ANNUAL MEETING OF ELECTORS

MINUTES

1 DECEMBER 2015

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CITY OF GREATER GERALDTON

ANNUAL MEETING OF ELECTORS
HELD ON TUESDAY, 1 DECEMBER 2015 AT 5.30PM
CHAMBERS, CATHEDRAL AVENUE

M I N U T E S

DISCLAIMER:
The Chairman advises that the purpose of this Council Meeting is to discuss and, where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting. Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25(e)) and Council's Standing Orders Local Laws establish procedures for revocation or recision of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The City of Greater Geraldton expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

1 DECLARATION OF OPENING
The Presiding Member declared the meeting open at 5.30pm.

2 ACKNOWLEDGEMENT OF COUNTRY
The Mayor respectfully acknowledged the Yamaji people who are the Traditional Owners and First People of the land on which we met. The Mayor paid respects to the Elders past, present and future for they hold the memories, the traditions, the culture and hopes of the Yamaji people.

3 ATTENDANCE

Mayor S Van Styn
Cr G Bylund
Cr D J Caudwell
Cr J Critch
Cr S Douglas
Cr R Ellis
Cr L Graham
Cr L Freer
Cr M Reymond
Cr N McIlwaine
Cr V Tanti
Cr T Thomas

Officers:
K Diehm, Chief Executive Officer
P Melling, Director of Development & Regulatory Services
B Davis, Director of Corporate and Commercial Enterprises

A Selvey, Director of Community Services
R McKim, Director of Infrastructure Services
S Moulds, PA to the Chief Executive Officer
L Taylor, Executive Support Secretary
P Radalj, Manager Treasury & Finance
M McGinity, Manager Communications, Events and Engagement
P Vorster, Coordinator Economic Development
A van der Weij, Financial Accountant, Treasury and Finance
Y Lovedee, Coordinator Community Development

<u>Others:</u>

Electors:	18
Press:	1

<u>Apologies</u>:
Nil.

<u>Leave of Absence</u>:
Cr S Keemink
Cr R D Hall

4 PUBLIC QUESTION TIME

Questions provided in writing prior to the meeting or at the meeting will receive a formal response. Please note that you cannot make statements in Public Question Time and such statements will not be recorded in the Minutes.

Our Local Laws and the Local Government Act require questions to be put to the presiding member and answered by the Council. No questions can be put to individual Councillors

Public question time commenced at 5.31pm.

Mr Max Correy, PO Box 202, Geraldton WA 6530

<u>Question 1</u>
A $50,000 local preference on a 1 million dollar tender represents a 5% factor where-as the same $50,000 only represents a .5% factor on a $10M tender.

With the current economic climate in Geraldton is the Council giving consideration to a more realistic local contractor preference of something like 2½% thereby allowing local businesses to compete on a more equitable basis and in turn help the local economy and employment opportunities in turn keep ratepayers money circulating in the City?

<u>Response</u>
The City provides the maximum price preference to local suppliers that is allowable by a local government under the Local Government Regulations.

Prescription of these limits is a State Government matter, not a Council matter, and the City may not exceed these local preference price margins. Reference: Local Government (Functions & General) Regulation 24D.

The City has been working closely with the Mid West Chamber of Commerce and Industry, with a working group including Chamber members from various sectors of business, undertaking a review of the City's procurement policies and practices. A substantive goal of this working group is to maximise the extent to which local businesses can compete for City procurement activities.

The City has also recently implemented E-Quotes, an online procurement system, on which any local business may register as a provider in particular service or product areas. Whenever the City seeks quotations for particular products or services, a quotation request is automatically sent to businesses registered on E-Quotes as being providers of those products or services. The City has worked closely with the MWCCI, getting information on this new system out to local businesses, encouraging them to register.

Question - 2
Is Council aware that hundreds of thousands of dollars are still owed to local businesses who sub-contracted to a Canberra Company for work on the Art Gallery re-roofing and air-conditioning. If so what is Council doing to ensure local businesses are protected from out of town contractors who sub-let the contract work and then leave town with the profits and without paying the local sub-contractors as was done with the Canberra company?

Response
The City is aware of the Canberra based company you refer to in your question. To answer your question in full, I would need to disclose commercial in confidence information and detail on a matter that is currently subject to legal action.

However I can advise the following:

- The City did have a contract with a Canberra based company to perform works at the Art Gallery.
- This company in turn had sub-contracts with local suppliers.
- As soon as the City was made aware of the Company's financial difficulties, it ceased payments.
- The City then worked with the contractor and sub-contractors to make payments directly to the subcontractors to ensure payments were made.
- This action maximised payments to local sub-contractors.
- The Council gives preference a 5% preference to local businesses up to a maximum of $50,000.
- This is the maximum local preference allowed under Western Australian legislation.
- The City is currently reviewing its tendering processes and will look for opportunities to improve protection to sub-contractors.

Question 3

In 2012 the then Mayor, CEO and Finance Director conned the ratepayers of Geraldton by saying that rates had to rise by some 30% to facilitate the necessary Asset Renewal programme going forward. We (the ratepayers) were told that the City of Greater Geraldton was ahead of the pack and that once the State Government's criteria of Councils complying with the Fair Value process which resulted revaluing all assets including buildings, roads etc was implemented every other Council would have to increase their rates accordingly to fund their Asset Renewal programmes.

Figures becoming available in recent weeks from Councils all over the State clearly illustrate that the rate rise in 2012 and the subsequent compounding effect was not necessary and was nothing more than a sham and remains so today. The City of Greater Geraldton has taken in excess of $25M extra from ratepayers pockets over the past 4 years when compared to a more normal 6% year on year increase which when multiplied by the normal 5 times factor equates to $125M that's not circulated in our community – Is it any wonder the town's an economic basket case with shops empty everywhere, former ratepayers gone broke and a lot having to leave the City to find other work and in the process having to sell their house for $100,000 or more below its value in 2012. In the light of the above facts is it not time for Council to back-track rates to where they should have been under a long term 6% increase year on year?

Response

This question seems to be based on a premise that the rates that had been charged prior to 2012, and an annual 6% increase, would have been sufficient to meet the future needs of the community and address the backlog of decaying infrastructure. This was not the case.

The decision taken by a previous Council in 2012 was due to:

- The very substantial ***backlog*** of renewal/replacement of worn out assets such as roads, drainage and built facilities, that had accumulated over many years, and
- The year-on-year compounding effects of ***not*** rating at a sufficiently high level to fund sufficient renewal works each year; that is, the assets renewal backlog was simply growing larger every year.

Put simply, the asset renewal backlog has been caused by past generations of ratepayers not contributing sufficient funds, via rates, to pay for renewal of the assets they consumed.

It has been publicly acknowledged by the Council that the rates rise in 2012 was high and that we failed to communicate the fundamental reasons well enough to the community. There is little point re-visiting that issue.

The reality today is that, had the Council of the day not taken that very difficult decision, growth of the asset renewal backlog would have accelerated, and the deterioration of assets across the board would inevitably have created public safety problems and a faster decline in amenity and liveability of the

City. The Council in 2012 adopted the view that they should not allow that to happen.

Your observations about the Council's rating decision in 2012 being "a sham" are unhelpful, uninformed, and ignore the mandatory local government reforms introduced by the State Government in the form of the Integrated Planning Framework. This framework introduced by regulation explicit financial sustainability measures and benchmarks, against which, every Council in the State must report on a yearly basis.

Even with the large increase in 2012, the Council is still not financially sustainable. The suggestion offered would make the Council even more financially unsustainable and lead to urban and social decay, coupled with a decline and deterioration of the local economy as essential infrastructure is not renewed and valued community services are not delivered.

Since 2012, the City has made concerted efforts to reduce the rate burden on the Community. A wide range of reforms and cost efficiencies have been introduced that have enabled rate increases to be reduced well below the 7% per annum predicted in 2012, and well below the 5.2% endorsed in 2013 by the now Defunct Ratepayers Demand Change Action Group.

Other Councils across the State have clearly found the need to increase their Rates and other revenue, to generate funding for increased levels of asset renewal expenditure as can be seen from a close examination of their long term financial plans.

Full Response to Question 3 for the purpose of the Minutes

The decision taken by a previous Council in 2012 was based legitimately on initial appraisal of the state of the City's assets that revealed:

- the very substantial ***backlog*** of renewal/replacement of worn out assets such as roads, drainage and built facilities, that had accumulated over many years, and
- the year-on-year compounding effects of ***not*** rating at a sufficiently high level to fund sufficient renewal works each year; that is, the assets renewal backlog was simply growing larger every year.

The Council has a statutory duty to plan for the future, to address the needs of ratepayers of both today and tomorrow. That requires that each generation of ratepayers must ultimately pay for the assets they consume, and not leave that burden for the ratepayers of tomorrow. The asset renewal backlog reflects the extent to which past generations of ratepayers, over many years, have not contributed sufficient funds via rates to pay for renewal of the assets they consumed.

