



City of
Greater Geraldton
a vibrant future



ANNUAL REPORT **2021-2022**



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The City of Greater Geraldton would like to respectfully acknowledge the Yamatji Peoples who are the Traditional Owners and First People of the land on which we stand. The Nhanhagardi, Wilunyu, Naaguja. We would like to pay our respect to the Elders past, present and future for they hold the memories, the traditions, the culture and hopes of the Yamatji Peoples.

WELCOME

Welcome to the 2021-22 City of Greater Geraldton Annual Report. This report provides an overview of the activities undertaken in the 2021-22 financial year as we work to achieve our vision of becoming the home of WA's Regional Capital.

Driven by four strategic directions: Our Community; Our Environment; Our Economy; and Our Leadership, this report showcases our achievements. It provides a look at all elements of the work Council does, our financial performance and the governance and statutory regulations by which we operate.

The Local Government Act 1995 requires local governments to produce an Annual Report by 31 December each year.

The City of Greater Geraldton Annual Report is a public document that provides the disclosure requirements outlined in the Local Government Act 1995.





MAYOR'S FOREWORD

'Unprecedented' is a word everyone has no doubt heard a lot over the past few years, but it is an apt way to describe the unique circumstances each of us found ourselves in during the 2021-22 financial year.

Here at the City of Greater Geraldton we have met the challenge head on and now, as we come out the other side of the COVID-19 pandemic, we can see business is returning to normal. By demonstrating sound planning and disciplined spending, we can now be optimistic about a brighter future.

Meeting the challenge

The spiralling cost of goods and services has affected almost all parts of the economy, and the City is no exception. Inflation continues to pose significant challenges, but through sound financial management Council was able to deliver a budget surplus while still providing exceptional services to our community.

Key components of the 2021-22 Budget included investments into new and improved footpaths and roads, providing a boost to sports, recreational and community spaces while continuing to prioritise waste diversion.

Sustainability

One of the key takeaways we have learnt over events of the past few years is that the world is changing, and so too is the climate. I am proud of the steps Council has taken to ensure we are doing our part to reduce our carbon footprint – starting with the adoption of a Net Zero Carbon Emissions by 2030 policy.

Reaching net zero will take more than just words, and throughout the 2021-22 financial year we took big steps towards achieving this goal. We have added electric vehicle (EV) charging points, we continue to support the Bowerbird in its waste recovery efforts and in May 2022 we extended the FOGO trial for another 12 months.

Investing in the future

By tackling the challenges of these past few years head-on, we can now look ahead with optimism and start investing in our future. The 2021-22 financial year saw a high volume of sporting grants awarded to fantastic local clubs and we also purchased the old Club Rocky's building in Wonthella, with the aim of converting it into a Youth Hub.

Increasing vibrancy remains a key outcome of Council, and we're excited to see the return of the ever-popular public art piece Horizon to Beresford Foreshore, as well as cruise ships and their fabulous guests from across the globe.

Nothing is immune to change, and Council itself is no exception. It may look very different in Annual Reports to come, with the long anticipated Local Government reforms now underway. These reforms give voters the opportunity to ensure Council continues to reflect the needs of our municipality both now and into the future.

I am immensely proud of how my fellow Councillors and City staff have risen to the challenges we have been presented with over the past few years, and I am excited to work with the community to ensure Greater Geraldton continues to flourish.

Shane Van Styn
Mayor, City of Greater Geraldton



“ WE CAN NOW
LOOK AHEAD
WITH
OPTIMISM
AND START
INVESTING
IN OUR FUTURE ”





“THE **FUTURE**
LOOKS **BRIGHT**
FOR THE **CITY**
OF **GREATER**
GERALDTON”



MESSAGE FROM THE CEO

It has been another successful year for the City of Greater Geraldton (the City) and that's all thanks to our Councillors, staff and wide-range of stakeholders. This year our focus was "getting back to normal" after the COVID-19 pandemic – and I'm happy to say that we did just that.

We re-established our community development activities, one of which was the "The Bowerbird" – formerly known as the Reuse Shop. Thanks to everyone involved, we now have a thriving facility that is welcoming and vibrant, and provides low-cost goods so that our community can recycle, which helps our environment and stops items going to Meru Landfill.

Not only did the community get behind The Bowerbird, they also welcomed the return of events, shows at the Queens Park Theatre, exhibitions at the Geraldton Regional Art Gallery along with programs at the Geraldton Regional Library, and the QEII Seniors and Community Centre.

Throughout the COVID-19 pandemic, we have seen incredible resilience from our diverse economy as well as determination from our community. I am very grateful for the funding we have received from the Federal Government through their Local Roads and Community Infrastructure Program and the Building Better Regions Fund. These cash injections allowed the City to concentrate on local employment, by focusing on labour intensive activities such as concrete footpath renewals and maintaining roads.

Despite shortages of contractors and materials, a number of significant infrastructure projects were completed or commenced, which included the construction of the Cathedral Avenue and Sanford Street roundabout, GRAMS Park Playground, Railway Street Safe Active Street Project and Chapman Road Activation Tactical Urbanisation Project. All of these projects add vibrancy to the City and make it a great place to live, work, study and invest.

The 2021-22 financial year saw us move towards our zero carbon emissions target through signing up to the WALGA Energy Consortia, installation of solar panels at various City facilities, working with Synergy to plan an EV Charging Station on the Geraldton Foreshore, planning towards hybrid vehicles in the City's fleet along with increased alternate energy at the Geraldton Airport and gas flaring at Meru Landfill.

All of these efforts to better our community have culminated in the City being recognised with a number of awards such as the 2021 WALGA Age Friendly Local Government of WA Award, Silver in the 2022 GWN7 Top Tourism Town Awards, Bronze in the 2021 Perth Airport WA Tourism Awards for 'Excellence in Local Government Tourism Award and Most Accessible Community in WA Award. These awards recognise our ongoing commitment to making Geraldton the best regional city in Western Australia.

In closing, I would like to thank our dedicated and hardworking teams across our various facilities and functions that make up the City of Greater Geraldton. The Airport, Aquarena, Art Gallery, Building, Communications, Community and Cultural Development, Customer Experience, Depot, Economic Development, Emergency Management, Environmental Health, Finance, IBIS, Information Management and ICT, Infrastructure, Land and Leasing, Libraries, Mullewa District Office, Organisational Development, Planning, Procurement, Queens Park Theatre, QEII Seniors and Community Centre, Rangers, Visitor Centre, Waste, Work Health and Safety and lastly, Youth Services. You have all contributed to our successes over the 2021/22 financial year, and do a fantastic job servicing our community.

The future looks bright for the City of Greater Geraldton.

A handwritten signature in black ink, appearing to read 'Ross McKim'. The signature is stylized and somewhat abstract, with several overlapping lines.

Ross McKim
CEO, City of Greater Geraldton

GREATER GERALDTON

Located 419 kilometres north of Perth, Greater Geraldton is a thriving city with a population of over 40,000. The city and the Midwest are recognised as having the most diversified economy in the state through industries including mining, fishing, aquaculture, agriculture, manufacturing, construction, retail and tourism.

As one of Western Australia's top places to live, work, study or invest, Geraldton is the capital of the Midwest. With the best of coastal and rural living, and stunning weather all-year round, Greater Geraldton makes a truly perfect place to visit and to make home.

Geraldton's coastline is a huge tourist attraction and has beautiful Foreshores to match. Other attractions include the iconic Point Moore Lighthouse, the HMAS *Sydney* II Memorial and the Houtman Abrolhos Islands which are located 80km off the coast of Geraldton.

Greater Geraldton also incorporates the towns of Mullewa, Walkaway and Greenough settlement.

World renowned as an extensive host of water sports, Geraldton lends itself to some of the most spectacular kite surfing, windsurfing, fishing and diving conditions.





HOUSING

Median price
December 2021

\$396,000 HOUSE

\$376/wk RENT



GROSS REGIONAL PRODUCT

Greater Geraldton Midwest

\$3.6B

\$7.1B



BUILDING ASSETS

City of Greater Geraldton

210



RESIDENT POPULATION

41,198

49.4% MALE **50.6%** FEMALE

40
MEDIAN AGE

GERALDTON PORT



Ship visits
389

Total Trade Throughput **16MT**



Total Trade Exports
15MT



Total Trade Imports
926K



TOTAL AREA

of City of Greater Geraldton

9,908km²

UNEMPLOYMENT



As at June 2022

2.6%

TERTIARY EDUCATION



	Geraldton University Centre	Vocational Education
Students enrolled	639	1,038

AIRPORT



2021/22
95,400
PASSENGERS

TOP FIVE INDUSTRIES BY OUTPUT

Mining
\$1074M
Construction
\$960M
Rental, Hiring & Real Estate Services
\$559M
Manufacturing
\$522M
Transport, Postal & Warehousing
\$513M

TOP FIVE INDUSTRIES BY EXPORT

Mining
\$932M
Agriculture, Forestry & Fishing
\$258M
Transport, Postal & Warehousing
\$245M
Construction
\$243M
Manufacturing
\$232M



VISITORS

Door numbers
30,000

CGG EMPLOYEES

Total FTE
294



TOP FIVE ICONIC ATTRACTIONS



1. Abrolhos Islands
2. HMAS Sydney II Memorial
3. Museum of Geraldton
4. St Francis Xavier Cathedral
5. Point Moore Lighthouse

RATEABLE PROPERTIES



GRV Residential Properties
17,960
GRV Non Residential
1,577
UV Rural, Farming and Mining Properties
1,098
Exempt Properties
1,555

KEY ACHIEVEMENTS 2021-22

100 years of Air Services in Geraldton

2021 marked 100 years since the first subsidised air-mail service in Australia and the City of Greater Geraldton acknowledged it by launching a historical booklet, which commemorates the centenary.

500,000 trees or shrubs planted

The community's ambitious plan to plant a million trees in the City of Greater Geraldton surpassed a major milestone with 500,000 trees or shrubs planted.

Australia Day 2021

The 2021 Australia Day event was a special occasion as it saw Yamatji Naaguja man Derek Councillor perform a unique Smoking Ceremony. The Smoking Ceremony allowed new citizens and community members to come together and officially be welcomed to the land. The Wilinyu Dancers also performed as a first for the event.

Buy Local Greater Geraldton Gift Card Program injects over \$150K into community

More than \$150K was injected into Geraldton thanks to the Buy Local Greater Geraldton Gift Card program. It reached the impressive figure in just a few short months and also cemented a spot as most successful program nation-wide.

City purchases Club Rocky's for new Youth Centre

Young people in Geraldton now have a dedicated space of their own with the City purchasing the Club Rocky's building and land. Renovations will be made to transform the space into a more suitable area for young people.

FOGO trial extended

The Food Organics and Garden Organics trial received a 12-month extension in a bid to further educate participants on the importance of waste reduction.

GRAMS Reserve upgrade

GRAMS Reserve welcomed a significant upgrade to the area, which included the construction of a skate/scoot track, basketball half court, water tank mural, entrance, misting sculptures and lighting towers.

HMAS Stalwart relationship

The City of Greater Geraldton became the official Ceremonial Homeport of the Navy's HMAS Stalwart. The ship made a special visit to Geraldton to acknowledge the relationship and hosted a variety of community events.

HMAS Sydney II 80th anniversary

November marked a momentous occasion, as the 80th anniversary of the sinking of the HMAS Sydney II was commemorated. To honour the milestone, a number of commemorative proceedings took place with stakeholders coming from near and far to attend.

Mullewa welcomes new entrance mural

Local artists Charmaine Green, Helen Ansell, Pauline Bell, Debra Maher and Susan Merry came together to paint a new entrance mural for Mullewa. The show-stopping piece adds to the rich cultural history of the area.

New accessibility equipment at the Geraldton Aquarena

Enjoying the Geraldton Aquarena became a whole lot easier for people with mobility impairments, with the acquisition of two new hoists, variety of slings, pool wheelchair and commode.

New bush fire truck for Mullewa and Pindar

Mullewa and Pindar welcomed a new state-of-the-art fire truck that will help protect the community from bush fires. The truck was supplied by the Department of Fire and Emergency Services under the Emergency Services Levy.

nbn Business Fibre Zone welcomed in Narngulu

Reliable and high-speed business grade broadband made its way to Narngulu, thanks to a partnership between the City and nbn Co that would see businesses operate with far greater efficiency.

New external lighting for Theatre

The Queens Park Theatre welcomed new lighting fixtures, which brought the entertainment venue in line with other national landmarks.

Off lead dog exercise area at Leonard T. Green Memorial Park opens

Dog owners can now exercise and socialise their furry friends at the off lead area at the Leonard T. Green Memorial Park. The grassed area features two fenced spaces, dog waste bag dispensers and bins along with drinking fountains for both humans and canines.

Special Lone Pine tree planting for ANZAC Day

139 Lone Pine trees were planted at Leonard T. Green Memorial Park on ANZAC Day in recognition of the residents who gave their lives in World War I.

Synergy partnership powers Eternal Flame

A partnership with Synergy was formalised to ensure Geraldton's #1 attraction, the HMAS Sydney II Memorial, remains powered around the clock.

Transformation of GRAG Park

Transformation works to revitalise GRAG Park commenced with the vision to turn it into a vibrant and welcoming space in the Geraldton CBD.

QPT shone bright for ruby anniversary

The Queens Park Theatre celebrated 40 years of entertaining the Midwest. It officially opened its doors on 27 March 1982.

AWARDS AND RECOGNITION



- ★ Awarded the 2021 WALGA Age Friendly Local Government of WA Award
- ★ Silver in the 2022 GWN7 Top Tourism Town Awards
- ★ Bronze in the 2021 Perth Airport WA Tourism Awards for 'Excellence in Local Government Award for Tourism'
- ★ Most Accessible Community in WA Award



STRATEGIC DIRECTIONS

Our COMMUNITY

COMMUNITY EVENTS

Description

This service plans and delivers City events and functions with the assistance of over 200 volunteers. It actively sources and secures external funding via sponsorships and grant funding bodies to subsidise costs. The City's Events team also work alongside external event organisers, promoters, community groups and organisations to assist in the delivery of their events and functions to the community.

The service is responsible for Christmas decorations along Marine Terrace. This service plays a key role in contributing to the social fabric of the community through fostering opportunities for participation in a broad range of events.

Service performance 2021-22

- ✔ The year presented a number of challenges due to COVID-19 and as such, larger external event bookings were cancelled
- ✔ 11 City events delivered November 2021 - June 2022
- ✔ Organisations and events supported included Shore Leave, Mullewa Muster, Harmony Day, Festival of Lights as well as many smaller events such as GRAMS Family Fun Day and Walk Against Violence

HERITAGE SERVICES

Description

This service is responsible for the preservation of local history, pioneer cemeteries, civic archives, community museums, Indigenous heritage and the historical research needs of the community. The service also utilises the City's historical identity, material heritage and culture to develop tourist products such as signage and trails.

Service performance 2021-22

- ✔ 316 Local History enquiries were received, totalling some 200 hours of assistance provided
- ✔ Review, research and design of 16 heritage signs
- ✔ CBD Heritage Walk Trail booklet launched, including new Rocks Laneway Walk Trail with audio components
- ✔ Lonely graves at Pindar and Mullewa recognised with new plaques
- ✔ Centenary of Air Services booklet produced, RAAF flyover organised to commemorate
- ✔ 1,591 photographs, newspaper articles, family history research and other ephemera catalogued and added to the Local History Collection celebrations

LIBRARY SERVICES

Description

The Geraldton Regional Library, also servicing Mullewa Library, offers a range of services including free lending services (books, e-Books, DVDs), children's literacy programs, free WIFI and computer access, meeting rooms, Big Sky Readers and Writers Festival, Randolph Stow Young Writers Awards and a mobile lending service for homebound customers. The Library is a thriving community hub, which activates east Marine Terrace.

Service performance 2021-22

- ✔ Big Sky Readers and Writers Festival 2021 - 1,265 tickets booked
- ✔ 171K visitors to Library
- ✔ 21.7K Library members
- ✔ 128.4K items loaned (physical and e-resources)
- ✔ 495 patrons received deliveries
- ✔ 3,100 items delivered to housebound patrons
- ✔ Randolph Stow Young Writers Awards were in their 33rd Year
- ✔ ServiceWA App Digital Assistance training sessions were initiated by the Library and proved very popular
- ✔ During Children's Book Week 2021 the Library hosted New York Times bestselling cartoonist, Gavin Aung Than
- ✔ 7,867 children and adults attended Rhyme Time and Story Time sessions

GALLERY AND PUBLIC ART

Description

The Geraldton Regional Art Gallery (GRAG) is the City's principal arts institution, which curates the Mid West Art Prize, City Art Collection and the City's public art portfolio along with a myriad of exhibitions and art related workshops. Since 1984, GRAG has been recognised as an A-Class venue, which creates a vibrant arts scene, stimulates tourism and fosters social wellbeing.

This financial year, a process for accessioning/ deaccessioning of public art was formalised with a Condition Monitoring Regime included and prioritisation of repairs. Substantial repair works were undertaken to Welcome Wall in Marine Terrace, CBD Bollards and the City Status Fountain in Queens Park. Minor repairs undertaken included installation of new plaques on public artworks and decommissioning of a faded/graffiti-covered mural under the Chapman Bridge.

GRAG held a variety of major exhibitions through the year including The Lester Prize 2020 Finalists, The Alternative Archive, Playing the Man, Now You See Me, Indian Ocean Craft Triennial IOTA21-Blue, The Past Stops Now, Mid West Art Prize, Stratigraphy and Subject: Studio.

Service performance 2021-22

- ✔ Commissioning of new entry statement mural at Mullewa
- ✔ Local artwork sourced for the replacement of eight bus shelters in the Geraldton CBD
- ✔ Ongoing outdoor exhibitions in Post Office Lane
- ✔ Design of new Seasons Greetings banners for the Marine Terrace Mall
- ✔ The Mid West Art Prize 2021 Gala Night was held on 27 November with the closure of Chapman Road. Some 530 tickets were booked for the evening, \$26,500 in prizes offered and 133 entries received from across regional WA
- ✔ 8K visitors to Gallery (closed for renovations, 8 February - 4 March 2021)
- ✔ \$24.4K retail sales
- ✔ 12 exhibitions

QUEENS PARK THEATRE

Description

The Queens Park Theatre (QPT) is the region's flagship performing arts theatre and hosts shows, conferences and events that contribute to a vibrant community and support a rich cultural life. The QPT adds to the cultural vibrancy and social fabric of the region by allowing community members access to shows that they would normally have to travel to Perth to enjoy.

Service performance 2021-22

- ✔ High profile and popular shows at QPT included Bluey, Cosentino, Birds of Tokyo and Amy Shark
- ✔ QPT was well used by external hirers despite the impact of COVID-19 on events, with activities ranging from school performances and dance schools to a state titles boxing match. A focus was placed on delivering live performances outside QPT, with Cameo Rascale and Festival of Small Halls events held at Walkaway Recreation Centre and Bubbles and Milkshake in Mullewa Town Hall
- ✔ 20,395 patrons
- ✔ Eight sold-out shows - total value of ticket sales - over \$540k
- ✔ Three outreach shows

COMMUNITY DEVELOPMENT

Description

The service works closely with State Government agencies and businesses to enhance our local communities via precinct planning processes and implementation along with working closely with the community and local progress associations to develop and implement projects and programs in their areas. This service oversees and implements the City's Reconciliation Action Plan (RAP) and the City's Disability Access and Inclusion Plan (DAIP) including the City's annual Disability Support Awards.

Service performance 2021-22

- ✔ Innovate level Reconciliation Action Plan (RAP) in development. Internal RAP working group established
- ✔ City representatives continued to regularly attend Midwest Aboriginal Organisations Alliance meetings in the absence of a Reconciliation Action Plan Committee. MAOA is not currently meeting due to internal member movements
- ✔ Partnered with a variety of stakeholders to deliver International Day of People with Disability
- ✔ Passport 2 Employment program delivered with 14 participants from three local schools and two disability service providers as well as Central Regional TAFE
- ✔ Stargazing event delivered in recognition of National Reconciliation Week
- ✔ Dance Dayz Disco for people with disability delivered monthly at the QEII Seniors and Community Centre
- ✔ Second aquatic wheelchair added to community assets

YOUTH DEVELOPMENT

Description

This service organises and delivers a range of community projects and programs including the School Holiday Program. It also delivers a series of diversionary programs to reduce or prevent the antisocial behaviour of at risk youth. The service also operates the Mullewa Youth Centre.

Service performance 2021-22

- ✔ Acquired new Youth Centre in Wonthella
- ✔ Coordinated School Holiday Programs resulting in high participation from the public
- ✔ 20 registrations for Battle of the Bands with 600 people in attendance
- ✔ Coordinated Revolve Skate Series event
- ✔ Supported Frothin' Fools Surf Competition, Aboriginal Youth Film Project and Midwest Music Development Program
- ✔ Mullewa Youth Centre operations impacted by lack of staff resources, although regular three days/week service resumed in latter part of year
- ✔ Hot Spots program initiated and delivered to support programs in Wonthella, Spalding, Rangeway and Mullewa

QEII SENIORS AND COMMUNITY CENTRE

Description

The QEII Seniors and Community Centre (QEII) provides seniors with a range of programs, activities and presentations that promote healthy ageing. The service also produces and distributes a monthly newsletter and provides free access to computers and the internet. The QEII is also available to the community for hire.

Service performance 2021-22

- ✔ City won the WALGA Age Friendly Local Government of WA Award for its wide range of programs focusing on healthy ageing
- ✔ New programs added to the QEII's offering for seniors including gentle yoga, Parkinson's boxing, language and multicultural cooking
- ✔ Mullewa Wildflower Tour delivered and proved popular
- ✔ 14 events held throughout Seniors Week with approximately 2,500 seniors attending
- ✔ 1,255 registered members
- ✔ 48 programs delivered

AQUATIC FACILITIES

Description

The City has three Aquatic facilities;

1. Geraldton Aquarena which is a multipurpose swimming facility comprising of a 50m outdoor pool, 25m indoor lap pool, a leisure pool with water slide and a hydrotherapy pool.
2. The Doc Docherty Pool in Mullewa has a six laned 33m pool, a toddler pool with water sprayers and play area, table tennis table and change rooms.
3. The Foreshore Waterpark, located on the Geraldton Foreshore, enables younger children and their families opportunities to engage in safe water activities.

