



City of
Greater Geraldton
a vibrant future



ANNUAL REPORT 2018-2019



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WELCOME

Located 424 kilometres north of Perth with a thriving population of over 38,000 - Greater Geraldton has been named one of Australia's regional capitals. The City and the Mid West Region 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 Mid West region.

With the best of coastal and rural living, and the 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 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 town of Mullewa, which lies 98kms north east of the City, and the Greenough settlement located 24kms south of Geraldton.

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.

MAYOR'S FOREWORD



Dear Ratepayer,

This year's operating surplus of \$550,758 delivers on our commitment of building a financially sustainable City that seeks to serve today while building tomorrow.

Legacy Projects

Like last year, we have again targeted legacy projects that have been long overdue and we can pretty much say we have caught them all up.

Beresford Foreshore Amenity Works

The final pieces of Beresford foreshore were completed this year, which focused on providing world class amenity right on our doorstep.

Beresford foreshore amenity works were completed marking the conclusion of a game changing project that not only protects our coastline but also provides an incredible lift in the level of community facilities.

Airport

The Geraldton Airport runway has been resurfaced and lengthened, providing not only a fit for purpose runway for today, but runway designed for growth into the future.

Animal Management Facility

The dilapidated set of pounds have finally been modernised and built into a single site, delivering better animal welfare and operational efficiencies.

Lighting Towers

A number of ovals around Geraldton have brand new LED lights installed, after the old lights were deemed unsafe and unusable. Switching to LED also saves local clubs a great deal of money.

Free Parking

We rolled out a review of parking this year, removing parking meters from our CBD heart, and extending the amount of time people are allowed to stay in a new streamlined parking system.

Meru

The new cell 5 has been built which will allow Meru to continue taking waste for the next seven years, during which time the City, aided by a trial of organics recycling, will be looking at ways to reduce waste going to landfill.

Chapman River Bike Trails

A new mountain bike and walking trail around the Chapman River was completed as well as the pump and jump track at Spalding Park.

Olive Street

The City's longest legacy project dating back nearly 60 years was concluded with the construction of the WW1 Memorial at Mahomets.

State Emergency Services Building

A brand new facility to house the wonderful SES crew was recently completed. A long overdue upgrade for a vital service.

Coastal Protection Works

We have commenced delivering practical responses to the CHRMAP process by install sandbag groynes at Drummond Cove with positive results and we will be looking at a similar solution for Sunset Beach this year.

Extended Trading

Last financial year saw the permanent designation of metro trading hours here in Geraldton to stimulate broader local economic activity by activating business precincts.

Rocks Laneway

The Rocks Laneway project is now complete, creating a central heart for the mall and continuing our work to have the CBD embrace the water once and for all, whilst still nurturing a strong civic heart in the mall precinct.

Other Initiatives

We renewed over 5.8km of footpaths, 16km of sealed roads and 47km of unsealed roads. We welcomed 92 new citizens, awarded \$150,000 to community groups, and continued running community events and festivals and all the while balancing the budget.

Tourism and the New Geraldton

Getting the State Government to realise the tourism potential of the Abrolhos has been a big win for us and we are grateful for a commitment of \$10million dollars in coming years and the declaration of the Abrolhos Islands National Park. I have been impressed with the amount of new and growing tourism ventures coming online in Geraldton.

The Future

The financial year 2019/20 Budget is all about consolidating all the great work this Council has achieved over the last four years of my term. Looking well into the future with surpluses every year out, and rates essentially pegged to inflation, we are really in a strong position to continue building this great City. Being an election year, I hope to see you all again for the next four years and I sincerely thank my Council for being a truly wonderful team to work with.

Yours sincerely



Shane Van Styn
Mayor, City of Greater Geraldton





MESSAGE FROM THE CEO

It's very satisfying to look back at the previous financial year and reflect on the projects that have been completed. While there has been many 'big ticket items' finished in terms of legacy projects, we've also continued to reach our suburbs with many community minded components, and we've done all of this while injecting significant funding into the local economy and keeping rates at a minimum. Financial sustainability remains a very important focus and we will continue our strong emphasis on asset renewal.

Two of the bigger transformational projects are officially complete and I am over the moon to have received extremely positive feedback about the impact they are having in our community.

Firstly, Beresford Foreshore is complete and is another award winning and world-class feature on our coast. As well as offering protection to our coastline, it also offers great levels of amenities to our community members. Safe to say – Beresford Foreshore has been a real winner in the community and very much embraced since opening.

The highly anticipated Rocks Laneway has also officially opened and is another way we are activating local business as well as focusing on revitalisation and vibrancy in our CBD.

Erosion remains a hot topic but I am pleased to see our recommendations as part of the Geraldton Coastal Hazard Risk Management and Adaptation Plan are proving successful for Drummond Cove.

While they might not be as forward facing to the community, we have also welcomed a new cell at Meru Landfill, a new SES Building, a new modernised Animal Management Facility and an extended airport runway.

Many local sporting clubs have received new lighting towers and as always, road and footpath renewals, particularly in the suburbs remain a big focus.

The future of tourism in Geraldton is emerging and growing, especially with the Abrolhos Islands being declared a National Park. As a region – we look forward to more tourism development.

Future projects which will have massive positive benefits to our community include the trial for kerbside collection of food organic and garden organic waste, implementing the Cycle Strategy and looking at Integrated Transport Strategy update.

I'd like to thank the Mayor and Councillors for their cooperation and support and acknowledge the professionalism and commitment of all City management and staff whose dedication to the community is unwavering.

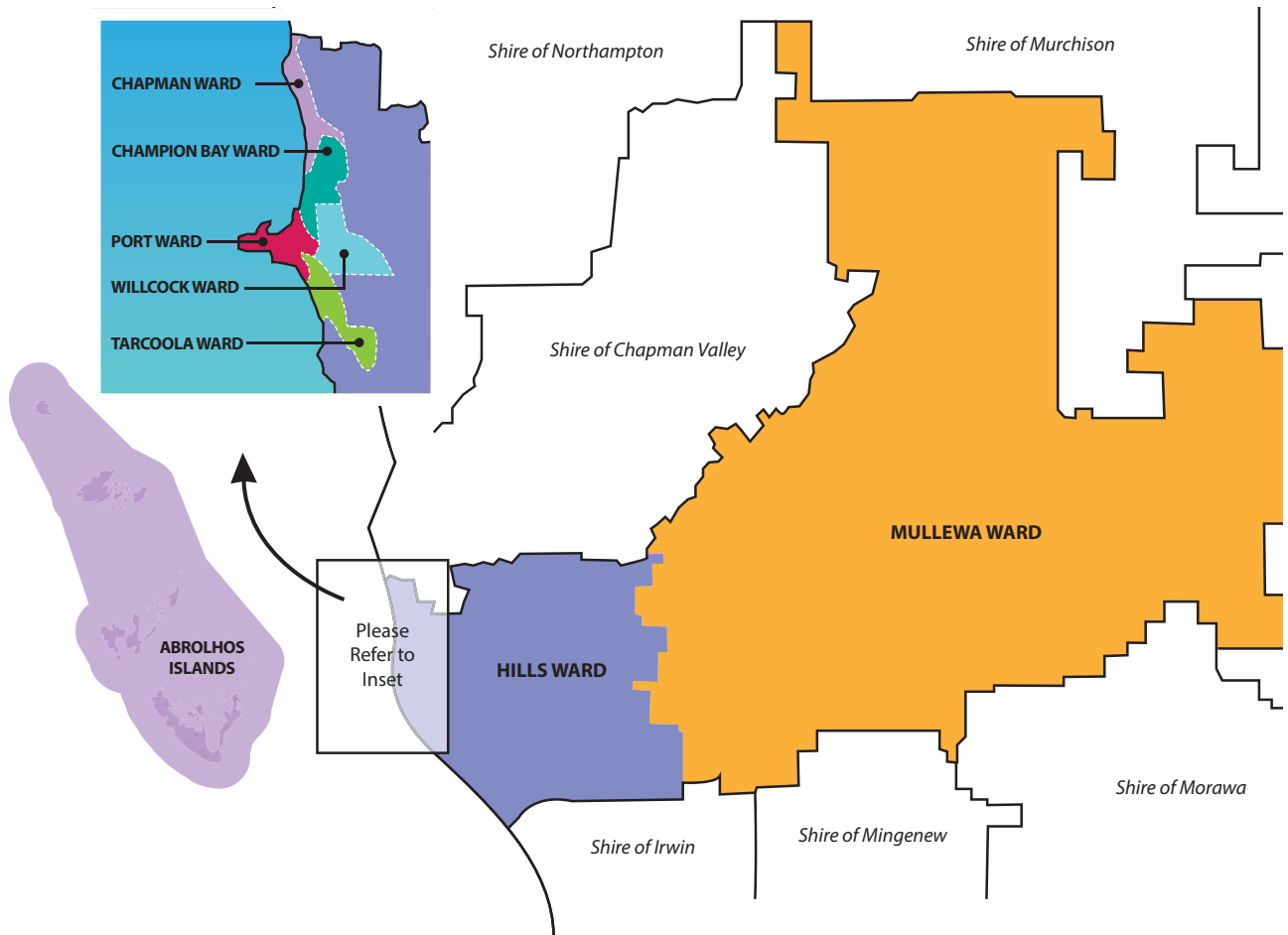
While the coming financial year is described to be, 'business as usual', I look forward to the exciting and bright opportunities arising for our wonderful community.