It is the case that the rates rise in 2012 was high; the City has publicly acknowledged that fact, and acknowledged that it failed to communicate the fundamental reasons well enough to the community. There is little point re-visiting that issue. The reality today is that, had the Council of the day not taken that very difficult decision, growth of the asset renewal backlog would have accelerated, and the deterioration of assets across the board would inevitably have created public safety problems and faster decline in amenity and liveability of the City. The Council in 2012 adopted the view that they should not allow that to happen. Could the Council have varied its rating strategy, and adopted a different model, to reduce the impact of a single-year spike in rates, in what was a GRV property re-valuation year? Yes. The City has already acknowledged that, noting too that they did actively consider alternatives.

It must also be acknowledged however that, having imposed a high rates increase in 2012, the City has been able to, and actually has imposed ***lower*** *percentage increases in rates in subsequent years than would otherwise have been the case. That difficult decision of the Council created fiscal capacity to begin to tackle the crucial problem of the backlog in renewal of assets. Allowing urban and rural decay to accelerate was not an option.*

Mr Correy's observations about the Council's rating decision in 2012 being "a sham" are unhelpful, ignoring the *mandatory local government reforms* introduced by the State Government. The new Integrated Planning Framework brought with it the mandatory requirement to develop Community Strategic Plans, and 10 year Long Term Financial Plans, informed by comprehensive Asset Management Plans. The framework introduced explicit financial sustainability measures and benchmarks, against which, by Regulation, every Council in the State must report every year.

The financial sustainability benchmarks establish the framework for long term financial plans, and they include specific performance benchmarks for the renewal of assets.

The reforms also included mandatory application of Fair Value accounting for assets, replacing historical cost accounting for assets. The financial management regulations were amended to obligate all Councils to implement that reform, but allowing the option of implementation over a period of several years by staging across different classes of assets, with all Councils to be fully compliant by 30 June 2014. Coincident in timing with these reforms announced in 2010-11, the City had to amalgamate multiple asset registers, associated with Council amalgamations, so it was prudent to immediately commission independent Valuers to revalue the City's assets to Fair Value.
That is why the City was amongst the very few Councils in the State that implemented Fair Value accounting for all assets in the first year, rather than staging the implementation out into 2014. Evidence of the timing of this reform by other Councils is easily available, reflected in the changes in asset revaluation provisions recorded in the Equity section of their annual Statements of Financial Position (in older parlance, their Balance Sheets).

It has been the experience of every Council in the State that implementation of Fair Value accounting for assets has resulted in significant increases in the written down value of their assets. In basic terms, the previous approach required recording assets at their historical cost, and depreciating that cost over the working life of the asset. Under Fair Value principles, assets are revalued periodically to determine their current replacement cost, and their residual working life, to arrive at a written down valuation that is then depreciated over the residual life, to reflect the cost of consumption of the productive capacity of each asset, measured in current value terms.

People with even the most rudimentary knowledge of accounting recognise that the consequence of upward revaluation of assets is an increase in annual depreciation expense. The key financial sustainability performance benchmark (measured by the asset sustainability ratio) requires Councils to plan for an annual asset renewal expenditure level equivalent to at least 90% of annual depreciation expense, and the advanced sustainability standard is that annual renewal expenditure should be in the range 90-110% of annual depreciation expense.

As demonstrated later in this response, Councils across the State are having to adjust their future plans, including their 10 year long term financial plans, to this reality. Mr Correy's suggestion that the process is somehow a "sham" is therefore misdirected.

The key variable in planning by Councils, to achieve the sustainability performance benchmark is the *length of time* determined as being reasonable, *in terms of ensuring maintenance of public safety, amenity and liveability of the City*, to overcome the asset renewal backlog and achieve and maintain the benchmark asset renewal expenditure level.

Council budget decisions subsequent to 2012 have reflected such consideration, and the 10 long term financial plan has been successively amended accordingly. A period of 10 years was initially considered in 2012 as desirable to achieve financial sustainability. That timeline has since been adjusted outwards towards 12 years. The current Council will actively consider this key issue again in the budget process for 2016-17.
The other variable considered by Councils is how to fund their asset renewal backlog: by increasing rates, fees and charges, **or** reducing budget provisions for discretionary services (that is, changing the range and/or level of services), **or** a combination of both.

Demonstrably, as clearly demonstrated in the current 2015-16 annual Budget, in order to constrain the level of increases in annual Rates, the Council has reviewed its range and level of services, cutting some discretionary services entirely, reducing others, and thus reducing budget expenditure allocations. In doing this, the City extensively consulted the community over the past year or so, via Community panels, and the Community Summit. The problem of maintaining both mandatory and discretionary services to the community is exacerbated by the issues of inflation on costs of materials and services, declining general financial assistance grants from Government, and the annual increases in State utility charges – electricity, water, street lighting.

In the following table, a sample of metropolitan and regional Councils is presented, showing the percentage increase in aggregate Rates yield, between 2014-15 and 2015-16.

COUNCIL	**TOTAL RATES YIELD 2014-15 $**	**TOTAL RATES YIELD 2015-16 $**	**PERCENTAGE INCREASE IN AGGREGATE RATES REVENUE**
Albany*	30,755,343	$32,446,624	**5.50%**
Armadale	52,773,497	56,469,390	**7.00%**
Augusta-Marg. River	17,485,776	18,275,260	4.52%
Bunbury*	32,401,018	33,791,762	4.29%
Busselton	36,435,431	38,998,079	**7.03%**
Canning*	49,006,734	53,712,962	**9.60%**
Cockburn #	62,880,000	89,031,014	41.59%
Cottesloe	8,898,704	9,164,072	2.98%
Fremantle	38,090,000	40,262,727	**5.70%**
Greater Geraldton	39,459,731	41,275,124	4.60%
Gosnells*	55,409,595	60,410,264	**9.02%**
Joondalup	86,062,005	91,535,076	**6.36%**
Kalgoorlie-Boulder	22,770,497	23,658,646	3.90%
Mandurah	66,166,000	69,735,000	**5.39%**
Melville	77,734,396	80,627,651	3.72%
Serpentine-Jarrahdale	16,389,800	17,982,029	**9.71%**
Sterling*	121,519,388	125,573,735	3.34%
Swan	102,556,460	110,516,610	**7.76%**
Victoria Park	35,831,800	38,864,800	**8.46%**
# Cockburn amalgamated their previously separate Waste and Surveillance charges into General Rates.			
* Councils which do not have a differential rating category for Residential			

The data in this table, extracted from the adopted Budget papers of the various Councils, suggests that, contrary to some opinions, *other Councils across the State have clearly found need to increase their Rates and other revenue, to generate funding for increased levels of assets renewal expenditure.*

(Cockburn has been included in the table – with explanation - to demonstrate the need for in-depth understanding of why Councils make particular decisions year to year, as distinct from conclusions that might be incorrectly drawn from just a cursory glance, at an apparent aggregate rates increase of 41%. Waste and Surveillance services that would previously have appeared separately as charges on rates notices are now to be funded from rates revenue).

The ongoing nature of the reforms can be gauged by the changes in the aggregate value of non-current assets of Councils, and the consequent changes in annual depreciation expenses. Some Councils only completed the transition to Fair value accounting for non-current assets by July 2014, and thus have some time before they are due for 3-yearly revaluation of some of their asset classes. CGG completed the transition to Fair Value in 2012, so 2014-15 was a mandatory asset revaluation year, with independent specialists commissioned to undertake the process.

The following tables show non-current asset values for a sample of regional cities, and the budget estimates for the associated depreciation expenses. It should be noted that the Local Government Financial Management Regulations make this asset accounting approach, consistent with the Australian Accounting Standards, mandatory.

Council - Value of Non-Current Assets	**30 June 2014 $M**	**30 June 2015 $M**
Albany	310.793	382.584
Bunbury	429.826	444.441
Busselton	529.069	630.789
CGG (2014-15 Reval'n year)	617.88	848.893

Council Annual Depreciation Expenses	**2014-15 $M**	**2015-16 $M**
Albany	12.672	15.906
Bunbury	10.948	11.589
Busselton	12.088	14.636
CGG	18.281	22.023

The ongoing challenge for Councils in WA is to bridge the funding gap over time, to overcome the legacy backlog in assets renewal that accumulated over many years. The problem is not unique to WA – it is a national problem.
The challenge for Councils is to address the problem over an appropriate timeframe, to ensure that essential infrastructure and facilities are renewed as they wear out, to maintained safety, amenity and liveability for the community, while also continuing to provide other services, including discretionary services, desired by the community.

Wishful thinking is not going to make the legacy problem of asset renewal go away. That is why the City engaged the community via Community Panels, and the more recent Community Summit, to identify Community priorities.

The City has demonstrated ongoing willingness to meet with ratepayers having difficulty in grasping the complexities of annual City budgets, to assist their understanding.

The Community can be assured that the current Council and the Administration are committed to keeping future rates increases at reasonable levels.