Service performance 2021-22

- ✔ This financial year presented considerable challenges with the outdoor pool construction works having to be halted due to damage from Cyclone Charlotte
- ✔ Provided compliant facilities for community 'learn to swim' classes
- ✔ Facilitated and offered group fitness classes, which increased to 16 this financial year
- ✔ 136,259 Aquarena attendance
- ✔ 6,934 Doc Doherty Pool, Mullewa attendance
- ✔ The Aquarena User Groups regularly used the swimming pools and facilities throughout the year. They include the Geraldton Amateur Swimming Club, Geraldton Water Polo Association, Geraldton Masters Swimming Club, Artistic Swimming Program, Geraldton Physiotherapy and Department of Education Swimming Lessons
- ✔ Installation of two hoists, a variety of slings, a pool wheelchair and a commode in the Hydrotherapy pool has greatly improved the aquatic experience for people with disabilities and been well received by the community
- ✔ Various training sessions have been run at the Aquarena by Royal Life Saving WA
- ✔ 12,473 swim school attendance at an average of 91% capacity

SPORTS AND LEISURE PLANNING

Description

This service provides a link between the sporting community and the City. It assists sporting venues through Ground Management Committees with the planning, ground level operations and management of these facilities to ensure they are sustainable. The service also works with sporting groups and sporting industry bodies to activate sporting spaces and support sports events tourism. The service also administers the State Government's Community Sporting and Recreation Facilities Fund (CSRFF) by collating applications and reporting to Council on the equitable and transparent distribution of grant funding.

Service performance 2021-22

- ✔ Annual Sporting Tower Lighting Compliance Audit completed
- ✔ Provided sporting/club educational webinars and professional development
- ✔ Coordinated sports summer and winter ground user usage
- ✔ Facilitated grant funding opportunities for sporting groups
- ✔ Managed sporting precincts and sporting leased facilities
- ✔ Provided communications to sporting community enquiries
- ✔ 14 sporting facilities/precincts managed
- ✔ Five CSRFF applications supported

COMMUNITY FUNDING PROGRAMS

Description

This service provides funding assistance to local community groups and organisations that make positive contributions to the quality of life within Greater Geraldton.

Service performance 2021-22

- ✔ 49 groups/individuals supported
- ✔ \$1M funding support provided
- ✔ Seven programs:
 - Community Grants Program
 - Community Project Support Program
 - Service Agreements
 - Mayoral Discretionary Fund
 - Festival and Event Program
 - Self Supporting Loans
 - CSRFF Funding

MULLEWA COMMUNITY SERVICES

Description

Operating from the Mullewa District Office, this service provides administrative support to the community and manages a wide range of tourism, library, recreation, youth, health, cultural and transport services. It also produces a monthly community newsletter and together with the local community coordinates annual events, festivals, shows and projects.

Service performance 2021-22

- ✔ Australia Day activities and Citizen Awards attracted 150 people to Doc Docherty Pool
- ✔ Mullewa Youth Centre delivery was impacted by lack of staff resources, undergoing periods of closure
- ✔ Shooting Stars, WACRH and the Indigenous Foundational Walkabout (delivered by Centacare) programs were supported to provide activities for Mullewa youth at the Centre. Additionally, a focus was placed on recruitment and training of local young people to address the resourcing issues
- ✔ New Mullewa entry mural artists engaged and works in progress with new design
- ✔ Department of Transport licensing services - 814
- ✔ Transactions Mullewa Library – 1,392
- ✔ Mullewa Caravan Park Bookings – 3,149

EMERGENCY MANAGEMENT AND FIRE

Description

This service ensures the City is prepared for, able to respond to, and recover from, natural disasters and emergency events. It ensures the City is compliant with relevant legislation including Emergency Management Act 2005, Bush Fires Act 1954, Fire Brigades Act 1942 and Local Government Act 1995.

The service also provides assistance to the Volunteer Bush Fire Brigades to mitigate the risk of bushfire on City managed and private land which includes preparation and prevention of bush fires by undertaking prescribed burns and maintaining City owned fire hydrants. The service is also responsible for the annual firebreak inspections.

Service performance 2021-22

- ✓ Following Cyclone Seroja, the City conducted rural visits across properties outside the township boundaries to undertake welfare checks on residents and evaluate damage to assist in identifying further support needs
- ✓ Over 400 properties visited by City staff as part of post-Cyclone Seroja response and recovery
- ✓ Council adopted the Bushfire Risk Management Plan
- ✓ Implemented \$366K bushfire mitigation works through the Mitigation Activity Funds grant program
- ✓ Inspected over 21K properties as part of the City's annual firebreak compliance checks

RANGER SERVICES

Description

This service is responsible for applying and administering the City's legal obligations in relation to animal management, local laws, parking, camping grounds, caravan parks, off-road vehicles and litter. This includes operation of the Animal Management Facility (AMF), implementation of the City Centre Car Parking Management Plan and the Corella Management Program, management of CCTV and representing the City on related legal matters.

Service performance 2021-22

- ✓ Ongoing successful partnerships with numerous animal rehoming agencies
- ✓ Successful year of operating and managing the AMF
- ✓ Ongoing partnerships with the community including the RSPCA, Central Regional TAFE and school visits
- ✓ Regular attendance in Mullewa and the management of Ranger issues there
- ✓ Successful management of proactive TAFE sterilisation, vaccination and microchipping programme in Geraldton and Mullewa
- ✓ 3,629 customer complaints attended
- ✓ 827 dogs returned to owners
- ✓ 432 dogs rehomed



STRATEGIC DIRECTIONS

Our
ENVIRONMENT

RUBBISH COLLECTION AND SANITATION

Description

This service collects rubbish from commercial and residential properties for transport to Meru Landfill. The service includes weekly kerbside bin pickup, street/park bin collection, bulk verge side rubbish collection, illegal dumping and litter clean ups, animal carcass collection, bin delivery, street litter bin maintenance, plastic blue bin servicing and event bin hire. In early 2020, a Food Organics and Garden Organics (FOGO) kerbside collection trial program commenced.

Service performance 2021-22

- ✔ In early 2020, a FOGO kerbside collection trial program commenced for 500 residential households and continues for this period with future plans for expansion
- ✔ The City's current collection contract ceases at the end of 2022 with the procurement of these services being advertised
- ✔ The City will be undertaking a bulk verge side rubbish collection in the 2022-23 financial year
- ✔ 14,525.58T kerb-side wheelie bin waste
- ✔ 184.47T FOGO waste from 530 trial participants

WASTE MANAGEMENT

Description

This service manages the Meru Waste Disposal Facility which consists of five waste cells, two liquid waste treatment ponds, stock wash-down bay, a transfer station, a household hazardous storage, a green waste mulching area and the Bowerbird (Reuse Shop).

The service also includes the Mullewa Transfer Station facility and takes waste from surrounding Local Governments and businesses in the Midwest. The Meru Landfill is one of two, class III landfills, located north of the metropolitan region and is managed under a Department of Water and Environment Regulation (DWER) license.

Service performance 2021-22

- ✔ The City took over management of the Bowerbird, formerly known locally as the "Reuse Shop", and has served 13,700 customers, diverted 40,107 items from landfill and taken \$135K in sales
- ✔ Draft Meru Master Plan which address the Meru Waste Disposal Facility future needs has been developed and received, outlining solutions for the processing shed, weighbridge office as well as fibre and power upgrade
- ✔ 63,061T waste received at Meru Facility
- ✔ The City has implemented a Resource Recovery and Engagement Officer to assist with the development, coordination and promotion of waste education, communications and marketing

OUR ENVIRONMENT – ACHIEVEMENTS 2021-22

CITY WORKS

Description

This service maintains, upgrades and completes renewals of roads, footpaths, cycle paths and stormwater drainage infrastructure.

Service performance 2021-22

- ✔ Resourcing of qualified/certified contractors for installs and materials provided some issues with completing major upgrades across the year and led to two major projects being deferred until the 2022/23 financial year
- ✔ Construction of Cathedral/Sanford roundabout
- ✔ Maintained approximately 850 kilometers of sealed roads including pothole repair and road sweeping
- ✔ Maintained 1,234kms of unsealed roads including maintenance grading and scour repairs
- ✔ Maintained 731kms of drainage infrastructure
- ✔ Extensive works completed in response to Cyclone Seroja
- ✔ 833kms sealed road
- ✔ 1,234kms unsealed roads
- ✔ 49 storm water infrastructure renewal projects completed
- ✔ Construction of four footpath renewal projects utilising in-house labour

CITY PRECINCT

Description

This service provides a heightened level of service to significant and high profile areas of the Central Business District (CBD). The service maintains the lawns, street trees, verges and playgrounds, sweeps and repairs footpaths, removes rubbish and graffiti and repairs vandalism. The service also engages regularly with CBD businesses and community members to ensure community safety and satisfaction with maintenance carried out.

Service performance 2021-22

- ✔ Maintained the footpath sweeping services – Geraldton CBD/Geraldton and Beresford Foreshore/Memorials
- ✔ Maintain the lawns, street trees, verges and playgrounds – Geraldton CBD/Geraldton and Beresford Foreshore/Memorials
- ✔ Provided expedited maintenance services to high profile areas to ensure vibrancy of areas
- ✔ 1,300kms maintained footpath sweeping services
- ✔ 570kms lawn mowing
- ✔ Supported high-profile events such as Australia Day, Shore Leave and the HMAS *Stalwart* III visit by ensuring the Geraldton Foreshore was maintained to a high standard and presented well to the community
- ✔ Supported the maintenance of the HMAS *Sydney* Memorial II by mowing, pruning and general upkeep to ensure the Memorial is presented to the highest standard to the community

NATURAL AND COASTAL AREAS

Description

This service is responsible for the restoration, enhancement and protection of the environment. It provides expert advice and input into the environmental components of infrastructure planning, design and delivery of projects including the development of the Coastal Hazard Risk Management Adaptation Plan (CHRMAP). The team also provides a variety of biodiversity, natural areas, climate change and sustainability programs, undertakes a range of coastal protection projects and manages Community Nursery operations.

Service performance 2021-22

- ✔ 550 geotextile sand container bags installed at Drummond Cove
- ✔ 6,240 volunteer work hours at the Community Nursery to grow 22K plants for City projects
- ✔ Commenced update to the City's Coastal Strategy and Foreshore Management Plan
- ✔ Council adopted the 'Achieving Net Zero Corporate Climate Mitigation Plan' and working groups have been developed
- ✔ Completed coastal monitoring of four coastal hotspots to inform future coastal adaptation decision making

PARKS, RESERVES AND SPORTING GROUNDS

Description

This service maintains parks and green space, street trees, verges and sporting grounds including the furniture playground and infrastructure within the open space reserves across the City region. It also undertakes parks and reserves planning utilising the Parks Hierarchy Guidelines to ensure public open space reserves are safe and fit for purpose. The service implements upgrades and renewals of open space infrastructure to ensure organised sport and informal recreation are provided to enhance the health and wellbeing of our community.

Service performance 2021-22

- ✔ Completed park and playground upgrade to Forrester Park
- ✔ Completed installation of Off Lead Dog Exercise Area and landscape upgrade to Leonard T Green Memorial Park also known as the Olive Street Reserve
- ✔ Extensive works completed for the clean-up after Cyclone Seroja
- ✔ 47,000m2 irrigated turf maintained
- ✔ 23 sport fields maintained
- ✔ 300 street trees planted

OUR ENVIRONMENT – ACHIEVEMENTS 2021-22

ENVIRONMENTAL HEALTH

Description

This service implements and maintains various health programs and projects which ensure a high standard of environmental and public health is attained in accordance with the Health Act 1911, Food Act 2008, Caravan Park and Camping Ground Act 1995, Environmental Protection Act 1986 and Health Local Laws 2014. The service also developed and administers the Five Star Food Safety program.

Service performance 2021-22

- ✔ Environmental Health undertook a prosecution under the Food Act for breaches against the Food Standards Code with a fine of \$8K issued
- ✔ The Environmental Health team continue to assist WAPOL with COVID-19 compliance and community enquiries
- ✔ The City provided the Shire of Northampton with Environmental Health Officers to assist with public health activities associated with Cyclone Seroja
- ✔ 157 Health Act inspections
- ✔ 279 environmental and public health related complaints investigated and actioned for compliance with statutory obligations
- ✔ 396 food business inspections

ASSET MANAGEMENT

Description

This service identifies the location and condition of individual assets. These include roads, parks, paths, playgrounds, stormwater drainage, street and park furniture as well as City owned buildings. This information helps develop and update asset management maintenance programs utilised by all departments. It is also responsible for providing statistical asset data to State Government agencies including Main Roads WA and Department of Water and Environmental Regulation.

Service performance 2021-22

- ✔ Prepare renewal scopes for asset renewals including:
 - ✔ Sealed road reseals
 - ✔ Unsealed roads resheeted
 - ✔ Stormwater pit and pipe renewals
 - ✔ Footpath renewals
 - ✔ 194 park and reserves
 - ✔ 54 playgrounds safety audits delayed due to COVID-19



STRATEGIC DIRECTIONS

Our ECONOMY

GERALDTON VISITOR CENTRE

Description

The Visitor Centre enhances the visitor's experience by providing up to date information to both potential and visiting tourists with what there is to see and do in the area via telephone, email or face-to-face contact. The service encourages visitors to stay longer and assists with accommodation and tour bookings.

Service performance 2021-22

- ✔ 30.8K face to face enquiries
- ✔ 9.3K phone or email enquiries
- ✔ 2,240 hours open to the public
- ✔ \$168K BookEasy reservations
- ✔ Production of new local postcard series
- ✔ Silver in the 2021 GWN7 Top Tourism Town Awards

ECONOMIC DEVELOPMENT AND TOURISM

Description

This service focuses on expanding the size of our economy so greater wealth flows into our local community in accordance with the City's Geraldton Jobs and Growth Plan 2020-2023. The service develops and delivers marketing campaigns and promotes Greater Geraldton as a great place to work, live, visit, invest and study. Success measures include increased jobs, income, liveability and community wellbeing.

Service performance 2021-22

- ✔ Project management and implementation of the Chapman Road Tactical Activation Project funded by RAC Connect
- ✔ Delivery of the Buy Local Greater Geraldton Gift Card Program
- ✔ Visitor Information Bay concept development
- ✔ Progress Midwest Coordination
- ✔ Concierge services for investment and trade inquiries
- ✔ Representation on tourism committees and boards including Wildflower Country Inc; Australia's Coral Coast; Cruise Geraldton; Tourism Geraldton Midwest
- ✔ Placescore Liveability Survey
- ✔ Rocks Laneway Activation
- ✔ Geraldton extended trading hours coordination
- ✔ Designated area migration research and discussions
- ✔ 5,438 Progress Midwest website views
- ✔ 18,751 Community engagement Rocks Laneway activation
- ✔ 10 projects delivered

GERALDTON AIRPORT SERVICES

Description

This service undertakes the planning, development, operation and maintenance of the Geraldton Airport as a commercial airport for regular public transport and charter airline services, general aviation operations and support services, RAAF flight operations, local and itinerant recreational aviation and Royal Flying Doctor Service operations.

Service performance 2021-22

- ✔ Unsealed Runway 08/26 re-profiled and new surfaced applied
- ✔ Coordinated the RAAF Birthday celebration including an Airside Display
- ✔ Completed installation of Security Screening Body Scanner
- ✔ Waived car parking fees for the full financial year
- ✔ Provided rental relief to airport commercial tenants
- ✔ Provided support to maintain the airline schedule
- ✔ Re-wrote the Aerodrome Manual to comply with CASA New Manual of Standards

LAND AND PROPERTY SERVICES

Description

This service manages City owned buildings which includes building maintenance, sanitation, cleaning, security and the acquisition and disposal of assets no longer required. It also maintains security monitoring systems to ensure the safety of our community and staff and the security of the City's building assets. The service manages City owned properties leased to commercial, sporting and community groups to ensure they meet statutory compliance requirements.

Service performance 2021-22

- ✔ Continued management of 200+ building assets including heritage buildings
- ✔ Facilitated statutory compliance on all leases, licences, deeds of easement requirements
- ✔ Implemented the Land Asset Disposal Program
- ✔ Implemented the Capex and Renewal Program

LAND DEVELOPMENT

Description

This service acquires land (free hold or government owned) for specific City purposes and sells surplus land and properties no longer required. It also plans and manages City land developments including design, feasibility analysis of subdivisions, staging plans, and overseeing the delivery of land subdivision developments and subsequent land sales or leases. The service is governed by the Local Government Act and associated regulations; Land Administration Act; Town Planning and Development Act.

Service performance 2021-22

- ✔ Sale of five leasehold properties
- ✔ Sale of 17 vacant land parcels



STRATEGIC DIRECTIONS

Our LEADERSHIP

OUR LEADERSHIP – ACHIEVEMENTS 2021-22

FLEET SERVICES

Description

This service maintains, services, renews and manages the City's fleet of vehicles and major and minor plant and equipment. It also maintains and services the City's Volunteer Bushfire Brigades' vehicles and trailers. The service manages the City stores and maintains the buildings at the Geraldton Depot site.

Service performance 2021-22

- ✔ Completed annual servicing, repairs and maintenance 11 bushfire brigade trucks twice per year
- ✔ 85 light vehicles
- ✔ Eight SES vehicles/trailers
- ✔ 72 heavy plant
- ✔ 484 items managed by Fleet

TOWN PLANNING

Description

The service is responsible for processing scheme amendments, structure plans, development and subdivision applications in accordance with the Planning and Development Act 2005. It also develops and reviews the local planning scheme, strategy and policies ensuring compliance with the planning legislation and represents the City on related legal matters. The service is also responsible for maintaining the City's heritage list and often engages in high-level advocacy with State Government and other agencies in the development of studies, plans and policies for the Greater Geraldton region.

Service performance 2021-22

- ✔ Provision of planning advice to the development industry
- ✔ Oversaw 694 heritage listed sites
- ✔ Successfully met the City's KPI's in assessing planning applications within specified working days
- ✔ 337 development applications received
- ✔ \$92.4M development applications value

PLANNING AND DESIGN

Description

This service investigates, plans and designs roads, intersections, footpaths, cycle paths, carparks and stormwater drainage to ensure they are practical, viable, cost effective and sustainable. It also provides technical advice to maximise the lifespan of City assets and ensure they continue to meet current standards. It assesses development applications to ensure existing assets are protected, public health and safety is maintained and planned roads, parking, stormwater drainage and driveway crossovers meet standards, are compliant and appropriate.

Service performance 2021-22

- ✔ Design of the Railway Street Safe Active Street project - a \$1.1M Department of Transport project
- ✔ Four Regional Road Group road projects designed to help maintain road assets used by the commodity and grain industries
- ✔ Maitland Park Traffic Study
- ✔ Design of the upgrade to GRAG Park including the replacement of the toilet block
- ✔ Design of the Chapman Road and Glenfield Beach Drive Shared Paths – a Department of Transport funded initiative

PROJECT DELIVERY

Description

This service is primarily responsible for the delivery of the City's annual New Capital and Renewals Programs. It provides project management, contract management and project supervision services to ensure all projects are delivered on time, within allocated budget and comply with statutory and regulatory requirements.

Service performance 2021-22

- ✔ Upgrades to the GRAMS Park Playground area including a skate track and a basketball half-court thanks to Lotterywest funding
- ✔ Construction of the Railway Street Safe Active Street project
- ✔ Construction of a new ablution block at the Eadon Clarke Football Oval
- ✔ Completion of 56 road renewals
- ✔ Delivery of 23 LRCIP grant-funded footpaths
- ✔ Completion of 85% of the capital works program facing COVID-19 and Cyclone Seroja restrictions
- ✔ 84 Renewal and 29 New Capital Projects

OUR LEADERSHIP – ACHIEVEMENTS 2021-22

BUILDING SURVEYING

Description

This service is primarily responsible for applying and administering the City's legal obligations under the Building Act 2011, which includes the processing of building permits and routinely inspecting private swimming pools. The service also offers a private certifying service to other local governments and the general public. It responds to general enquiries where required, ensures compliance with the building legislation and represents the City on related legal matters.

Service performance 2021-22

- ✔ Processed 1,173 applications with an estimated value of \$152M
- ✔ The City's Building Surveying team currently support eight external Shires acting on their behalf as the Permit Authority, drafting building permits and providing certification services for Class 1 and 10 buildings
- ✔ Despite COVID-19 restrictions the City conducted 591 pool inspections
- ✔ 1,180 building applications received and 365 from external shires
- ✔ \$96.2M building applications value and \$56M for combined external shires
- ✔ 357 building applications processed for external shires

COMMUNICATIONS

Description

This service develops and delivers all aspects of communications including media, marketing, advertising, social media, websites, online platforms and graphic design. It ensures the community is kept informed in a timely and effective manner on important issues, news and opportunities. This service utilises a large number both traditional and modern platforms to engage and inform the community and ensures information is open, transparent and readily available at all times.

Service performance 2021-22

- ✔ Developed award-winning submission for the 2022 GWN7 Top Tourism Town Awards where Geraldton secured silver
- ✔ Communications campaign for the 2022/23 Budget and Rates
- ✔ 'The Greater Escape' tourism marketing campaign
- ✔ More than 770 graphic design jobs
- ✔ 1.23M visits across all City websites
- ✔ 674K City website hits
- ✔ 1,121 Facebook posts
- ✔ 333 Instagram posts
- ✔ 141 Media releases
- ✔ 206 Community Service Announcements
- ✔ 153 Media enquiries

COMMUNITY ENGAGEMENT

Description

This service works closely with all departments to identify opportunities where the community can provide feedback, input and ideas on the design, delivery and evaluation of City programs, projects and services. It ensures the engagement process is consensus seeking, is inclusive and transparent, and that engagement outcomes inform Council decision-making processes.

Service performance 2021-22

- ✔ Undertook the “Enjoying Point Moore Community survey” and Drop-In Information session
- ✔ Facilitated the delivery of a series of workshops to develop draft designs for the Spalding Urban Renewal Project and the rehabilitation of the Hillview Drive-Seacrest Reserve
- ✔ Designed and delivered extensive information campaigns regarding the upgrade of GRAG Park, the Chapman Road Activation Trial and the transformation of Railway Street into a Safe Active Street
- ✔ Undertook stakeholder engagement regarding the Maitland Park School Precinct
- ✔ Undertook the Drummond Cove Coastal Recreation Survey
- ✔ Undertook the Chapman Road Shared Path Alignment survey and Drop-In Information Session
- ✔ Surveys conducted: 12
- ✔ FAQs/Information sheets developed: 7
- ✔ Drop-In Sessions/Workshops held: 13

CUSTOMER EXPERIENCE

Description

This service provides an interface with community and is often the first point of contact for customers regarding a range of complex, sensitive and routine requests. The service determines the needs of the customer, provides effective and timely information or solutions where possible and escalates enquiries through to specialist staff when necessary. The service provides face-to-face contact and a multi-channel contact that incorporates email, telephone, web chat, and social media channels.

