions | | |
| Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows: | | |
| Unexpended at the close of the previous reporting period | 9,064 | 1,776 |
| <i>Less:</i> | | |
| <i>Expended during the current period from revenues recognised in previous reporting periods</i> | | |
| Government Grants | (4,712) | (873) |
| Subtotal | (4,712) | (873) |
| <i>Plus:</i> | | |
| <i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i> | | |
| Government Grants | 1,059 | 8,161 |
| Subtotal | 1,059 | 8,161 |
| Unexpended at the close of this reporting period | 5,411 | 9,064 |
| Net increase (decrease) in assets subject to conditions in the current reporting period | (3,653) | 7,288 |
| (i). Physical Resources Received Free of Charge | | |
| Land | 215 | 250 |
| Land Improvements | - | 567 |
| Roads, Bridges & Footpaths | 67 | 2,325 |
| Stormwater Drainage | 151 | 2,797 |
| Water and Irrigation | - | 67 |
| Street Lights | 85 | 619 |
| Footpaths and Cycleways | - | 528 |
| Kerb and Gutter | - | 345 |
| Total Physical Resources Received Free of Charge | 518 | 7,498 |

City of Palmerston

Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 2. Income (continued)

| \$ '000 | Opening Balance 1 July 2019 | Movements | | Closing Balance 30 June 2020 |
|--|-----------------------------------|-------------------------|--------------|------------------------------------|
| | | Received/ Receivable | Expended | |
| (j). Reconciliation of Government Grants | | | | |
| General Purpose (Untied) | | | | |
| Grants Commission Grant - General Purpose | - | 1,424 | 1,424 | - |
| Grants Commission Grant - Roads Funding | - | 1,549 | 1,549 | - |
| Subtotal | - | 2,973 | 2,973 | - |
| Specific Purpose - Operational | | | | |
| Stronger Communities | 9 | - | 9 | - |
| Territory Road Asset Grants - Johnston/Zuccoli | 903 | - | 775 | 128 |
| Palmerston Youth Festival | 287 | 300 | 287 | 300 |
| Youth Music | 19 | 11 | 22 | 8 |
| Shared Pathways | 18 | - | 6 | 12 |
| Impex Community Grants - Halloween at Goyder | - | 5 | 5 | - |
| Be Connected Grant - Building Digital Skills | - | 5 | 5 | - |
| Get Online Week | - | 1 | 1 | - |
| Youth Services & Resource Card | - | 8 | - | 8 |
| Palmerston Seniors Forum | - | 1 | 1 | - |
| Subtotal | 1,236 | 331 | 1,111 | 456 |
| Total Other Grants | 1,236 | 3,304 | 4,084 | 456 |
| Grants Specifically for New/Upgraded Assets | | | | |
| LED Upgrade Library & Recreation Centre | 127 | - | - | 127 |
| Server Room & Power Upgrades Council Buildings | 151 | - | 151 | - |
| Smart Cities Program | 500 | 445 | 945 | - |
| Street Lighting Improvements & Safety | 750 | - | 450 | 300 |
| Palmerston Aquatic Centre | 2,500 | - | - | 2,500 |
| Shared Paths Tulagi Road Yarrowonga | 500 | - | 500 | - |
| Palmerston Youth Drop In & Emergency | 2,100 | - | 1,066 | 1,034 |
| Various Asset Improvements | 1,200 | - | 950 | 250 |
| SCALE Grant Program | - | 744 | - | 744 |
| Total Grants Specifically for New/Upgraded Assets | 7,828 | 1,189 | 4,062 | 4,955 |
| Comparatives | 1,776 | 10,999 | 3,711 | 9,064 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 3. Expenses

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|---------------|---------------|
| (a). Employee Costs | | | |
| Salaries and Wages | | 6,828 | 6,332 |
| Employee Leave Expense | | 1,101 | 1,275 |
| Superannuation - Defined Contribution Plan Contributions | 17 | 784 | 782 |
| Workers' Compensation Insurance | | 144 | 118 |
| Other | | 349 | 272 |
| Total Operating Employee Costs | | 9,206 | 8,779 |
| Total Number of Employees (full time equivalent at end of reporting period) | | 88 | 85 |
| (b). Materials, Contracts and Other Expenses | | | |
| (i) Prescribed Expenses | | | |
| Auditor's Remuneration | | | |
| - Auditing the Financial Reports | | 35 | 54 |
| - Other Auditors | | 52 | 57 |
| Bad and Doubtful Debts | | 120 | 1 |
| Elected Members' Expenses | | 317 | 316 |
| Minimum Lease Payments | | 125 | 147 |
| Subtotal - Prescribed Expenses | | 649 | 575 |
| (ii) Other Materials, Contracts and Expenses | | | |
| Contractors | | 12,224 | 11,693 |
| Energy | | 1,052 | 1,214 |
| Legal Expenses | | 490 | 424 |
| Professional Services | | 1,917 | 1,526 |
| Sundry | | 5,244 | 4,903 |
| Subtotal - Other Material, Contracts & Expenses | | 20,927 | 19,760 |
| Total Materials, Contracts and Other Expenses | | 21,576 | 20,335 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 3. Expenses (continued)