<u>Question 4</u>
The schedule below illustrates the grossly unfair rating policy of the City of Greater Geraldton when the same GRV rated property in Geraldton is $626.00 dearer this year than the average of Bunbury, Busselton, Albany, Kalgoorlie and Mandurah which represents a 27.5% higher rate charge to a Geraldton ratepayer.

**In the attachment submitted with Mr Correy's question, he provided the following information (reformatted for simplicity in presentation in the minutes):*

CITY	**Rate in the Dollar 2015-16**	**Rates for a $20,000 GRV property**
Geraldton	11.35c	$2270
Bunbury	8.38c	$1676
Busselton	8.02c	$1604
Albany	10.21c	$2042
Mandurah	8.28c	$1656
Kalgoorlie	6.22c	$1244

**The attachment from Mr Correy also included these notes:*
"Note - Geraldton rates are nearly twice Kalgoorlie's for the same GRV rated property, or $626.00/year above the average of the other 5 Councils, or 27.5% more than the average of the other 5 Councils based on the same ($20,000) GRV rated property".

<u>Response</u>
This is a classic case of the problems in selectively choosing one variable used to determine rates revenue, whilst ignoring others and the fundamental differences in the local governments being compared.

Comparing rates in the dollar is a meaningless and misleading comparison. It has no reflection on how rates are determined and does not take into account the large variations in the number of residential properties, the mix in the types of properties (commercial, rural, urban) and their valuation, the alternate sources of revenue available to Councils, and the range and level of services provided. If you are going to undertake a true comparison, these factors should be taken into account.

To illustrate my point I would highlight some of the differences between the local governments identified in your comparison:

1. The City of Geraldton has nearly 3 times the land area to service than Albany, more than 8.5 times the land area of Busselton, more than 72.5 times the area of Mandurah and more than 192 times the land area of Bunbury. The costs to service our local government area are therefore substantially greater than these Councils.
2. Mandurah has more than double the number of rateable properties than the City of Greater Geraldton in an area that is 72.5 times smaller. Simple maths tells us that this is going to equate to a lower rate in the dollar.

3. Busselton has more than 3 times the number of UV properties than the City of Greater Geraldton, whilst Kalgoorlie has more than 2.8 times the number of UV properties. This additional revenue from UV properties means that they can have a lower rate in the dollar for GRV properties. In fact Busselton and Kalgoorlie's UV rates revenue, as a percentage of total rates collected are 14.2% and 13.2% (respectively) higher than the City of Greater Geraldton's.

These are just some of the many factors that should be taken if you are going to undertake a legitimate comparison between the local governments you have highlighted.

Perhaps a more meaningful comparison, albeit still flawed, would be the total rates generated per capita. When we examine this for the 2014-15 year, and the local governments that you have highlighted, it shows that the City of Greater Geraldton is about on par with Bunbury, slightly more than Albany, slightly less than Busselton.

Full Response to Question 4 for the purpose of the Minutes

The rate-in-the-dollar data provided by Mr Correy is technically correct – as raw data. However, his assumption (that application of that data via computation against a common-value GRV property at $20,000) presents a valid comparison of the effects of rating policies of the respective Councils is flawed.

The rates in the dollar used by Mr Correy actually describe differing categories of general rates across some of the Councils – for example, both Albany and Bunbury have a single GRV rate, including residential, commercial and industrial properties - and they do not have a separate differential general rate for residential properties. The computed rates therefore do not provide a valid comparison of the rating models or the makeup of the rateable properties base of each of the different regional cities. Superficial analysis of financial arrangements of different Councils can lead to badly misleading conclusions that effectively misinform people, in the absence of other significant information. What is necessary is in-depth examination, to understand the ***differences*** between the regional cities.

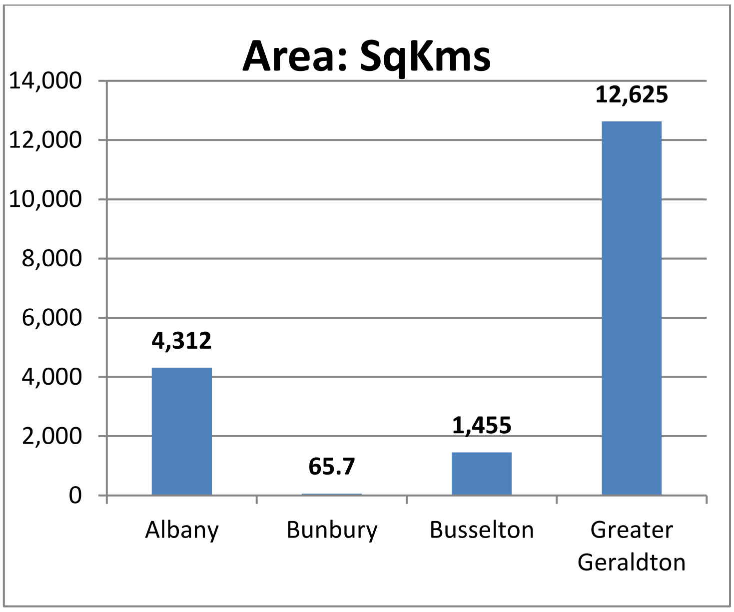
In the interests of properly informing the community, the following information is provided. The data has been extracted directly from the adopted Budgets of the Councils. All of the factors addressed below must be examined together, not in isolation from each other.

Differences in Scale

The total number of rateable properties indicates differences in scale – and shows the number of properties across which a Council is able to spread/share the rating effort:

CITY	Total Number of Rateable Properties
Geraldton	20,021
Bunbury	16,116
Busselton	21,945
Albany	18,211
Mandurah	**44,070**
Kalgoorlie	22,440

Differences in Service Area



Boundaries of the City of Bunbury contain just the urban developed area, just 65.7 SqKm, with no UV properties and no rural activity within the City.
Kalgoorlie-Boulder has an area of over 95,500 SqKm, the majority sparsely populated.

Differences in Makeup of Local Economies

Whether or not, and how many, properties are valued on the basis of Unimproved Value (UV), relative to properties valued by Gross Rental Valuation (GRV) indicates the extent of urban and rural development in the local economy.

Consideration of the number of UV properties, in the context of the geographic area serviced by each Council per the previous graph, provides a relative indicator of extent of rural roads serviced.

CITY	**Total Number of GRV Properties**	**Total Number of UV Properties**
Geraldton	18,828	1,193
Bunbury	16,116	**0**
Busselton	18,171	**3,774**
Albany	16,590	1,621
Mandurah	**44,970**	**0**
Kalgoorlie	19,097	3,343

Local Government Rates Base - Valuations	**Aggregate GRV Value**	**Aggregate UV Value**
Albany	$276,971,544	$735,076,353
Bunbury	$396,098,609	$0
Busselton	$357,125,949	**$1,707,250,747**
Geraldton	$335,284,469	$407,495,259
Kalgoorlie	$295,395,549	$23,402,950
Mandurah	$766,994,000	$0

Kalgoorlie is different from the other cities, with minimal broad-acre agriculture, a relatively small number of pastoral properties, and significant number of mining tenements – noting that the Local Government Act explicitly constrains the valuation of mining tenements for the purposes of local government rating.

<u>Differences in Property Values & Aggregate Rates Base</u>
The aggregate value of properties in each of the GRV and UV classes, and the Average value in each class, effectively determines the Rate-in-the-Dollar (RiD) required to achieve an aggregate rates revenue target. [Rates Payable = Property Value X RiD].

Gross rental value – Aggregates and Averages:

CITY	**Aggregate Value of GRV Properties**	**Average GRV Valuation (All categories)**
Geraldton	$335,284,469	$17,808
Bunbury	$396,098,609	**$24,578**
Busselton	$357,125,949	$19,654
Albany	$276,971,544	$16,695
Mandurah	**$766,994,000**	$17,404
Kalgoorlie	$295,395,549	**$15,468**

Unimproved Value – Aggregates and Averages:

CITY	**Aggregate Value of UV Properties**	**Average UV Valuation (All categories)**
Geraldton	$407,495,259	$341,572
Bunbury	0	**0**
Busselton	**$1,707,250,747**	$452,372
Albany	$735,076,353	$453,471
Mandurah	0	**0**
Kalgoorlie	$23,402,950	$7,001

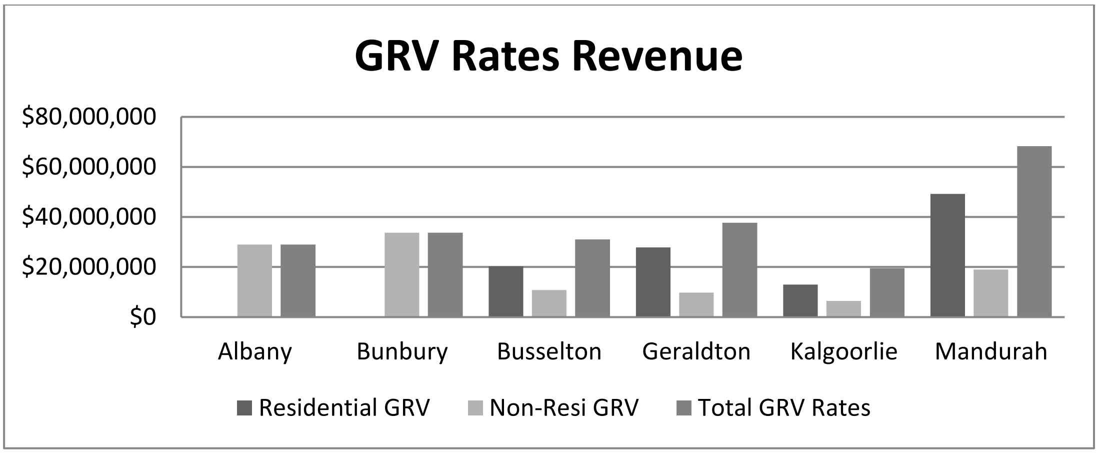
Differences in the Source of Rates Revenue

Bunbury and Mandurah have no UV properties, hence are reliant on rates from residential, commercial and industrial properties. Kalgoorlie and Busselton both collect about 18% of value of their rates from UV properties. Albany, with significantly higher average UV valuations than CGG, collects about 9.7% from UV properties, versus CGG at 7.5%.