Service performance 2021-22

- ✔ 86% first call resolution*
- ✔ 30.4K phone calls
- ✔ 16.4K face-to-face visitors
- ✔ 473 web chats

**First call resolution is the Customer Experience Contact Centre's primary KPI to determine success and measures the percentage of customer enquiries resolved in a single contact.*

CORPORATE COMPLIANCE AND SAFETY

Description

The service provides organisational support and oversight of the City's compliance management plan, procurement framework, safety management system, business continuity management plans, risk management framework, Council elections, legal services, Freedom of Information and Public Interest Disclosure facilitation and insurance portfolio.

Service performance 2021-22

- ✓ Redevelopment of Council delegations and authorisations to better align with WALGA model, improving governance and management practices
- ✓ Ongoing review and implementation of Local Government Act Reform actions
- ✓ Annual critical processes completed (insurance renewal program, and compliance audit return and compliance calendar management)
- ✓ 15 Freedom of Information requests processed
- ✓ Centralise oversight of 272 ongoing corporate supply contracts
- ✓ 27 requests for tender, 332 requests for quote
- ✓ Comprehensive internal audit of City safety systems completed
- ✓ City safety systems wholly updated to ensure compliance with Work Health & Safety Legislation enacted in 2022
- ✓ 186 safety incidents reported and actioned
- ✓ An average of 35 separate training sessions conducted monthly on safety, governance and procurement for City teams

HUMAN RESOURCES

Description

The service facilitates and optimises all stages of the employee lifecycle to effectively support the organisation to achieve its goals and objectives. This includes the provision of recruitment, induction, remuneration, industrial relations, performance management, counselling, training and development services. It also coordinates organisational development activities including the development, implementation and monitoring of management systems, policies and procedures and legislative requirements

Service performance 2021-22

- ✓ The ongoing recruitment, selection, onboarding and induction of new employees
- ✓ Employee engagement and organisational wellbeing
- ✓ Employee and industrial relations, Enterprise Agreement maintenance and negotiations
- ✓ Implementing actions aligning to the four high-level people themes within the Workforce Plan 2019 – 2022
- ✓ Implementing actions and strategies within the Equal Employment Plan
- ✓ Management of workers compensation claims, injury management and return to work programs
- ✓ Developing and implementing a Pandemic Leave Policy as well as streamlining the working from home process
- ✓ New City Wellness Plan for employee relations endorsed and implemented
- ✓ 294 City full-time employees
- ✓ 0.9% of people with disability
- ✓ 4.8% Aboriginal and Torres Strait Islander people
- ✓ 10.2% Culturally and linguistically diverse people

INFORMATION COMMUNICATION AND TECHNOLOGY

Description

This service provides, maintains and operates the architecture, hardware, software and data networks including computing, telecommunications, business information systems, data and technical support. This service ensures the confidentiality, integrity and availability of information, communication and technology assets and resources.

Service performance 2021-22

- ✔ Adopted Cybersecurity Incident Response Plan
- ✔ Continued improvements to the governance of Enterprise IT
- ✔ Supported and enabled the organisation through disruptive events
- ✔ 1,900+ ICT assets actively managed
- ✔ 3,000+ Requests for ICT support actioned

INFORMATION MANAGEMENT

Description

This service captures and maintains official records in accordance with the Recordkeeping Plan, which is prepared in accordance with the State Records Act and adopted by Council. It also ensures the confidentiality, integrity and availability of records.

Service performance 2021-22

- ✔ Improved digitised recordkeeping processes
- ✔ Supported and enabled the organisation through major disruptive events
- ✔ 159K total records
- ✔ 50.3K incoming emails (council@cgg.wa.gov.au)
- ✔ 55.8K hardcopy incoming mail
- ✔ Completed disposal of documents

TREASURY AND FINANCE

Description

The Treasury and Finance branch at the City oversees collection of all money owing to the City, authorisation of incurring of liabilities and making of payments, accounting for assets and liabilities, payroll, stock control, statutory reporting, facilitation of internal and external audits and the preparation of budgets, budget reviews and reporting to Council.

The Local Government Act 1995 and associated regulations provide the framework for the administration and financial management of local government.

Service performance 2021-22

- ✔ Review of the Long Term Financial Plan finalised and adopted by Council
- ✔ Prepared the 2022-23 Annual Budget, which was adopted by Council at June Ordinary Meeting
- ✔ The 2021-22 Annual Financial Report has commenced, with the onsite audit being conducted in October 2022
- ✔ 2021-25 Strategic Internal Audit Plan has been prepared and endorsed by the Audit Committee
- ✔ Coordinated and managed incoming and outgoing grants
- ✔ Provided services to the organisation including payroll, accounts payable and receivable, taxation and financial reporting
- ✔ Managed property rating function for 20,557 rateable properties
- ✔ \$47.9M rate revenue
- ✔ 1,508 property sales enquiries
- ✔ \$21M grant funding management

IBIS

Description

The vision of the IBIS project is simple: to improve the CGG experience. The experience of employees working for the City, the experience of our community as customers and the experience other stakeholders have interacting with the City (e.g. suppliers). We will achieve this by aligning people, processes and system. The priority action is to replace the legacy ERP system. This transformative project will enable the City to be positioned as a leading WA local government.

The key project objectives are to:

- Achieve strategic alignment
- Improve customer service
- Streamline processes
- Establish an accessible and accurate single source of truth
- Implement effective system controls
- Introduce new functionality
- Enable improved insights

Service performance 2021-22

- ✔ Procurement process (EOI and RFT) for the new ERP system was completed
- ✔ Contract awarded at the March 2022 Council Meeting
- ✔ Project team has been established and kick-off held
- ✔ Phase 1 scope approved
- ✔ 1,959 functional requirements assessed
- ✔ 12 systems identified for replacement

STRATEGIC PROJECTS 2021-2022

SNAPSHOT

The below list provides a snapshot of the major projects and initiatives that the City plans to deliver (or commence) in 2022-2023:



Meru Landfill waste diversion infrastructure*

\$5.2M



Coastal renewal works

\$150K



Chapman Road Cycle Path from Sunset Beach to Drummond Cove*

\$1.4M



Spalding Precinct Plan*

\$3M



Resheeting rural roads, upgrading urban roads and footpaths*

\$18M



Annual verge side collection

\$650K



Maintaining our sport and leisure facilities and the City precinct

\$1.3M



Managing community facilities*

\$5.9M



Beautifying parks, gardens and open spaces

\$1.4M

**Includes funding from Federal/State Government*

All these projects and more, are included in the 2022-23 Budget where we are meeting the challenge of everyday living and rising costs in the economy. To view it, head to our website.



GOVERNANCE

COUNCILLORS



City of Greater Geraldton Council (from left to right):

Cr P Fiorenza	Term ended December 2021
Cr R D Hall	Term expires October 2023
Cr N Colliver	Term expires October 2025
Cr J Critch	Term expires October 2025
Cr M Librizzi	Term expires October 2025
Cr J Clune (Deputy Mayor)	Term expires October 2025
Mayor S Van Styn (Mayor)	Term expires October 2023
Cr S Keemink	Term expires October 2023
Cr M Reymond	Term expires October 2023
Cr T Thomas	Term expires October 2023
Cr V Tanti	Term expires October 2025
Cr S Cooper	Term expires October 2025
Cr K Parker	Term expires October 2023

MEETING ATTENDANCE

Councillor	Appointed	Council Meetings Attended	Agenda Forums Attended	Concept Forums Attended	Special Concept Forums	Annual Meeting of Electors	SPECIAL Electors Meeting	Committee Meetings
Mayor S Van Styn	2019	12	11	13	1	1	0	6
"Cr T Thomas (Deputy Mayor - 2019-2021)"	2019	12	11	13	1	1	0	9
"Cr D J Caudwell *Term ended October 2021"	2013	2	0	0	0	0	0	1
Cr J Clune	2017	12	12	11	1	1	0	11
Cr N Colliver	2015	10	12	13	1	1	0	15
Cr J Critch	2013	11	10	12	1	1	0	6
"Cr S Douglas *Term ended October 2021"	2013	2	2	4	0	0	0	3
"Cr S Elphick *Term ended October 2021"	2017	3	3	4	0	0	0	2
"Cr P Fiorenza *Term ended 13 December 2021"	2019	5	5	3	1	0	0	2
Cr R D Hall	2019	10	10	12	1	1	0	9
Cr S Keemink	2019	10	9	12	1	1	0	2
Cr K Parker	2019	12	12	14	1	1	0	5
Cr V Tanti	2013	11	11	12	1	1	0	2
Cr S Cooper*	2021	9	7	9	1	1	0	4
Cr M Librizzi*	2021	9	9	10	1	1	0	3
Cr M Reymond*	2021	9	8	8	1	1	0	10

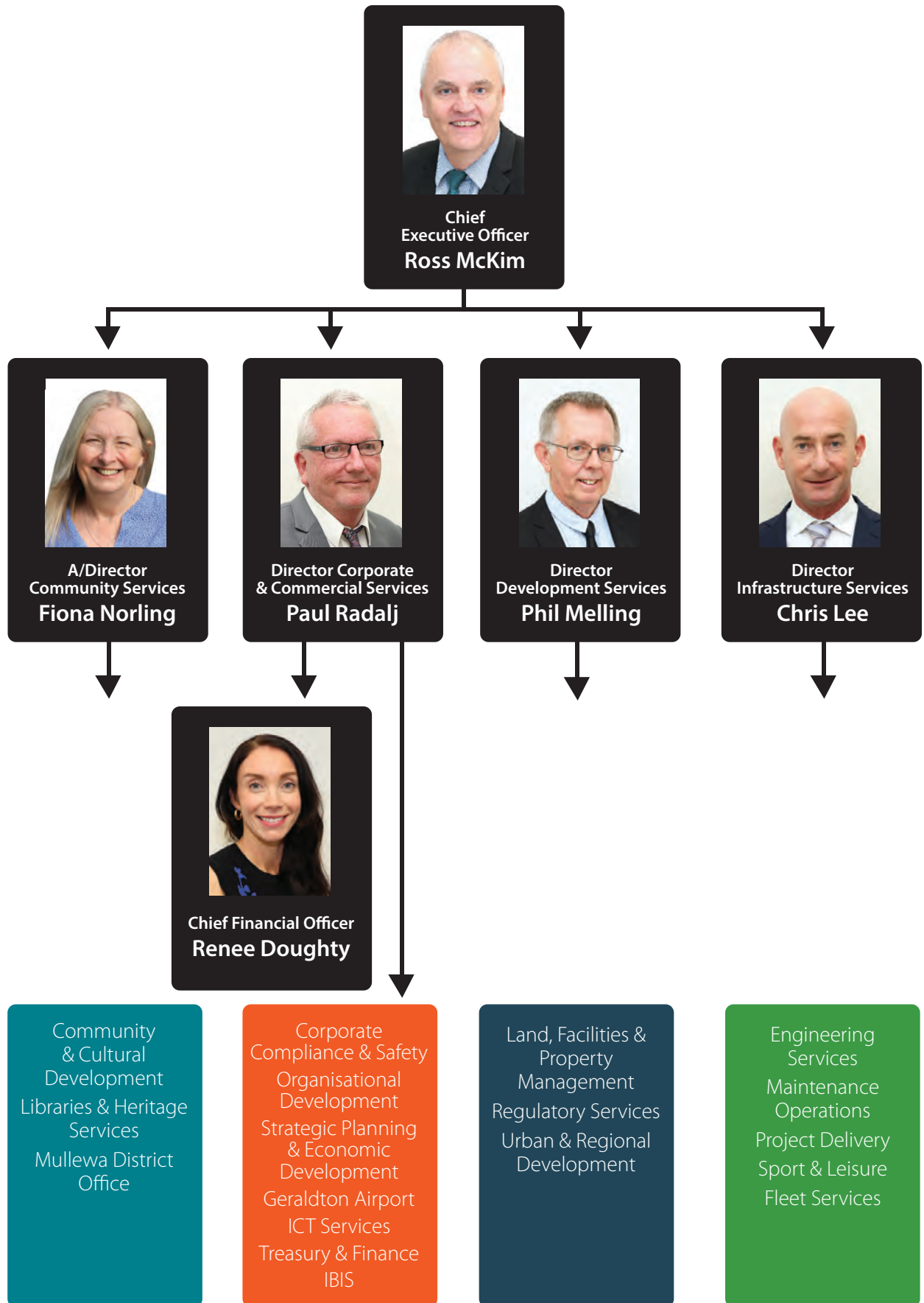
Between 1 July 2021 and 30 June 2022 the City held the following meetings:
 12 Ordinary Meeting of Council, 10 Agenda Forums (January 2021 & April 2021 Agenda Forums cancelled), 14 Concept Forums and 0 Special Concept Forums, 1 Annual Meeting of Electors and 0 Special Meeting of Electors.

Note: Committee Meeting attendance does not include External Committees, Boards or Groups where the Mayor/Councillors are members.

*Term commenced in October 2021.

CORPORATE GOVERNANCE

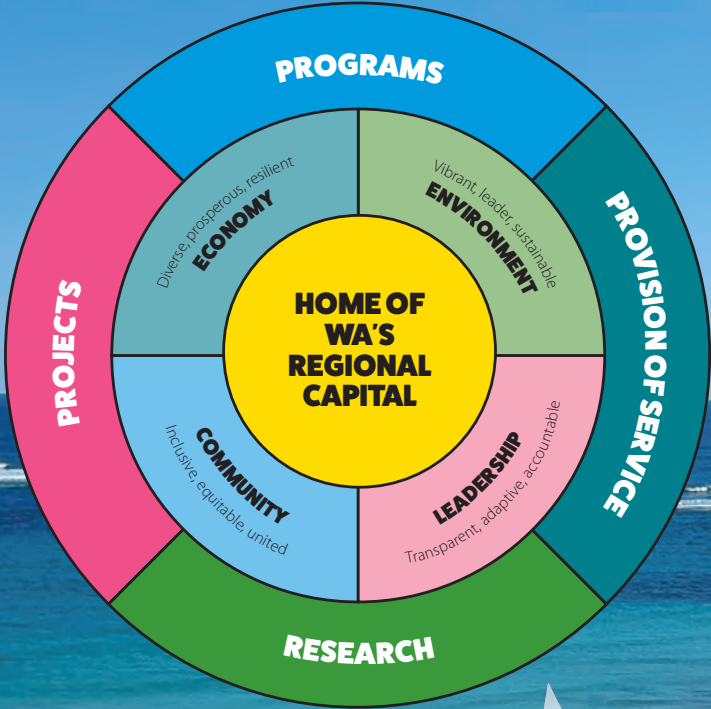
ORGANISATION STRUCTURE



OUR VISION




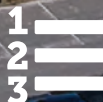


HOME OF WA'S REGIONAL CAPITAL

It is 2031, Greater Geraldton is the home of the regional capital city in Western Australia. Vibrant public places and spaces support our enviable lifestyle. We will be a recognised leader in the protection of our natural environment and our people will thrive and prosper. We will celebrate our cultural heritage and history. We support business growth through industry diversification, education and employment opportunities. As an inclusive community, we will strive for equal rights and access for all. We will face challenges by working together in unity with integrity and creativity. We will achieve this on the foundation of open and collaborative leadership.



Explaining this diagram:
 The centre of this diagram represents the vision we are working towards. Wrapped around that are the four Focus Areas developed in consultation with our community that will help us achieve that vision. Each focus area has the values our community said were important to them. The outer circle highlights the four methods the City of Greater Geraldton has to deliver on the vision.

OUR ROLE

- 
LEADER
- 
PROVIDER
- 
COLLABORATER
- 
PLANNER
- 
CAPACITY BUILDER
- 
ADVOCATE

CORPORATE GOVERNANCE

STATUTORY REPORTS

RECORDKEEPING

The City's continued commitment to recordkeeping, in accordance with legislative requirements, facilitates a structured approach to recordkeeping through the use of a corporate system. In addition, the City's Recordkeeping Policy outlines the process for management and disposal of records in accordance with the State Records Act 2000.

The City's Recordkeeping Plan was reviewed and the City's future focus is on digitisation and paper reduction.

The City continued its efforts toward best practice in the area of electronic record keeping with 101,102 corporate records registered. This represents a 17% increase from the previous year.

TOTAL RECORDS	159,089
Incoming emails (council@cgg.wa.gov.au)	50,399
Hardcopy incoming mail	55,867

New employees were informed of their recordkeeping responsibilities as part of the City's Induction Program, with hands on training provided on TRIM and recordkeeping.

FREEDOM OF INFORMATION

The City complies with the Freedom of Information Act 1992 which has as its objectives, to:

- Enable the public to participate more effectively in governing the state; and
- Make the persons and bodies that are responsible for State and Local Government more accountable to the public.

The Coordinator Governance is the City's Freedom of Information Officer. Any formal application for information that is not already freely available at the City may be made through the Freedom of Information Officer.

During 2020-21 the City processed a total of 15 Freedom of Information applications, with an average of 32 days to complete each application. The 15 applications were completed within the legislative timeframe of 45 days.

NATIONAL COMPETITION POLICY

In 1995 the Council of Australian Governments entered into a number of agreements, collectively known as the National Competition Policy.

Local government is affected mainly where it operates significant business activities which compete, or could compete, with private sector businesses. Local government will also be affected where local laws unnecessarily affect competition.

The City is required to comply with certain policies contained within the National Competition Policy Statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

COMPETITIVE NEUTRALITY

It is the City's responsibility to determine whether it is engaged in "significant business activities" within the context of its operations and therefore whether it is required to apply the competitive neutrality principles. Local government is only required to implement the above principles to the extent that the benefits to be

realised from implementation outweigh the costs in respect of individual business activities exceeding an annual income of \$500,000. Within these criteria the City identified the following business activities:

- Geraldton Airport;
- Geraldton Aquarena;
- Meru Landfill

No competitive advantage was identified in the City's operations of the above business activities. The City continues to monitor Council Policies and Local Laws for anti-competitive practices.

COMPLAINTS REGISTER

The City, in accordance with s5.120 of the Local Government Act 1995, does not have a designated Complaints Officer and the Chief Executive Officer fulfils this role in terms of subsection (2).

As required in accordance with s5.121 'Register of certain complaints of minor breaches' of the Act, the City maintains an electronic register that is managed by the Executive Office.

The City reports no complaints that have resulted in a finding under section 5.110(2)(a) that a minor breach has occurred, for the period ending 30 June 2021.

EMPLOYEE SALARIES

Set out below, in bands of \$10,000, is the number of employees of the City of Greater Geraldton entitled to an annual salary of \$130,000 or more.

SALARY BAND		NUMBER OF EMPLOYEES
\$ From	\$ To	2021-22
\$130,000	\$139,999	5
\$140,000	\$149,999	4
\$150,000	\$159,999	1
\$160,000	\$169,999	2
\$200,000	\$209,999	2
\$210,000	\$219,999	1
\$250,000	\$259,999	1

FINANCIAL SUMMARY

2021/2022 FINANCIAL YEAR	2020/2021 FINANCIAL YEAR
TOTAL ASSETS	TOTAL ASSETS
\$924,983,925	\$918,036,162
TOTAL LIABILITIES	TOTAL LIABILITIES
\$56,877,749	\$58,353,353
EQUITY/NET ASSETS	EQUITY/NET ASSETS
\$868,106,176	\$859,682,809
OPERATING REVENUE	OPERATING REVENUE
\$85,724,275	\$74,960,049
OPERATING EXPENDITURE	OPERATING EXPENDITURE
\$82,148,145	\$75,837,717
OPERATING SURPLUS/(DEFICIT)	OPERATING SURPLUS/(DEFICIT)
\$3,576,130	(877,669)
NON-OPERATING REVENUE	NON-OPERATING REVENUE
\$7,652,178	\$5,157,970
CAPITAL EXPENDITURE	CAPITAL EXPENDITURE
\$28,540,688	\$17,859,688
CASH BACKED RESERVES	CASH BACKED RESERVES
\$39,276,435	\$32,842,229

FINANCIAL PERFORMANCE

Revenue:

Operating Revenue generated for 2021-22 was \$85.7M. The operating revenue include receipt in advance of the City's 2022-23 Federal Assistance Grants, which was 75% of the 2022-23 total Federal Assistance Grants allocation. Operating revenue was \$5.9M (7.5%) over budget and \$10.8M (14.6%) increase over prior year.

Expenditure:

Operating Expenditure was \$82.1M an increase of \$6.3M compared to the previous year and \$630K less than budgeted. Most categories of expenditure were less than budget with the most significant savings in Materials and Contracts of \$1.2M.

Major areas of capital expenditure included:

	2020/21	2021/22
AIRPORT	\$185K ■	\$175K ■
CARPARKS	\$124K ■	\$109K ■
DRAINAGE	\$475K ■	\$677K ■
FOOTPATHS & CYCLEWAYS	\$1.86M ■	\$3.2M ■
LAND & BUILDINGS	\$1.4M ■	\$2.5M ■
MERU LANDFILL	\$98K ■	\$374K ■
PARKS & GARDENS	\$3.1M ■	\$9M ■
PLANT & EQUIPMENT	\$1.18M ■	\$1.1M ■
ROADS	\$9.3M ■	\$10.4M ■

Financial Position:

Similar to 2020-21 this financial year has been anything but 'normal' with the ongoing impacts of COVID-19. In response the City set a conservative budget for 2021-22 with an outlook of revenue streams to improve and move towards pre-pandemic levels. However, the City was not immune to the global supply chain issues and resulting inflation on cost of goods and services, and had forecast an operating deficit. The final operating result of \$3.5M was largely contributed to by an increased early payment of the Financial Assistance Grants.