Yours sincerely

A handwritten signature in white ink, appearing to read 'Ross McKim'. The signature is stylized and somewhat abstract, with several overlapping lines and loops. It is positioned above the printed name and title.

Ross McKim
CEO, City of Greater Geraldton

WARDS



WARDS

CHAPMAN

- Beresford (part)
- Bluff Point
- Drummond Cove
- Glenfield
- Spalding (part)
- Sunset Beach
- Waggrakine (part)
- Abrolhos Islands

CHAMPION BAY

- Beresford (part)
- Spalding (part)
- Wonthella (part)
- Geraldton (part)
- Webberton (part)

TARCOOLA

- Karloo (part)
- Mahomets Flats (part)
- Mount Tarcoola (part)
- Rangeway (part)
- Rudds Gully (part)
- Tarcoola Beach
- Wandina

PORT

- Beachlands
- Geraldton (part)
- Mahomets Flats (part)
- Mount Tarcoola (part)

WILLCOCK

- Karloo (part)
- Narngulu (part)
- Rangeway (part)
- Utakarra (part)
- Wonthella (part)

HILLS

- Bootenal
- Burma Road
- Deepdale
- Ellendale
- Eradu South
- Greenough
- Kojarena
- Minnenooka
- Moresby
- Narngulu (part)
- Rudds Gully (part)
- South Greenough
- Tibbradden
- Waggrakine (part)
- Wicherina
- Wonthella (part)
- Bringo
- Cape Burney
- East Chapman
- Eradu
- Georgina
- Karloo (part)
- Meru
- Moonyoonooka
- Mount Hill
- Northern Gully
- Sandsprings
- Strathalbyn
- Utakarra (part)
- Walkaway
- Wicherina South
- Woorree

MULLEWA

- Ambania
- Devils Creek
- Mullewa
- Nuniera
- Pindar
- Tenindewa
- Tardun
- West Casuarinas
- Wongoondy

COUNCILLORS



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

Mayor S Van Styn		Term expires 2019
Cr N McIlwaine (Deputy Mayor)	Tarcoola	Term expires 2019
Cr R D Hall	Port	Term expires 2019
Cr V Tanti	Port	Term expires 2021
Cr S Elphick	Willcock	Term expires 2021
Cr G Bylund	Champion Bay	Term expires 2019
Cr S Keemink	Willcock	Term expires 2019
Cr T Thomas	Mullewa	Term expires 2019
Cr L Freer	Chapman	Term expires 2019
Cr J Critch	Mullewa	Term expires 2021
Cr S Douglas	Champion Bay	Term expires 2021
Cr D J Caudwell	Chapman	Term expires 2021
Cr J Clune	Hills	Term expires 2021
Cr M Reymond	Hills	Term expires 2019
Cr N Colliver	Tarcoola	Term expires 2021

*Note: At the Ordinary Meeting of Council on 23 October 2018 Council endorsed to remove the ward system which was subsequently approved by the Minister on 18 January 2019.

MEETING ATTENDANCE

Councillor	Appointed	Term Expires	Ward	Council Meetings Attended	Agenda Forums Attended	Concept Forums Attended	Special Concept Forums	Special Council Meetings Attended	Electors Meeting	SPECIAL Electors Meeting
Mayor S Van Styn	2015	2019	N/A	12	10	10	0	0	1	0
Cr N McIlwaine (Deputy Mayor)	2015	2019	Tarcoola	9	9	9	0	0	1	0
Cr D J Caudwell	2013	2021	Chapman	11	6	11	0	0	1	0
Cr J Critch	2013	2021	Mullewa	12	10	9	0	0	1	0
Cr S Douglas	2013	2021	Champion Bay	10	9	8	0	0	1	0
Cr R D Hall	2011	2019	Port	6	9	10	0	0	0	0
Cr S Keemink	2013	2019	Willcock	11	8	12	0	0	1	0
Cr V Tanti	2013	2021	Port	10	10	11	0	0	1	0
Cr T Thomas	2011	2019	Mullewa	9	9	11	0	0	0	0
Cr G Bylund	2015	2019	Champion Bay	11	10	10	0	0	1	0
Cr L Freer	2015	2019	Chapman	11	9	10	0	0	1	0
Cr M Reymond	2015	2019	Hills	11	10	12	0	0	1	0
Cr N Colliver	2015	2021	Tarcoola	12	11	13	0	0	1	0
Cr S Elphick	2017	2021	Willcock	11	11	12	0	0	1	0
Cr J Clune	2017	2021	Hills	11	12	14	0	0	1	0

Between 1 July 2018 and 30 June 2019 the City held the following meetings:
 12 Council Meetings, 12 Agenda Forums, 14 Concept Forums, 0 Special Concept Forums, 0 Special Meeting of Council, 1 Electors Meeting, 0 Special Meeting of Electors.

CITY SNAPSHOT

COUNCIL STATISTICS

Distance from Perth	424km	Length of Sealed Road	834km
Land Area	9,889km ²	Length of Unsealed Road	1,282km
Suburbs / Localities	56	Estimated Population	Over 38,000
Electors	26,413	Primary Schools	18
Employees	283	Secondary Schools	6
Building Permits Processed	957	Higher Education	2
Planning Applications Received	258		

CITY VISION

A prosperous, diverse, vibrant and sustainable community

CITY MISSION

Serving today while building tomorrow

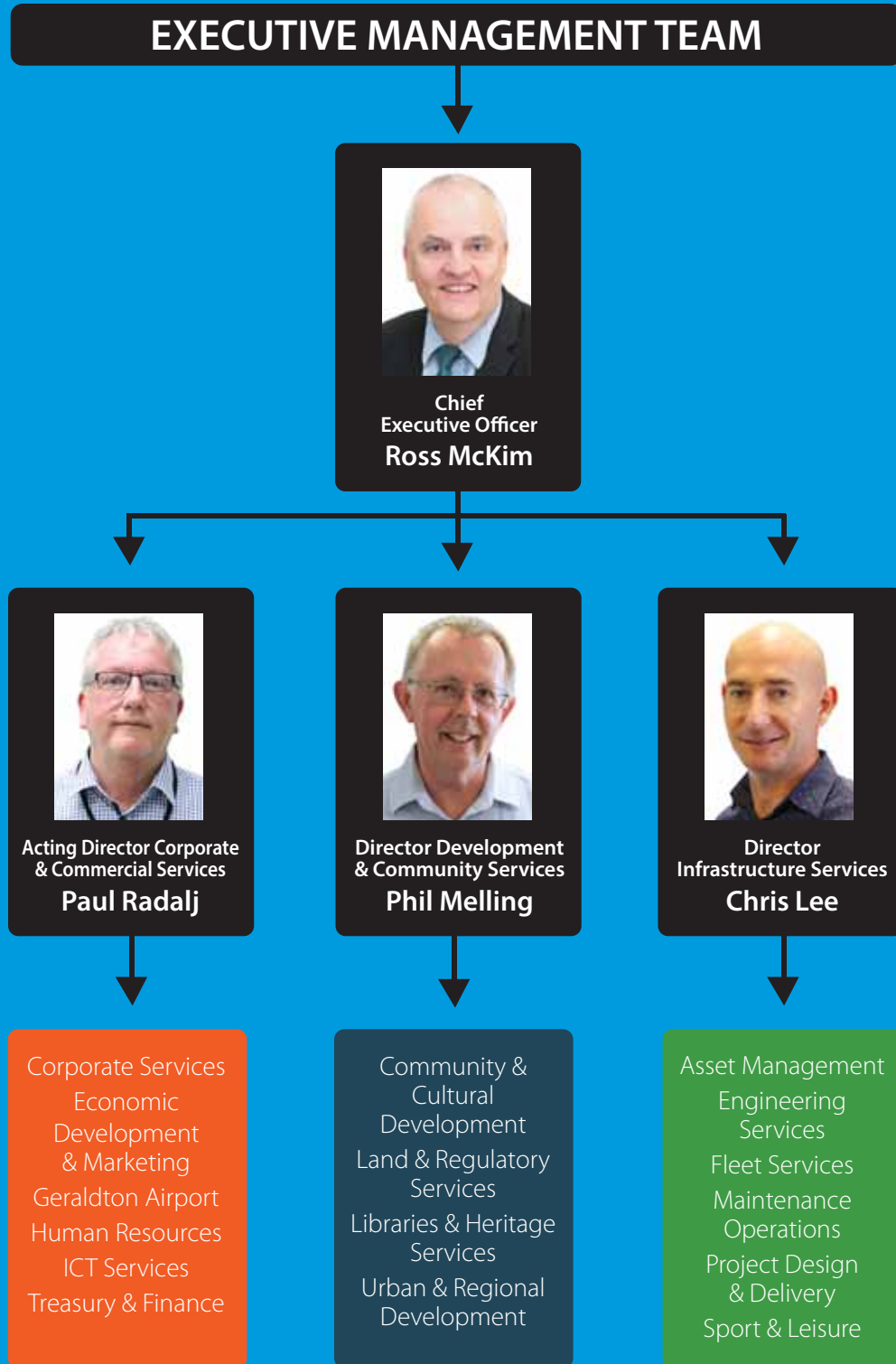
CITY VALUES

Service | Trust | Accountability | Respect | Solidarity





ORGANISATION STRUCTURE





INFRASTRUCTURE SERVICES

Beresford Foreshore Enhancement Project

The Beresford Foreshore Enhancement Project followed the successful completion of the Beresford Foreshore Coastal Protection works. The Project provided landscaping along the 1.8km long Foreshore, public facilities and the replacement of amenities lost to coastal erosion.