| \$ '000 | Notes | 2020 | 2019 |
|--|-------|--------------|---------------|
| (c). Depreciation, Amortisation and Impairment | | | |
| (i) Depreciation and Amortisation | | | |
| Land Improvements | | 763 | 806 |
| Buildings & Other Structures | | 649 | 902 |
| Infrastructure | | | |
| - Stormwater Drainage | | 3,101 | 3,085 |
| - Roads and Pavement | | 2,648 | 2,733 |
| - Kerbs and Guttering | | 265 | 247 |
| - Footpaths, Cycleways & Driveways | | 809 | 815 |
| - Water and Irrigation | | 605 | 601 |
| - Street Lights | | 630 | 623 |
| Plant & Equipment | | 40 | 33 |
| Furniture & Fittings | | 68 | 67 |
| Motor Vehicles | | 199 | 182 |
| Subtotal | | 9,777 | 10,094 |
| (ii) Impairment | | | |
| Nil | | | |
| Total Depreciation, Amortisation and Impairment | | 9,777 | 10,094 |
| (d). Finance Costs | | | |
| Interest on Loans | | 53 | - |
| Total Finance Costs | | 53 | - |

Note 4. Asset Disposal & Fair Value Adjustments

| | | | |
|---|--|--------------|----------------|
| Infrastructure, Property, Plant & Equipment | | | |
| (i) Assets Renewed or Directly Replaced | | | |
| Proceeds from Disposal | | 39 | 172 |
| Less: Carrying Amount of Assets Sold | | (24) | - |
| Gain (Loss) on Disposal | | 15 | 172 |
| (ii) Assets Surplus to Requirements | | | |
| Proceeds from Disposal | | 3 | 15 |
| Less: Carrying Amount of Assets Sold | | (163) | (723) |
| Gain (Loss) on Disposal | | (160) | (708) |
| Fair Value Adjustments | | | |
| Investment Property - Fair Value Increase / (Decrease) | | 100 | (1,673) |
| Total Fair Value Adjustments | | 100 | (1,673) |
| Net Gain (Loss) on Disposal or Revaluation of Assets | | (45) | (2,209) |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 5. Current Assets

| \$ '000 | Notes | 2020 | 2019 |
|---|-------|---------------|---------------|
| (a). Cash & Cash Equivalent Assets | | | |
| Cash on Hand at Bank | | 8,422 | 14,925 |
| Short Term Deposits & Bills, etc. | | 9,000 | 9,000 |
| Total Cash & Cash Equivalent Assets | | 17,422 | 23,925 |
| (b). Trade & Other Receivables | | | |
| Rates - General & Other | | 1,464 | 1,082 |
| Accrued Revenues | | 100 | 166 |
| Debtors - General | | 41 | 194 |
| GST Recoupment | | 226 | 180 |
| Prepayments | | 180 | 224 |
| Sundry | | 11 | 11 |
| Animal Control | | 136 | 125 |
| Parking and Traffic | | 161 | 157 |
| Subtotal | | 2,319 | 2,139 |
| Less: Expected Credit Losses | | (246) | (126) |
| Total Trade & Other Receivables | | 2,073 | 2,013 |
| (c). Other Financial Assets (Investments) | | | |
| Term Deposits Over 90 Days | | 9,165 | 7,664 |
| Total Other Financial Assets (Investments) | | 9,165 | 7,664 |

Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.

Note 6. Non-Current Assets

Other Non-Current Assets

| | | | |
|---------------------------------------|--|--------------|--------------|
| Capital Works-in-Progress | | 4,409 | 1,171 |
| Total Other Non-Current Assets | | 4,409 | 1,171 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 7a (i). Infrastructure, Property, Plant & Equipment