FINANCIAL HIGHLIGHTS

TOTAL REVENUE

Fees and Charges	27%
General Rates	56%
Grants, Subsidies and Contributions	16%
Interest Earnings	1%
Other Revenue and Profit on Asset Disposal	0.4%



TOTAL EXPENDITURE

Airport	5%
Community and Cultural Development	6%
Economic Development and Tourism	1%
Emergency Management	1%
Land and Property	5%
Library, Heritage and Art Gallery	4%
Other	2%
Parks, Coastal and Natural Management	13%
Regulatory Services – Health, Building, Planning and Rangers	10%
Roads, Carparks, Pathways, Drainage and Street Lighting	36%
Sports and Leisure	7%
Waste Services	10%





FINANCIALS



City of Greater Geraldton

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2022



City of Greater Geraldton

General Purpose Financial Statements for the year ended 30 June 2022

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Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for City of Greater Geraldton.
 - (ii) All figures presented in these financial statements are presented in Australian Currency.
-

City of Greater Geraldton

General Purpose Financial Statements for the year ended 30 June 2022

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Statement by Chief Executive Officer

The attached financial report of the City of Greater Geraldton for the financial year ended to June 2022 is based on proper accounts and records to present fairly the financial position of the City of Greater Geraldton at 30 June 2022 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 14 day of DECEMBER 2022



Ross McKim

CHIEF EXECUTIVE OFFICER

City of Greater Geraldton

Statement of Comprehensive Income (by Nature or Type)
for the year ended 30 June 2022

\$	Notes	2022 Actual	2022 Budget	2021 Actual
Revenue				
Rates	24(a)	47,900,551	48,210,890	45,601,602
Operating Grants, Subsidies & Contributions	30	13,372,243	8,514,902	8,276,880
Fees & Charges	29	23,217,306	21,826,986	19,996,821
Interest Earnings	2(a)	849,658	801,407	558,364
Other Revenue		384,517	372,065	526,382
		<u>85,724,275</u>	<u>79,726,250</u>	<u>74,960,049</u>
Expenses				
Employee Costs	33	(28,913,674)	(28,831,476)	(26,309,285)
Materials & Contracts		(20,472,535)	(21,698,995)	(17,902,814)
Utilities		(2,941,667)	(2,877,046)	(2,805,178)
Depreciation & Amortisation	2(a)	(25,087,132)	(24,878,798)	(24,546,232)
Interest Expenses	2(a)	(954,428)	(989,517)	(1,142,275)
Insurance		(835,631)	(838,154)	(728,971)
Other Expenditure		(2,943,078)	(2,663,930)	(2,402,964)
		<u>(82,148,145)</u>	<u>(82,777,916)</u>	<u>(75,837,719)</u>
Operating Result from Continuing Operations ⁽¹⁾		<u>3,576,130</u>	<u>(3,051,666)</u>	<u>(877,670)</u>
Non-Operating Grants, Subsidies & Contributions	30	7,652,178	9,155,251	5,157,970
Fair Value Adjustments to financial assets at fair value through profit and loss	2(a)	17,986	-	11,636
Profit on Asset Disposals	22	144,590	53,019	1,417,094
Loss on Asset Disposal	22	(2,841,041)	(26,240)	(566,513)
		<u>4,973,713</u>	<u>9,182,030</u>	<u>6,020,187</u>
Net Result - Surplus (Deficit)		<u>8,549,843</u>	<u>6,130,364</u>	<u>5,142,517</u>
Other Comprehensive Income				
Changes on revaluation of non-current assets	15	(126,476)	-	(24,495,144)
Total Other Comprehensive Income		<u>(126,476)</u>	<u>-</u>	<u>(24,495,144)</u>
Total Comprehensive Income		<u>8,423,368</u>	<u>6,130,364</u>	<u>(19,352,627)</u>

⁽¹⁾ Allowing for or not factoring in the prepayment of Financial Assistance Grants for 2022-23 \$4,965,608 (75% of 22/23) (2021-22: \$3,147,761), Council Operating Result from Continuing Operations would amount to a deficit of \$1,389,478 (2021-22: \$4,025,431).



City of Greater Geraldton

Statement of Financial Position

as at 30 June 2022

\$	Notes	2022 Actual	2021 Actual
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	14,199,011	31,396,433
Financial Assets	4	38,533,261	18,976,378
Trade and Other Receivables	5	6,866,965	7,317,159
Inventories	6	407,180	363,811
Contract Assets	9	307,298	53,865
Non-current assets classified as "held for sale"	38	7,446,159	-
Total Current Assets		67,759,874	58,107,646
Non-Current Assets			
Financial Assets	4	6,592,457	651,812
Trade and Other Receivables	5	611,641	576,695
Property, Plant and Equipment	7	164,969,696	175,227,205
Infrastructure	8	684,793,868	683,173,375
Right of Use Assets	10	96,929	139,969
Intangible Assets	40	159,460	159,460
Total Non-Current Assets		857,224,051	859,928,516
TOTAL ASSETS		924,983,925	918,036,162
LIABILITIES			
Current Liabilities			
Trade and Other Payables	11	14,937,585	14,109,816
Contract Liabilities	9	1,808,316	1,147,327
Lease Liability	10	45,124	42,444
Borrowings	12	4,275,466	4,600,668
Provisions	13	5,583,469	4,940,468
Total Current Liabilities		26,649,960	24,840,723
Non-Current Liabilities			
Lease Liability	10	56,259	101,384
Borrowings	12	20,160,636	23,864,366
Provisions	13	10,010,894	9,546,880
Total Non-Current Liabilities		30,227,789	33,512,630
TOTAL LIABILITIES		56,877,749	58,353,353
Net Assets		868,106,176	859,682,809
EQUITY			
Retained Surplus		346,569,022	344,453,382
Reserves - Cash/Investment Backed	14	39,276,435	32,842,232
Reserves - Asset Revaluation	15	482,260,719	482,387,195
Total Equity		868,106,176	859,682,809

This statement should be read in conjunction with the accompanying notes.



City of Greater Geraldton

Statement of Changes in Equity
for the year ended 30 June 2022

\$	Notes	Retained Surplus	Reserves Cash / Investment Backed	Asset Revaluation Reserve	Total Equity
Balance as at 1 July 2020		350,384,141	23,008,956	506,882,339	880,275,436
Correction of Errors	-	1,240,000	-	-	- 1,240,000
Restated Balance		349,144,141	23,008,956	506,882,339	879,035,436
Net Result		5,142,517	-	-	5,142,517
Total OCI / Asset Revaluation	15	-	-	(24,495,144)	(24,495,144)
Reserve Transfers	14	(9,833,276)	9,833,276	-	-
Balance as at 30 June 2021		344,453,382	32,842,232	482,387,195	859,682,809
Correction of Errors		-	-	-	-
Restated Balance		344,453,382	32,842,232	482,387,195	859,682,809
Net Result		8,549,843	-	-	8,549,843
Total OCI / Asset Revaluation	15	-	-	(126,476)	(126,476)
Reserve Transfers	14	(6,434,203)	6,434,203	-	-
Balance as at 30 June 2022		346,569,022	39,276,435	482,260,719	868,106,176



City of Greater Geraldton

Statement of Cash Flows

for the year ended 30 June 2022

\$	Notes	2022 Actual	2022 Budget	2021 Actual
Cash Flows from Operating Activities				
Receipts:				
Rates		48,567,485	47,936,279	45,526,468
Operating Grants, Subsidies and Contributions		13,779,799	8,826,655	8,625,497
Fees and Charges		22,762,631	21,826,986	19,722,501
Interest Earnings		750,381	797,917	614,388
Other Revenue		384,517	1,467,726	1,248,821
		<u>86,244,813</u>	<u>80,855,563</u>	<u>75,737,675</u>
Payments:				
Employee Costs		(28,087,343)	(28,813,641)	(26,280,007)
Materials and Contracts		(19,513,780)	(18,259,136)	(13,480,082)
Utilities		(2,941,667)	(2,877,046)	(2,805,178)
Insurance		(835,631)	(838,154)	(728,971)
Interest		(976,654)	(1,015,818)	(1,166,588)
Goods and Services Tax		(75,380)	-	(5,473)
Other Expenditure		(2,943,080)	(2,663,930)	(2,612,571)
		<u>(55,373,535)</u>	<u>(54,467,725)</u>	<u>(47,078,870)</u>
Net Cash provided (or used in) Operating Activities	16(b)	<u>30,871,278</u>	<u>26,387,838</u>	<u>28,658,806</u>
Cash Flows from Investing Activities				
Receipts:				
Non-Operating Grants, Subsidies and Contributions	30	7,652,178	9,155,251	5,157,970
Proceeds from Sale of Assets	22	2,388,646	449,500	1,968,589
Proceeds from Self Supporting Loans	4	91,626	119,510	68,497
Proceeds from Investments	4	-	800,000	-
Payments:				
Payments for Intangible Assets	40	-	-	(55,317)
Payments for Purchase of Property, Plant & Equipment	21	(4,597,594)	(7,001,130)	(2,634,312)
Payments for Construction of Infrastructure	21	(23,943,094)	(33,645,153)	(15,170,061)
Advances to Community Groups	23	(600,000)	(1,150,000)	(200,000)
Unexpended Non-Operating Grants	2(d)	(17,920)	-	(50,031)
Payments for Purchase of Investments	4	(24,971,167)	-	(16,547,015)
Net Cash provided (or used in) Investing Activities		<u>(43,997,325)</u>	<u>(31,272,022)</u>	<u>(27,461,680)</u>
Cash Flows from Financing Activities				
Receipts:				
Proceeds from New Loans	23(b)	600,000	1,150,000	200,000
Payments:				
Repayment of Debentures	23(a)	(4,628,932)	(4,656,816)	(4,814,016)
Repayment of Finance Leases		(42,443)	(42,444)	(49,637)
Net Cash provided (or used in) Financing Activities		<u>(4,071,374)</u>	<u>(3,549,260)</u>	<u>(4,663,653)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		(17,197,422)	(8,433,444)	(3,466,527)
Cash at the beginning of the year	3	31,396,433	27,598,264	34,862,959
Cash & Cash Equivalents - End of the Year	16(a)	<u>14,199,011</u>	<u>19,164,820</u>	<u>31,396,433</u>

This statement should be read in conjunction with the accompanying notes.



City of Greater Geraldton

Rate Setting Statement (by Nature)
for the year ended 30 June 2022

\$	Notes	2022 Actual	2022 Budget	2021 Actual
Revenue				
Operating Grants, Subsidies & Contributions		13,372,243	8,514,902	8,276,880
Fees & Charges		23,217,306	21,826,986	19,996,821
Interest Earnings		849,658	801,407	558,364
Profit on Disposal of Assets		144,590	53,019	1,417,094
Other Revenue		384,517	372,065	526,382
		<u>37,968,314</u>	<u>31,568,379</u>	<u>30,775,541</u>
Expenses				
Employee Costs		(28,913,674)	(28,831,476)	(26,309,285)
Materials & Contracts		(20,472,535)	(21,698,995)	(17,902,814)
Utilities		(2,941,667)	(2,877,046)	(2,805,178)
Depreciation & Amortisation		(25,087,132)	(24,878,798)	(24,546,232)
Interest Expenses		(954,428)	(989,517)	(1,142,275)
Insurance		(835,631)	(838,154)	(728,971)
Loss on Disposal of Assets		(2,841,041)	(26,240)	(566,513)
Other Expenditure		(2,943,078)	(2,663,930)	(2,402,964)
		<u>(84,989,186)</u>	<u>(82,804,156)</u>	<u>(76,404,232)</u>
		<u>(47,020,872)</u>	<u>(51,235,777)</u>	<u>(45,628,691)</u>
Net Result Excluding Rates				
Adjustment for Cash Budget Requirements:				
Non-Cash Expenditure & Revenue				
(Profit)/Loss on Asset Disposal	22	2,696,451	(26,779)	(850,581)
Movement in Non-Current Deferred Pensioner Rates		34,946	(22,155)	(41,651)
Movement in Non-Current Employee Benefit Provisions		(60,106)	-	70,828
Depreciation & Amortisation on Assets	2(a)	25,087,132	24,878,798	24,546,232
Other Non-Cash (Revenue)/Expenditure		18,865	-	35,790
Fair Value Adjustments to financial assets at fair value		(17,986)	-	(11,636)
		<u>27,759,302</u>	<u>24,829,864</u>	<u>23,748,982</u>
Capital Expenditure				
Purchase Land and Buildings	21	(2,481,699)	(2,275,000)	(1,447,136)
Purchase Plant and Equipment	21	(1,121,224)	(3,046,130)	(818,253)
Purchase Furniture and Equipment	21	(943,151)	(1,680,000)	(368,922)
Purchase of Other PP&E	21	(51,520)	-	-
Infrastructure Assets	21	(23,943,094)	(33,645,153)	(15,170,061)
Advances to Community Groups		(600,000)	(1,150,000)	(200,000)
Repayment of Debentures	23(a)	(4,628,932)	(4,656,816)	(4,814,016)
Intangible Assets		-	-	(55,316)
Finance Lease Payments		(42,443)	(42,444)	(49,636)
		<u>(33,812,062)</u>	<u>(46,495,543)</u>	<u>(22,923,340)</u>



City of Greater Geraldton

Rate Setting Statement (by Nature) (continued)
for the year ended 30 June 2022

\$	Notes	2022 Actual	2022 Budget	2021 Actual
Capital Revenue				
Proceeds from Disposal of Assets	22	2,388,646	449,500	1,968,592
Proceeds from New Debentures	23(b)	600,000	1,150,000	200,000
Self-Supporting Loan Principal Income	23(a)	91,626	119,510	68,497
Non-Operating Grants, Subsidies and Contributions	30	7,652,178	9,155,251	5,157,970
Net Capital Revenue		<u>10,732,450</u>	<u>10,874,261</u>	<u>7,395,059</u>
Transfers				
Transfers to Reserves (Restricted Assets)	14	(12,637,989)	9,321,626	(13,956,067)
Transfers from Reserves (Restricted Assets)	14	6,203,783	507,193	4,122,791
Net Transfers		<u>(6,434,206)</u>	<u>9,828,819</u>	<u>(9,833,276)</u>
Surplus/(Deficit) July 1 B/Fwd	24(b)	4,895,997	3,411,132	6,535,662
Surplus/(Deficit) June 30 C/Fwd	24(b)	4,021,159	(576,354)	4,896,000
Amount Raised from Rates	24(a)	<u>(47,900,551)</u>	<u>(48,210,890)</u>	<u>(45,601,602)</u>



City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

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City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with the Local Government Act 1995 and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the Local Government Act 1995 read with the Local Government (Financial Management) Regulations 1996 prescribe that the financial report be prepared in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The Local Government (Financial Management) Regulations 1996 specify that vested land is a right-of-use asset to be measured at cost and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost. Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

(b) Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires

management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(c) The Local Government Reporting Entity

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

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

(d) New and revised Accounting Standards adopted during the year

The City adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2021.

(e) Standards issued by the AASB not yet effective

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

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that could be applicable to Councils.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- *AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments*
- *AASB 2014-10 Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)*

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)*
- *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)*

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- *AASB 2014-10 Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7)*

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses

\$	Notes	2022 Actual	2022 Budget	2021 Actual
(a) Net Result				
The Result includes:				
(i) Charging as an Expense:				
Significant Expense/Revenue				
The significant expense/revenue relates to the reduction in the fair value of the Council's investments	4	(17,986)	-	(11,636)
Auditors Remuneration				
- Audit		53,500	56,000	41,585
- Other Services		15,883	10,000	-
Bad & Doubtful Debts				
Rates	27(b)	66,039	42,000	54,026
General Debtors	27(b)	3,765	50,000	53,161
Depreciation & Amortisation				
<i>Property, Plant & Equipment</i>				
- Buildings	7(b)	2,151,408	2,138,297	2,010,723
- Furniture and Equipment		462,613	428,409	434,616
- Plant and Equipment		1,103,069	1,414,702	1,427,818
<i>Infrastructure</i>				
- Roads	8(b)	16,744,311	16,486,702	16,416,416
- Recreation		2,025,363	1,856,580	2,002,822
- Car Parks		497,851	485,534	494,094
- Meru Landfill		913,489	899,186	572,915
- Airport		1,127,270	1,107,994	1,110,618
- Effluent Scheme		18,718	18,354	18,382
<i>Right of Use Assets</i>				
- Library RFID Self loan station	10	-	-	14,788
- Printers		43,040	43,040	43,040
		25,087,132	24,878,798	24,546,232
Interest Expenses (Finance Costs)				
Debentures	23(a)	946,668	981,651	1,131,442
Leases		7,760	7,866	10,833
		954,428	989,517	1,142,275
(ii) Crediting as Revenue:				
Interest Earnings				
Investments - Reserve Funds		226,939	150,000	151,393
Investments - Other Funds		209,245	189,407	274,168
Other Interest Revenue	28	413,474	462,000	132,803
		849,658	801,407	558,364

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(b). Statement of Objectives, Reporting Programs and Nature or Type

City of Greater Geraldton is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

REPORTING PROGRAM DESCRIPTIONS

Council operations that are disclosed encompass the following service orientated activities/programs:

GOVERNANCE

Objective: To provide a decision making process for the efficient allocation of scarce resources.

Activities: Includes the activities of members of council and the administrative support available to the council for the provision of governance to the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Objective: To collect revenue to allow for the provision of services.

Activities: Rates, general purpose government grants, and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective: To provide services to help ensure a safer and environmentally conscious community.

Activities: Supervision and enforcement of various local laws relating to fire prevention, animal control and protection of the environment and other aspects of public safety including emergency services.

HEALTH

Objective: To provide services to achieve community and environmental health.

Activities: Maternal and infant health facilities, meat inspection services, inspection of food outlets, noise control and pest control services.

EDUCATION AND WELFARE

Objective: To provide services to children, youth, the elderly and disadvantaged persons.

Activities: Pre-school and other education services, child minding facilities, playgroups and senior citizens centres.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(b). Statement of Objectives, Reporting Programs and Nature or Type (continued)

HOUSING

Objective: To provide and maintain staff housing and elderly residents' housing.

Activities: Provision and maintenance of staff housing and elderly residents' housing.

COMMUNITY AMENITIES

Objective: To provide services required by the community.

Activities: Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemeteries and public conveniences.

RECREATION AND CULTURE

Objective: To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.

Activities: Operations of the aquatic centre, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.

TRANSPORT

Objective: To provide safe, effective and efficient transport services to the community.

Activities: Construction (if not capitalised) and maintenance of roads, streets, footpaths, depots, cycleways, parking facilities and traffic control. Aerodromes and water transport facilities, cleaning of streets and maintenance of street trees, street lighting etc.

ECONOMIC SERVICES

Objective: To help promote the City and its economic wellbeing.

Activities: Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control, standpipes and building control.

OTHER PROPERTY & SERVICES

Objective: To monitor and control council's overheads operating accounts. Maintain Council's owned and leased land and buildings.

Activities: Private works operation, plant repair and operation costs and engineering operation costs. Operations and maintenance of the City's land and buildings.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(c) Nature or Type Classifications

City of Greater Geraldton is required by the Australian Accounting Standards to disclose revenue and expenditure according to its nature or type classification. The following nature or type descriptions are also required by State Government regulations.

REVENUE

Rates

All rates levied under the Local Government Act 1995. Includes general, differential, specific area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts offered. Excludes administration fees, interest on instalments, interest on arrears, service charges and waste and sewerage rates.

Operating Grants, Subsidies and Contributions

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

Non-Operating Grants, Subsidies and Contributions

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

Profit on Asset Disposal

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

Service Charges

Service charges imposed under Division 6 of Part 6 of the Local Government Act 1995. Regulation 54 of the Local Government (Financial Management) Regulations identifies the charges which can be raised. These are television and radio rebroadcasting, underground electricity, property surveillance and security and water services. Excludes rubbish removal and charges for the provision of waste services.

Interest Earnings

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

Other Revenue

Other revenue, which cannot be classified under the above headings, includes transfers from Trust to Municipal accounts and internal transfers, dividends, discounts, rebates, etc.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(c) Nature or Type Classifications (continued)

EXPENDITURE

Employee Costs

All costs associated with the employment of persons such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences, safety expenses, medical examinations, fringe benefits tax etc.

Material and Contracts

All expenditure on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc.

Utilities (Gas, Electricity, Water, etc.)

Expenditures made to respective agencies for the provision of power, gas or water. Excludes expenditure incurred for the re-instatement of road works on behalf of these agencies.

Depreciation & Amortisation on Non-Current Assets

Depreciation and amortisation expense raised on all classes of assets.

Loss on Asset Disposal

Loss on the disposal of fixed assets.

Interest Expenses

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and re-financing expenses.