The enhancement designs were developed in close consultation with the community through a survey and a number of workshops. The detailed designs included their top priorities for the Foreshore which involved upgrading the shared coastal cycle path to a promenade, planting more trees and shrubs, and installing more shade structures, seating and tables.

The \$19.31 million Beresford Foreshore Coastal Protection and Enhancement Project was jointly funded by the State Government Royalty for Regions (project managed by the Mid West Development Commission) and the Mid West Ports Authority with the City contributing \$1.8 million in funding towards amenities.

Construction of the Animal Management Facility

The construction of the Animal Management Facility (AMF) commenced in August 2018 and was officially opened in June 2019.

Built by local contractor Crothers Construction Pty Ltd, the new \$1.64 million AMF has the capacity to temporarily house up to 50 dogs and 20 cats, includes an animal livestock yard and features a separate space to quarantine animals.

The facility has individual dog and cat holding units constructed to Royal Society for the Prevention of Cruelty to Animals (RSPCA) guidelines. The building provides an efficient and more comfortable environment with the design of the building being a functional space for both staff and animals. The building is well lit, well ventilated and secure in accordance with the RSPCA guidelines.

The building also contains a seating area for members of the community waiting to pick up their pets or animals and an office administration area that enables Rangers to better manage animal activities.

Coastal Hazard Risk Management and Adaptation Plan (CHRMAP)

In November 2018, Council adopted the draft CHRMAP Report along with recommendations to undertake additional studies and to seek formal advice from the State Government in respect to funding coastal protection works.

The geophysical study of the northern shoreline is the first of its kind and will be followed by an overland flood study of the CBD, coastal monitoring of the beach at Drummond Cove and investigating medium-term coastal adaptation options at Sunset Beach.

Once the results of these investigations are received and we have a better understanding of the State Government's position regarding funding of coastal protection works, the City can begin Stage 3 in the process of adapting to coastal erosion and inundation which involves developing a Local Coastal Planning Policy.

Geophysical survey works were carried out between Bluff Point and Drummond Cove in February 2019. These works were funded via the 2018/19 CHRMAP Adaptation Measure Budget.



ACHIEVEMENTS 2018/19

Chapman River Mountain Bike Trail

The Chapman River Mountain Bike Trail was officially opened in October 2018. The construction of mountain bike riding facilities in the Chapman River Regional Park began in early March 2018. With the official opening of mountain bike tracks and trail in the Chapman River Regional Park, the City has become part of Western Australia's growing mountain bike trails network.

The 11km long loop trail along the Chapman River now joins the ranks of other trails located within Kalamunda and Bramely National Parks and the State Forrest in the Perth Hills.

The formalisation of the existing loop trail and construction of jump lines, a pump and jump track and skills track will help meet the growing demand for unique riding experiences whilst benefitting the local community.

To ensure the formalisation of the loop trail through the heart of the Chapman River Regional Park is environmentally sustainable and enhances the current environmental, cultural and heritage values of the Park - the City worked closely with Chapman River Friends, Traditional Owners and the Geraldton Mountain Bike Club to finalise the project designs.

The trail along the Chapman River and the tracks in Spalding Park are now supporting the growth and diversification of the state's tourism industry whilst providing health outcomes for our community and boosting our local economy. As the demand for diverse mountain bike riding experiences continues to grow, Geraldton is now able to offer riders the quality trails and facilities they have been looking for north of Perth.

Construction of the Chapman River Regional Park Mountain Bike Trails project was jointly funded with the State Government's Regional Grant Scheme managed by the Mid West Development Commission contributing \$235,500, Lotterywest \$65,000 and the City providing \$49,000 towards project delivery.

State Emergency Services (SES) Building

The new modern facility featuring an administrative building, shed, garage and training tower was officially opened by Minister for Emergency Services Hon Francis Logan MLA in July 2019.

The new \$1.8 million state-of-the-art SES facility will improve response times, act as a back-up incident control centre when necessary and encourage closer collaboration between emergency services.

Construction of the \$1.8 million facility, was 100% funded by the Department of Fire and Emergency Services (DFES), and construction was undertaken by local contractor Geraldton Building Services and Cabinets.

The City of Greater Geraldton provided the land to DFES for the project and also managed the design and construction.





ACHIEVEMENTS 2018/19

Meru Cell 5

The existing landfill footprint, Cell 1 to Cell 4, at the Meru Landfill Facility are filling rapidly, and a new landfill cell was required. In 2018, the City of Greater Geraldton appointed WBHO to construct a new landfill cell (Cell 5).

The work started in December 2018 and was completed in August 2019. The work consisted of:

- Upgrade of the septage pond
- Civil works
- Double layer environmental barrier liner
- Leachate pond

The total cost of the project is \$4.8 million. The expected life expectancy of Cell 5 is seven to eight years with an overall capacity of 560,000m³.

The construction of the new fully lined cell or pit, featuring a pump system to remove liquid waste to a pond where it can evaporate, will allow the community to continue to dispose of waste into the future after the current disposal cell is full.

Greenough Oval and Alexander Park tower lighting renewals

This \$1 million project included the installation of four, 30m tall light towers at Alexander Park and four, 30m tall light towers at the Greenough Oval supplied and installed by local company Elite Electrical Contracting. The renewal now ensures these facilities are compliant with current Australian standards and will assist the local club competitions in providing evening and night time training.

Rocks Laneway

The Rocks Laneway Project is the first cab off the rank in the revitalisation of the city centre. The project not only creates a major new pedestrian connection between the CBD and the Foreshore, it features spaces for year round community events and activities, including opportunities for local artists to exhibit and perform. This sequence of activated spaces is stitched together with a bold metagraphic by renowned artist Trevor Richards that references Geraldton wildflowers (pink, yellow and white) on a background of green sea grass. This visually striking feature will attract visitors, bring locals back to the city centre and encourage longer visitation both day and night.

The project also includes the creation of a Town Square and 'Ghost Office' and upgrades to the Post Office Lane featuring public art spaces and bespoke seating.

Olive Street WWI Memorial

In August 2018, the City's oldest legacy project came to an end with the opening of the Leonard T Green Memorial Park on Olive Street. The project began in 1961 when Frank Green Sr. gifted land in Mahomets Flats to be used for recreational purposes, requesting a memorial be created on the land that recognised his son Leonard T. Green and commemorating other citizens of the Geraldton district who lost their lives in World War I.



CORPORATE & COMMERCIAL SERVICES

Green Energy (solar) Initiatives

LED solar luminaries are now lighting the way at Pages Beach, Point Moore and the Queens Park Theatre Forecourt. The rollout of solar lighting in public spaces demonstrates our commitment to sustainability and innovation whilst saving energy costs.

Solar PV Incentives

The Aquarena is set to reduce its electrical consumption through the installation of a solar PV system: 160kWdc / 120kWac inverter capacity in 19/20. Design and feasibility assessment works were carried out in 18/19 that confirmed the viability of the project through forecast arrival savings on our energy bill of around \$50,000 per annum and a full return on investment within six years. The Geraldton Regional Library underwent the same design and assessment works in 18/19 which will see the installation of an 80kW solar PV array system in 19/20 – expected annual savings on energy of \$22,000 per annum and with a similar full return on investment as the Aquarena.

Recreational Vehicle (RV) Strategies

The Recreational Vehicle Strategy was reviewed to encourage RV travellers to stay in Geraldton for longer, explore the city and spend more. Council adopted three new Recreational Vehicle Strategies which guides the provision of 24-hour free parking, daily parking and access to facilities at Francis Street Carpark, Point Moore and Drummond Cove.

China Investment and Tourism Promotion

The China Connect website was developed and launched during the year. The website is an online interface created to increase trade and tourism between the two countries. This website works in conjunction with the very successful marketing of Geraldton as a tourism destination on China's social media and to tour operators and wholesalers.