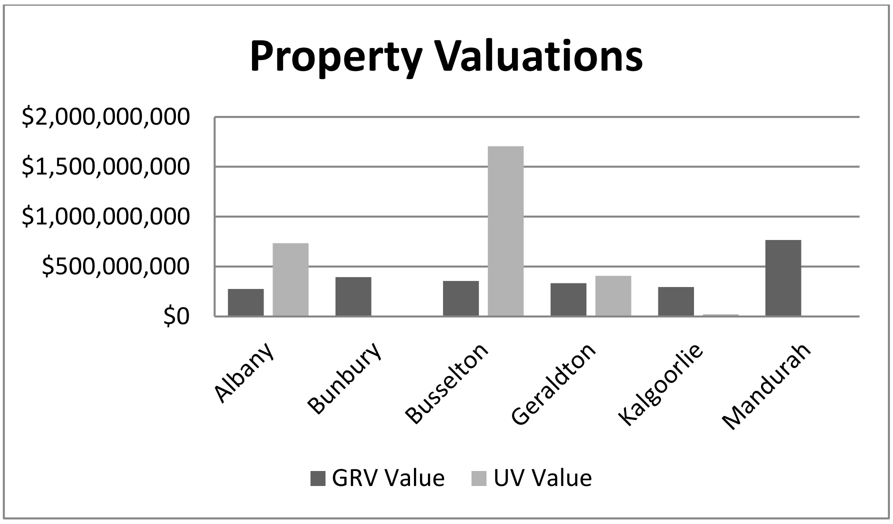
Rates Revenue Sources	**GRV %**	**UV %**
Albany	90.3%	9.7%
Bunbury	100.0%	0.0%
Busselton	81.9%	**18.1%**
Geraldton	92.5%	7.5%
Kalgoorlie	82.7%	**17.3%**
Mandurah	100.0%	0.0%

Differences in the Residential Share of Rates Revenue

Residential Proportion of Total Rates	**Residential Rates**	**Other Rates**
Busselton	53.50%	**46.5%**
Geraldton	68.30%	31.7%
Kalgoorlie	55.10%	**44.9%**
Mandurah	72.10%	27.9%
(Albany & Bunbury do not have differential rate splits)		



When you combine that information, with the information on the GRV Valuations base for the different Councils, you should be able to discern why Councils with substantial commercial or industrial areas (Kalgoorlie) or significant commercial, industrial and high-value UV properties (Busselton), are able to rely less on the Residential sector for rates revenue.



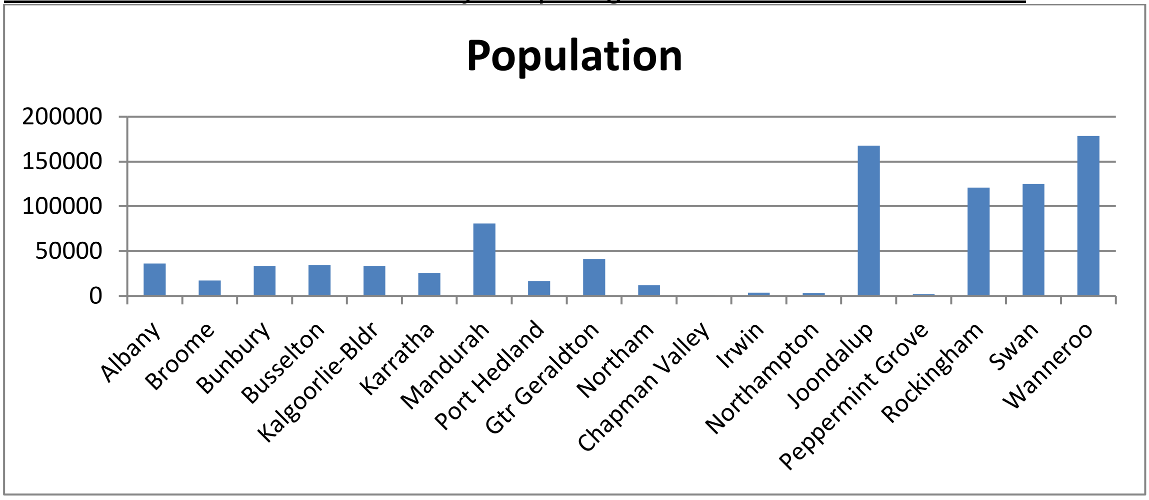
Direct comparison of Bunbury Residential rating in 2015-16 is not possible from their budget papers, because of adoption by that Council of a single general rate encompassing all GRV-valued properties. By extrapolation out to 2015-16, for interested parties, it may be possible to draw some apples/apples conclusions in relation to the matters covered by the graphs immediately above, from budget data from 2013-14, before they moved to a single general rate.

For example, it might be assumed for broad comparison purposes that some 1645 Non-residential properties made up about 44% of aggregate GRV valuation for Bunbury in 2013-14 but only generated about 40% of Bunbury rates revenue. Adoption of a single general rate across all GRV properties was aimed to provide better equity.

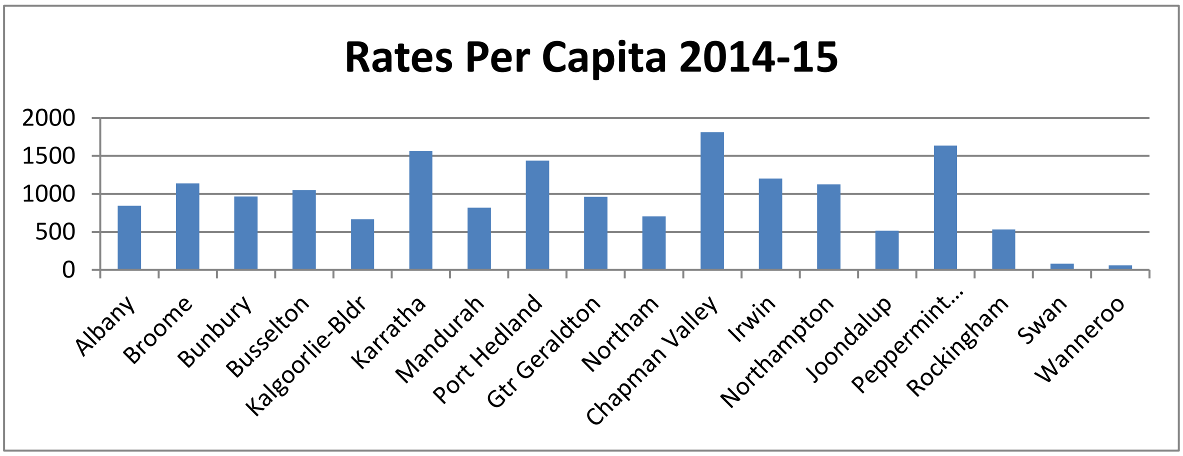
Geraldton in 2015-16, in contrast to the Bunbury 13-14 position, will only gain about 32% of rates revenue from non-residential properties. This highlights the significant difference between a small-area urban city like Bunbury with no UV properties, but with notable economic agglomeration to service a fairly densely populated hinterland beyond its district boundary, and a city such as CGG with large geographic area, significant rural production areas, as well as urban development – with a greater number of GRV properties than Bunbury. Bunbury-vs-Geraldton is demonstrably not an apples-with-apples comparison.