| \$ '000 | Fair Value Level | as at 30/6/2019 | | | | | | Asset Movements during the Reporting Period | | | | | | | | | | as at 30/6/2020 | | |
|--|------------------|-----------------|--------------|-------------------|----------------|-----------------|--------------|---|--------------------------------|---|-----------------|-------------------------|--|---|---|---------------|----------------|-------------------|----------------|---|
| | | AI Fair Value | AI Cost | Accumulated Dep'n | Carrying Value | Asset Additions | | WDV of Asset Disposals | Depreciation Expense (Note 3c) | Impairment Loss (recognised in P/L) (Note 3c) | Write Transfers | Adjustments & Transfers | Revaluation Increments to P/L - Investment Properties (Note 4) | Revaluation Decrements to Equity (ARR) (Note 5) | Revaluation Increments to Equity (ARR) (Note 5) | AI Fair Value | AI Cost | Accumulated Dep'n | Carrying Value | |
| | | | | | | New/ Upgrade | Renovs | | | | | | | | | | | | | Revaluation Decrements to Equity (ARR) (Note 5) |
| Land - Other | 3 | 134,223 | - | - | 134,223 | 215 | - | - | - | - | - | - | - | - | - | 134,438 | - | - | 134,438 | |
| Land Improvements | 3 | 26,462 | 711 | 14,569 | 12,604 | 541 | (75) | (763) | - | 173 | - | - | - | - | 27,192 | 1,000 | 15,252 | 12,940 | | |
| Buildings & Other Structures | 3 | 27,913 | 452 | 9,405 | 18,960 | - | (15) | (649) | - | 223 | - | - | - | - | 28,561 | 1,288 | 10,043 | 19,806 | | |
| Infrastructure | | | | | | | | | | | | | | | | | | | | |
| - Stormwater Drainage | 3 | 253,455 | 285 | 61,928 | 191,812 | 233 | (14) | (3,101) | - | - | - | - | - | - | 253,865 | 173 | 65,017 | 189,021 | | |
| - Roads and Pavement | 3 | 158,878 | 774 | 50,249 | 109,403 | 6 | - | (2,648) | - | - | 53 | - | - | 10,611 | 165,486 | 802 | 48,069 | 118,219 | | |
| - Kerbs and Guttering | 3 | 24,720 | 36 | 5,287 | 19,469 | - | - | (265) | - | - | 882 | - | (3,154) | - | 24,478 | 7,546 | - | 16,932 | | |
| - Footpaths, Cycleways & Driveways | 3 | 45,924 | 562 | 18,843 | 27,643 | 618 | (58) | (809) | - | 10 | (935) | - | - | - | 45,516 | 671 | 19,598 | 26,589 | | |
| - Water and Irrigation | 3 | 17,205 | 400 | 8,012 | 9,593 | 33 | - | (605) | - | 8 | - | - | - | - | 17,614 | 39 | 8,617 | 9,036 | | |
| - Street Lights | 3 | 24,545 | 26 | 994 | 23,577 | 112 | - | (630) | - | 493 | - | - | - | - | 25,149 | 2,725 | 1,624 | 26,250 | | |
| Plant & Equipment | 2 | 244 | 63 | 141 | 166 | - | - | (40) | - | - | - | - | - | - | 307 | - | 181 | 126 | | |
| Furniture & Fixings | 2 | 980 | 149 | 915 | 214 | - | - | (68) | - | - | - | - | - | - | 1,129 | 55 | 993 | 201 | | |
| Motor Vehicles | 3 | 784 | 402 | 556 | 630 | 133 | (24) | (199) | - | - | - | - | - | - | 1,088 | 133 | 681 | 540 | | |
| Total Infrastructure, Property, Plant & Equipment | | 715,333 | 3,860 | 170,899 | 548,294 | 1,891 | (186) | (9,777) | - | 907 | - | - | (3,154) | 10,611 | 724,823 | 6,886 | 177,611 | 554,096 | | |
| Comparatives | | 704,551 | 5,429 | 164,422 | 545,558 | 6,926 | (723) | (10,094) | - | 1,688 | - | - | (6,554) | 7,061 | 715,333 | 3,860 | 170,899 | 548,294 | | |

Note 7a (ii). Investment Property

| | | | | | | | | | | | | | | | | | | |
|----------------------------------|--|--------------|----------|----------|--------------|----------|----------|----------------|----------|----------|----------|------------|----------|----------|--------------|----------|----------|--------------|
| Buildings & Structures | | 5,100 | - | - | 5,100 | - | - | - | - | - | - | 100 | - | - | 5,200 | - | - | 5,200 |
| Total Investment Property | | 5,100 | - | - | 5,100 | - | - | - | - | - | - | 100 | - | - | 5,200 | - | - | 5,200 |
| Comparatives | | 6,773 | - | - | 6,773 | - | - | (1,673) | - | - | - | - | - | - | 5,100 | - | - | 5,100 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on Valuations

Fair value hierarchy level 2 valuations - Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of land - Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, and are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

City of Palmerston

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$ '000

Valuation of Assets (continued)

Transfers between fair value hierarchy levels

In the course of revaluing Roads & Pavement and Kerbs & Guttering, the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Land

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2019.
- Valuer: Australis Asset Advisory Group Pty Ltd

Land Improvements

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2018.
- Valuer: Asset Val Pty Ltd

Buildings & Other Structures

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2019.
- Valuer: Australis Asset Advisory Group Pty Ltd