Ward and Representation Review

At the Ordinary Meeting of Council on 23 October 2018 the City of Greater Geraldton Council, pursuant to clauses 9 and 10 of schedule 2.2 and section 2.18 of the Local Government Act 1995, endorsed a request to the Local Government Advisory Board to make a recommendation to the Minister for Local Government for the discontinuance of the Ward System and appointment of 12 councillors.

The council decision was submitted to the Local Government Advisory board on 8 November 2018 and on 18 January 2019 the Minister for Local Government approved the recommendation of the Local Government Advisory Board to abolish the City of Greater Geraldton's current ward structure and to reduce the number of offices of councillor from 14 to 12.

Governor's orders for the discontinuance of the ward system and councillor numbers were gazetted on 9 April 2019, to take effect on the next Election Day which is 19 October 2019.

GERALDTON

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DIAL 000 FOR EMERGENCIES

ACHIEVEMENTS 2018/19

Airport Runway Upgrade

The recently completed upgrades to the Geraldton Regional Airport will pave the way to the long-term economic growth for the City region.

The \$24 million resurfacing and extension of the airport runway to 2400m is part of a long-standing plan to open the region to global markets. The upgrade will also allow for larger aircraft to be accommodated at the Geraldton Airport and provide an important whole-of-network role in Western Australia aviation, tourism and export industries.

In April, the Geraldton Airport was named as an alternative emergency landing site for international flights unable to land in Perth.

Construction on the \$24 million Airport Runway Resurfacing and Extension Project was undertaken by locally based contractor WBHO. The project was jointly funded with the Australian Government Building Better Regions Fund (BBRF) contributing \$10 million, the State Government Regional Airports Development Scheme (RADS) \$6.5 million and the City \$7.5 million.

Wayfinding Signs

A series of wayfinding signs were installed in the CBD to help visitors and residents in Geraldton find their way around a lot easier. Eight signs were installed featuring a colourful map of the city centre with relevant icons of landmarks, key destinations as well as pedestrian information and amenities. The wayfinding project was made possible with \$20,000 in funding from Round 4 of the Federal Government's Stronger Communities Programme.





THE TWITS
Read by the author
Friday 30 August 2019

Rhyme Time
Read by the author
Friday 30 August 2019

CHILDREN'S BOOK WEEK
STORY TIME
Read by the author
Thursday 29 August 2019

Reading is my
SECRET POWER

Help to the promotion of all subjects, we would appreciate it if you could bring books to donate and participate. Thank you.

Friends of the Generation Library
BOOK SALE

WILSON'S STRIP
Read by the author
Friday 30 August 2019

CHILDREN'S BOOK

CHILDREN'S BOOK WEEK

STRIP

Where's Wally?

WILSON'S STRIP

DEVELOPMENT & COMMUNITY SERVICES

Library Refurbishment

In May 2019, the Geraldton Regional Library received an exciting revamp, with new shelving installed to meet the growing needs of the collection. Old, well-worn shelving, some of it almost 50 years old, was repurposed to community groups, creating a safer, more accessible and brighter environment in the Library. Since relocating to Marine Terrace in 2010, the Library has remained a popular community space, with a wide selection of books, audiobooks, magazines, DVD's, plus children's activities, study spaces, meeting rooms, local history, free public computers and WIFI. In 2018/19 the Library had 226,451 customer visits, 16,316 members and loaned 126,619 physical items (does not include eResources).

Arts Engagement

The installation of the 4.5m high sculpture, Protective Memory, by Western Australian sculptor April Pine, in the grounds of the Geraldton Regional Art Gallery, paid homage to the iconic history of the site as a place to gather and celebrate the arts since 1907. In 2019 the Mid West Art Prize returned attracting 254 entries. Other local and travelling exhibitions included Spaced 2: Future Recall, The Alternative Archive: Truths, Myths and Legends of the Midwest, Brian McKinnon: My Story, and Louise Paramor's exhibition, Divine Assembly. In 2018/19 the Gallery saw 13,351 visitors, which was a 30% increase on the same period the previous year.

The Big Sky Readers and Writers Festival (Oceans of Opportunity) was held 13-16 June 2019, with some 33 sessions offered to the community. In 2019 the Festival focussed heavily on both Western Australian, Midwest and Indigenous writers, poets, artists and musicians, with special guests including Dr Anita Heiss, John Kinsella, Holden Sheppard, Dr Howard Gray, Paul Iskov and Michelle Johnston, among others. Attendance at the Festival continued to be strong, with solid growth by both visitors and locals in recent years (75% increase in attendance noted in 2018, figures maintained in 2019 – 1,621 in attendance). Other literary programmes coordinated by the Library included the Randolph Stow Young Writers Awards and Children's Book Week activities.

Heritage Matters

A heritage tourist drive trail known as the War Years Drive Trail was published both online and in hardback format, containing 42 pages of information and photographs. This drive trail covers some 200km across the Greater Geraldton region and invites visitors and locals alike to learn more about our region's long association with the military. Research into historical burials in Mullewa saw the creation of an online biographical index of 850 names dating from 1889-1987 and also sparked community movement for the renewal of the old Mullewa Pioneer Cemetery, whilst clean-ups took place at the Greenough Pioneer and Old Walkaway Cemeteries. Interpretive signage was renewed at the Bootenal Spring and donations to the Yamaji Yanda Photo Collection continued to be made available online via the Geraldton Regional Library catalogue. In 2018/19 the Heritage Services team at the Library received 458 enquiries and provided 216.75 hours of community research assistance.

Midwest Libraries Consortium

The Shire of Coorow joined the Midwest Libraries Consortium in September 2018. Other partner members include the Shires of Carnarvon, Dandaragan, Chapman Valley, Mingenew and Northampton. The Consortium went live in April 2017 and is the shared delivery of the SirsiDynix Library Management System, led by the City of Greater Geraldton.



ACHIEVEMENTS 2018/19

Events

The Events Team delivered over 17 City events and functions and assisted over 37 external event organisers to deliver their events, these included the WAFL game (East Fremantle vs Claremont) and the inaugural "Fight Night" which had an attendance of 800.

Christmas on the Terrace went from strength to strength, with an estimated attendance of 6,000 people. The largest amount of stall holders (120) lined Marine Terrace.

The second WoW Fest was delivered and a highlight was that all the accommodation in Geraldton was at full capacity over the Easter Weekend.

Over \$70,000 was received either through sponsorship or grants.

Mullewa Events

The Mullewa District Office together with the Mullewa community supports the annual Outback Bloom Wildflower Festival and Agricultural Shows, held in August. These events attracted 3,000 visitors to the town over a four day period in 2018.

Australia Day and Active Citizenship awards saw 150 Mullewa citizens enjoying the celebrations at the Mullewa Pool where a community breakfast is part of the festivities

The Mullewa Office assisted with the organisation of the Rural Family Fun Day and Welcome to Mullewa event in March. ANZAC Day was commemorated with a service followed by morning tea that was attended by more than 200 locals and visitors.

The Mullewa Muster and Rodeo event held in June attracts around 3000 locals and visitors. This is another community organised event supported by the Mullewa District Office that saw local accommodation providers and the Council caravan park booked out for the weekend.

The "Untamed" Community Art Sculpture Project has continued with construction workshops held in preparation for final installations in August 2019. The Jose St Gallery stage two community vibrancy project was installed in June in readiness for the tourist season.

Queens Park Theatre

The QPT successfully hosted over 70 shows and audience numbers continued to grow with over 27,000 patrons. The QPT continues to support local theatre practitioners with Euphorium Creative hosting their school holiday program at the QPT for the first time. They had over 120 participants, their largest audience to date.

Morning Melodies and Stage Door Pass, are both being well received by the community. Morning Melodies has provided older members of the community access to high quality entertainment during daylight hours.

The QPT has been engaged with a number of actors, stage designers, sound and lighting management as well as accomplished Director Chris Edmund to premier the production "Coast".



ACHIEVEMENTS 2018/19

QEII and Senior Programs

The QEII Seniors and Community Centre continues to deliver high quality programs and activities for the community of Geraldton. Since July 2018 another 11 programs have been added. These have included the highly popular Zumba and Walking Football. Both have attracted younger seniors and have been assisting the participants to increase their flexibility, core strength and overall fitness. The QEII Walking Footballers have competed twice against Geraldton's youth players developing the intergenerational side of the Centre.

A multicultural choir has been established which meets on Thursday evenings. The choir provides the opportunity for people from different nationalities to learn each other's languages through song. It is also a great opportunity to learn about and understand better each other's culture.

The QEII Centre has been proactive in hosting a number of presentations by organisations relevant to their members. Topics have included; MyGov; Dementia; My Health Record and Stay on Your Feet Injury Matters.

All of the above would not be possible without the tireless work of the 26 plus volunteers.

Youth Vibrancy Programs

In October 2018, 12 bands competed in the City of Greater Geraldton's second annual Battle of the Bands with the winner, RollerCoast going on to play at Australia Day, Nukara Music Festival and Fools Festival.