Insurance

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

Other Expenditure

Statutory fees, taxes, provision of bad debts, internal transfers, member's fees. Donations and subsidies made to community groups.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-20	Received ² 2021	Expended ³ 2021	Closing Balance ¹ 30-Jun-21	Received ² 2022	Expended ³ 2022	Closing Balance 30-Jun-22
\$							
(d). Conditions Over Grants, Subsidies & Contributions							
Grant/Subsidy/Contribution							
Airport Projects	766,541	57,470	(39,370)	784,641	109,729	(94,864)	799,506
Airport Security Screening & Baggage Handling	20,900	-	-	20,900	-	-	20,900
Art Contribution from ALDI	27,273	-	-	27,273	-	-	27,273
Art Gallery- Donation to Lindsay Collection	12,901	-	-	12,901	-	-	12,901
Art Gallery- Community Cultural Development	3,454	-	-	3,454	-	-	3,454
Art Gallery Park Design	-	29,607	-	29,607	-	-	29,607
Building Works	55,000	98,885	(25,429)	128,456	-	(19,505)	108,951
Beach Emergency Number (BEN) Signs	-	30,000	-	30,000	-	-	30,000
BFS Water Tanks	-	27,340	-	27,340	-	(27,340)	-
Big Sky Readers & Writers Festival 2021	-	24,950	-	24,950	18,545	(24,950)	18,545
Bridgid Road New Access Bridges, Floodways & Major Culverts Renewals	-	-	-	-	588,000	-	588,000
Buildings New	-	-	-	-	485,000	-	485,000
Building Renewals	-	-	-	-	671,436	-	671,436
Bush Fire Brigade 2021-22 Operating Grant	-	24,952	(24,952)	-	4,759	-	4,759
Carparks New	-	-	-	-	25,000	-	25,000
Carpark Works	464,996	44,553	(18,297)	491,252	-	(57,372)	433,880
Cathedral / Sanford Intersection - Federal Black Spot	451,468	-	(426,468)	25,000	-	(25,000)	-
Carpark No 5 Sanford Street	-	8,000	-	8,000	-	(8,000)	-
Cape Burney Roof Raising - City Component	-	20,000	-	20,000	-	-	20,000
Chapman Road CBD Activation Pilot	-	15,580	(13,701)	1,879	-	(1,879)	-
Chapman River Estuary Reserve Action Plan	-	-	-	-	13,680	-	13,680
City Precinct New	-	-	-	-	36,850	-	36,850
City Precinct Renewals	-	-	-	-	14,326	-	14,326

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-20	Received ² 2021	Expended ³ 2021	Closing Balance ¹ 30-Jun-21	Received ² 2022	Expended ³ 2022	Closing Balance 30-Jun-22
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Community Grants Round 21	8,871	-	(3,910)	4,961	-	(4,961)	-
Community Grants Round 22	5,098	-	-	5,098	-	(5,098)	-
Community Grants Round 24	-	7,832	-	7,832	-	(4,360)	3,472
Community Project Support Program 2020-21	-	13,000	-	13,000	-	(13,000)	-
Corporate Wi-Fi Upgrade	-	212,227	-	212,227	-	-	212,227
Cruise Destination Welcome Initiative	20,000	-	(20,000)	-	-	-	-
COVID-19 Community Relief and Recovery Fund	-	15,806	(352)	15,454	-	(15,454)	-
Community Grants Round 25	-	-	-	-	5,005	-	5,005
Community Grants Round 26	-	-	-	-	3,897	-	3,897
Cycle Path on Brand Highway (Tarcoola Beach - Cape Burney)	-	-	-	-	80,000	-	80,000
Develop Local History Education Pack	-	4,380	(3,652)	728	-	(728)	-
Drummond Cove Groyne Construction and Sand Nourishment	-	406,402	(219,850)	186,552	-	(186,552)	-
Dual Use Pathways- Bikewest (Champion Bay)	7,000	-	-	7,000	-	-	7,000
Eastern Breakwater	130,000	-	-	130,000	-	-	130,000
Environmental Projects - Signage	50,000	-	-	50,000	-	-	50,000
Every Club	-	4,200	(4,200)	-	-	-	-
GABA Car Park	-	18,000	(2,000)	16,000	-	(16,000)	-
Geraldton Intensive Youth Support Program	43,461	15,536	(30,274)	28,723	-	(28,723)	-
Gallery Activator Salary Funds - There Were Moments of Transformation	-	6,094	(6,094)	-	-	-	-
Geraldton Little Athletics Centre Inc - CSRFF	-	11,668	-	11,668	-	(11,668)	-
Goulds Road - 2020/21 Regional Project Grant	-	90,877	(90,877)	-	-	-	-
Geraldton Youth Skateboarding Exhibition	-	-	-	-	10,000	-	10,000
Geraldton Theatre Production	49,542	30,458	(3,434)	76,566	-	(64,448)	12,118
Geraldton Cycling Network: Glenfield Beach Drive	-	-	-	-	55,000	-	55,000

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-20	Received ² 2021	Expended ³ 2021	Closing Balance ¹ 30-Jun-21	Received ² 2022	Expended ³ 2022	Closing Balance 30-Jun-22
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Federation Park Upgrade & Improvements	2,727	-	(2,727)	-	-	-	-
HMAS Memorial	9,204	-	-	9,204	-	-	9,204
HMAS Sydney II 80th Memorial Service	-	71,000	-	71,000	-	(71,000)	-
Infrastructure New	-	-	-	-	185,000	-	185,000
John Willcock Link - Main Roads	6,253	-	(6,253)	-	-	-	-
Land Developments	291,816	-	(57,331)	234,484	-	-	234,484
Hotspot	-	10,000	-	10,000	-	-	10,000
ICT - Infrastructure Assets	-	99,832	-	99,832	-	(99,832)	-
Infrastructure Renewals	-	-	-	-	118,750	-	118,750
Local Roads and Community Infrastructure (LRCl) Program - Phase 1	-	250,411	(143,406)	107,006	-	(107,006)	-
Local Roads and Community Infrastructure (LRCl) Program - Phase 2	-	944,319	-	944,319	-	(944,319)	-
Local Government Community Grants - City of Greater Geraldton	-	-	-	-	146,038	-	146,038
Local Roads and Community Infrastructure (LRCl) Program - Phase 3	-	-	-	-	1,150,464	-	1,150,464
Mayoral Discretionary Fund	-	8,250	(750)	7,500	10,000	(7,500)	10,000
Menshed Community Grants Round 13 and 14 for new building	41,897	-	-	41,897	-	-	41,897
Meru Waste Disposal Composting Facility	-	268,200	(100,000)	168,200	-	(168,200)	-
Meru Landfill	145,000	-	-	145,000	-	-	145,000
Meru Waste Transfer Station	2,099,194	-	-	2,099,194	-	-	2,099,194
Metocean Data Collection Sunset Beach	14,996	-	(12,519)	2,478	-	(2,478)	-
Midwest Online Events Calendar & Travel Guide	6,960	-	(2,280)	4,680	-	(4,680)	-
Mullewa Building - Insurance Payment	450,000	-	-	450,000	-	-	450,000
Mullewa Youth Service	-	1,612	(1,612)	-	-	-	-
Mullewa Cemetery	-	19,000	(14,975)	4,025	-	-	4,025
Mullewa Gym for the Local Football Club and Community	-	5,658	-	5,658	-	(5,658)	-
Mullewa Sewerage Pumping Mains	100,000	-	-	100,000	-	-	100,000
Mullewa Sewer System - Brookfield Rail	49,450	-	-	49,450	-	-	49,450

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-20	Received ² 2021	Expended ³ 2021	Closing Balance ¹ 30-Jun-21	Received ² 2022	Expended ³ 2022	Closing Balance 30-Jun-22
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Mullewa Sewerage System	-	19,100	-	19,100	-	(19,100)	-
NWCH Path	50,932	-	-	50,932	-	-	50,932
Olive Street POS	450,103	-	(203,401)	246,702	-	(215,631)	31,071
Parks & Gardens	-	1,188,850	(314,320)	874,530	31,050	(793,365)	112,215
Park Upgrade Program	85,000	-	-	85,000	-	-	85,000
Pathway Works	63,510	667,330	(160,458)	570,382	-	(467,347)	103,035
Pass Street Pedestrian Crossing	-	132,481	-	132,481	-	-	132,481
Public Open Space - Sunset Beach Estate	45,093	-	-	45,093	-	-	45,093
Purchase & Installation of New Body Scanning Equipment	255,000	-	(235,657)	19,343	-	(19,343)	-
QPT Regional Performing Arts - Lotterywest	26,500	-	(15,741)	10,759	-	(10,759)	-
Railway Street Safe Active Street	53,439	549,432	-	602,871	-	(602,871)	-
Renewal of Parking Meters	-	18,174	-	18,174	-	-	18,174
Retention Amounts (EVO, Convic and Mitchell & Brown, WACB & RDH)	65,958	-	-	65,958	-	-	65,958
Road Renewals	2,648	-	-	2,648	-	-	2,648
RoadWise - Strengthening Communities	4,452	-	-	4,452	-	-	4,452
Revolve Skate Series	-	-	-	-	2,620	-	2,620
Skate Today	-	-	-	-	2,950	-	2,950
Standpipe Renewals	-	-	-	-	11,110	-	11,110
Runway 08/26 Surface Renewal	-	48,926	(32,203)	16,723	-	(16,723)	-
Seniors User-Friendly Business Program	3,256	-	(3,256)	-	-	-	-
Streets, Roads, Bridges & Depots	-	663,261	(342,701)	320,560	-	(320,560)	-
South Tomi Project	8,000	-	-	8,000	-	-	8,000
Streets, Roads & Depots Renewals	-	-	-	-	56,273	-	56,273
Streets, Roads & Depots New	-	-	-	-	205,000	-	205,000
Stuart Road (No 24) Cash inlieu Contribution Revegetation	1,941	-	-	1,941	-	-	1,941
Sunset Beach	37,600	-	-	37,600	-	-	37,600

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$	Opening Balance ¹ 1-Jul-20	Received ² 2021	Expended ³ 2021	Closing Balance ¹ 30-Jun-21	Received ² 2022	Expended ³ 2022	Closing Balance 30-Jun-22
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Swimming Areas & Beaches	-	1,136,753	(286,913)	849,840	-	(849,840)	-
Verita Road Bridge	201,816	-	-	201,816	-	-	201,816
Swimming Areas & Beaches Renewals	-	-	-	-	116,433	-	116,433
Spalding Regional Renewal Project	-	-	-	-	313,966	-	313,966
Tomorrow Starts Today	-	-	-	-	13,708	-	13,708
Underground Drainage	-	148,808	-	148,808	-	(142,727)	6,081
Underground Drainage Renewals	-	-	-	-	79,500	-	79,500
Walkaway Public Hall	-	76,529	-	76,529	-	-	76,529
Wildcats NBL Preseason Game and Community Festival	-	-	-	-	25,000	-	25,000
Wind on Water (WoW) Fest 2020	-	2,500	-	2,500	-	(2,500)	-
Wonthella Bushland Reserve	-	-	-	-	10,000	-	10,000
Total Unexpended Capital Works and Grants	<u>6,699,619</u>	<u>7,548,243</u>	<u>(2,879,732)</u>	<u>11,368,131</u>	<u>4,589,090</u>	<u>(5,481,341)</u>	<u>10,485,879</u>
Beresford Foreshore Coastal Protection and Enhancement ⁽⁹⁾	3,070,598	3,494	(53,525)	3,020,567	2,080	(20,000)	3,002,647
Total Unspent Grants, Subsidies & Contributions (WATC)	<u>3,070,598</u>	<u>3,494</u>	<u>(53,525)</u>	<u>3,020,567</u>	<u>2,080</u>	<u>(20,000)</u>	<u>3,002,647</u>

Grant income under AASB 15

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

Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(d). Conditions Over Grants, Subsidies & Contributions (continued)

Grant/Subsidy/Contribution (continued)

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

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income under AASB 1058

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the Council.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(d). Conditions Over Grants, Subsidies & Contributions (continued)

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous period.
- (2) - New grants/contributions which were recognised as revenue during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenue in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.
- (4) - Grants received but not expected to be fully expended in the next financial year.
- (5) - Funding is provided under a Royalties for Region - Financial Assistance Agreement between the Department of Regional Development and the City of Greater Geraldton. The full amount of the Funding provided under this Agreement is required to be invested by the City of Greater Geraldton with the Western Australian Treasury Corporation (WATC) until expended as per agreed and approved budget. Under the conditions of the agreement the City has opened a separate Overnight Cash Deposit Facility (ODCF) that gives the City access to the funds at call. The Department of Regional Development is joint signatory to the WATC ODCF account related to the funding and all withdrawals/drawdowns will require the approved signatures of both the Department and the City before WATC will release the funds. Interest received on the ODCF is recognised as liability and added to the Unexpended Non-Operating Grants account to be utilised for the Project in accordance with the Financial Assistance Agreement.
- (6) - Economic Dependency
A significant portion of revenue is received by way of grants from the State and Federal Government. The total of grant revenue from government sources is disclosed within the Statement of Comprehensive Income.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(d). Conditions Over Grants, Subsidies & Contributions (continued)

Grant/Subsidy/Contribution (continued)

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

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income under AASB 1058

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the Council.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 2. Operating Revenues and Expenses (continued)

\$

(d). Conditions Over Grants, Subsidies & Contributions (continued)

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous period.
- (2) - New grants/contributions which were recognised as revenue during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenue in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.
- (4) - Grants received but not expected to be fully expended in the next financial year.
- (5) - Funding is provided under a Royalties for Region - Financial Assistance Agreement between the Department of Regional Development and the City of Greater Geraldton. The full amount of the Funding provided under this Agreement is required to be invested by the City of Greater Geraldton with the Western Australian Treasury Corporation (WATC) until expended as per agreed and approved budget. Under the conditions of the agreement the City has opened a separate Overnight Cash Deposit Facility (OCDF) that gives the City access to the funds at call. The Department of Regional Development is joint signatory to the WATC ODCF account related to the funding and all withdrawals/drawdowns will require the approved signatures of both the Department and the City before WATC will release the funds. Interest received on the ODCF is recognised as liability and added to the Unexpended Non-Operating Grants account to be utilised for the Project in accordance with the Financial Assistance Agreement.
- (6) - Economic Dependency
A significant portion of revenue is received by way of grants from the State and Federal Government. The total of grant revenue from government sources is disclosed within the Statement of Comprehensive Income.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 3. Cash and Cash Equivalents

\$	Notes	2022 Actual	2021 Actual
Cash - Unrestricted		2,770,274	8,880,651
Cash - Restricted*		11,428,737	22,515,782
Total Cash and Cash Equivalents	16(a)	14,199,011	31,396,433
<i>* Note 4 includes Reserve investments of \$30,850,344 Total restricted cash is \$42,279,082</i>			
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Parking Land Reserve	14	551,759	551,759
Unexpended Capital Works & Restricted Grant Reserve	14	10,485,880	11,368,128
Employee Entitlements Reserve	14	3,100,000	3,100,000
Major Initiatives Reserve	14	8,191,405	5,281,655
Asset Renewal Reserve	14	14,721,910	11,144,354
Point Moore Reserve	14	148,318	110,318
Money In Lieu of Public Open Space	14	2,077,163	1,286,015
Total Reserves		39,276,435	32,842,229
Unspent Grants	2(d)	3,002,647	3,020,567
Total Unspent Grants and Loans		3,002,647	3,020,567
Total Restricted Cash		42,279,082	35,862,796

SIGNIFICANT ACCOUNTING POLICY

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments. The carrying value of cash at bank and short term deposits with original maturities of less than three months approximates their fair value.

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 4. Financial Assets

\$	Notes	2022 Actual	2021 Actual
Current			
Financial assets (debt securities) at amortised cost		38,521,715	18,910,378
Financial assets previously classified as loans and receivables		11,546	66,000
Total Current Financial Assets		38,533,261	18,976,378
Financial assets (debt securities) at amortised cost			
Long term deposits with original maturities greater than 3 month		38,400,345	18,847,015
Self Supporting Loans		121,370	63,363
		38,521,715	18,910,378
Financial assets previously classified as loans and receivables			
Mortgage backed securities		11,546	66,000
		11,546	66,000
Non-Current			
Financial assets at fair value through profit and loss		350,117	332,131
Financial assets (debt securities) at amortised cost		6,220,048	319,681
Financial assets previously classified as loans and receivables		22,292	-
Total Non-Current Financial Assets		6,592,457	651,812
Financial assets at fair value through profit and loss			
Local Government House Trust		350,117	332,131
		350,117	332,131
Financial assets (debt securities) at amortised cost			
Self Supporting Loans		770,048	319,681
Other long term financial assets		5,450,000	-
		6,220,048	319,681
Financial assets previously classified as loans and receivables			
Mortgage backed securities		22,292	-
		22,292	-
Movements in Financial Assets at Fair Value through Profit and Loss			
At beginning of the year		332,131	320,495
Additions		17,986	11,636
At end of the year		350,117	332,131

SIGNIFICANT ACCOUNTING POLICY

Other financial assets at amortised cost

The City classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 4. Financial Assets (continued)

\$

Financial assets at fair value through profit and loss

The City classifies the following financial assets at fair value through profit and loss:

- debt investments which do not qualify for measurement at either amortised cost or fair value through other comprehensive income.
- equity investments which the City has not elected to recognise fair value gains and losses through other comprehensive income.

Previous accounting policy: available for sale financial assets

Available-for-sale financial assets were non-derivative financial assets that were either not suitable to be classified as other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Previous accounting policy: Loans and receivables

Non-derivative financial assets with fixed or determinable payments that were not quoted in an active market and are solely payments of principal and interest were classified as loans and receivables and are subsequently measured at amortised cost, using the effective interest rate method.

Note 5. Trade & Other Receivables

\$	Notes	2022 Actual	2021 Actual
Current			
Rates		4,156,686	4,858,566
Sundry Debtors		1,655,981	1,201,306
GST Net Position		393,204	317,825
Interest		-	-
Accrued Income		167,942	68,665
Prepayments		638,667	1,015,566
Less: provision for uncollectability	36(b)	(145,515)	(144,769)
Total Current Trade & Other Receivables		6,866,965	7,317,159
Non-Current			
Rates Outstanding - Pensioners		611,641	576,695
Total Non-Current Trade & Other Receivables		611,641	576,695

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 5. Trade & Other Receivables (continued)

\$

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 38.

Previous accounting policy: Impairment of trade receivables

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively to determine whether there was objective evidence that an impairment had been incurred but not yet identified. For these receivables the estimated impairment losses were recognised in a separate provision for impairment.

Classification and subsequent measurement

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

COVID 19 Response

In its response to COVID-19, the City offered rent relief to some tenants who were badly affected by the pandemic. The rent relief was in line with the Commercial Tenancies (COVID-19 Response) Act 2020 WA. The relief was in two parts, a portion of the rentals was to be waived and another portion was to be deferred, all based on the reduction of revenue of at least 30% over the previous year.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 6. Inventories

\$	Notes	2022 Actual	2021 Actual
Current			
Fuel and Materials		363,623	327,924
Resalable Merchandise		43,557	35,887
Total Current Inventories		<u>407,180</u>	<u>363,811</u>

SIGNIFICANT ACCOUNTING POLICIES

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the established selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Land Held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred. Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale. Land held for resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 7a. Property, Plant and Equipment

\$	Notes	2022 Actual	2021 Actual
Land - Fair Value		49,899,133	59,750,238
Land - Cost (Additions at fair value)		296,867	124,762
		<u>50,196,000</u>	<u>59,875,000</u>
Buildings - Fair Value		103,142,374	102,910,478
Buildings - Cost (Additions at fair value)		2,184,832	1,322,374
Less Accumulated Depreciation		(2,139,625)	-
Less Accumulated Impairment		(100,251)	(152,853)
		<u>103,087,330</u>	<u>104,079,999</u>
Furniture and Equipment - Fair Value		2,008,725	1,722,657
Furniture and Equipment - Cost (Additions at fair value)		943,150	368,922
Less Accumulated Depreciation		(1,070,376)	(690,617)
		<u>1,881,499</u>	<u>1,400,962</u>
Plant and Equipment - Fair Value		16,392,891	15,635,324
Plant and Equipment - Cost (Additions at fair value)		1,121,224	818,253
Less Accumulated Depreciation		(8,467,714)	(7,395,942)
		<u>9,046,401</u>	<u>9,057,635</u>
Artwork - Fair Value		706,946	813,609
Artwork - Cost (Additions at fair value)		51,520	-
		<u>758,466</u>	<u>813,609</u>
Total Property, Plant & Equipment	7(b)	<u><u>164,969,696</u></u>	<u><u>175,227,205</u></u>

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 7b. Property, Plant and Equipment (continued)

Movements in Carrying Amounts

		Land	Buildings	Furniture and Equipment	Plant and Equipment	Artwork	Total
\$	Notes	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	
Balance as at 1 July 2021		59,875,000	104,079,999	1,400,962	9,057,635	813,609	175,227,205
Additions							
- Renewal	21	-	1,734,024	848,731	986,712	51,520	3,620,987
- New	21	296,867	450,808	94,420	134,512	-	976,607
Disposals	22	(2,529,708)	(911,402)	(82,853)	(60,686)	(106,663)	(3,691,312)
Revaluation - (Decrements)	15	-	(126,476)	-	-	-	(126,476)
Depreciation	2(a)	-	(2,151,408)	(462,613)	(1,103,070)	-	(3,717,091)
Depreciation on Disposal		-	11,785	82,852	31,298	-	125,935
Reclassifications between Asset Classes		(7,446,159)	-	-	-	-	(7,446,159)
Property, Plant & Equipment at 30 June 2022		50,196,000	103,087,330	1,881,499	9,046,401	758,466	164,969,696
Balance as at 1 July 2020		85,652,675	106,831,222	1,466,656	9,812,366	813,609	204,576,528
Additions							
- Renewal	21	-	805,159	358,634	530,163	-	1,693,956
- New	21	124,762	517,215	10,288	288,090	-	940,355
Disposals	22	(1,794,005)	(520,762)	-	(316,682)	-	(2,631,449)
Revaluation - (Decrements)	15	(24,108,432)	(233,860)	-	-	-	(24,342,292)
Impairment - (Decrements)		-	(152,853)	-	-	-	(152,853)
Depreciation	2(a)	-	(2,010,723)	(434,616)	(1,427,818)	-	(3,873,157)
Depreciation on Disposal		-	35,923	-	171,516	-	207,439
Reclassifications between Asset Classes		-	(1,191,322)	-	-	-	(1,191,322)
Property, Plant & Equipment at 30 June 2021		59,875,000	104,079,999	1,400,962	9,057,635	813,609	175,227,205

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8a. Infrastructure

\$	Notes	2022 Actual	2021 Actual
Roads - Fair Value		627,146,015	615,513,357
Roads - Cost (Additions at fair value)		14,286,303	11,632,657
Less Accumulated Depreciation		<u>(64,983,000)</u>	<u>(48,238,689)</u>
		576,449,318	578,907,325
Recreation - Fair Value		54,939,512	53,505,852
Recreation - Cost (Additions at fair value)		8,995,472	3,118,695
Less Accumulated Depreciation		<u>(7,352,655)</u>	<u>(5,492,607)</u>
		56,582,329	51,131,940
Car Parks - Fair Value		11,956,699	11,832,571
Car Parks - Cost (Additions at fair value)		108,524	124,127
Less Accumulated Depreciation		<u>(1,907,693)</u>	<u>(1,409,841)</u>
		10,157,530	10,546,857
Meru Landfill - Fair Value		19,604,223	18,982,142
Meru Landfill - Cost (Additions at fair value)		373,918	97,960
Less Accumulated Depreciation		<u>(3,011,182)</u>	<u>(2,097,692)</u>
		16,966,959	16,982,410
Airport - Fair Value		26,171,522	25,985,800
Airport - Cost (Additions at fair value)		174,557	185,722
Less Accumulated Depreciation		<u>(2,237,888)</u>	<u>(1,110,617)</u>
		24,108,191	25,060,905
Effluent Scheme - Fair Value		597,294	586,394
Effluent Scheme - Cost (Additions)		4,321	10,900
Less Accumulated Amortisation		<u>(72,074)</u>	<u>(53,356)</u>
		529,541	543,938
Total Infrastructure	8(b)	<u><u>684,793,868</u></u>	<u><u>683,173,375</u></u>

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 8b. Infrastructure (continued)

Movements in Carrying Amounts

		Roads	Recreation	Car Parks	Meru Landfill	Airport	Effluent Scheme	Total
\$	Notes	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	
Balance as at 1 July 2021		578,907,325	51,131,940	10,546,857	16,982,410	25,060,905	543,938	683,173,375
Additions								
- Renewal	21	11,336,172	7,176,986	3,900	85,000	157,431	4,321	18,763,810
- New	21	2,950,132	1,818,485	104,624	288,918	17,125	-	5,179,284
Disposals	22	-	(1,685,034)	-	-	-	-	(1,685,034)
Depreciation (Expense)	2(a)	(16,744,311)	(2,025,363)	(497,851)	(913,489)	(1,127,270)	(18,718)	(21,327,002)
Depreciation on Disposal		-	165,315	-	-	-	-	165,315
Reclassifications between Asset Classes		-	-	-	-	-	-	-
Other Movements		-	-	-	524,120	-	-	524,120
Infrastructure at 30 June 2022		576,449,318	56,582,329	10,157,530	16,966,959	24,108,191	529,541	684,793,868
Balance as at 1 July 2020		583,691,084	48,870,556	10,871,013	17,392,905	25,985,800	551,420	687,362,777
Additions								
- Renewal	21	7,085,463	2,538,567	113,383	19,745	164,893	10,900	9,932,951
- New	21	4,547,194	580,128	10,744	78,215	20,829	-	5,237,110
Depreciation (Expense)	2(a)	(16,416,416)	(2,002,822)	(494,094)	(572,915)	(1,110,618)	(18,382)	(20,615,246)
Depreciation on Disposal		-	-	-	-	-	-	-
Reclassifications between Asset Classes		-	1,145,511	45,811	-	-	-	1,191,322
Other Movements		-	-	-	64,460	-	-	64,460
Infrastructure at 30 June 2021		578,907,325	51,131,940	10,546,857	16,982,410	25,060,905	543,938	683,173,375

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8c. Fixed Assets

\$

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial recognition and measurement between mandatory revaluation dates

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition.