Infrastructure

Roads & Pavements, Kerb and Gutter, Footpaths

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2020.
- Valuer: Assetic Australia Pty Ltd

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$ '000

Valuation of Assets (continued)

Stormwater Drainage

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2018.
- Valuer: Asset Val Pty Ltd

Water & Irrigation

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2018.
- Valuer: Asset Val Pty Ltd

Street Lights

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2018.
- Valuer: JLL Infrastructure Advisory Pty Ltd

Plant & Equipment

- Basis of valuation: Cost

Furniture & Fittings

- Basis of valuation: Cost

Motor Vehicles

- Basis of valuation: Cost

Investment Property

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2020.
- Valuer: Herron Todd White (Northern Territory) Pty Ltd

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 8. Liabilities

| \$ '000 | Notes | 2020 | | 2019 | |
|--|-------|--------------|-------------|--------------|-------------|
| | | Current | Non Current | Current | Non Current |
| (a). Trade and Other Payables | | | | | |
| Goods & Services | | 516 | - | 379 | - |
| Payments Received in Advance | | 37 | - | 46 | - |
| Accrued Expenses - Employee Entitlements | | 233 | - | 192 | - |
| Accrued Expenses - Other | | 3,064 | - | 3,014 | - |
| Deposits, Retentions & Bonds | | 476 | - | 508 | - |
| Unearned Grant Income | | 4,955 | - | - | - |
| Total Trade and Other Payables | | 9,281 | - | 4,139 | - |

(b). Borrowings

| | | | | | |
|-------------------------|--|------------|--------------|------------|--------------|
| Loans | | 228 | 1,510 | 221 | 1,739 |
| Total Borrowings | | 228 | 1,510 | 221 | 1,739 |

All interest bearing liabilities are secured over the future revenues of the Council

(c). Provisions

| | | | | | |
|---|--|--------------|--------------|--------------|--------------|
| Employee Entitlements (including oncosts) | | 1,260 | 377 | 1,345 | 423 |
| Future Reinstatement / Restoration, etc | | 97 | 1,429 | 469 | 1,348 |
| Total Provisions | | 1,357 | 1,806 | 1,814 | 1,771 |

Note 9. Reserves

| \$ '000 | 1/7/2019 | Increments (Decrements) | Transfers | Impairments | 30/6/2020 |
|--|----------------|----------------------------|-----------|-------------|----------------|
| | | | | | |
| (a). Asset Revaluation Reserve | | | | | |
| Land - Other | 117,472 | - | - | - | 117,472 |
| Land Improvements | 135 | - | - | - | 135 |
| Buildings & Other Structures | 9,438 | - | - | - | 9,438 |
| Infrastructure | | | | | |
| - Stormwater Drainage | 138,967 | - | - | - | 138,967 |
| - Roads and Pavement | 53,796 | 10,611 | - | - | 64,407 |
| - Kerbs and Guttering | 6,730 | (3,154) | - | - | 3,576 |
| - Footpaths, Cycleways & Driveways | 9,244 | - | - | - | 9,244 |
| - Water and Irrigation | 6,358 | - | - | - | 6,358 |
| - Water Infrastructure | 4,464 | - | - | - | 4,464 |
| Motor Vehicles | 71 | - | - | - | 71 |
| Total Asset Revaluation Reserve | 346,675 | 7,457 | - | - | 354,132 |
| Comparatives | 346,168 | 507 | - | - | 346,675 |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 9. Reserves (continued)

| \$ '000 | 1/7/2019 | Tfrs to Reserve | Tfrs from Reserve | Other Movements | 30/6/2020 |
|---|---------------|--------------------|----------------------|--------------------|---------------|
| (b). Other Reserves | | | | | |
| Developer Funds Reserve | 5,100 | 242 | (3,555) | - | 1,787 |
| Unexpended Capital Works Reserve | 1,195 | 2,597 | (1,195) | - | 2,597 |
| Unexpended Grants and Contributions Reserve | 9,064 | 457 | (9,064) | - | 457 |
| Election Expenses Reserve | 150 | - | - | - | 150 |
| Disaster Recovery Reserve | 500 | 37 | (37) | - | 500 |
| Waste Management Reserve | 1,582 | 660 | (100) | - | 2,142 |
| Major Initiatives Reserve | 866 | - | (251) | - | 615 |
| Working Capital Reserve | 8,971 | 3,441 | (2,866) | - | 9,546 |
| Total Other Reserves | 27,428 | 7,434 | (17,068) | - | 17,794 |
| Comparatives | 15,741 | 14,996 | (5,249) | 1,940 | 27,428 |

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

Externally Restricted Reserves

Unexpended Grants and Contributions Reserve

This reserve holds the balance of unexpended grants and contributions received from external contributors. The funds are held in this reserve until expensed in line with the funding conditions. External restrictions apply in line with the individual funding agreements.