Rating Model	Total Number Properties	Aggregate Valuation GRV	Average Property Values	Total Budgeted Rates & Minimums	Average Rates Payable	Percentage of Total Rates	Percentage of Total GRV
BUNBURY 13-14							
General	14338	$187,491,183	$13,077	$17,992,935	$1,255	**59.6%**	**55.6%**
City centre/ special use	492	$46,857,227	$95,238	$4,552,764	$9,254	15.1%	
Mixed business	490	$55,105,129	$112,459	$4,201,970	$8,575	13.9%	
Non-Resi vacant land	663	$47,885,495	$72,225	$3,447,479	$5,200	11.4%	
	15983	**$337,341,025**	**$21,106**	**$30,195,168**	**$1,889**	**100.0%**	100%
BUNBURY 15-16							
General Rate	**16116**	**$396,098,609**	**$24,578**	**$33,687,005**	**$2,090**	**100%**	**100%**
Change 2014 to 2016	**133**	**$58,757,584**	**$3,472**	**$3,491,837**	**$201**		
	Growth	**Total GRV Increase**	**Avge Increase GRV**	**Total Annual Rates Revenue Increase**	**Avge Rates Increase**		
	0.8%	17.4%	16.4%	11.6%	10.6%		

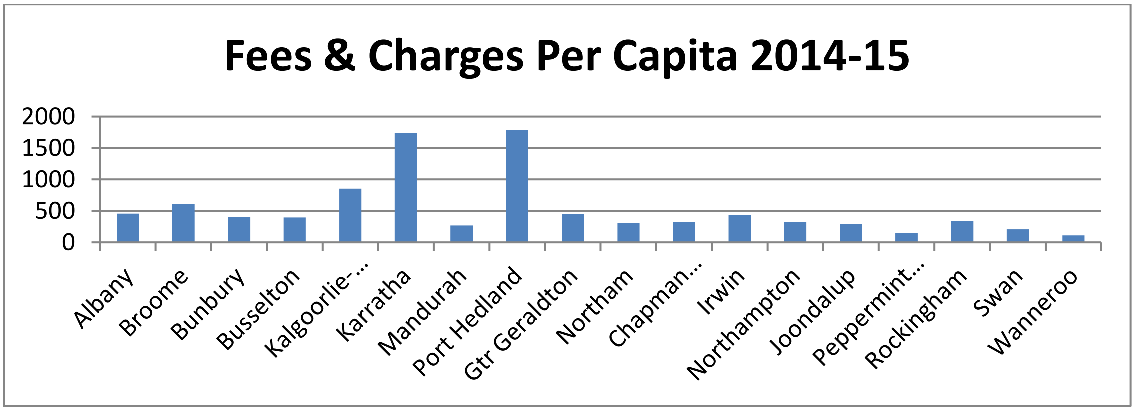
Differences in Size of Community Requiring Local Government Services



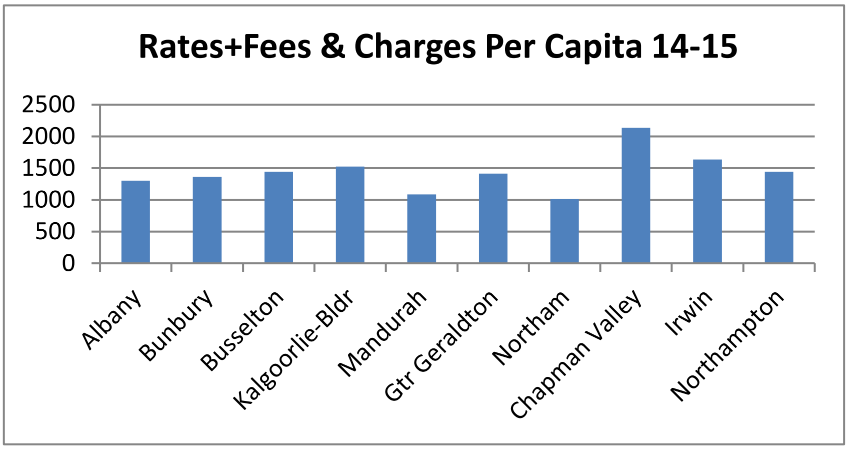
Looking to population size keeps things in proper perspective. Examining the per capita impact of Rates also highlights the importance of Scale of operations. The following graph uses 2014-15 data – the year relevant to this annual meeting of Electors:



From this, it can be seen that on a per capita basis, across all rating categories, Greater Geraldton is about on par with Bunbury, slightly more than Albany, slightly less than Busselton in 2014-15. For a full view of revenue, fees and charges need to be included:



Looking beyond just rates revenue, to revenues from fees and charges, should also be part of any serious study for comparison between Councils. With Albany, Busselton, Bunbury and CGG all in the range $400-$460 per capita for fees and charges revenue, they are broadly on par. Combining the per capita apportionment of revenue from Rates, Fees and Charges, comparison in 2014-15 presented this view:



Key points:

- When comparing/contrasting Councils, it is essential to examine a range of factors that together contribute to the unique circumstances of each Council.
- Comparing rates-in-the dollar is a meaningless exercise, because it ignores the differences between Councils. For example, the difference in average property valuations within any rating class is important: for equivalent revenue yields, a Council with a higher average property valuation *can apply a lower rate-in-the dollar*.
- The substantially higher average UV valuations for Albany and Busselton (around $453,000) relative to CGG ($342,000) illustrate this.
- Similarly – the average residential GRV of $18,174 for Busselton is markedly higher than the CGG residential GRV average of $14,254, and the Kalgoorlie average residential GRV of $10,997. Add in the mix of the rates base – Busselton and Kalgoorlie each yield around 45% of rates revenue from non-residential rates relative to CGG at around 32%.
- In this context, Rate-in-the-Dollar is a misleading and inappropriate proxy indicator of the relative equity or appropriateness of any Council's rating model.
- The makeup of the local economy, the revenue base available from commerce and industry, the extent of rural and non-rural activities, population size, number of rateable properties, property valuations in different parts of the State, the spatial area of the district, the aggregate lengths of urban and rural roads, and so on – these all create the context within which a Council considers its range and level of services, its expenditure programs and revenue needs. On revenue per capita, the City of Greater Geraldton was broadly on par with relevant regional cities in WA in 2014-15, the financial year in respect of which this Electors Meeting is being held.

Question 5
Has there been a recent delegation from Council to China?
If so
Who comprised the delegation?
What was the cost to ratepayers?
What was the purpose of the trip?
What was achieved?

Response
Yes, a delegation from Geraldton visited China.

The delegation visited China from 6 October to 16 October 2015, visiting Linfen City in Shanxi Province, as well as Zhoushan and Hangzhou City in Zhejiang Province of China. The delegation was comprised of:

1. Ken Diehm, CEO of City of Greater Geraldton.
2. Cr Shane Van Styn *(at that time).*
3. Brian Robartson, Manager Economic, Land and Property Development.
4. Han Jie Davis, Officer Economic Development.
5. Jacinta Ping Shen, Marketing Officer, Geraldton Air Charter; Member of the Midwest Tourism Alliance.
6. Fiona Shallcross, Project Manager, Mid West Development Commission (MWDC).
7. Barry Humfrey, Managing Director, Humfrey Development.
8. John Gooch, Managing Director, Shine Aviation.

The total cost of the delegation was $16,387 for the 5 delegates of the City and the Midwest Tourism Alliance. Costs for Fiona Shallcross were covered by the MWDC. Mr Barry Humfrey and Mr John Gooch joined the delegation at their own expenses.

The Zhoushan City Government generously agreed to meet all conference costs for all delegates from Geraldton, including registrations, accommodation, meals, and travel whilst in China during the Conference in Zhoushan. Linfen City Government covered the cost for transportation and meals in Linfen City.

The purpose of the trip was to attend the World Islands Tourism Conference City at the invitation of the Zhoushan Foreign Affairs Office. The 2015 World Islands Tourism Conference is an international conference sponsored by the World Tourism Organization, China National Tourism Administration, and Zhejiang Provincial People’s Government and was aimed at strengthening International cooperation, promote tourism management, connect tourism agencies and businesses, and promote island tourism products.

The attendees of this Conference included government and local government bodies, international hotels, airlines, travel agencies, cruise liners, e-commerce, financial organisations and media.

A further aim of the trip was to sign a Friendship City Relationship with Linfen City.

The trip had many outcomes, some of which include:

1. An Friendship City Relationship Agreement with Linfen City to carry out exchanges and cooperation in the fields of economy, trade, science and technology, culture, tourism, education, sports, health, personnel etc. to promote common prosperity and development.
2. A meeting with Mr Wu from Central Queensland University, to determine how the City can leverage the development of his E-commerce project between Australia and China to suit the needs of the City's China Connect project.
3. An understanding of the operations of Linfen's bonded zone in Houma and its ability to establish direct trade between Midwest and China.
4. An agreement to undertake a prefeasibility study with the Linfen City Government to explore the possibility of a chartered airplane service between the two cities, to enable direct goods, tourist exchange, and to showcase Midwest tourism products.
5. An agreement to explore the possibility of establishing a partnership with Chinese Chambers of Commerce.
6. The introduction of local businesses to the Division of American & Oceanic Affairs of Zhejiang Provincial Foreign Affairs Office (Zhejiang Provincial FAO), and the WA Trade Office in Hangzhou.
7. The promotion of Geraldton and the Midwest region to:
   a. 25 countries
   b. Over 1000 attendees of the Conference
   c. 1.4 million Locals of Zhoushan through television and print media
   d. 550 million Locals of Zhejiang Province
   e. Millions of people throughout the world through more than 60 International Media, and Chinese Internet, radio and news apps.
8. An agreement to develop a "China Ready" accreditation program for Midwest businesses.
9. The proposed development of a commercial English school camp in Geraldton.