The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets that are land, buildings, infrastructure and investment properties acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then Local Government (Financial Management) Regulation 16(a)(ii), the City was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance. Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government. Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the then Local Government (Financial Management) Regulation 16(a)(i) which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8c. Fixed Assets (continued)

\$

SIGNIFICANT ACCOUNTING POLICIES (continued)

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then Local Government (Financial Management) Regulation 16(a)(i) prohibited local governments from recognising such land as an asset. Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail. Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the City.

Land under roads from 1 July 2019

As a result of amendments to the Local Government (Financial Management) Regulations 1996, effective from 1 July 2019, vested land, including land under roads, are treated as right-of-use assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect of non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the statement of financial position. The City has accounted for the removal of the vested land values associated with vested land previously recognised by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with Local Government (Financial Management) Regulation 17A(2)(iv) is a departure from AASB 16 which would have required the City to measure the vested improvements as part of the related right-of-use assets at zero cost.

Refer to Note 10 that details the significant accounting policies applying to leases (including right of use assets).

Depreciation of Non-Current Assets

All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time the asset is completed and held ready for use.

All Land and Art purchases are capitalised. The remaining asset classes will be capitalised if the cost exceeds the following thresholds:

Buildings	\$5,000
Plant, Equipment & Tools	\$5,000
Furniture & Equipment	\$5,000
Computer & Electronic Equipment	\$5,000

Individual items of a similar nature purchased in bulk having an aggregate value of \$ 5,000 or more are capitalised as a fixed asset at the aggregate cost regardless of the individual price of the item.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 8c. Fixed Assets (continued)

\$

SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation is recognised on a straight-line basis, using rates, which are reviewed each reporting period.

Major depreciation periods are:

Buildings - non-specialised	8 to 100 years
Furniture and equipment	3 to 10 years
Plant and equipment	5 to 20 years
Infrastructure - Roads	15 to 40 years
Infrastructure - Recreation	20 to 100 years
Infrastructure - Car Parks	20 to 100 years
Infrastructure - Meru Landfill	8 to 75 years
Infrastructure - Airport	10 to 100 years
Infrastructure - Effluent Scheme	10 to 40 years
Infrastructure - Footpaths	15 to 50 years
Infrastructure - Drainage	15 to 80 years
Right of use - Furniture and Equipment	2 to 5 years

The assets residual value and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Statement of Comprehensive Income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 9. Contract Balances

\$	Notes	2022 Actual	2021 Actual
SIGNIFICANT ACCOUNTING POLICIES			
Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.			
When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.			
When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.			
(a) Contract Assets			
Contract Assets		307,298	53,865
Total Contract Assets		<u>307,298</u>	<u>53,865</u>
Classified as:			
Current contract assets		307,298	53,865
Total contract assets		<u>307,298</u>	<u>53,865</u>
Contracts with customers		307,298	53,865
(b) Contract Liabilities			
Funds received upfront to construct Council controlled assets		-	792,293
Deposits received in advance of services provided		1,808,316	355,034
Total Contract Liabilities		<u>1,808,316</u>	<u>1,147,327</u>
Classified as:			
Current contract liabilities		1,808,316	1,147,327
Total contract liabilities		<u>1,808,316</u>	<u>1,147,327</u>
(c) Significant changes in contract balances			
The contract assets and liabilities arose on adoption of AASB 15 and AASB 1058. Previously the revenue was recognised on receipt and therefore there was no effect on the statement of financial position.			

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 10. Leases

\$

Council as a lessee

SIGNIFICANT ACCOUNTING POLICIES

Council has leases in place over Library RFID Self Loan station and Printers. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

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

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e not included in the statement of financial position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment.

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

Exceptions to lease accounting

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

Leases at significantly below market value / concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

Terms and conditions of leases

Library RFID Self loan station

The lease relates to the RFID Self Loan Station at the City Library. The term of the lease is 5 years. The lease ends on the 24th of December 2020. The lease has fixed annual repayments of \$20,752. At the end of lease the City can either terminate the lease or continue with the lease.

Printers

The lease relates to printers located all over the City premises. The lease commenced on the 24th of October 2019 and the lease is for 5 years. The lease has fixed monthly repayments of \$4,174.44. At the end of the lease the City can either terminate the lease or continue with the lease.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 10. Leases (continued)

	Library RFID Self loan station \$	Printers \$	Total \$
Right of use assets			
2022			
Opening balance	-	139,969	139,969
Depreciation charge	-	43,040	43,040
Balance at 30 June 2022	-	96,929	96,929
2021			
Opening balance	14,788	183,009	197,797
Depreciation charge	14,788	43,040	57,828
Balance at 30 June 2021	-	139,969	139,969

Lease liabilities

	2022 Actual	2021 Actual
Classified as:		
Current lease liability	45,124	42,444
Non-current lease liability	56,259	101,384
Total lease liabilities	101,383	143,828

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	< 1 year \$	1 to 5 years \$	> 5 years \$	Total \$	Total per statement of financial position \$
2022					
Printers	50,093	58,442	-	108,535	101,383
	<u>50,093</u>	<u>58,442</u>	<u>-</u>	<u>108,535</u>	<u>101,383</u>
2021					
Printers	50,093	108,535	-	158,628	143,828
	<u>50,093</u>	<u>108,535</u>	<u>-</u>	<u>158,628</u>	<u>143,828</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 10. Leases (continued)

\$	2022 Actual	2021 Actual
Amounts included in the statement of comprehensive income related to leases		
The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee.		
Expenses		
Depreciation of right-of-use assets	43,040	57,828
Interest expense on lease liabilities	7,650	10,833
Net expense relating to leases	<u>50,690</u>	<u>68,661</u>

Amounts included in the statement of cash flows related to leases

The following amounts have been recognised in the statement of cash flows for leases where Council is the lessee.

Cash flows from operating activities

Payments for interest on lease liabilities	7,650	10,833
Total cash inflows/(outflows) from operating activities	<u>7,650</u>	<u>10,833</u>
Total cash inflows/(outflows) for leases	<u>7,650</u>	<u>10,833</u>

Note 11. Trade and Other Payables

\$	2022 Actual	2021 Actual
Current		
Sundry Creditors	10,878,313	10,253,834
Accrued Interest on Debentures	113,660	135,886
Accrued Salaries and Wages	942,965	699,529
Unexpended Non-Operating Grants (WATC)	3,002,647	3,020,567
Total Current Trade and Other Payables	<u>14,937,585</u>	<u>14,109,816</u>

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 12. Borrowings

\$	Notes	2022 Actual	2021 Actual
Current			
Secured by Floating Charge - Debentures	23(a)	4,275,466	4,600,668
Total Current Borrowings		<u>4,275,466</u>	<u>4,600,668</u>
Non-Current			
Secured by Floating Charge - Debentures	23(a)	20,160,636	23,864,366
Total Non-Current Borrowings		<u>20,160,636</u>	<u>23,864,366</u>

Additional detail on borrowings is provided in Note 23.

SIGNIFICANT ACCOUNTING POLICIES

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid for the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date. Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 13. Provisions

\$	2022 Actual	2021 Actual
Current		
Annual Leave	2,077,822	2,091,348
Long Service Leave	2,752,516	2,479,633
Sick Leave	341,219	368,688
Accrued RDO's	35,711	799
Pandemic Leave	376,201	-
Total Current Provisions	<u>5,583,469</u>	<u>4,940,468</u>
Non-Current		
Long Service Leave	331,526	391,632
Provision for Infrastructure Meru - Rehabilitation	9,679,368	9,155,248
Total Non-Current Provisions	<u>10,010,894</u>	<u>9,546,880</u>

SIGNIFICANT ACCOUNTING POLICIES

Employee Benefits

The provision for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the Council has a present obligation to pay resulting from employee's services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

Long Service Leave (Long-term Benefits)

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows.

Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 14. Reserves - Cash/Investment Backed

\$	2022 Actual	2022 Budget	2021 Actual
(a). Parking Land Reserve			
Opening Balance	551,759	551,759	551,759
Amount Set Aside / Transfer to Reserve	-	-	-
	<u>551,759</u>	<u>551,759</u>	<u>551,759</u>
(b). Unexpended Capital Works & Restricted Grant Reserve			
Opening Balance	11,368,128	5,259,299	6,699,618
Amount Set Aside / Transfer to Reserve	4,599,091	(2,757,626)	7,532,052
Amount Used / Transfer from Reserve	(5,481,339)	-	(2,863,541)
	<u>10,485,880</u>	<u>2,501,673</u>	<u>11,368,128</u>
(c). Employee Entitlements Reserve			
Opening Balance	3,100,000	3,100,000	3,100,000
Amount Set Aside / Transfer to Reserve	-	(500,000)	-
Amount Used / Transfer from Reserve	-	-	-
	<u>3,100,000</u>	<u>2,600,000</u>	<u>3,100,000</u>
(d). Major Initiatives Reserve			
Opening Balance	5,281,655	1,856,655	1,781,655
Amount Set Aside / Transfer to Reserve	2,909,750	750,000	3,500,000
Amount Used / Transfer from Reserve	-	(507,193)	-
	<u>8,191,405</u>	<u>2,099,462</u>	<u>5,281,655</u>
(e). Asset Renewal Reserve			
Opening Balance	11,144,354	9,390,575	10,803,604
Amount Set Aside / Transfer to Reserve	4,300,000	(6,598,000)	1,600,000
Amount Used / Transfer from Reserve	(722,444)	-	(1,259,250)
	<u>14,721,910</u>	<u>2,792,575</u>	<u>11,144,354</u>
(f). Point Moore Reserve			
Opening Balance	110,318	106,318	72,318
Amount Set Aside / Transfer to Reserve	38,000	34,000	38,000
	<u>148,318</u>	<u>140,318</u>	<u>110,318</u>
(g). Money In Lieu of Public Open Space			
Opening Balance	1,286,015	1,286,015	-
Amount Set Aside / Transfer to Reserve	791,148	(250,000)	1,286,015
	<u>2,077,163</u>	<u>1,036,015</u>	<u>1,286,015</u>
Total Reserves	<u><u>39,276,435</u></u>	<u><u>11,721,802</u></u>	<u><u>32,842,232</u></u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 14. Reserves - Cash/Investment Backed (continued)

\$	2022 Actual	2022 Budget	2021 Actual
Summary of Reserve Transfers			
Transfers to Reserves			
Parking Land Reserve	-	-	-
Unexpended Capital Works & Restricted Grant Reserve	4,599,091	(2,757,626)	7,532,052
Employee Entitlements Reserve	-	(500,000)	-
Major Initiatives Reserve	2,909,750	750,000	3,500,000
Asset Renewal Reserve	4,300,000	(6,598,000)	1,600,000
Point Moore Reserve	38,000	34,000	38,000
Money In Lieu of Public Open Space	791,148	(250,000)	1,286,015
Total Transfers to Reserves	12,637,989	(9,321,626)	13,956,067
Transfers from Reserves			
Unexpended Capital Works & Restricted Grant Reserve	(5,481,339)	-	(2,863,541)
Employee Entitlements Reserve	-	-	-
Major Initiatives Reserve	-	(507,193)	-
Asset Renewal Reserve	(722,444)	-	(1,259,250)
Total Transfers from Reserves	(6,203,783)	(507,193)	(4,122,791)
Total Net Transfer to/(from) Reserves	6,434,206	(9,828,819)	9,833,276

All of the cash backed reserves are supported by money held in financial institutions and match the amounts shown as restricted cash in Note 3 and 4 to this financial report.

In accordance with council resolutions in relation to each reserve, the purpose for which the reserves are set aside are as follows:

Parking Land Reserve

The purpose of this reserve is to build up funds that can then be used for the acquisition of land for car parking and provision of parking bays within the City.

Unexpended Capital Works & Restricted Grant Reserve

The purpose of this reserve is to restrict grant funds received that were unspent in the financial year including any tied contribution from the City plus any unexpended capital works to be carried over to the next financial

Employee Entitlements Reserve

The purpose of this reserve is for the funding of payments not predicted or provided for in Council's municipal budget. It is also intended to fund large payments to staff that may occur in any year, principally being long service leave payments but shall include provision for voluntary redundancy payments, accrued non-current annual leave and sick leave entitlements as provided for under the City's Enterprise Agreement.

Major Initiatives Reserve

The purpose of this reserve is to provide funding tied to prioritised capital works program and major projects/initiatives. Funds to be mainly derived from net proceeds on land sales.

Money In Lieu of Public Open Space

The purpose of this reserve is to set aside funds received from developers in lieu of land. The funds can be used to purchase land for parks, recreation grounds or open spaces generally.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 14. Reserves - Cash/Investment Backed (continued)

\$

Asset Renewal Reserve

The purpose of this reserve is to fund infrastructure renewal. Any funds that are unspent from the annual asset renewal program are to be disbursed into this reserve for future renewal programs, unbudgeted emergent and/or emergency renewal works.

Point Moore Reserve

The purpose of this reserve is to build funds from the annual demolition levy applied and to be paid by the Lessee per clause 4.2 of Point Moore Beach Cottages Leases in removal of all improvements and in remediation of sites.

Note 15. Reserves - Asset Revaluation

\$

	Notes	2022 Actual	2021 Actual
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
(a). Land			
Opening Balance		22,371,179	46,479,611
Revaluation Decrement	7(b)	-	(24,108,432)
		22,371,179	22,371,179
(b). Buildings			
Opening Balance		48,313,732	48,700,445
Impairment Adjustment	7(b)	-	(152,853)
Revaluation Decrement	7(b)	(126,476)	(233,860)
		48,187,257	48,313,732
(c). Plant and Equipment			
Opening Balance		1,601,370	1,601,370
		1,601,370	1,601,370
(d). Artwork			
Opening Balance		100,239	100,239
		100,239	100,239
(e). Roads			
Opening Balance		397,344,499	397,344,499
		397,344,499	397,344,499
(f). Car Parks			
Opening Balance		10,899,811	10,899,811
		10,899,811	10,899,811

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 15. Reserves - Asset Revaluation (continued)

\$	Notes	2022 Actual	2021 Actual
(g). Meru Landfill			
Opening Balance		1,458,254	1,458,254
		1,458,254	1,458,254
(h). Effluent Scheme			
Opening Balance		298,110	298,110
		298,110	298,110
Total Asset Revaluation Reserves		482,260,719	482,387,195

Note 16. Notes to the Statement of Cash flows

\$	Notes	2022 Actual	2022 Budget	2021 Actual
(a). Reconciliation of Cash				
For the purposes of the Statement of Cash Flows, cash includes cash on hand and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:				
Cash and Cash Equivalents	3	14,199,011	19,164,820	31,396,433

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 16. Notes to the Statement of Cash flows (continued)

\$	Notes	2022 Actual	2022 Budget	2021 Actual
(b). Reconciliation of Net Cash Provided By Operating Activities to Net Result				
Net Result		8,549,843	6,130,364	5,142,517
Depreciation		25,087,132	24,878,798	24,546,232
Write Down (Up) in Fair Value of Investments		(17,986)	-	(11,636)
(Profit)/Loss on Sale of Assets		2,696,451	(26,779)	(850,581)
Other Non Cash Movements		(506,203)	-	1,225,575
Decrease/(Increase) in Receivables		414,502	733,541	337,898
Increase/(Decrease) in Provision for Doubtful Debts		746	-	35,605
Decrease/(Increase) in Inventories		(43,369)	(55,126)	142,577
Decrease/(Increase) in Other Current Assets		(253,433)	-	(33,381)
Increase/(Decrease) in Payables & Accruals		849,995	3,570,538	4,277,801
Increase/(Decrease) in Accrued Interest Payable		(22,226)	-	(24,314)
Increase/(Decrease) in Other Current Liabilities		660,989	311,753	(858,003)
Increase/(Decrease) in Employee Leave Entitlements		199,251	-	(69,024)
Increase/(Decrease) in Other Provisions		907,764	-	(44,490)
Grants/Contributions for the Development of Assets		(7,652,178)	(9,155,251)	(5,157,970)
Net Cash from Operating Activities		30,871,278	26,387,838	28,658,806

(c). Undrawn Borrowing Facilities Credit Standby Arrangements

Group Credit Facility	-	-	6,000,000
Bank Overdraft Limit	-	-	750,000
Credit Card Limit	115,000	-	115,000
Credit Card Balance at Balance Date		-	(665)
Total Amount of Credit Unused		115,000	6,864,335

Security

The Commonwealth Bank of Australia holds a mortgage over Council's rates revenue.

Loan Facilities

Loan Facilities - Current	12	4,275,467	4,600,668
Loan Facilities - Non-Current	12	20,160,635	23,864,366
Total Facilities in Use at Balance Date		24,436,102	28,465,034

Note 17. Contingent Liabilities

1) The City of Geraldton has entered into an agreement with the Public Transport Authority to indemnify Brookfield Rail for 40% of the cost of modification to the Rail Bridge No. 5371 (Abraham Street) contingent on changes to container heights (double stacking). The term of the indemnity expires on the date of expiry of the current lease Brookfield Rail holds over the Rail Corridor (2049).

The likelihood of such an event to occur is considered to be remote.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 18. Capital and Leasing Commitments

\$	2022 Actual	2021 Actual
(b). Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	2,082,941	1,481,517
- plant & equipment purchases	518,562	-
Total Capital Expenditure Commitments	<u>2,601,503</u>	<u>1,481,517</u>
Payable:		
- not later than one year	2,601,503	1,481,517
Total Capital Expenditure Commitments	<u>2,601,503</u>	<u>1,481,517</u>

SIGNIFICANT ACCOUNTING POLICIES

Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Note 19. Subsidiaries, Joint Arrangements & Associates

Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 20. Trust Funds

	Balance	Amounts	Amounts	Balance
	1-Jul-21	Received	Paid /	30-Jun-22
\$			Transfere	
Unclaimed Monies	7,386	50	-	7,436
Mid West Industry Road Safety Alliance	41,699	-	(7,638)	34,061
Revegetation Contributions	105,667	28,755	-	134,422
	154,751	28,805	(7,638)	175,919

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 21. Acquisition of Assets

\$		2022 Actual	2022 Budget
By Class			
<i>Property, Plant & Equipment</i>			
	7(b)		
- Land		296,867	-
- Buildings		2,184,832	2,275,000
- Furniture and Equipment		943,151	1,680,000
- Plant and Equipment		1,121,224	3,046,130
- Artwork		51,520	-
<i>Infrastructure</i>			
	8(b)		
- Roads		14,286,304	16,714,213
- Recreation		8,995,471	10,648,343
- Car Parks		108,524	851,000
- Meru Landfill		373,918	5,218,000
- Airport		174,556	213,597
- Effluent Scheme		4,321	-
		<u>28,540,688</u>	<u>40,646,283</u>

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 22. Disposal of Assets

\$	Notes	Net Book Value		Sale Price		Profit/(Loss)	
		Actual	Budget	Actual	Budget	Actual	Budget
The following assets were disposed of during the year.							
By Asset Class							
<i>Property, Plant & Equipment</i> 7(b)							
Land		2,529,708		1,997,568		(532,141)	-
Buildings		899,618		351,000		(548,618)	-
Plant and Equipment		29,388	422,721	40,078	449,500	10,689	26,779
Artwork		106,663	-	-	-	(106,663)	-
<i>Infrastructure</i> 8(b)							
Recreation		1,519,719	-	-	-	(1,519,718)	-
Total		5,085,096	422,721	2,388,646	449,500	(2,696,451)	26,779

\$	2022	2022	2021
	Actual	Budget	Actual
Summary			
Profit on Asset Disposals	144,590	53,019	1,417,094
Loss on Asset Disposals	(2,841,041)	(26,240)	(566,513)
Net Profit/(Loss) on Disposal of Assets	(2,696,451)	26,779	850,581

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 23. Information on Borrowings

\$	Borrowing Institution	Interest Rate %	Principal 1-Jul-21	New Loans		Principal Repayments		Principal 30-Jun-22		Interest Repayments		
				Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	
Governance												
- 262 Office Redevelopment	WATC	3.89%	204,063	-	-	114,912	114,912	89,151	89,151	5,170	6,275	
- Budgeted New Loan	WATC		-	-	-	-	-	-	-	-	-	
Law, Order, Public Safety												
-276 Animal Pound Facility	WATC	1.99%	1,383,742	-	-	265,898	265,898	1,117,844	1,117,844	25,357	26,220	
Community Amenities												
- 278 Meru Resource Recovery	WATC	2.24%	5,721,885	-	-	660,730	660,730	5,061,155	5,061,155	122,078	124,491	
Recreation & Culture												
- 96 Geraldton Yacht Club SSL	*	WATC	3.16%	183,044	-	-	23,755	23,755	159,289	159,289	5,508	5,598
- 268 Foreshore Stabilisation &		WATC	3.09%	524,523	-	-	125,162	125,162	399,361	399,361	14,639	15,248
- 264 Aquarena Upgrade		WATC	4.36%	692,874	-	-	221,071	221,071	471,803	471,803	25,850	27,826
- 271 QPT Air-Conditioning Replacement		WATC	2.92%	1,742,562	-	-	328,605	328,605	1,413,958	1,413,957	46,797	48,501
- 263 Recreation Ground Grandstand		WATC	4.36%	433,046	-	-	138,169	138,169	294,877	294,877	16,157	17,391
- 279 Wonthella Bowling club	*	WATC	0.49%	200,000	-	-	39,608	39,608	160,392	160,392	842	934
- 272 MUF, Youth Precinct, Beach Access Ramp		WATC	3.21%	2,912,692	-	-	251,330	251,330	2,661,362	2,661,362	90,064	91,497
- 259 Verita Road		WATC	4.72%	278,291	-	-	278,291	278,291	-	-	5,778	6,568
- 281 Geraldton Hockey Association	*	WATC	1.25%	-	600,000	600,000	28,263	29,294	571,737	570,706	6,004	1,500
- 277 Beresford Foreshore		WATC	2.24%	1,512,212	-	-	174,622	174,622	1,337,591	1,337,590	32,263	32,901
- 280 Geraldton Amateur Basketball Association	*	WATC	0.50%	-	-	550,000	-	26,853	-	523,147	-	1,375
- 260 Aquarena Renewal Stage 1		WATC	3.89%	530,563	-	-	298,771	298,771	231,792	231,792	13,442	16,316
Transport												
- 269 Airport Projects		WATC	3.09%	1,320,050	-	-	314,992	314,992	1,005,058	1,005,058	36,841	38,375
- 261 Airport Paid Parking Facilities		WATC	3.89%	306,094	-	-	172,368	172,368	133,726	133,726	7,755	9,413
- 258 Airport Buffer Land		WATC	4.72%	80,395	-	-	80,395	80,395	-	-	1,669	1,897
- 273 Verita Road Stage 1		WATC	2.45%	454,967	-	-	224,714	224,714	230,254	230,253	9,300	9,779
- 275 Airport Runway Overlay		WATC	2.82%	6,924,556	-	-	300,035	300,035	6,624,521	6,624,521	191,793	192,956

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 23. Information on Borrowings (continued)

\$	Borrowing Institution	Interest Rate %	Principal 1-Jul-21	New Loans		Principal Repayments		Principal 30-Jun-22		Interest Repayments	
				Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
(a). Debenture Repayments (continued)											
Other Property & Services											
- 265 Old Works Depot	WATC	4.36%	346,437	-	-	110,536	110,536	235,901	235,901	12,925	13,913
- 274 Olive Street Development	WATC	3.13%	2,356,207	-	-	362,853	362,853	1,993,354	1,993,354	69,543	70,932
- 266 Old Railway Building	WATC	4.36%	356,830	-	-	113,852	113,852	242,978	242,978	13,313	14,330
- WATC Loan Guarantee Fee			-	-	-	-	-	-	-	193,580	207,415
			28,465,034	600,000	1,150,000	4,628,932	4,656,816	24,436,102	24,958,218	946,668	981,651

Funding of Borrowings All loan repayments were funded by general purpose income.