AASB 1058 supersedes all the income recognition requirements relating to Council, previously in AASB 1004. Under AASB 1058 the future timing of income recognition will depend on whether the transaction gives rise to a liability or other performance obligation related to an asset received by Council.

Internally Restricted Reserves

Election Expenses Reserve

This reserve shall be increased annually over the Council term. This reserve should not exceed \$150,000.

Disaster Recovery Reserve

This reserve shall be maintained at or near \$500,000. External funds received after the event for the purpose of disaster recovery shall be used to maintain the reserve on this level of funds.

Developer Funds Reserve

This reserve holds the balance of unexpended funds in lieu of construction received by developers.

Unexpended Capital Works Reserve

This reserve holds the balance of unexpended capital works funds that are requested to be carried forward to the following financial year.

City of Palmerston

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 9. Reserves (continued)

\$ '000

Major Initiatives Reserve

This reserve will fund major initiatives for the future development of the City of Palmerston in line with identified major capital works, the Municipal Plan and the Long-Term Financial Plan. Specific initiatives must be identified, and funds are to be allocated to those.

Waste Management Reserve

This reserve holds funds for the direct and indirect expenditures for the rehabilitation of the Archer landfill and for development of the Archer transfer station to accommodate expected future requirements.

Unrestricted Reserves

Working Capital Reserve

This reserve holds funds that have not been allocated to a specific purpose.

Note 10. Assets Subject to Restrictions

\$ '000

2020

2019

Cash & Financial Assets

Unexpended amounts received from Federal Government

Unexpended amounts received from Government

5,411

9,064

Total Cash & Financial Assets

5,411

9,064

Total Assets Subject to Externally Imposed Restrictions

5,411

9,064

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 11. Reconciliation to Statement of Cash Flows

| \$ '000 | Notes | 2020 | 2019 |
|--|-------|---------------|---------------|
| (a). Reconciliation of Cash | | | |
| Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows: | | | |
| Total Cash & Equivalent Assets | 5 | 17,422 | 23,925 |
| Balances per Statement of Cash Flows | | 17,422 | 23,925 |
| (b). Reconciliation of Change in Net Assets to Cash from Operating Activities | | | |
| Net Surplus/(Deficit) | | 72 | 9,931 |
| Non-Cash Items in Income Statements | | | |
| Depreciation, Amortisation & Impairment | | 9,777 | 10,094 |
| Fair Value Adjustments | | (100) | 1,673 |
| Non-Cash Asset Acquisitions | | (518) | (7,498) |
| Grants for Capital Acquisitions (Treated as Investing Activity Receipts) | | (4,481) | (8,208) |
| Net (Gain) Loss on Disposals | | 145 | 536 |
| | | 4,895 | 6,528 |
| Add (Less): Changes in Net Current Assets | | | |
| Net (Increase)/Decrease in Receivables | | (180) | (511) |
| Change in Allowances for Under-Recovery of Receivables | | (120) | 4 |
| Net (Increase)/Decrease in Other Current Assets | | 240 | (8) |
| Net Increase/(Decrease) in Trade & Other Payables | | 219 | 1,163 |
| Net Increase/(Decrease) in Unpaid Employee Benefits | | (131) | 336 |
| Net Increase/(Decrease) in Other Provisions | | (291) | (1,531) |
| Net Cash provided by (or used in) operations | | 4,632 | 5,981 |
| (c). Non-Cash Financing and Investing Activities | | | |
| Acquisition of assets by means of: | | | |
| - Physical Resources Received Free of Charge | 2i | 518 | 7,498 |
| Amounts recognised in Income Statement | | 518 | 7,498 |
| Total Non-Cash Financing & Investing Activities | | 518 | 7,498 |
| (d). Financing Arrangements | | | |
| Unrestricted access was available at balance date to the following lines of credit: | | | |
| Corporate Credit Cards | | 100 | 100 |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