B-Sharp Music Studio was developed at the PCYC with funding from the Department of Communities Youth Friendlies Grant. The program is designed to enable young musicians to come together and develop their talents.

In April 2019, 2000 people attended the third annual Drug Aware Fools Festival during National Youth Week. Funding was secured from Lotterywest and Healthway.

During the year 3000 people attended the Sunset Yoga as part of the Rio Tinto-CGG vibrancy funding partnership.

Films on the Foreshore ran from August till May 2019 and screened 10 public films with funding secured from Panaceum.

School holiday programming took place for 12 weeks during the year with sporting workshops for children being well received.

The City sponsored two students from Geraldton Senior College as participants on the Leeuwin's Youth Explorer Voyages sailing adventure.



ACHIEVEMENTS 2018/19

Youth Diversionary Programs

The Mullewa Youth Centre has maintained its popularity throughout the year, providing cooking classes, art workshops, sports activities, fishing excursions and bike repair programs. It has secured on going funding from the Department of Communities.

A highlight for the Mullewa Youth Centre in 2018 was the back to country camping trip for young indigenous boys. Made possible with funding secured from WA Police Safer Communities Grant.

The U-Turn Project has returned an incremental decrease in juvenile offending across the city, with Friday night activities and school holiday workshops proving to be a successful diversion for opportunistic young offenders. Continued funding was secured from the Department of Justice.

Juvenile anti-social behaviour in the CBD on a Thursday night has been reduced with a CGG/PCYC partnership Safe Space program.

The U-Turn Project also coordinated the two week long Challenge Camps the first to Shark Bay and the second to Harvey in 2018, these were life changing opportunities to for young Aboriginal boys and their mentors. Funding was secured from WA Police Safer Communities Grant.

Reconciliation Action Plan

The City through its Reconciliation Action Plan continues to develop closer working relationships with the Aboriginal and Torres Strait Islander community. This has included:

- Coordinating the 2019 Reconciliation Week program which included a series of school visits by legendary Aboriginal singer, Phil Walleystack and community concert at the QPT.
- Coordinating and promoting NAIDOC week program of events.
- Representing the City on the Midwest Aboriginal Organisation Alliance (MAOA).
- Supporting MAOA in finding new office space.
- Assisting Bundiyarra with grant applications to further develop Aboriginal Tourism.

The City's Community and Aboriginal Liaison Officer has been visiting a number of schools delivering poetry readings and teaching the students about Aboriginal Culture.



PLANNING FOR THE FUTURE

PROJECTS CONTINUING IN 2019/20

Geraldton Airport construction project

Only two items remain outstanding. The diversion of Arthur Road which will allow full use of the runway's increased length and apron lighting.

All runway markings have been refreshed with some minor alterations to ensure Geraldton Airport can accept multiple types of large aircraft including A330, B787 and A340 jets. The new runway is slightly longer than that of Karratha Airport, one of the most significant airports in the North West.

Runway grooving was completed on time and the new surface provides excellent traction for aircraft, even in wet weather, as the grooves help remove excess water as well as providing friction contact for aircraft wheels.

Rocks Laneway

The Rocks Laneway project will be complete in September 2019, the project is part of the City Centre Revitalisation Plan.

Directly connecting the Foreshore with Chapman Road through the former Rocks building, the Rocks Laneway project is wrapped in a metagraphic by renowned artist Trevor Richards. Featuring a Town Square, 'Ghost Office' and an upgrade to Post Office Lane - the space will provide year round community activities and numerous opportunities for local artists to exhibit and perform.

Meru Cell 5

The construction of the new cell at Meru is due for completion in August 2019. The construction of the new Cell 5 and Septage Pond will allow the community to continue to dispose of Class 3 Waste (contaminated waste, asbestos and biosecurity waste).



PROJECTS COMMENCING IN 2019/20

HMAS Sydney Memorial - New Toilet Facility

In April 2019 the City received council approval to “Adopt the Smith Sculptors Concept Designs 3 and 3A as the preferred designs for the Memorial”. Budget has been provided for construction works that is to commence in 19/20.

Cathedral and Sanford Street Roundabout

The City has secured \$1.27 million in Federal Black Spot funding to build a roundabout at the corner of Cathedral Avenue and Sanford Street. This project will improve traffic safety and general flow of traffic in the area in alignment with CBD revitalisation plans.

The City has also receive State Government Blackspot funding to build a roundabout at the intersection of Durlacher and Maitland Streets. The design and relocation services have been included in the 2019/2020 Budget with construction planned for the following financial year.

Coastal Hazard Risk Management and Adaptation Plan (CHRMAP)

The City has progressed the detailed design work undertaken in FY1819 for a Geotextile Sand Container Groyne and Revetment at Triton Place, Sunset Beach. A contract is in the process of being awarded for the construction works. A coastal engineering consultant has been engaged for technical reporting for the project. The project is expected to commence in October 2019 and be completed by December 2019.

The City has engaged an experienced facilitator to undertake a Councillor Workshop on the development of a coastal adaptation Council Policy. This will take place on 5 October 2019.

The City has been successful in securing National Disaster and Resilience Program funding to undertake a detailed flood assessment for the Geraldton CBD and surrounds. The project will be managed by the Engineering Services Team. A consultant is in the process of being appointed. The project is expected to commence in October 2019.

Spalding Urban Renewal Program (SURP)

The City has been working closely with the Department of Communities, Department of Housing and the Spalding community in revitalizing the suburb. Projects will be identified following completion of the SURP report and community consultation.

COAST – Geraldton Theatre Production

The City will undertake a project to create an original theatre production reflecting the identity of Geraldton and supporting arts development in the community. Two years in the planning, COAST will premiere at Queens Park Theatre in October to an audience of nearly 400. Written by renowned scriptwriter Chris Edmund, the storyline followed a couple returning to Geraldton and their encounter with a young woman who provoked them to confront their own lives with local references including mentions of Randolph Stow, Greenough’s iconic leaning trees, the Batavia, Tin Heads and the HMAS Sydney.

COAST will create a lot of opportunities locally with Chris Edmund hosting a writer’s workshop, supply of set materials and technical expertise and occasions for local performing arts and community groups to engage with the actors.

Safe Active Streets

The City has secured \$1 million in funding from the Department of Transport for the Railway Street Safe Active Street project. The project scope is scheduled to run across the 2019/2020 and 2020/2021 financial years. This project will create a shared space connectivity along Railway Street and aligns with the local route hierarchy in the Geraldton 2050 Cycle Strategy.

THEATRE NORTH



DISABILITY SERVICES

The City has focused strongly on disability during 2018/19 with a number of programs having been developed and implemented with more exciting projects in the pipeline for 2019/20. These have included:

Passport 2 Employment. A seven week program which has taken 14 Year 11 and 12 students living with disability through the process of getting work ready. The program content has included workplace visits, health and wellbeing, CV and mock interviews and dress presentation

WA Police Legacy Wild West Bike Tour, Where There's a Wheel There's a Way Stage. This 25km stage from Northampton to Nabawa provided 6 people living with disability to participate in the stage raising much need funds for Police Legacy.

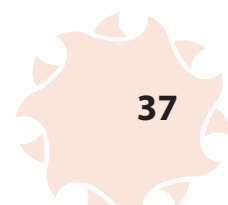
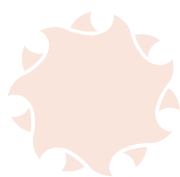
The City has taken on a young man living with autism who every Friday works around the various departments of the civic centre replenishing the photo copier and shredding. While the tasks may appear quite simple, it provides him with a purpose and sense of achievement.

The City has begun initial discussions with Access to Leisure and Sport (ATLAS) in developing disability tourism in and around Geraldton.

Memory Café. Working with one of Geraldton's cafes, the City will be establishing a memory café which will enable people living with dementia and their family members, a place to go and socialise in a safe environment. Many people living with dementia are isolated because of their condition, and a memory café can assist them in overcoming this.

The City was recognised for its excellence in access and inclusion by taking out the overall award for Regional Capitals Alliance Most Accessible Community in WA. As well as the Overall Most Accessible Community award, CGG also took home the Regional City category. The awards are aimed at Local Governments who best demonstrate their awareness of creating a universal-access environment. The judges criteria included:

- Improve accessibility of Council infrastructure and public open space;
- Inclusive communication technology and information initiatives;
- Accessible and inclusive Council services, programs and events;
- Exercises leadership and influences community attitudes and perceptions.



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.

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 of Greater Geraldton 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 the State and Local Government more accountable to the public.

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

During 2018/19 the City processed a total of eight Freedom of Information applications, with an average of 31 days to complete each application. The eight 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; and
- Waste Operations.

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 of Greater Geraldton, in accordance with s5.120 of the Local Government Act 1995, does not have a designated Complaints Officer and the Chief Executive Officer fulfills 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 as defined under s5.110 (6) (b) or (c) of the Act for the period ending 30 June 2019.