1 Self-Supporting Loan * Those loans denoted with "***" are subject of a repayment agreement that secured the reimbursement from a community organisation of all costs associated with the loan.

2 WATC = WA Treasury Corporation

Security

The general funds of the Borrower as defined in section 6.21 (4) of the Local Government Act 1995 are charged in favour of Treasury Corporation to secure all principal interest and other amounts payable by the Borrower from time to time.

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 23. Information on Borrowings (continued)

\$	Amount Borrowed		Institution	Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used		Balance Unspent
	Actual	Budget						Actual	Budget	
(b). New Debentures										
Geraldton Hockey Association New Loan	600,000 -	600,000 550,000	WATC WATC		10 10	8,024 14,552	1.25% 0.50%	(600,000) -	(600,000) (550,000)	- -
	600,000	1,150,000				22,576		(600,000)	(1,150,000)	-

(c). Overdraft

The City of Greater Geraldton has no overdraft facility.

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 24(a). Rating Information (2021/22 Financial Year)

													2020/21
\$	Notes	Rate in \$	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue	Total Rates Revenue
Rate Type													
Differential General Rate													
CGG Residential		0.151100	15,690	205,032,482	30,986,150	95,340	5,189	31,086,679	30,986,149	382,500	10,000	31,378,649	30,424,673
CGG Non Residential		0.125100	1,206	87,907,633	10,995,926	28,607	10,803	11,035,336	10,995,926	67,500	-	11,063,426	10,959,792
CGG UV		0.007700	690	368,719,261	2,822,177	11,251	936	2,834,364	2,822,177	-	-	2,822,177	2,835,547
Sub-Total			17,586	661,659,376	44,804,253	135,198	16,928	44,956,379	44,804,252	450,000	10,000	45,264,252	44,220,012
Minimum Rates													
		Minimum											
CGG Residential		1,027	2,245	7,646,077	2,305,615	-	-	2,305,615	2,305,615	-	-	2,305,615	2248260
CGG Non Residential		1,027	342	1,387,588	351,234	-	-	351,234	351,234	-	-	351,234	247450
CGG UV		1,027	384	29,785,828	394,368	-	-	394,368	394,368	-	-	394,368	297950
Sub-Total			2,971	38,819,493	3,051,217	-	-	3,051,217	3,051,217	-	-	3,051,217	2,793,660
								48,007,596				48,315,469	47,013,672
Discounts/Concessions	27(a)							(107,045)				(104,579)	(1,412,070)
Totals								47,900,551				48,210,890	45,601,602

Rates and annual charges are recognised as revenue when the council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 24(b). Surplus/(Deficit) B/Fwd and C/Fwd

\$	Notes	2022 Carried Fwd Actual	2021 Brought Fwd Actual
Current Assets			
Cash - Unrestricted	3	2,770,274	8,880,651
Cash - Restricted Reserves	3	39,276,435	32,842,229
Cash - Restricted Unspent Grants	2(d)	3,002,647	3,020,567
Investments	4	13,132,916	5,563,363
Rates - Current	5	4,156,686	4,858,566
Sundry Debtors	5	1,510,466	1,056,537
GST Receivable	5	393,204	317,825
Other Receivables	5	806,609	1,084,231
Contract Assets	9	307,298	53,865
- Fuel and Materials	6	363,623	327,924
- Other	6	43,557	35,887
		65,763,715	58,041,645
Current Liabilities			
Sundry Creditors	11	10,878,313	10,253,834
Accrued Interest on Debentures	11	113,660	135,886
Accrued Salaries and Wages	11	942,965	699,529
Other Current Trade and Other Payables	11	3,002,647	3,020,567
Contract Liabilities	9	1,808,316	1,147,327
Lease Liability	10	45,124	42,444
Current Employee Benefits Provision	13	4,830,338	4,570,980
Other Current Provisions	13	753,131	369,487
Current Loan Liability	12	4,275,466	4,600,668
		26,649,960	24,840,723
		39,113,755	33,200,922
Net Current Assets			
Less:			
Reserves - Restricted Cash	3	(39,276,436)	(32,842,230)
Self Supporting Loan Principal Repayments		(91,626)	(63,363)
Add Back:			
Current Loan Liability	12	4,275,466	4,600,668
Surplus/(Deficit)		4,021,159	4,895,997

(1) Restricted Grants & Contributions that are not expected to be spent in the next 12 months.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 25. Specified Area Rate (2021/22 Financial Year)

The City of Greater Geraldton does not have any Specified Area Rates.

Note 26. Service Charges (2021/22 Financial Year)

The City of Greater Geraldton does not have any Service Charges.

Note 27. Discounts, Incentives, Concessions & Write-offs (2021/22 Financial Year)

\$	Total Cost / Value	Budget Cost / Value
(a) Discounts/Concessions		
General Rates	107,045	104,579
	<u>107,045</u>	<u>104,579</u>

Concessions/Incentives/Waivers

Council provides an 80% concessional arrangement to Murchison Region Aboriginal Corporate on the land primarily being used for charitable purposes.

Council offers no incentives for the early payment of rates.

Council does not offer any standard waivers or write-offs of rates and Charges or other debts of ratepayers, unless specifically approved by Council. Council does offer 'Incentives' under its City Centre Revitalisation Program to encourage development within the City Centre. The form of 'Incentives' which are assessed and approved by Council on an individual basis can be in the form of concessions or waiving of rates for a set period of times.

Individuals may approach Council for an extension of time to pay-off their debt. Council waives penalty interest and the administration fee for eligible ratepayers approved for a financial hardship payment plan under an existing operation policy.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 27. Discounts, Incentives, Concessions & Write-offs (2021/22 Financial Year)

\$	Notes	Total Cost / Value	Budget Cost / Value
(b). Write-Offs			
Rate Assessment	2(a)	66,039	42,000
General Debtors	2(a)	<u>3,765</u>	<u>50,000</u>
		<u>69,804</u>	<u>92,000</u>

Note 28. Interest Charges and Instalments (2021/22 Financial Year)

\$	Interest Rate %	Admin. Charge	Actual Revenue	Budgeted Revenue
Interest on Unpaid Rates	6.00%	-	315,998	350,000
Interest on Instalments Plan	3.00%	79,989	90,689	100,000
Pensioner Deferred Interest	2.15%	-	<u>6,787</u>	<u>12,000</u>
			<u>413,474</u>	<u>462,000</u>

Council offers three (3) payment options by which ratepayers can make their payments.

Option 1: To pay their rates in full by the 35th day after the rates notice has been issued

Option 2: To pay their rates in two (2) equal instalments

Option 3: To pay their rates in four (4) equal instalments

For ratepayers electing to pay their rates by 2 or 4 instalments, a charge of \$7.00 per instalment is charged. For ratepayers making an arrangement with Council to pay their rates in more than 4 instalments, a one off charge of \$42.00 is charged. **Instalment Charges and interest on instalments were not applied in 2021/22.**

The total amount of revenue from the imposition of interest and instalments charges is \$413,474 (2020-21: \$132,803).

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 29. Fees & Charges

\$	2022 Actual	2022 Budget	2021 Actual
Governance	13,068	10,200	10,282
General Purpose Funding	314,647	315,000	137,336
Law, Order, Public Safety	415,472	328,000	352,753
Health	87,361	28,000	16,250
Education and Welfare	48,744	20,000	18,360
Community Amenities	14,839,743	13,121,291	13,432,244
Recreation and Culture	1,683,887	1,757,845	1,086,957
Transport	4,084,458	4,445,150	3,098,674
Economic Services	646,186	851,000	699,514
Other Property and Services	1,083,740	950,500	1,144,451
	<u>23,217,306</u>	<u>21,826,986</u>	<u>19,996,821</u>

Revenue arising from fees and charges is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

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

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

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

Note 30. Grants, Subsidies & Contributions

\$	2022 Actual	2021 Actual
Operating Grants, Subsidies and Contributions	13,372,243	8,276,880
Non-Operating Grants, Subsidies and Contributions	7,652,178	5,157,970
	<u>21,024,421</u>	<u>13,434,850</u>

Included within the Operating Grants, Subsidies and Contributions total of \$21,024,421 is \$419,264 in reimbursements and recoveries.

Note 31. Employee Numbers

\$	2022 Actual	2021 Actual	2020 Actual
The number of full-time equivalent employees at balance date	269	260	274

At 30 June 2022 the City's approved organisational structure: 295 FTE (2021: 284 FTE).

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 32. Councillor Remuneration

\$	2022 Actual	2022 Budget	2021 Actual
The following fees, expenses and allowances were paid to council members and the mayor.			
Shane Van Styn			
Mayor's annual allowance	78,000	78,000	72,336
Meeting attendance fees	39,000	39,000	33,216
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	1,100	2,000	-
Conference Expenses	449	4,000	655
	122,049	126,500	109,707
Tarleah Thomas			
Deputy Mayor's annual allowance	5,714	5,714	18,084
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	5,508	5,000	13,851
Conference Expenses	1,912	2,000	737
	43,634	43,214	61,888
Natasha Colliver			
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	-	100	-
Conference Expenses	-	2,000	-
	30,500	32,600	29,216
David Joseph Caudwell			
Meeting attendance fees	7,911	7,911	25,716
Annual allowance for ICT	1,026	1,026	3,500
Travel and accommodation expenses	-	29	-
Conference Expenses	-	580	-
	8,937	9,546	29,216
Jennifer Critch			
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	-	4,800	-
Conference Expenses	1,791	2,000	-
	32,291	37,300	29,216

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 32. Councillor Remuneration (continued)

\$	2022 Actual	2022 Budget	2021 Actual
Jerry Clune			
Deputy Mayor's annual allowance	13,786	13,786	-
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	-	4,800	-
Conference Expenses	-	2,000	-
	44,286	51,086	29,216
Kim Parker			
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	-	100	-
Training	-	-	780
Conference Expenses	-	2,000	-
	30,500	32,600	29,996
Peter Fiorenza			
Meeting attendance fees	12,194	27,000	25,716
Annual allowance for ICT	1,581	3,500	3,500
Travel and accommodation expenses	-	100	-
Training	-	-	585
Conference Expenses	-	2,000	-
	13,775	32,600	29,801
Robert Hall			
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	-	100	-
Training	-	-	780
Conference Expenses	1,791	2,000	-
	32,291	32,600	29,996
Sally Jo-Anne Elphick			
Meeting attendance fees	7,911	7,911	25,716
Annual allowance for ICT	1,026	1,026	3,500
Travel and accommodation expenses	-	29	-
Conference Expenses	-	580	-
	8,937	9,546	29,216
Simon Keemink			
Meeting attendance fees	27,000	27,000	25,716
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	-	100	-
Conference Expenses	-	2,000	-
	30,500	32,600	29,216

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 32. Councillor Remuneration (continued)

\$	2022 Actual	2022 Budget	2021 Actual
Stephen Douglas			
Meeting attendance fees	7,911	7,911	25,716
Annual allowance for ICT	1,026	1,026	3,500
Travel and accommodation expenses	-	29	144
Conference Expenses	-	580	-
	8,937	9,546	29,360
Victor Tanti			
Meeting attendance fees	27,000	27,000	24,360
Annual allowance for ICT	3,500	3,500	3,500
Travel and accommodation expenses	644	100	-
Training	2,205	-	-
Conference Expenses	-	2,000	-
	33,349	32,600	27,860
Michael Reymond			
Meeting attendance fees	19,089	19,090	-
Annual allowance for ICT	2,474	2,474	-
Travel and accommodation expenses	-	71	-
Training	13,829	-	-
Conference Expenses	-	1,420	-
	35,392	23,055	-
Steve Cooper			
Meeting attendance fees	19,089	19,089	-
Annual allowance for ICT	2,474	2,474	-
Travel and accommodation expenses	150	71	-
Training	1,563	-	-
Conference Expenses	-	1,420	-
	23,275	23,054	-
Michael Librizzi			
Meeting attendance fees	19,089	19,089	-
Annual allowance for ICT	2,474	2,474	-
Travel and accommodation expenses	718	71	-
Training	3,914	-	-
Conference Expenses	-	1,420	-
	26,196	23,054	-
Members Meeting Fees	348,194	363,001	340,452
Mayor's Allowance	78,000	78,000	72,336
Deputy Mayor's Allowance	19,500	19,500	18,084
Members IT and Telephone Allowance	43,581	45,500	45,500
Travelling Expenses	8,120	17,500	13,995
Conference Expenses	5,944	28,000	1,392
Councillor Training	21,511	-	2,145
	524,850	551,501	493,904

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 33. Employee Costs

\$	2022 Actual	2022 Budget	2021 Actual
Wages and Salaries	19,254,156	24,372,178	17,716,239
Employee Leave Entitlements	5,402,114	109,260	4,716,466
Superannuation	3,554,711	3,460,339	3,192,261
Workers' Compensation Insurance	316,054	491,000	345,023
Protective Clothing & Uniforms	75,769	61,465	83,852
Recruitment Costs	77,254	60,000	42,135
Training Costs (other than Salaries & Wages)	148,955	197,234	138,126
Other	84,661	80,000	75,183
	28,913,674	28,831,476	26,309,285

Note 34. Major Land Transactions

There were no Major Land Transactions during 2021/22.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 35. Trading and Major Trading Undertakings

\$

Airport

The Geraldton Airport is owned freehold and run as a business unit by the City of Greater Geraldton, generating an operating income of approximately \$5.1M in 2021-22 (2020-21: \$3.1M).

Operating surpluses from airport operations are utilised to maintain and improve existing airport infrastructure, and provide for development of future infrastructure. During 2021-22, capital outlays on Airport Infrastructure (including buildings) amounted to \$675k (2020-21: \$512k).

The City of Greater Geraldton endeavours to operate the aerodrome in an environmentally sensitive manner in accordance with aviation best practice, in compliance with Federal statutory requirements for aviation operations, airports, and transport security.

The airport is planned and managed to provide a satisfactory return on investment to the ratepayers of the City of Greater Geraldton, while having regard to the airport as a key regional transport infrastructure asset.

Geraldton Airport is serviced by QantasLink, providing Regular Public Transport (RPT) services on the Geraldton-Perth route.

Two aircraft maintenance and service businesses are well established in a hangar leased from the City. Shine Aviation and Geraldton Air Charter provide General Aviation services based at the airport, servicing the Abrolhos Islands, FIFO mining workforce logistics, tourist flights and general charter operations.

	2022 Actual	2021 Actual
Income Statement		
Operating Income	5,125,077	3,129,034
Operating Expenditure	(2,953,616)	(2,753,634)
Depreciation Expense	(1,538,718)	(1,465,764)
Operating Result	632,743	(1,090,364)
Capital Income	88,264	309,521
Capital Expenditure	(675,446)	(512,187)
Operating Result	(587,182)	(202,666)
Total Net Trading Undertaking	45,561	(1,293,030)
Current Assets		
Receivables	565,230	195,954
Total Current Assets	565,230	195,954
Non-Current Assets		
Land	5,114,874	5,110,000
Buildings	18,406,981	18,723,565
Furniture & Equipment	72,419	15,882
Plant & Equipment	453,945	291,920
Airport Infrastructure	24,108,192	25,060,905
Total Non-Current Assets	48,156,411	49,202,272
Total Assets	48,721,641	49,398,226
Current Liabilities		
Creditors & Provisions	(221,477)	(316,325)
Borrowings	(767,083)	(867,790)
Total Current Liabilities	(988,560)	(1,184,115)
Non-Current Liabilities		
Borrowings	(6,996,222)	(7,763,305)
Total Non-Current Liabilities	(6,996,222)	(7,763,305)
Total Liabilities	(7,984,782)	(8,947,420)
Net Assets	40,736,859	40,450,806

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 35. Trading and Major Trading Undertakings (continued)

\$

Meru Landfill Facility

The Meru Landfill Facility is run as a business unit of the City of Greater Geraldton and generated operating income of approximately \$7M in 2021-22 (2020-21: \$5.9M). During 2021-22, capital outlays on Meru Infrastructure amounted to around \$374k (2020-21: \$114k)

This facility was established to provide a regional approach to Waste Management here in the Midwest. Originally managed by the Geraldton Greenough Regional Council (GGRC), this Regional Council was dissolved following the first amalgamation between the City of Geraldton and the Shire of Greenough. The main purpose of establishing a Regional Council was to have a planned and co-ordinated regional approach to the collection, removal, processing, treatment, recycling and disposal of waste in the mid-west region, enabling sharing of benefits of scale where possible. This will continue to be the purpose of this trading undertaking as a function of the City of Greater Geraldton.

The vision of City of Greater Geraldton is to lead the community to an improved level of sustainability - to encourage waste avoidance, maximise the recovery of materials and provide efficient, yet cost effective waste management and resource recovery services to the region. These objectives are achievable by actively engaging the community in sustainable waste practices, by supporting and promoting waste minimisation principles and implementing the objectives of the various strategic documents.

Income Statement

	2022 Actual	2021 Actual
Operating Income	7,031,336	5,892,385
Operating Expenditure	(2,828,782)	(3,569,269)
Depreciation Expense	(942,764)	(586,155)
Operating Result	3,259,790	1,736,961
Capital Income	168,200	7,800
Capital Expenditure	(373,919)	(114,235)
Operating Result	(205,719)	(106,435)
Total Net Trading Undertaking	3,054,071	1,630,526
Current Assets		
Receivables	516,939	448,197
Total Current Assets	516,939	448,197
Non-Current Assets		
Land	2,445,000	2,445,000
Buildings	1,088,448	1,096,149
Furniture & Equipment	-	-
Plant & Equipment	204,622	216,199
Meru Landfill Infrastructure	16,966,959	16,917,950
Total Non-Current Assets	20,705,029	20,675,298
Total Assets	21,221,968	21,123,495
Current Liabilities		
Creditors & Provisions	(562,800)	(321,010)
Borrowings	(675,613)	(660,730)
Total Current Liabilities	(1,238,413)	(981,740)
Non-Current Liabilities		
Provisions	(9,679,368)	(9,155,248)
Borrowings	(4,385,542)	(5,061,155)
Total Non-Current Liabilities	(14,064,910)	(14,216,403)
Total Liabilities	(15,303,323)	(15,198,143)
Net Assets	5,918,645	5,925,352

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 36. Financial Risk Management

\$

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

The City held the following financial instruments at balance date.

	Notes	Carrying Value		Fair Value	
		2022	2021	2022	2021
Financial Assets					
Cash and Cash Equivalents	3	14,199,011	31,396,433	14,199,011	31,396,433
Receivables (Current & Non-Current)	5	7,478,606	7,893,854	7,478,606	7,893,854
		<u>21,677,617</u>	<u>39,290,287</u>	<u>21,677,617</u>	<u>39,290,287</u>
Financial Liabilities					
Payables (Current & Non-Current)	11	14,937,585	14,109,816	14,937,585	14,109,816
Borrowings (Current & Non-Current)	12	24,436,102	28,465,034	24,436,102	28,465,034
		<u>39,373,687</u>	<u>42,574,850</u>	<u>39,373,687</u>	<u>42,574,850</u>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates market value.
- **Borrowings & Held to Maturity Investments** - estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles.
- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - based on quoted market prices at the reporting date or independent valuation.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 36. Financial Risk Management (continued)

\$

(a). Cash & Cash Equivalents and Financial Assets

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance Section manages the cash and investments portfolio.

Council has an Investment Policy which complies with the relevant legislation. The policy is regularly reviewed by Council and an Investment Report is tabled before Council on a monthly basis setting out the make-up and performance of the portfolio.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees in accordance with investment restrictions prescribed in the Local Government (*Financial Management*) *Regulations 1996*.

	30-Jun-22	30-Jun-21
Impact of a 1% ⁽¹⁾ movement in interest rates on cash and investments		
Equity	141,990	313,964
Statement of Comprehensive Income	141,990	313,964

Notes:

- Sensitivity percentages based on management's expectations of future possible market movements.
(Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents and managed funds.)
- Maximum impact.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 36. Financial Risk Management (continued)

\$

(b). Receivables

Council's major receivables comprise **(i)** Rates & Annual charges and **(ii)** User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

Council makes suitable provision for doubtful receivables as required. Included in the impairment value of \$145,515 is a provision of \$96,372 for Virgin Australia Airlines which is currently in administration, Pindan Group \$36,845 also in administration.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	30-Jun-22	30-Jun-21
	%	%
Percentage of Rates and Annual Charges		
Current	95.69%	94.11%
Overdue	4.31%	5.89%
Percentage of Other Receivables		
Current	79.88%	80.28%
Overdue	20.12%	19.72%

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

The adoption of AASB 9 has fundamentally changed the City's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the City to recognise an allowance for ECLs for all financial assets not held at fair value through P/L.