City of Palmerston

Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 12. Functions

| Functions/Activities | Income, Expenses and Assets have been directly attributed to the following Functions / Activities. | | | | | | | | | | | | | |
|-----------------------------------|--|---------------|---------------|---------------|---------------|---------------|-----------------------------|--------------|--------------|---------------------------|--------------|---------------|---|----------------|
| | INCOME | | | EXPENSES | | | OPERATING SURPLUS (DEFICIT) | | | GRANTS INCLUDED IN INCOME | | | TOTAL ASSETS HELD (CURRENT & NON-CURRENT) | |
| | Budget 2020 | Actual 2020 | Actual 2019 | Budget 2020 | Actual 2020 | Actual 2019 | Budget 2020 | Actual 2020 | Actual 2019 | Budget 2020 | Actual 2020 | Actual 2019 | Actual 2020 | Actual 2019 |
| \$ '000 | | | | | | | | | | | | | | |
| General Public Services | 24,173 | 29,283 | 24,782 | 19,600 | 19,754 | 19,695 | 4,573 | 9,529 | 5,087 | 1,404 | 4,880 | 1,620 | 33,610 | 35,406 |
| Public Order and Safety | 452 | 475 | 443 | 1,033 | 1,046 | 884 | (581) | (571) | (441) | - | - | - | - | - |
| Economic Affairs | 1,640 | 2,237 | 3,017 | 3,351 | 4,599 | 3,432 | (1,711) | (2,362) | (415) | 967 | 1,548 | 1,196 | 350,966 | 350,991 |
| Environmental Protection | 6,846 | 6,848 | 7,002 | 6,064 | 5,668 | 5,875 | 782 | 1,180 | 1,127 | - | - | - | - | - |
| Housing and Community Amenities | - | - | - | 840 | 838 | 1,377 | (840) | (838) | (1,377) | - | - | - | 31,450 | 23,531 |
| Recreation, Culture and Religion | 1,361 | 1,366 | 8,604 | 8,343 | 8,702 | 7,939 | (6,982) | (7,336) | 665 | 920 | 930 | 8,180 | 176,341 | 178,239 |
| Social Protection | 2 | 2 | 2 | 7 | 5 | 6 | (5) | (3) | (4) | 2 | 2 | 2 | - | - |
| Total Functions/Activities | 34,474 | 40,211 | 43,850 | 39,238 | 40,612 | 39,208 | (4,764) | (401) | 4,642 | 3,293 | 7,360 | 10,998 | 592,367 | 588,167 |

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets and physical resources received free of charge.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; Interest is recognised when received.

Terms & Conditions:

Deposits are returning fixed interest rates between 0.97% and 1.65% (2019: 1.99% and 2.80%). Short term deposits have an average maturity of 111 days and an average interest rate of 1.36% (2019: 86 days and 2.57%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

Accounting Policy:

Carried at nominal values less any expected credit losses. Expected credit losses are recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 9% (2019: 9%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

Receivables

Fees & Other Charges

Accounting Policy:

Carried at nominal values less any expected credit losses. Expected credit losses are recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying Amount:

Approximates fair value.

Liabilities

Creditors and Accruals

Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms & Conditions:

Liabilities were normally settled on 30 day terms. The creditors terms have been reduced to 14 days since March 2020 to assist the local business affected by COVID-19.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable quarterly; interest is charged at a fixed rate of 2.8% per annum.

Carrying Amount:

Cost.

City of Palmerston

Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 13. Financial Instruments (continued)

| \$ '000 | Due < 1 year | Due > 1 year & ≤ 5 years | Due > 5 years | Total Contractual Cash Flows | Carrying Values |
|------------------------------------|-----------------|-----------------------------|------------------|---------------------------------|--------------------|
| 2020 | | | | | |
| Financial Assets | | | | | |
| Cash & Equivalents | 17,422 | - | - | 17,422 | 17,422 |
| Receivables | 203 | - | - | 203 | 449 |
| Other Financial Assets | 9,165 | - | - | 9,165 | 9,165 |
| Total Financial Assets | 26,790 | - | - | 26,790 | 27,036 |
| Financial Liabilities | | | | | |
| Payables | 4,289 | - | - | 4,289 | 9,281 |
| Current Borrowings | 228 | - | - | 228 | 228 |
| Non-Current Borrowings | - | 979 | 531 | 1,510 | 1,510 |
| Total Financial Liabilities | 4,517 | 979 | 531 | 6,027 | 11,019 |
| 2019 | | | | | |
| Financial Assets | | | | | |
| Cash & Equivalents | 23,925 | - | - | 23,925 | 23,925 |
| Receivables | 653 | - | - | 653 | 653 |
| Other Financial Assets | 7,664 | - | - | 7,664 | 7,664 |
| Total Financial Assets | 32,242 | - | - | 32,242 | 32,242 |
| Financial Liabilities | | | | | |
| Payables | 4,139 | - | - | 4,139 | 4,139 |
| Current Borrowings | 221 | - | - | 221 | 221 |
| Non-Current Borrowings | - | 952 | 787 | 1,739 | 1,739 |
| Total Financial Liabilities | 4,360 | 952 | 787 | 6,099 | 6,099 |

The following interest rates were applicable to Council's Borrowings at balance date:

| | 30 June 2020 | | 30 June 2019 | |
|----------------------|-------------------------------|-------------------|-------------------------------|-------------------|
| | Weighted Avg Interest Rate | Carrying Value | Weighted Avg Interest Rate | Carrying Value |
| Fixed Interest Rates | 2.78% | 1,738 | 2.78% | 1,960 |
| | | 1,738 | | 1,960 |

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 13. Financial Instruments (continued)

\$ '000

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any expected credit losses. All Council investments are made in accordance with regulations, with authorised deposit taking institutions.

Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of Council's financial instruments - both assets and liabilities - are at fixed rates. Any such variations in future cash flows will not be material in effect on either Council income or expenditure.

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000

2020

2019

(a). Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

| | | |
|-------|--------------|--------------|
| Other | 4,409 | 3,020 |
| | <u>4,409</u> | <u>3,020</u> |

These expenditures are payable:

| | | |
|--|--------------|--------------|
| Not later than one year | 4,409 | 3,020 |
| Later than one year and not later than 5 years | - | - |
| Later than 5 years | - | - |
| | <u>4,409</u> | <u>3,020</u> |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 14. Capital Expenditure and Investment Property Commitments (continued)

| \$ '000 | 2020 | 2019 |
|--|---------------|---------------|
| (b). Other Expenditure Commitments | | |
| Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities: | | |
| Audit Services | 28 | 28 |
| Waste Management Services | 6,127 | 9,882 |
| Other Maintenance Contracts | 514 | 1,572 |
| Landscaping and Mowing | 642 | 1,900 |
| Civil Works | 2,598 | 474 |
| Other | 891 | 1,322 |
| | 10,800 | 15,178 |
| These expenditures are payable: | | |
| Not later than one year | 5,935 | 7,526 |
| Later than one year and not later than 5 years | 4,865 | 7,652 |
| Later than 5 years | - | - |
| | 10,800 | 15,178 |

Note 15. Financial Indicators

| \$ '000 | Amounts 2020 | Benchmark 2020 | Indicator 2020 | Prior Periods 2019 2018 | |
|--|-----------------|-------------------|-------------------|----------------------------|--------|
| 1. Current Ratio | | | | | |
| Current Assets <i>less</i> Externally Restricted Assets | 23,249 | | | | |
| Current Liabilities | 10,866 | >1.50 | 2.14 | 5.44 | 3.18 |
| This ratio is to assess Council's ability to pay its short term debts as they fall due. | | | | | |
| 2. Debt Service Ratio | | | | | |
| Net Debt Service Cost | 275 | | | | |
| Operating Revenue | 35,730 | <2.5% | 0.8% | 0.00 | 0.00 |
| This ratio measures the availability of operating cash to service debt including interest and principal. | | | | | |
| 3. Rate Coverage Percentage | | | | | |
| Rate Revenues | 21,992 | | | | |
| Total Revenues | 40,211 | >60% | 54.69% | 48.34% | 56.67% |
| This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as grants and contributions. | | | | | |
| 4. Rates and Annual Charges Outstanding | | | | | |
| Rates & Annual Charges Outstanding | 1,464 | | | | |
| Rates & Annual Charges Collectible | 28,840 | <5% | 5.08% | 3.84% | 3.39% |

This ratio measures Council's effectiveness in recovering debts legally owed to it.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 16. Leases

| \$ '000 | 2020 | 2019 |
|---------|------|------|
|---------|------|------|

Council as a Lessor

Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

(i) Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:

| | | |
|--|--------------|--------------|
| Not later than one year | 528 | 527 |
| Later than one year and not later than 5 years | 1,562 | 1,793 |
| Later than 5 years | - | - |
| | <u>2,090</u> | <u>2,320</u> |

(ii) Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

No contingent rentals were paid during the current or previous reporting periods.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease return or acquire the equipment leased

No lease contains any escalation clause

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

| | | |
|--|----------|-----------|
| Not later than one year | 9 | 81 |
| Later than one year and not later than 5 years | - | 9 |
| Later than 5 years | - | - |
| | <u>9</u> | <u>90</u> |

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 17. Superannuation

The Council makes employer superannuation contributions in respect of its employees to the following schemes;

Statewide Super Scheme (under Local Government Superannuation Scheme)

Statewide Super receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.50% in 2019/20; 9.50% in 2018/19). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Contributions to Other Superannuation Schemes

The Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

Note 18. Interests in Other Entities

Council has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

Note 19. Non-Current Assets Held for Sale & Discontinued Operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Note 20. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 20. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. Council is involved from time to time in various claims incidental to the normal course of business including claims for damages relating to its services. At any time, it is likely that claims will have been made against Council that remain unsettled and it is not practicable to estimate all potential liabilities at this stage.