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 \$100,000 or more.

SALARY BAND		NUMBER OF EMPLOYEES	
\$ From	\$ To	2019	2018
100,000	109,999	14	10
110,000	119,999	4	3
120,000	129,999	4	1
130,000	139,999	6	4
140,000	149,999	1	2
150,000	159,999	1	-
160,000	169,000	1	-
170,000	179,000	1	1
190,000	199,999	1	2
250,000	259,999	1	1
TOTAL		24	22

FINANCIAL SUMMARY

2018/2019 FINANCIAL YEAR	2017/2018 FINANCIAL YEAR
TOTAL ASSETS	TOTAL ASSETS
\$970,915,021	\$933,243,222
TOTAL LIABILITIES	TOTAL LIABILITIES
\$73,462,501	\$56,883,245
EQUITY/NET ASSETS	EQUITY/NET ASSETS
\$897,452,520	\$876,359,977
OPERATING REVENUE	OPERATING REVENUE
\$80,018,209	\$78,300,190
OPERATING EXPENDITURE	OPERATING EXPENDITURE
\$80,275,640	\$78,478,307
OPERATING SURPLUS/(DEFICIT)	OPERATING SURPLUS/(DEFICIT)
\$550,758	(\$236,344)
NON-OPERATING REVENUE	NON-OPERATING REVENUE
\$21,401,805	\$8,674,649
CAPITAL EXPENDITURE	CAPITAL EXPENDITURE
\$59,026,889	\$35,574,372
CASH BACKED RESERVES	CASH BACKED RESERVES
\$22,035,630	\$16,221,376

FINANCIAL PERFORMANCE

Revenue:

Operating Revenue generated for 2018/19 was \$80 million, including receipt in advance of the City's 2019/20 Federal Assistance Grants. Operating Revenue shows marginal growth of 2.19%, this movement is due to an increase in Other Revenue from pathways works being completed in 2018/19 and dedicated contributions recouped from Trust. Fees and Charges revenue grew by 0.32% and interest earnings (including investment income) fell due to a lower interest rate environment.

Expenditure:

Operating expenditure was \$80.2 million 2.3% increase compared to the previous year. Depreciation charges rose from revaluation of assets in compliance with fair value accounting requirements and due to the Beresford Foreshore, Animal Management Facility and SES Building being completed and in-use. Depreciation is a non-cash item and has no impact on the City's net cash position but does have a material impact on the City's operating results. Core operating expenditure, namely employee costs, utilities and materials and contracts, remained within budget. Both employee costs and materials and contracts have reduced from the previous year.

Major areas of capital expenditure included:

	2018/19	2017/18
INFRASTRUCTURE ROADS	\$8.6M	\$12M
INFRASTRUCTURE FOOTPATHS	\$1.2M	\$1.7M
INFRASTRUCTURE DRAINAGE	\$1.9M	\$1.3M
LAND & BUILDINGS	\$6.5M	\$3.7M
PLANT & EQUIPMENT	\$2.4M	\$2.5M
PARKS & RECREATION	\$11.6M	\$4.1M
AIRPORT	\$22.0M	\$0.3M

Financial Position:

2018/19 is the first adopted budget creating a surplus operating result, which was reflected in the \$550k surplus being achieved. The City's Long Term Financial Plan has been shaped to gradually move the City out of a deficit position and into achieving a surplus position within a fiscally responsible timeframe.

The Department of Local Government Financial Health Indicator (FHI) is the current benchmark measurement of a Council's overall financial health. The FHI calculates a weighted average of the seven financial ratios that local governments are required to report annually to establish a score on a scale from 0-100. Council's 2018/19 score is 72 compared with 71 in the previous year. An FHI of 70 and above indicates that a Council is in sound financial health.

Growth in operating income remains low reflecting the ongoing decline in State and Federal Grants and in user pays Fees and Charges. The City has the continued challenge of maintaining the service potential of a \$918 million asset base and delivering a range of services to the community without imposing an additional burden on ratepayers.

FINANCIAL HIGHLIGHTS

TOTAL REVENUE

General Rates	43%
Grants, Subsidies and Contributions	28%
Fees and Charges	21%
Cash Reserves	5%
Interest Earnings	2%
Other Revenue and Profit on Asset Disposal	1%



TOTAL EXPENDITURE

Roads, Pathways & Street Lighting	28%
Airport	19%
Parks, Coastal & Natural Management	15%
Waste Services & Litter Control	9%
City Administration & Governance	6%
Land, Property & Open Space Management	6%
Safety & Regulatory Services	6%
Community Services, Events & Facilities	4%
Sports & Leisure	4%
Tourism & Economic Development	1%
Libraries & Heritage	1%



COMMUNITY SNAPSHOT

COMMUNITY BY AGE GROUP

Babies and Primary Schoolers (0-14)	21.3%
Secondary Schoolers, Tertiary Education and Independents (15-24)	12.7%
Young Workforce (25-34)	12.4%
Parents and Homebuilders (35-44)	12.4%
Older Workers and Pre-retirees (45-64)	26.4%
Empty Nesters and Retirees (65-74)	8.5%
Seniors (75+)	6.2%



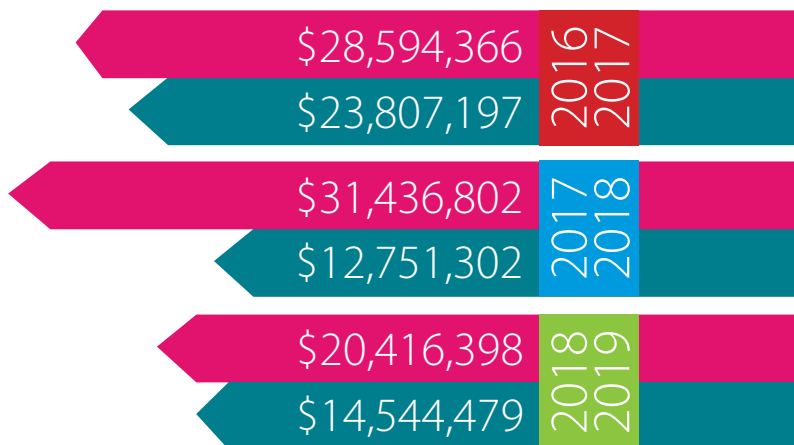
HOUSEHOLD SIZE

Lone Person	25.3%
Group Households	2.9%
Family Households	71.8%



VALUE OF BUILDING PERMITS ISSUED

RESIDENTIAL COMMERCIAL





City of Greater Geraldton

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2019



City of Greater Geraldton

General Purpose Financial Statements for the year ended 30 June 2019

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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.
 - (iii) These financial statements were authorised for issue by the Council on dd/mm/yy. Council has the power to amend and reissue the financial statements.
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City of Greater Geraldton

General Purpose Financial Statements for the year ended 30 June 2019

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 being the annual financial report and supporting notes and other information for the financial year ended 30 June 2019 are based on proper accounts and records to present fairly the financial position of the City of Greater Geraldton at 30 June 2019 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 21 day of OCTOBER 2019



Rose McKim

CHIEF EXECUTIVE OFFICER

City of Greater Geraldton

Statement of Comprehensive Income (by Nature or Type)
for the year ended 30 June 2019

\$	Notes	2019 Actual	2019 Budget	2018 Actual
Revenue				
Rates	24(a)	45,873,090	46,314,640	44,846,621
Operating Grants, Subsidies & Contributions	30	8,701,906	8,001,657	8,411,475
Fees & Charges	29	22,474,314	23,445,694	22,403,346
Interest Earnings	2(a)	1,653,321	1,665,191	1,804,947
Other Revenue		1,276,187	2,312,113	699,653
		<u>79,978,818</u>	<u>81,739,295</u>	<u>78,166,041</u>
Expenses				
Employee Costs	33	(27,672,236)	(27,894,614)	(27,739,286)
Materials & Contracts		(19,808,029)	(22,584,628)	(20,982,249)
Utilities		(3,031,203)	(3,101,321)	(2,979,490)
Depreciation & Amortisation	2(a)	(24,151,946)	(23,056,302)	(21,980,328)
Interest Expenses	2(a)	(1,042,202)	(1,019,983)	(1,115,864)
Insurance		(720,300)	(711,417)	(637,835)
Other Expenditure		(3,002,144)	(2,792,725)	(2,967,334)
		<u>(79,428,060)</u>	<u>(81,160,990)</u>	<u>(78,402,385)</u>
Operating Result from Continuing Operations ⁽¹⁾		<u>550,758</u>	<u>578,305</u>	<u>(236,344)</u>
Non-Operating Grants, Subsidies & Contributions	30	21,086,497	27,398,167	8,674,649
Fair Value Adjustments to financial assets at fair value through profit and loss	2(a)	315,308	-	-
Revaluation of Infrastructure, Property, Plant & Equip.	2(a)	-	-	(16,802,050)
Profit on Asset Disposals	21	39,391	54,728	134,149
Loss on Asset Disposal	21	(847,580)	(195,469)	(75,922)
		<u>20,593,616</u>	<u>27,257,426</u>	<u>(8,069,174)</u>
Net Result - Surplus (Deficit)		<u>21,144,374</u>	<u>27,835,731</u>	<u>(8,305,518)</u>
Other Comprehensive Income				
Changes on revaluation of non-current assets	13	(51,832)	-	29,157,526
Total Other Comprehensive Income		<u>(51,832)</u>	<u>-</u>	<u>29,157,526</u>
Total Comprehensive Income		<u>21,092,542</u>	<u>27,835,731</u>	<u>20,852,008</u>

⁽¹⁾ Allowing for or not factoring in the prepayment of Financial Assistance Grants for 2019-20 \$3,042,332 (2018-19: \$3,058,237), Council Operating Result from Continuing Operations would amount to a deficit of \$2,491,575 (2017-18: \$3,294,581).