A detailed report on the trip will be provided to the Council at its next meeting.

<u>Question 6</u>
What was Council debt as at 30 June in 2013; 2014; 2015 - plus undrawn borrowings; and 2016 - projected

<u>Response</u>
Balance of borrowings of the City at 30 June of each of the requested years was as follows:

Year	Balance of Non-Current Liabilities 30 June
2013	$15,108,188
2014	$20,275,401
2015	$22,128,415

As at 30 June 2015, the balance of unspent funds from prior year debentures was $1,300,000 held for the purposes of the capital projects for which the loans were arranged, and in progress.

For the information of electors and ratepayers, information is provided from the City's published Budget, and it's published 10 Year Long Term Financial Plan, providing:

- details of all existing loans, and new loans proposed to be entered into in 2015/16; and
- projections of borrowing levels across the decade to 2025.

Notes:

- The debt service ratio measures funds required for servicing of loan principal repayments and interest expenses, as a percentage of ordinary annual revenues.
- The benchmark for financial sustainability as determined by the Department of Local Government and Communities is a debt service ratio less than 10%.
- Across the decade 2015-2025, the debt service ratio will not exceed 10%.
- The level of debt peaks in 2016-17, and thereafter declines significantly across the decade as old debt is retired, and levels of new debt are restrained.
- All loans are arranged via WA Treasury Corporation, which monitors aggregate debt levels to ensure Council do not exceed the 10% debt service ratio.
- Loans raised for the Airport are serviced from Airport revenues, not from Rates revenue.

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Movement in debentures and interest between the beginning and the end of the current financial year.

	Particulars	Principal 1-Jul-15	New Loans	Principal Repayments 2015/16 Budget $	Principal Repayments 2014/15 Actual $	Principal Outstanding 2015/16 Budget $	Principal Outstanding 2014/15 Actual $	Interest Repayments 2015/16 Budget $	Interest Repayments 2014/15 Actual $
	Law, Order, Public Safety								
NEW	Animal Pound & CRRC Design		1,550,000			1,550,000			
262	Admin Upgrade	807,486		91,094	87,635	716,392	807,486	38,580	34,097
	Recreation and Culture								
82	*Tarcoola Tennis Club	13,891		2,892	2,689	10,999	13,891	1,081	1,147
228	*Geraldton Surf Lifesaving	37,888		18,355	17,248	19,533	37,888	2,569	3,303
251	*Geraldton Hockey Association	125,004		26,570	24,999	98,434	125,004	8,442	8,783
253	*Geraldton Yacht Club SSL	55,223		10,312	9,691	44,911	55,223	3,817	3,895
257	*Geraldton Hockey Association	175,640		23,619	22,522	152,021	175,640	10,037	9,405
226	Marina Toilets				11,031				542
227	Reticulation				6,376				306
259	Land Acquisition - Verita Road	3,157,281		425,657	406,256	2,731,624	3,157,281	177,650	165,998
260	Aquarena Renewal	2,099,463		236,845	227,851	1,862,618	2,099,463	100,594	88,652
263	Recreation Grandstand	1,147,838		106,665	102,162	1,041,173	1,147,838	60,887	54,099
264	Aquarena Building Stage 2	1,836,541		170,664	163,459	1,665,877	1,836,541	97,418	86,559
NEW	QPT Airconditioning		3,250,000			3,250,000			
	Transport								
229	SGIO Carpark	172,560		83,576	78,496	88,984	172,560	11,772	15,155
230	Airport Buffer Land	521,166		197,595	184,239	323,571	521,166	37,703	45,933
234	Library Land - Carpark	522,262		129,733	123,334	392,529	522,262	29,935	31,197
252	Plant Purchase 09/10	659,769		123,683	116,464	536,086	659,769	44,370	45,101
255	Plant Purchase 10/11	110,951		110,951	105,183		110,951	5,613	10,575

5. INFORMATION ON BORROWINGS (CONTINUED)

258	Land Acquisitions - Airport Runway Extension	912,104		122,968	117,363	789,136	912,104	51,321	47,955
261	Airport Parking	1,211,228		136,641	131,453	1,074,587	1,211,228	57,870	51,145
267	Airport Tech Park				2,700,000				77,404
269	Airport Projects	3,020,000		262,058		2,757,942	3,020,000	122,675	
270	Airport Tech Park 2	2,450,000		461,469		1,988,531	2,450,000	97,598	
NEW	Verita Road Stage 1		9,000,000			9,000,000			
NEW	Airport Fire Main Upgrade		1,000,000			1,000,000			
	Economic Services								
95	Hamlet	28,032		13,531	12,625	14,501	28,032	1,886	2,516
	Other Property and Services								
265	Old Works Depot	918,270		85,332	81,730	832,938	918,270	48,709	43,279
266	Old Railway Building	945,819		87,892	84,181	857,927	945,819	50,171	44,578
268	Foreshore Stabilisation	1,200,000		104,129		1,095,871	1,200,000	48,745	
NEW	Olive Street Development		4,500,000			4,500,000			
NEW	West End Precinct & Beach Access Ramp		4,056,000			4,056,000			
NEW	Beresford Foreshore		1,850,000			1,850,000			
		22,128,416	25,206,000	3,032,231	4,816,987	44,302,185	22,128,416	1,109,443	871,624

All debenture repayments will be financed by general purpose revenue.
(*) Self-supporting loans are funded by various sporting clubs and community groups

5. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2015/16

Particulars/Purpose	Amount Borrowed Budget	Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used Used Budget	Balance Unspent $
Animal Pound Upgrade	1,550,000	WATC	P&I	10		4.00%	1,550,000	0
QPT Air-conditioning	3,250,000	WATC	P&I	10		4.00%	3,250,000	0
Verita Road Stage 1	9,000,000	WATC	P&I	20		4.50%	9,000,000	0
Airport Fire Main Upgrade	1,000,000	WATC	P&I	7		4.00%	1,000,000	0
POS Olive Street Development	4,500,000	WATC	P&I	10		4.00%	4,500,000	0
West End Precinct & Beach Access Ramp	4,056,000	WATC	P&I	15		4.00%	4,056,000	0
Beresford Foreshore	1,850,000	WATC	P&I	10		4.00%	1,850,000	0
					0		25,206,000	0

(c) Unspent Debentures

Council forecasts to have $1,300,000 of unspent debentures as at 30 June 2015, it is not expected to have any unspent debenture funds as at 30-Jun-16

Note: Unspent debentures as as at 30 June 2015 relates to Debt Financial Instruments raised in the financial year 2014/2015.