Council insures against all known insurance risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

Note 21. Events After the Statement of Financial Position Date

Events that occur after the reporting date of 30 June 2020, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 28/10/20.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 22. Related Party Transactions

| \$ '000 | 2020 | 2019 |
|---------|------|------|
|---------|------|------|

Key Management Personnel

Transactions with Key Management Personnel

The related parties of the Council include:

- the key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the Council directly; and
- spouses, children and dependants who are close family members of the KMP and;
- any entities controlled or jointly controlled by KMP or controlled or jointly controlled by their close family members.
- KMP's include CEO, Directors, Executive Managers and Elected Members

The compensation paid to Key Management Personnel comprises:

| | | |
|---|--------------|--------------|
| Salaries, Allowances and Other Short-Term Employee Benefits | 1,370 | 1,325 |
| Total | <u>1,370</u> | <u>1,325</u> |

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

i) Retirement Benefits

No retirement benefits have been made by the Council to KMP during the reporting year.

(ii) Loans to Responsible Persons

No loans have been made, guaranteed or secured by the Council to KMP during the reporting year.

(iii) Other Transactions

Other than the amount paid as taxpayers or residents (e.g. rates, swimming pool entry fees, etc.) no other transactions have been made with the KMP during the year.

City of Palmerston provides financial support to some not for profit organisations. Two of these organisations have an Elected Member on their current board. These financial arrangements existed prior to those board members becoming Elected Members, and the nature of those arrangements have remained unchanged.

(iv) Outstanding Amounts

As at 30 June 2020, there were no outstanding amounts receivable from the Council's KMP.

City of Palmerston

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 23. Equity - Retained Earnings and Revaluation Reserves Adjustments

\$ '000

Changes in Accounting Policies due to Adoption of AASB 1058-Modified Retrospective

During the year ended 30 June 2020, the Council has adopted AASB 1058 Income of Not-for-profit Entities using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 118 Revenue and associated Accounting Interpretations.

All adjustments on adoption of AASB 1058 have been taken to retained earnings at 1 July 2019.

The following approach has been applied on transition to AASB 1058:

- Council has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements
- Council has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

Grants – capital

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

Adjustments to the current year figures for the year ended 30 June 2020

| | Original Balance 1 July, 2019 | Impact Increase/ (decrease) | Restated Balance 1 July, 2019 |
|--|-------------------------------------|-----------------------------------|-------------------------------------|
| Statement of Financial Position | | | |
| Current Assets | 33,602 | - | 33,602 |
| Non-Current Assets | 554,565 | - | - |
| Total Assets | 588,167 | - | 588,167 |
| Current Liabilities | 6,174 | 7,827 | 14,001 |
| Non-Current Liabilities | 3,510 | - | 3,510 |
| Total Liabilities | 9,684 | 7,827 | 17,511 |
| Accumulated Surplus | 204,380 | (7,827) | 196,553 |
| Asset Revaluation Reserves | 346,675 | - | 346,675 |
| Other Reserves | 27,428 | - | 27,428 |
| Total equity | 578,483 | (7,827) | 570,656 |



Independent audit report to the Chief Executive Officer of City of Palmerston

Opinion

We have audited the accompanying general purpose financial report of City of Palmerston ("the Council"), which comprises the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's Statement.

In our opinion, the financial report of City of Palmerston is in accordance with the *Northern Territory Local Government Act*, including:

- (a) giving a true and fair view of the financial position of City of Palmerston as at 30 June 2020 and of the Council's performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Local Government (Accounting) Regulations*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We are independent of the Council in accordance with the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the 'Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – COVID-19 Pandemic Impact

We draw attention to Note 1.17 to the financial report, which describes the impact of the COVID-19 pandemic on the Council. Our opinion is not modified in respect of this matter

The Responsibility of the Chief Executive Officer and Those Charged with Governance for the Financial Report

The Chief Executive Officer of the Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Northern Territory Local Government Act* and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Chief Executive Officer either intends to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

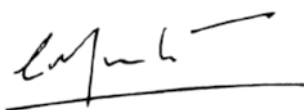
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer.
- Conclude on the appropriateness of the Chief Executive Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive Officer and those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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MunLi Chee
Director

DARWIN

28 October 2020

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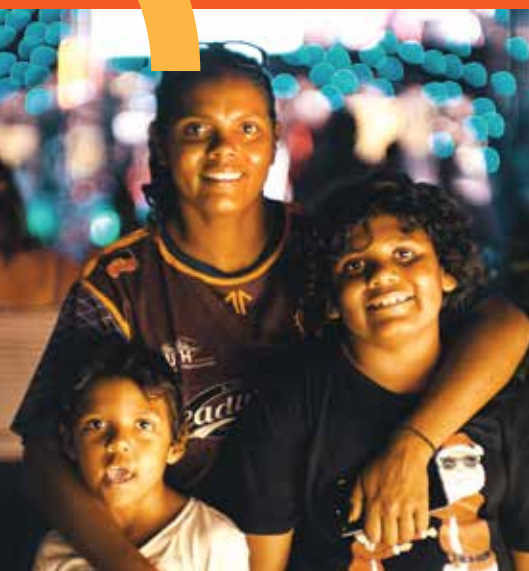


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