City of Greater Geraldton

Statement of Comprehensive Income (by Program)
for the year ended 30 June 2019

\$	Notes	2019 Actual	2019 Budget	2018 Actual
Revenue				
Governance		110,095	81,160	167,498
General Purpose Funding		53,997,631	54,308,660	53,021,115
Law, Order, Public Safety		519,338	649,713	505,145
Health		77,054	86,150	81,757
Education & Welfare		290,062	329,705	268,194
Community Amenities		12,167,207	12,480,431	11,832,568
Recreation & Culture		3,196,668	4,863,962	3,368,361
Transport		6,766,215	6,501,062	6,412,102
Economic Services		1,114,931	1,094,221	1,099,176
Other Property & Services		1,739,616	1,344,231	1,469,439
		<u>79,978,817</u>	<u>81,739,295</u>	<u>78,225,356</u>
Expenses (excl. Finance Costs)				
Governance		(2,431,165)	(1,650,996)	(1,723,075)
General Purpose Funding		(912,649)	(703,763)	(1,039,407)
Law, Order, Public Safety		(2,271,607)	(1,101,047)	(1,440,909)
Health		(639,351)	(205,935)	(185,676)
Education & Welfare		(1,721,242)	(1,693,143)	(1,592,834)
Housing		(24,583)	(24,395)	(24,699)
Community Amenities		(10,507,085)	(10,857,923)	(10,497,767)
Recreation & Culture		(18,063,224)	(16,936,432)	(16,121,412)
Transport		(30,570,368)	(31,757,847)	(29,863,865)
Economic Services		(4,383,076)	(4,888,875)	(4,427,266)
Other Property & Services		(6,861,508)	(10,320,651)	(10,428,924)
		<u>(78,385,858)</u>	<u>(80,141,007)</u>	<u>(77,345,836)</u>
Finance Costs				
	2(a)			
Governance		(17,891)	(18,875)	(21,813)
Law, Order, Public Safety		(6,165)	-	-
Community Amenities		(25,565)	-	-
Recreation & Culture		(473,195)	(449,665)	(523,857)
Transport		(210,969)	(183,255)	(234,405)
Economic Services		(180,008)	(209,512)	(183,496)
Other Property & Services		(128,409)	(158,676)	(152,293)
		<u>(1,042,202)</u>	<u>(1,019,983)</u>	<u>(1,115,864)</u>
Operating Result from Continuing Operations		<u>550,757</u>	<u>578,305</u>	<u>(236,344)</u>
Non-Operating Grants, Subsidies, Contributions				
Community Amenities		-	4,650,000	-
Recreation & Culture		2,204,184	2,090,000	2,518,764
Transport		15,956,884	17,738,167	6,155,885
Other Property & Services		2,925,429	2,920,000	-
	30	<u>21,086,497</u>	<u>27,398,167</u>	<u>8,674,649</u>

City of Greater Geraldton

Statement of Comprehensive Income (by Program) (continued)
for the year ended 30 June 2019

\$	Notes	2019 Actual	2019 Budget	2018 Actual
Profit/(Loss) on Disposal of Assets				
Governance		(58,118)	-	-
Housing		(128,502)	-	-
Recreation & Culture		(46,678)	-	-
Transport		-	54,728	-
Other Property & Services		(574,891)	(195,469)	58,227
	21	<u>(808,189)</u>	<u>(140,741)</u>	<u>58,227</u>
Other Income				
Fair Value Adjustments to Financial Assets at Fair Value through Profit & Loss	2(a)	315,308	-	-
Revaluation of Infrastructure, Property, Plant & Equip.	2(a)	-	-	(16,802,050)
		<u>315,308</u>	<u>-</u>	<u>(16,802,050)</u>
Net Result - Surplus (Deficit)		<u><u>21,144,373</u></u>	<u><u>27,835,731</u></u>	<u><u>(8,305,518)</u></u>
Other Comprehensive Income				
Changes on revaluation of non-current assets	13	(51,832)	-	29,157,526
Total Comprehensive Income		<u><u>21,092,542</u></u>	<u><u>27,835,731</u></u>	<u><u>20,852,008</u></u>

City of Greater Geraldton

Statement of Financial Position
as at 30 June 2019

\$	Notes	2019 Actual	2018 Restated Actual
ASSETS			
Current Assets			
Cash and Cash Equivalents	3	36,211,489	35,506,644
Financial Assets	4	5,069,939	96,789
Trade and Other Receivables	5	8,910,085	8,926,819
Inventories	6	857,702	487,295
Total Current Assets		<u>51,049,215</u>	<u>45,017,548</u>
Non-Current Assets			
Financial Assets	4	566,849	321,393
Trade and Other Receivables	5	484,303	428,740
Property, Plant and Equipment	7	203,605,592	201,076,925
Infrastructure	8	715,104,918	686,294,473
Intangible Assets	40	104,144	104,144
Total Non-Current Assets		<u>919,865,806</u>	<u>888,225,675</u>
TOTAL ASSETS	19	<u>970,915,021</u>	<u>933,243,222</u>
LIABILITIES			
Current Liabilities			
Trade and Other Payables	9	19,357,080	14,983,090
Borrowings	10	5,296,164	3,996,891
Provisions	11	5,043,164	4,981,667
Total Current Liabilities		<u>29,696,408</u>	<u>23,961,649</u>
Non-Current Liabilities			
Borrowings	10	33,079,050	20,125,131
Provisions	11	10,687,042	12,796,466
Total Non-Current Liabilities		<u>43,766,092</u>	<u>32,921,596</u>
TOTAL LIABILITIES		<u>73,462,501</u>	<u>56,883,245</u>
Net Assets		<u>897,452,520</u>	<u>876,359,977</u>
EQUITY			
Retained Surplus		347,843,747	332,513,626
Reserves - Cash/Investment Backed	12	22,035,630	16,221,376
Reserves - Asset Revaluation	13	527,573,143	527,624,975
Total Equity		<u>897,452,520</u>	<u>876,359,977</u>

City of Greater Geraldton

Statement of Changes in Equity
for the year ended 30 June 2019

\$	Notes	Retained Surplus	Reserves Cash / Investment Backed	Asset Revaluation Reserve	Total Equity
Balance as at 1 July 2017		334,722,057	22,318,463	498,467,449	855,507,969
Net Result		(8,305,518)	-	-	(8,305,518)
Total OCI / Asset Revaluation	13	-	-	29,157,526	29,157,526
Reserve Transfers	12	6,097,087	(6,097,087)	-	-
Balance as at 30 June 2018		332,513,626	16,221,376	527,624,975	876,359,977
Net Result		21,144,374	-	-	21,144,374
Total OCI / Asset Revaluation	13	-	-	(51,832)	(51,832)
Reserve Transfers	12	(5,814,253)	5,814,253	-	-
Balance as at 30 June 2019		347,843,747	22,035,630	527,573,143	897,452,520