(d) Overdraft

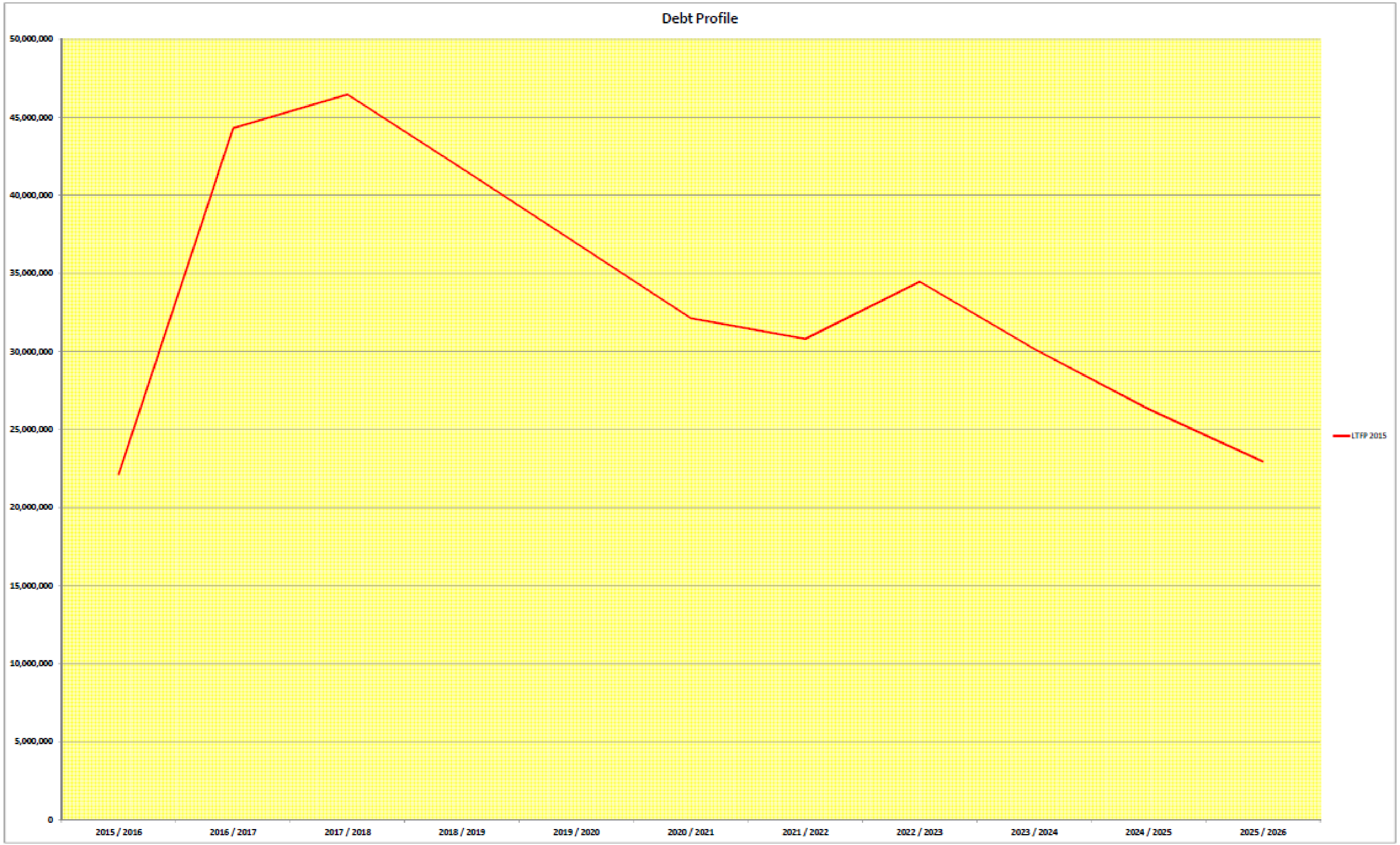
Council has not utilised an overdraft facility during the financial year although an overdraft facility of $750,000 with the Commonwealth Bank of Australia does exist. It is not anticipated that this facility will be required to be utilised during 2015/16.

The following extract from the City's adopted Long Term Financial Plan shows the projected levels of non-current borrowings across the decade.

City of Greater Geraldton Long Term Financial Plan 2015 - 2025

Balance Sheet 2015 - 2025

	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022	2022 / 2023	2023 / 2024	2024/2025
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
ASSETS										
CURRENT ASSETS										
Cash and Cash Equivalents	7,263	6,388	6,215	8,340	8,366	8,248	8,173	8,526	8,201	9,222
Investments	423	-	-	-	-	-	-	-	-	-
Receivables	3,493	3,057	3,356	2,909	3,275	2,954	3,109	3,224	3,007	3,421
Inventories	7,175	6,741	6,327	5,907	5,185	4,353	3,512	2,675	1,850	1,861
Other	-	-	-	-	-	-	-	-	-	-
Total Current Assets	18,353	16,187	15,898	17,155	16,826	15,554	14,794	14,425	13,058	14,504
NON-CURRENT ASSETS										
Receivables	416	325	265	184	148	104	94	98	94	105
Property, Plant and Equipment	176,139	172,822	167,508	167,933	166,022	168,532	179,747	178,566	179,267	176,524
Infrastructure	520,914	529,351	524,935	531,206	525,451	521,497	530,361	526,755	523,499	541,764
Total Non-Current Assets	697,470	702,498	692,708	699,323	691,620	690,132	710,202	705,419	702,860	718,393
Total Assets	715,823	718,684	708,606	716,478	708,447	705,687	724,996	719,844	715,918	732,896
LIABILITIES										
CURRENT LIABILITIES										
Payables	4,248	4,190	4,296	4,375	4,471	4,653	4,765	4,917	5,154	5,262
Current Portion of Long Term Borrowings	4,596	4,745	4,789	4,798	4,317	4,339	4,305	3,856	3,365	3,019
Provisions	4,756	4,827	4,921	5,015	5,109	5,250	5,391	5,532	5,674	5,815
Total Current Liabilities	13,599	13,761	14,005	14,188	13,896	14,241	14,462	14,305	14,193	14,096
NON-CURRENT LIABILITIES										
Long Term Borrowings	39,706	41,711	36,922	32,124	27,807	26,469	30,163	26,308	22,943	19,924
Provisions	9,199	9,353	9,509	9,665	9,821	9,980	10,139	10,298	10,456	10,615
Total Non-Current Liabilities	48,905	51,064	46,431	41,789	37,628	36,448	40,302	36,605	33,400	30,539
Total Liabilities	62,505	64,826	60,437	55,977	51,525	50,690	54,764	50,911	47,592	44,635
NET ASSETS	**653,319**	**653,859**	**648,169**	**660,501**	**656,922**	**654,997**	**670,232**	**668,933**	**668,325**	**688,261**


Debt Profile
50,000,000
45,000,000
40,000,000
35,000,000
30,000,000
25,000,000
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15,000,000
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5,000,000
0
2015 / 2016
2016 / 2017
2017 / 2018
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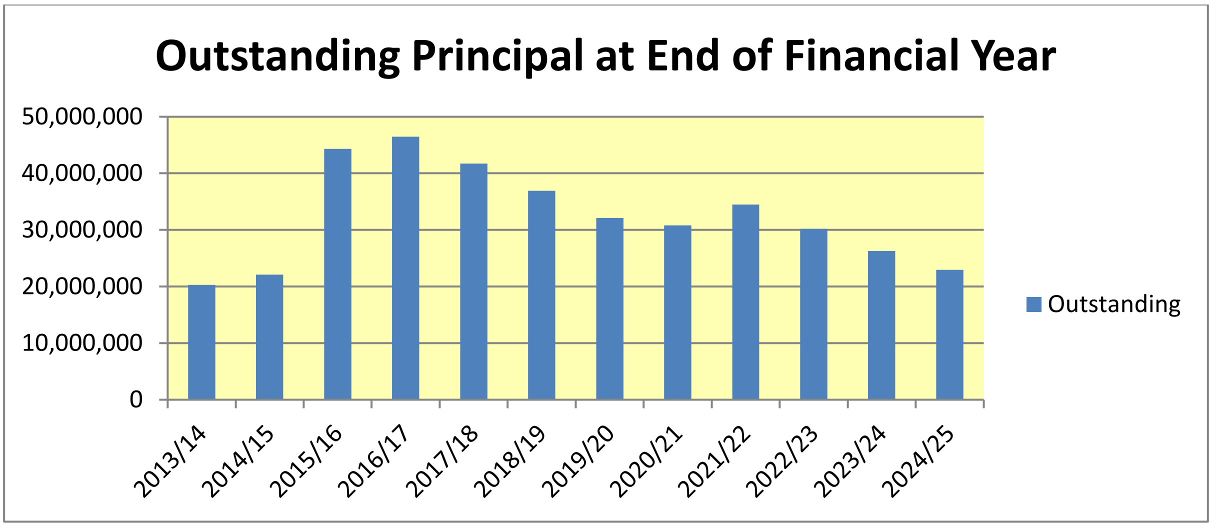
2021 / 2022
2022 / 2023
2023 / 2024
2024 / 2025
2025 / 2026
LTFP 2015



From the City's annual financial statements, provided with the 2014-15 annual report, attached to the agenda for this meeting, the following key indicators can be drawn:

Borrowing balances at 30 June 2015:

Current Borrowings	$ 3,034,459
Non-Current Borrowings	$19,093,956
	$22,128,415

Debt to Equity Ratio $22,128,415 / $833,959,732 = **2.65%**

This ratio indicate that the City has a ***very strong Balance Sheet***, with very low levels of leveraging.

Combined with consistent maintenance of the debt servicing ratio at below 10%, the facts indicate prudent management of Debt by the Council.

Importantly – the City uses debt funds where possible to gain access to Government Grant funds that typically require matching funds from Council.

For example, for the Karloo/Wandina project, the City received some $9M from the Commonwealth and about $13M from Royalties for Regions- funds that the Council did not need to raise from Ratepayers.

The Long Term Financial Plan projects reduction of debt levels across the coming decade, as old debt is retired, and levels of new borrowings are restrained.

Sean Hickey – PO Box 2966, Geraldton WA 6530

Question 1
Will the Geraldton Community-The Greater Geraldton Community be likely to see the natural environment -our Coastal Environment of Sandy Dunes and Beaches be the primary and key component of the Strategic Community Plan?

What planning will allow this to happen. Indications of present day planning seems to suggest that the Coastal Environment will never be the KEY CONSIDERATION in the terms of best practice to protect it. ?