The Council uses a probability percentage based on actual credit loss experienced over the last five years to measure the expected credit losses of trade receivables from individual customers, which comprise a very large number of small balances.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 36. Financial Risk Management (continued)

\$

The following table provides information about the exposure to credit risk and expected losses for trade receivables from individual customers as at 30 June 2022:

	2022 Closing balance 30/06/2021 \$	2022 Historical probability of default %	2022 Lifetime expected credit loss \$
Not Past Due	1,325,341	0.7412%	9,823
Past Due 31-60 Days	78,362	0.7412%	581
Past Due 61-90 Days	25,607	0.7412%	190
More than 90 Days	229,872	0.7412%	1,704
Total	<u><u>1,659,182</u></u>		<u><u>12,298</u></u>

	2021 Closing balance 30/06/2020 \$	2021 Historical probability of default %	2021 Lifetime expected credit loss \$
Not Past Due	965,440	0.9607%	9,275
Past Due 31-60 Days	54,925	0.9607%	528
Past Due 61-90 Days	22,108	0.9607%	212
More than 90 Days	160,016	0.9607%	1,537
Total	<u><u>1,202,489</u></u>		<u><u>11,552</u></u>

Ageing of past due receivables and the amount of any impairment is disclosed in the following table:

	2022 \$	2021 \$
Receivables		
Fully Performing	1,325,341	965,440
Past due:		
- 31 to 60 days overdue	78,362	54,925
- 61 to 90 days overdue	25,607	22,108
- Greater than 90 days overdue	229,872	160,016
- Impaired	(145,515)	(114,769)
Total	<u><u>1,513,667</u></u>	<u><u>1,087,720</u></u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 36. Financial Risk Management (continued)

\$

(c). Payables & Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can be extended and overdraft facilities drawn upon in extenuating circumstances.

The contractual undiscounted cash outflows (i.e.. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying Values
2022					
Payables	14,937,585	-	-	14,937,585	14,937,585
Borrowings	4,275,467	13,356,034	6,804,601	24,436,102	24,436,102
	19,213,052	13,356,034	6,804,601	39,373,687	39,373,687
2021					
Payables	14,109,816	-	-	14,109,816	14,109,816
Borrowings	4,600,668	15,635,643	8,228,723	28,465,034	28,465,034
	18,710,484	15,635,643	8,228,723	42,574,850	42,574,850

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk by borrowing long term and fixing the interest rate on a basis that is most suitable for the circumstance. Council officers regularly review interest rate movements to determine if it would be advantageous to refinance or renegotiate part, or all of the loan portfolio.

The following interest rates were applicable to the Council's Borrowings at balance date:

	30-Jun-22		30-Jun-21	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank Loans - Fixed	2.76%	24,436,102	2.86%	28,465,034
		<u>24,436,102</u>		<u>28,465,034</u>

Notes:

1. The interest rate risk applicable to Variable Rate Bank Loan is not considered significant.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 37. Fair Value Measurements

\$

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property,
- Investment Property
- Financial Assets & Liabilities

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).

Following a change to Local Government (Financial Management) Regulation 17A plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values:

	Date of latest Valuation	Fair Value Measurement using:			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
2022					
Financial Assets					
Investments					
- "Designated At Fair Value on Initial Recognition"		-	-	350,117	350,117
- "Loans and Receivables"		-	-	44,775,600	44,775,600
Receivables		-	-	7,478,606	7,478,606
Total Financial Assets		-	-	52,604,323	52,604,323
Financial Liabilities					
Payables		-	-	14,937,585	14,937,585
Loans / Advances		-	-	24,436,102	24,436,102
Total Financial Liabilities		-	-	39,373,687	39,373,687
Property, Plant & Equipment					
- Land		-	50,196,000	-	50,196,000
- Buildings		-	-	103,087,330	103,087,330
- Furniture & Equipment		-	-	1,881,499	1,881,499
- Plant & Equipment		-	9,046,401	-	9,046,401
- Artwork		-	758,466	-	758,466
Total Property, Plant & Equipment		-	60,000,867	104,968,829	164,969,696

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2022

Note 37. Fair Value Measurements (continued)

\$

(1) The following table presents all assets and liabilities that have been measured & recognised at fair values: (continued)

	Date	Fair Value Measurement using:			Total
		Level 1	Level 2	Level 3	
	of latest	Quoted	Significant	Significant	
	Valuation	prices in	observable	unobservable	
		active mkts	inputs	inputs	
2022					
Infrastructure					
- Roads	30/06/18	-	-	576,449,318	576,449,318
- Recreation	30/06/18	-	-	56,582,329	56,582,329
- Car Parks	30/06/18	-	-	10,157,530	10,157,530
- Meru Landfill	30/06/18	-	-	16,966,959	16,966,959
- Airport	30/06/18	-	-	24,108,191	24,108,191
- Effluent Scheme	30/06/18	-	-	529,541	529,541
Total Infrastructure		-	-	684,793,868	684,793,868
2021					
Financial Assets					
Investments					
- "Designated At Fair Value on Initial Recognition"	31/12/21	-	-	332,131	332,131
- "Loans and Receivables"	30/06/21	-	-	19,230,059	19,230,059
Receivables	30/06/21	-	-	7,893,854	7,893,854
Total Financial Assets		-	-	27,456,044	27,456,044
Financial Liabilities					
Payables	30/06/21	-	-	14,109,816	14,109,816
Loans / Advances	30/06/21	-	-	28,465,034	28,465,034
Total Financial Liabilities		-	-	42,574,850	42,574,850
Property, Plant & Equipment					
- Land	30/06/21	-	59,875,000	-	59,875,000
- Buildings	30/06/21	-	-	104,079,999	104,079,999
- Furniture & Equipment	30/06/19	-	-	1,400,962	1,400,962
- Plant & Equipment	30/06/16	-	9,057,635	-	9,057,635
- Artwork	30/06/19	-	813,609	-	813,609
Total Property, Plant & Equipment		-	69,746,245	105,480,961	175,227,206
Infrastructure					
- Roads	30/06/18	-	-	578,907,325	578,907,325
- Recreation	30/06/18	-	-	51,131,940	51,131,940
- Car Parks	30/06/18	-	-	10,546,857	10,546,857
- Meru Landfill	30/06/18	-	-	16,982,410	16,982,410
- Airport	30/06/20	-	-	25,060,905	25,060,905
- Effluent Scheme	30/06/18	-	-	543,938	543,938
Total Infrastructure		-	-	683,173,375	683,173,375

(2) Transfers between Level 1 & Level 2 Fair Value Hierarchies

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 37. Fair Value Measurements (continued)

\$

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values

Where Council is unable to derive Fair Valuations using quoted market prices of identical assets (i.e.. Level 1 inputs) Council instead utilises a spread of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

The Fair Valuation techniques Council has employed while utilising Level 2 and Level 3 inputs are as follows:

Property, Plant & Equipment

LAND AND BUILDINGS

APV valuers & Asset Management completed a valuation of the Land & Buildings with the effective date of valuation 30th of June 2021.

APV has undertaken the financial reporting valuation for City of Greater Geraldton in accordance with the Australian Accounting Standards. The valuation reporting has involved the confirmation of completeness of asset registers, physical inspection of the assets and capturing data such as the asset age, type, condition and then compiling information and assessing the value of the assets. Further to this, APV has provided the Insurance Value where requested. Throughout this process, APV ensured quality management procedures were implemented to achieve the most accurate asset valuation reporting.

Comparison to Previous Valuation

The following table provides a summary of changes between the values reported in the previous financial statements and this valuation:

- Australian Accounting Standards Board has clarified the requirements for the definition of Residual Value. This in turn has had implications for the determination of depreciation expense.
- As the AASB's May 2015 decision has now removed the perceived link between valuation and depreciation expense APV took the opportunity to simplify the depreciation by adopting a straight-line approach. This has led to a number of asset written down values (Fair Value) decreasing.
- It has been determined that except in rare circumstances, the Residual Value is nil for all asset components. This has led to an increase in the overall depreciation expense.
- In accordance with the AASB decision components are now split into long life and short life apportionments and depreciated separately.
- The Useful Life of the long life portion if the components are now split into long life and short life account the normal range of time between major renewals.

The valuation and associated depreciation expense calculations have been prepared in accordance accounting standards at Fair Value. Fair Value is defined as:

"The price that would be received to sell and asset or paid to transfer a liability in an orderly between market participants at the measurement date"

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 37. Fair Value Measurements (continued)

\$

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Property, Plant & Equipment (continued)

Depending upon the nature of the specific asset the valuation approach may have included the of a singular or multiple techniques:

- 1) The Market Approach has been applied where there is a principal market which provides evidence of the Fair Value of the asset.
- 2) The Income Approach has been applied for assets where the income generating capability of the asset provides the best estimate of the asset's Fair Value.
- 3) The Cost Approach is used for assets which are not commonly traded. Typically these include that public and not-for-profit sectors entities use to provide to the public for no or minimal charge.
- 4) In rare circumstances the valuation may also include a combination of approaches.

The levels of the valuation hierarchy are defined in relation to the inputs used to determine the The valuation hierarchy is determined by the lowest level of input used (except where the impact of lowest level is deemed to be insignificant). The inputs are defined as:

- A) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the entity can access at the measurement date;
- B) Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- C) Level 3 inputs are unobservable inputs for the asset or liability.

PLANT & EQUIPMENT

A fair value valuation of Plant and Equipment was completed 30/06/2016 by the City's fleet manager. All of the valuations were made on the basis of open market values of similar assets (based on figures supplied by auction groups, council sales records, vehicle valuation guides and the IPWEA Plant and Vehicle Management Manual) adjusted for condition and comparability (Level 2 inputs in the fair value hierarchy).

FURNITURE & EQUIPMENT

Management conducted a valuation of furniture and equipment effective 30/06/2019 actualising the asset register and aligning the asset class with the capitalisation thresholds outlined in the Significant Accounting Policies. Using level 3 valuation inputs ensured no material variance in existing balance sheet values for this asset class was observed with the carrying amount of each asset fairly stated at reporting date.

ARTWORK

A valuation of Artwork was conducted by Banziger Hulme Fine Art Consultants P/L 28th May 2019. David Hulme is an approved valuer for the Australian Government's Cultural Gifts Program. The valuation of the collection is based on market value with market value defined as "what a willing buyer would pay a willing seller in an arm's length transaction after proper marketing" of similar assets adjusted for condition and for condition and comparability (Level 2 inputs in the fair value hierarchy).

All property, plant and equipment classes are carried at fair value and subject to revaluation every 5 years as well as an annual assessment as to whether there is an indication an asset may have been impaired in accordance with AASB 136 "Impairment of Assets".

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 37. Fair Value Measurements (continued)

\$

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Infrastructure

AIRPORT

Griffin Valuation Advisory completed a valuation of Infrastructure assets with the effective date of valuation 30th of June 2020.

Road, Equipment and Civil Assets

All road, equipment and civil assets were valued using the cost approach.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

MERU LANDFILL

AVP Valuers & Asset Management completed a valuation of Infrastructure assets with the effective date of 30th of June 2018.

Road, Equipment and Civil Assets

All road, equipment and civil assets were valued using the cost approach.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres or similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

Landfill

Landfill comprises both the cells and capping and is classified as a land improvement which is recorded separate to the land. The underlying land is valued independently of the land improvements. The valuation has been determined using the cost approach. This included disaggregating the overall land improvements into a range of different components based on each component providing a different purpose and as a result exhibiting a different useful life. Day to day operating costs (such as minor maintenance and monitoring) has been excluded from the valuation. To provide consistency, any associated day to day revenues have also been excluded from the valuation.

Observable inputs to the valuation included the dimensions and design of the assets, the average unit rate for similar construction based on recent projects undertaken by the entity and the amount of remaining volume in each cell. Unobservable inputs included estimates of the estimated remaining life of the site. This has been based on council's statutory requirement to continue monitoring the site post complete consumption of the landfill. All calculations assume a zero residual value and a constant pattern of consumption.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 37. Fair Value Measurements (continued)

\$

(3) Valuation techniques used to derive Level 2 and Level 3 Fair Values (continued)

Infrastructure (continued)

MERU LANDFILL (continued)

Landfill (continued)

- Cost to prepare site - based on current costs and depreciate to nil over remaining life of site. These costs were negligible and therefore have not been included as a separate component
- Cost to prepare each cell - based on current cost and depreciated to nil as cell is filled.
- Cost to prepare leachate and overflow ponds - based on current cost and depreciated to nil over period till statutory monitoring is no longer required

Council established a rehabilitation provision for estimated future capping expenditure that is discounted to its present value, with the unwinding of the discount being charged to the statement of comprehensive income within the amortisation charge. The discounted present value of the future capping expenditure is capitalised as part of the Landfill asset (2020-2021: \$9,155,248) and is amortised on a straight-line basis.

At each reporting date the restoration and rehabilitation liability is re-measured to account for any new disturbance, updated cost estimates, inflation, changes to the estimated reserves and lives of operations, new regulatory requirements, environmental policies and revised discount rates. Changes to the restoration and rehabilitation liability are added to or deducted from the related rehabilitation asset and amortised accordingly.

OTHER INFRASTRUCTURE

Roads (Drainage, Bridges, Roundabouts, Medians and Islands, Street lighting, Bus Shelters, Footpaths)

Assets revalued and reviewed by Management with data sourced from the My Data database, Intramaps, CadCorp and extensive field audits conducted by the Asset Management Team and the ARRB (Australian Road Research Board).

Car Parks

Assets revalued and reviewed by Management with data sourced from MyData and condition assessments undertaken by ARRB on sealed carparks.

A reasonably flat rate asset condition distribution has been applied with an average RUL (Remaining Useful Life) of 60% of Design Life being applied across the portfolio.

Recreation (Parks)

Recreation (Parks) assets was revalued and reviewed by Management through its myData register 30/06/2018. MyData is based on asset lifecycle costing with automated valuations complying with Australian Accounting Standards.

Valuation is based on a combination of age and condition of the asset. Certain valuations were made on the basis of open market values of similar assets adjusted for condition and comparability (Level 2 inputs in the fair value hierarchy) and certain valuations were made having regard for current replacement cost and residual values (cost based approach, which are Level 3 inputs in the fair value hierarchy). Given the significance of the Level 3 inputs into the overall fair value measurement, the assets are deemed to have been valued using Level 3 inputs. These Level 3 inputs are based on the assumptions with regard to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 37. Fair Value Measurements (continued)

\$

(4). Fair value measurements using significant unobservable inputs (Level 3)**a. The following tables present the changes in Level 3 Fair Value Asset Classes.**

	Land	Buildings	Furniture & Equipment	Roads	Total
Opening Balance - 1/7/20	-	106,831,222	1,466,656	583,691,084	691,988,960
Purchases (GBV)	-	1,322,374	368,922	11,632,657	13,323,953
Disposals (WDV)	-	(520,762)	(96,677)	-	(617,439)
Depreciation & Impairment	-	(1,974,800)	(337,939)	(16,416,416)	(18,729,155)
Transfer between Asset Classes	-	(1,191,322)	-	-	(1,191,322)
Revaluation - (Decrements)	-	(233,860)	-	-	(233,860)
Impairment - (Decrements)	-	(152,853)	-	-	(152,853)
Closing Balance - 30/6/21	-	104,079,999	1,400,962	578,907,325	684,388,284
Purchases (GBV)	-	2,184,833	943,149	14,286,304	17,414,286
Disposals (WDV)	-	(899,618)	-	-	(899,618)
Depreciation & Impairment	-	(2,151,409)	(462,612)	(16,744,311)	(19,358,332)
Revaluation - (Decrements)	-	(126,476)	-	-	(126,476)
Closing Balance - 30/6/22	-	103,087,329	1,881,499	576,449,318	681,418,144

	Recreation	Car Parks	Meru Landfill	Airport	Total
Opening Balance - 1/7/20	48,870,556	10,871,013	17,392,905	25,985,800	103,120,272
Purchases (GBV)	3,118,695	124,127	97,960	185,722	3,526,504
Depreciation & Impairment	(2,002,822)	(494,094)	(572,915)	(1,110,618)	(4,180,449)
Reclassifications between Asset Classes	1,145,511	45,811	-	-	1,191,322
Other movement (Revaluation)	-	-	64,460	-	64,460
Closing Balance - 30/6/21	51,131,940	10,546,857	16,982,410	25,060,904	103,722,109
Purchases (GBV)	8,995,470	108,525	373,919	174,557	9,652,471
Disposals (WDV)	(1,519,718)	-	-	-	(1,519,718)
Depreciation & Impairment	(2,025,363)	(497,852)	(913,490)	(1,127,270)	(4,563,975)
Other movement (Revaluation)	-	-	524,120	-	524,120
Closing Balance - 30/6/22	56,582,329	10,157,530	16,966,959	24,108,192	107,815,007

(5). Highest and best use

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

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 38. "Held for Sale" Non Current Assets & Disposal Groups

\$	2022 Current	2022 Non Current	2021 Current	2021 Non Current
Non-Current Assets & Disposal Group Assets				
Non Current Assets "Held for Sale"				
Land	7,446,159	-	-	-
Total Non Current Assets "Held for Sale"	7,446,159	-	-	-
Total Non-Current Assets Classified as "Held for Sale"				
	7,446,159	-	-	-

Note 39. Investment Properties

Council has not classified any Land or Buildings as "Investment Properties".

Note 40. Intangible Assets

	2022 Carrying Amount	2021 Carrying Amount
Intangible Assets are as follows;		
Opening Values:		
Gross Book Value (1/7)	159,460	104,143
Net Book Value - Opening Balance	159,460	104,143
Movements for the year		
- Purchases	-	55,316
Closing Values:		
Gross Book Value (30/6)	159,460	159,460
Total Intangible Assets - Net Book Value ¹	159,460	159,460
¹ The Net Book Value of Intangible Assets represent:		
- Laneway Easement	159,460	159,460
	159,460	159,460

Council will not amortise the Laneway Easement as it has an indefinite useful life.

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 41. Discontinued Operations

Council has not classified any of its Operations as "Discontinued".

Note 42. Events occurring after the Reporting Period

Events that occur between the end of the reporting period (ending 30 June 2022) and 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 Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 14/12/22.

Events that occur after the Reporting Period represent one of two types:

(i) Events that provide evidence of conditions that existed at the Reporting Period

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2022.

(ii) Events that provide evidence of conditions that arose after the Reporting Period

These financial statements (& figures therein) do not incorporate any "non-adjusting events" that have occurred after 30 June 2022 and which are only indicative of conditions that arose after 30 June 2022.

Council is unaware of any material or significant "non-adjusting events" that should be disclosed.

Note 43. Transactions with Related Parties

(a) Subsidiaries (ie. Entities and Operations controlled by Council)

Council has no interest in any Subsidiaries.

(b) Associates

Council has no interest in any Associates.

(c) Key Management Personnel

Transactions with Key Management Personnel

Key management personnel include the Mayor, Councillors, Chief Executive and other members of the senior management team.

Related parties include Council's key management personnel (KMP), their close family members, and any entities that they or any of their close family members control or jointly control.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2022

Note 43. Transactions with Related Parties (continued)

\$	2022	2021
(c) Key Management Personnel (continued)		
The compensation paid to Key Management Personnel comprises:		
Short-Term Employee Benefits	1,834,194	1,678,550
Post-Employment Benefits	147,954	136,840
Long-Term Benefits	28,914	27,860
Total	<u>2,011,062</u>	<u>1,843,250</u>

Short Term Employee Benefits

These amounts include all salary, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-Employment Benefits

These amounts are the current-year's estimated cost of providing for the City's superannuation contributions made during the year.

Other Long-Term Benefits

These amounts represent long service benefits accruing during the year.

Termination Benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Council has assessed the materiality of disclosure of transactions with related parties on the following criteria:

- 1) The potential effect of the relationship on the financial statements;
- 2) Whether the transaction occurred as:
 - a) part of a public service provider relationship with a taxpayer on terms no different to that of a transaction with the general public or
 - b) part of an ordinary operational transaction within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that is reasonable to expect the Council would have adopted with the party at arm's length in the same circumstances.

Transactions between related parties and the City are on normal commercial terms and conditions, no more favourable than those available to other parties, unless otherwise stated.

The following transactions occurred with related parties

\$	2022	2021
Sale of goods and services	6,374	18,997
Purchase of Goods and Services	33,055	13,980
Amounts outstanding from related parties - Trade & other receivables	1,964	5,703
Amounts outstanding to related parties - Trade & other payables	633	2,049

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 44. Initial Application of Australian Accounting Standards

\$

New Accounting Standard

Nil

Note 45. New Accounting Standards and Interpretations

No impact of new standards.

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2022

Note 46. Council Information & Contact Details

Principal Place of Business:

63 Cathedral Avenue
Geraldton WA 6530

Contact Details**Mailing Address:**

PO Box 101
Geraldton WA 6531

Opening Hours:

Monday - Friday
8.30am to 5.00pm

Telephone: 08 9956 6600

Facsimile: 08 9956 6674

Internet: www.cgg.wa.gov.au

Email: council@cgg.wa.gov.au

Officers**CHIEF EXECUTIVE OFFICER**

Ross McKim

Elected Members**MAYOR**

Shane Van Styn

AUDITORS

Office of the Auditor General
7th Floor, Albert Facey House
469 Wellington Street, Perth

COUNCILLORS

Cr Jerry Clune
Cr Steve Cooper
Cr Natasha Colliver
Cr Michael Reymond
Cr Victor Tanti
Cr Simon Keemink
Cr Tarleah Thomas
Cr Jennifer Critch
Cr Michael Librizzi
Cr Robert Hall
Cr Kim (Butch) Parker

Other Information

ABN: 55 907 677 173



Auditor General

INDEPENDENT AUDITOR'S REPORT 2022 City of Greater Geraldton

To the Councillors of the City of Greater Geraldton

Opinion

I have audited the financial report of the City of Greater Geraldton (City) which comprises:

- the Statement of Financial Position at 30 June 2022, the Statement of Comprehensive Income by Nature or Type, Statement of Changes in Equity, and Statement of Cash Flows and Rate Setting Statement for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the City for the year ended 30 June 2022 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for opinion

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

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

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer of the City is responsible for:

- preparation and fair presentation of the financial report in accordance with the requirements of the Act, the Regulations and Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the City's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

The Council is responsible for overseeing the City's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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. 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.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality control relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Greater Geraldton for the year ended 30 June 2022 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the City to confirm the information contained in the website version.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
15 December 2022



City of
Greater Geraldton
a vibrant future



GERALDTON:

City of Greater Geraldton Civic Centre
63 Cathedral Avenue
Geraldton WA 6530
Phone: 08 9956 6600 | Fax: 08 9956 6674
council@cgg.wa.gov.au

MULLEWA:

Mullewa District Office
Corner of Thomas and Padbury Streets
Mullewa WA 6630
Phone: 08 9956 6643 | Fax: 08 9961 1206
council@cgg.wa.gov.au