Response
The natural environment is very important to the Geraldton Community and to the City. The natural environment contributes to the social amenity of the region. To reflect this high value, the environment is one of the five pillars of the City's Strategic Community Plan. The plan focusses on environmental projects such as revegetation-rehabilitation-preservation, reduce-reuse-recycle, renewable energy and sustainability. The Council is required to review it Strategic Community Plan in 2016 and protecting our natural environment will be one of many issues that the Council will need to consider as part of the review. So the coastal environment is a key consideration for the City.

In answer to the question regarding what planning will allow this to happen, the City's recently approved its Local Planning Strategy (LPS) which has a specific action "Ensure land use decision making is based on the best available science regarding coastal processes and the need for adequate setbacks".

Question 2
Reading the Annual Report. The Mission Statement, The Vision and the Value Set all strike a cord. But when I think of our natural coast. I know that this Natural Resource is more than overlooked. It is very neglected, with clear indication of degradation of its natural best. When we have our' Tip Site' and Car parks having a listed-around Million $$'s worth and Our Coast have no formal worth I see a problem.

The question is WHY is it not our PRIMARY asset. The Region has many attributes but the COAST is the point of difference. Without the Coast there would be little reason to choose to be here. Undoubtedly it is the asset above assets.

Yet it doesn't have a budget, it is not listed as an asset. Yet call it a residential or hotel site and it all changes.

If it doesn't have a recognised value, a formal budget it will be UNDERVALUED and neglected - and it is !

Development too close and on flattened dunes continues (try Sunset and Glenfield for starters) 'even in these ' climate changing times'.

Isn't it about time to formally value what we are privileged to have?? And a time to stop the full scale development going on on our northern beaches??

Response
As provided in the response to your first question, the City and the Geraldton Community place a high value on the region's natural assets including the foreshore areas. There are strict accounting standards that the City must comply with when preparing its financial statements. As the foreshore is a reserve and not owned by Council, a financial or monetary value cannot be attributed to the foreshore in the City's financial statements. Whilst a monetary value is not applied to our foreshore, that does not mean the City places no value on it. This "intangible" asset has enormous value to our community and way of life.

Whilst we are prevented on putting a value on our natural assets we do make budgets for their preservation in the same way that we do for all of our other infrastructure assets.

In relation to coastal development, the final setback decision is made by the W.A. Planning Commission in accordance with State Planning Policy.

Question 3
I understand Council is awaiting a new study/report to unfold before it commits to making recommendations on building and infrastructure setbacks away from our beach shorelines??

I for one wonder why this delay is needed given the information available through the likes of the Worley Parsons 2010 Coastal Study/report with set backs already being recommended amongst others for the Sunset Beach area.??

Certainly the Council Values of 'Service, Trust, Accountability, Respect and Solidarity come to mind when I try to decipher this delay.
Why is the Glenfield development steaming ahead, with more to follow. We all know the inherent value of natural beaches and dunes--Is this going at a great rate because studies already show reasons not to develop so close to the coast ??

Response
With reference to the response provided to your second question, the final setback decision is made by the W.A. Planning Commission in accordance with State Planning Policy. The City has no influence on this decision.

Development of the past was progressed in accordance with previous state planning policies with regards to coastal setback. The Worley Parsons report was not based on detailed modelling. It was based on a more simplistic empirical (formula) approach. Retrospectively applying current set back

policy to existing development is not practical, which is why the coast hazard management and adaptation approach is applied.
In accordance with the current State Planning Policy, the City has engaged coastal engineering consultants to undertake a coastal inundation study for the entire area between the Geraldton CBD and Drummond Cove. The study is underway. The outcomes of this study will inform any Coastal Hazard Risk Management and Adaptation Planning Assessments for existing developments. Importantly you will have the opportunity to participate in this process as part of our community consultation.

Question 4
Roads, Drainage and associated issues seemingly eat up $1 of every $ 2 of our revenue- Capital Expenditure in this area a whopping 47+ %. How can the rest of our needs be met in a sustainable way if these percentages continue?

How much more could be achieved without this burden?

Why do we persist with urban sprawl, roads and other development. Time, money and resources are absorbed when they could be better spent on social, cultural, economic and environmental needs in a far better sustainable way.

Will the review and renewal of the overall Strategic Development Plan consider and change the direction of the development model- the bland, wasteful, inequitable and poorly functioning linear suburban sprawl.
Will this unsustainable model be ditched and so release benefits too many to mention, but already noted in the project 2029 and Beyond by Council.

Why can't we act now before the sprawl eats up all our natural coastal land and continues to give nothing but little boxes and empty hot roads.
If Real Estate values are copping significant price drops because of the mining downturn, then over development is entrenching the problem. Jobs for who and losses all over.

It's more than time to ditch this model of build it and 'they will come ' Because life for those of us here and the Council has become a whole lot harder. Will we ditch the sprawl and the 'build the boxes and they will come model ???.

Response
Existing transport infrastructure such roads and paths have a replacement value in the order of $700M. This infrastructure needs to be maintained and renewed when necessary to ensure public safety, and to ensure the liveability of the City is maintained. Unfortunately, this requirement attracts a significant component of the City’s budget.

The project evaluation methodology for the City’s Capital Works Priority List (CWPL) was developed from the ground up by a specially-assembled community panel that was demographically-representative of the Greater Geraldton community. This panel established the criteria to ensure that social, cultural and heritage merit was given consideration with capital project proposals. Council has endorsed this criteria and it is now used to prioritise projects and inform the capital works program that is presented to Council. Unfortunately, there are growth, statutory and safety related projects (i.e. “must do’s “) that sometimes need to take priority over the “nice to have” projects. Examples of these are the Animal Management Facility and the Abraham St/Horwood Rd roundabout. There is an Annual Program for Natural Areas to “Protect, conserve, regenerate priority natural areas assets to manage natural areas according to local biodiversity strategy and Council policies” that is No. 6 on the Capital Works Priority list.

Question 5

Surely funds raised through State and Commonwealth would be much better spent on purchasing land /coastal dune land to offset close to the coast development. Rather than the practice of seeking assistance from the likes of Royalties for Regions and The Department of Transport for money aid to 'fix' coastal erosion and protect built assets? Explain how Sustainability planning must avoid the problems of today, seen so much along our developed Coast

Response

The City’s Community Vision is to sustain a population of 80,000 – 100,000 and this vision underpins the land use planning framework in the recently approved Local Planning Strategy. This preferred growth scenario is a direct result of the community’s input into the *Designing our City Enquiry by Design Forum* in 2011. This has resulted in the establishment of an urban growth boundary within which the target of 100,000 population can be accommodated.

I am not aware of any funding source available to purchase land for environmental purposes. Regrettably, the focus of funding of most grants is now on job creation, population growth, and economic development.

Mr P Melling, Director of Development & Regulatory Services, advised at the meeting that he would provide links to documentation on coastal planning; policy and studies, which are provided below:

- State Coastal Planning Policy (used to set the setback determinations for Sunset Beach & Glenfield Beach):
  http://www.planning.wa.gov.au/dop_pub_pdf/SPP2.6_Policy.pdf

- State Coastal Planning Policy Guidelines:
  http://www.planning.wa.gov.au/dop_pub_pdf/State_Planning_Policy_No__2_6_State_Coastal_Planning_Policy_Guidelines.pdf\

- Coastal, hazard risk management and adaptation guidelines (CHRMAP) and being used for Point Moore to Drummonds studies:
  http://www.planning.wa.gov.au/dop_pub_pdf/CHRMAP_Guidelines.pdf

- Coastal Vulnerability documents:
  http://www.planning.wa.gov.au/674.asp

- This links to the research and background material utilised by the W.A. Planning Commission in policy formulation:
  http://www.planning.wa.gov.au/dop_pub_pdf/CVA_WA_list.pdf

Public Question time concluded at 6.23pm

5 CONFIRMATION OF MINUTES OF PREVIOUS ANNUAL ELECTORS MEETING – as circulated

RECOMMENDED that the minutes of the Annual Electors Meeting of the City of Greater Geraldton held on 3 February 2015 as previously circulated, be adopted as a true and correct record of proceedings.
http://www.cgg.wa.gov.au/council-meetings/22/annual-meeting-of-electors

MOTION
MOVED CR CAUDWELL, SECONDED CR FREER
RECOMMENDED that the minutes of the Annual Electors Meeting of the City of Greater Geraldton held on 3 February 2015 as previously circulated, be adopted as a true and correct record of proceedings.

CARRIED

6 REPORT FOR 2014/15 – CITY OF GREATER GERALDTON

RECOMMENDATION
That the City of Greater Geraldton Annual Report and Annual Financial Report for 2014/2015 be received by Electors.

MOTION
MOVED CR THOMAS, SECONDED G MIDDLETON
That the City of Greater Geraldton Annual Report and Annual Financial Report for 2014/2015 be received by Electors.

CARRIED

7 CLOSURE

There being no further business the Chairman closed the Electors Meeting at 6.24pm.

APPENDIX 1 – ATTACHMENTS

Attachments are available on the City of Greater Geraldton website at: http://www.cgg.wa.gov.au/council-meetings/90/annual-meeting-of-electors