City of Greater Geraldton

Statement of Cash Flows

for the year ended 30 June 2019

\$	Notes	2019 Actual	2019 Budget	2018 Actual
Cash Flows from Operating Activities				
Receipts:				
Rates		45,734,055	46,429,981	44,333,919
Operating Grants, Subsidies and Contributions		8,698,226	8,001,657	6,114,826
Fees and Charges		21,161,349	23,443,330	25,829,964
Interest Earnings		1,655,420	1,665,191	1,684,281
Goods and Services Tax		1,501	-	-
Other Revenue		2,689,437	2,270,467	3,830,055
		<u>79,939,989</u>	<u>81,810,626</u>	<u>81,793,045</u>
Payments:				
Employee Costs		(27,663,749)	(27,832,331)	(27,463,667)
Materials and Contracts		(13,800,778)	(22,643,922)	(20,541,674)
Utilities		(3,031,203)	(3,101,321)	(2,979,490)
Insurance		(720,300)	(711,417)	(637,835)
Interest		(990,729)	(1,019,983)	(1,136,382)
Goods and Services Tax		-	-	(125,341)
Other Expenditure		(2,812,182)	(2,792,725)	(2,950,638)
		<u>(49,018,943)</u>	<u>(58,101,699)</u>	<u>(55,835,026)</u>
Net Cash provided (or used in) Operating Activities	14(b)	<u>30,921,046</u>	<u>23,708,927</u>	<u>25,958,019</u>
Cash Flows from Investing Activities				
Receipts:				
Non-Operating Grants, Subsidies and Contributions	30	21,086,497	27,398,167	8,674,649
Proceeds from Sale of Assets	21	611,409	594,000	771,954
Payments:				
Payments for Land Acquisitions		(332,641)	-	-
Payments for Intangible Assets	40	-	-	(104,144)
Payments for Purchase of Property, Plant & Equipment	20	(9,521,261)	(11,848,359)	(6,796,407)
Payments for Construction of Infrastructure	20	(49,505,628)	(60,801,457)	(28,673,821)
Advances to Community Groups		-	-	(250,000)
Unexpended Non-Operating Grants		(1,904,472)	-	(2,379,604)
Payments for Purchase of Investments		(4,903,298)	-	-
		<u>(44,469,394)</u>	<u>(44,657,649)</u>	<u>(28,757,373)</u>
Net Cash provided (or used in) Investing Activities		<u>(44,469,394)</u>	<u>(44,657,649)</u>	<u>(28,757,373)</u>
Cash Flows from Financing Activities				
Receipts:				
Proceeds from Self Supporting Loans	23(a)	-	95,380	71,010
Proceeds from New Loans	23(b)	18,250,000	18,250,000	250,000
Payments:				
Repayment of Debentures	23(a)	(3,996,807)	(3,995,228)	(3,978,301)
Net Cash provided (or used in) Financing Activities		<u>14,253,193</u>	<u>14,350,152</u>	<u>(3,657,291)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		704,845	(6,598,570)	(6,456,644)
Cash at the beginning of the year	3	35,506,644	27,259,359	41,963,290
Cash & Cash Equivalents - End of the Year	14(a)	<u>36,211,489</u>	<u>20,660,789</u>	<u>35,506,644</u>

City of Greater Geraldton

Rate Setting Statement (by Nature) for the year ended 30 June 2019

\$	Notes	2019 Actual	2019 Budget	2018 Actual
Revenue				
Operating Grants, Subsidies & Contributions		8,701,906	8,001,657	8,411,475
Fees & Charges		22,474,314	23,445,694	22,403,346
Interest Earnings		1,653,321	1,665,191	1,804,947
Profit on Disposal of Assets		39,391	54,728	134,149
Other Revenue		1,276,187	2,312,113	699,653
		<u>34,145,119</u>	<u>35,479,383</u>	<u>33,453,569</u>
Expenses				
Employee Costs		(27,672,236)	(27,894,614)	(27,739,286)
Materials & Contracts		(19,808,029)	(22,584,628)	(20,982,249)
Utilities		(3,031,203)	(3,101,321)	(2,979,490)
Depreciation & Amortisation		(24,151,946)	(23,056,302)	(21,980,328)
Interest Expenses		(1,042,202)	(1,019,983)	(1,115,864)
Insurance		(720,300)	(711,417)	(637,835)
Loss on Disposal of Assets		(847,580)	(195,469)	(75,922)
Other Expenditure		(3,002,144)	(2,792,725)	(2,967,334)
		<u>(80,275,640)</u>	<u>(81,356,459)</u>	<u>(78,478,307)</u>
Net Result Excluding Rates		<u>(46,130,521)</u>	<u>(45,877,076)</u>	<u>(45,024,737)</u>
Adjustment for Cash Budget Requirements:				
Non-Cash Expenditure & Revenue				
(Profit)/Loss on Asset Disposal	21	808,189	140,741	(58,227)
Movement in Non-Current Deferred Pensioner Rates		(55,563)	-	-
Movement in Non-Current Employee Benefit Provisions		(45,022)	-	-
Depreciation & Amortisation on Assets	2(a)	24,151,946	23,056,302	21,980,328
Other Non-Cash (Revenue)/Expenditure		(52,691)	-	(31,110)
Net Non-Cash Expenditure & Revenue		<u>24,806,859</u>	<u>23,197,043</u>	<u>21,890,990</u>
Capital Expenditure				
Purchase Land and Buildings	20	(6,524,922)	(8,558,690)	(3,724,368)
Purchase Plant and Equipment	20	(2,442,649)	(2,408,000)	(2,479,621)
Purchase Furniture and Equipment	20	(461,864)	(801,669)	(563,327)
Purchase of Other PP&E	20	(91,826)	(80,000)	(29,091)
Infrastructure Assets	20	(49,505,628)	(60,801,457)	(28,673,822)
Advances to Community Groups		-	-	(250,000)
Repayment of Debentures	23(a)	(3,996,817)	(3,995,228)	(3,978,301)
Intangible Assets		-	-	(104,144)
Net Capital Expenditure		<u>(63,023,705)</u>	<u>(76,645,044)</u>	<u>(39,802,673)</u>

City of Greater Geraldton

Rate Setting Statement (by Nature) (continued)
for the year ended 30 June 2019

\$	Notes	2019 Actual	2019 Budget	2018 Actual
Capital Revenue				
Proceeds from Disposal of Assets	21	611,408	594,000	771,954
Proceeds from New Debentures	23(b)	18,250,000	18,250,000	250,000
Self-Supporting Loan Principal Income	23(a)	96,785	95,380	71,010
Non-Operating Grants, Subsidies and Contributions	30	21,086,497	27,398,167	8,674,649
Net Capital Revenue		<u>40,044,690</u>	<u>46,337,547</u>	<u>9,767,612</u>
Transfers				
Transfers to Reserves (Restricted Assets)	12	(12,771,054)	(492,500)	(12,598,797)
Transfers from Reserves (Restricted Assets)	12	6,956,800	5,240,268	18,695,884
Net Transfers		<u>(5,814,253)</u>	<u>4,747,768</u>	<u>6,097,087</u>
Surplus/(Deficit) July 1 B/Fwd	24(b)	8,760,396	5,752,287	10,985,495
Surplus/(Deficit) June 30 C/Fwd	24(b)	4,516,556	3,827,165	8,760,396
Amount Raised from Rates	24(a)	<u>(45,873,089)</u>	<u>(46,314,640)</u>	<u>(44,846,621)</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations.

The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

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 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 City 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.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2. Operating Revenues and Expenses

\$	Notes	2019 Actual	2019 Budget	2018 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	(315,308)	-	-
Revaluation of Infrastructure, Property, Plant & Equipment		-	-	(16,802,050)
Auditors Remuneration				
- Audit		46,000	56,000	37,435
- Other Services		10,462	32,000	29,634
Bad & Doubtful Debts				
Rates	27(b)	334,495	-	65,618
General Debtors	27(b)	22,523	-	7,453
Depreciation & Amortisation				
<i>Property, Plant & Equipment</i>				
- Buildings	7(b)	1,989,318	2,095,963	2,033,309
- Furniture and Equipment		416,952	403,406	419,734
- Plant and Equipment		1,741,052	1,540,356	1,675,095
<i>Infrastructure</i>				
- Roads	8(b)	15,723,000	15,763,267	15,647,701
- Recreation		1,752,068	893,444	742,551
- Car Parks		434,158	-	459,429
- Meru Landfill		840,296	765,284	390,559
- Airport		1,238,483	1,594,582	603,149
- Effluent Scheme		16,620	-	8,801
		<u>24,151,946</u>	<u>23,056,302</u>	<u>21,980,328</u>
Interest Expenses (Finance Costs)				
Debentures	23(a)	1,042,202	1,019,983	1,115,864
		<u>1,042,202</u>	<u>1,019,983</u>	<u>1,115,864</u>
Rental Charges				
- Operating Leases		-	-	73,776
		<u>-</u>	<u>-</u>	<u>73,776</u>
(ii) Crediting as Revenue:				
Interest Earnings				
Investments - Reserve Funds		382,705	970,000	511,125
Investments - Other Funds		517,823	15,191	563,499
Other Interest Revenue	28	752,793	680,000	730,323
		<u>1,653,321</u>	<u>1,665,191</u>	<u>1,804,947</u>

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2019

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 2019

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 2019

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 2019

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 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-17	Received ² 2018	Expended ³ 2018	Closing Balance ¹ 30-Jun-18	Received ² 2019	Expended ³ 2019	Closing Balance 30-Jun-19
\$							
(d). Conditions Over Grants, Subsidies & Contributions							
Grant/Subsidy/Contribution							
108 Marine Terrace - Rocks	-	350,000	-	350,000	-	(350,000)	-
Airport Projects	316,642	-	-	316,642	2,382,644	-	2,699,286
Airport Security Screening & Baggage Handling	63,400	-	(42,500)	20,900	-	-	20,900
Aquarena Renewal Program	110,000	-	(110,000)	-	-	-	-
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
Artwork Acquisitions	6,750	-	-	6,750	-	-	6,750
Building Works	-	-	-	-	457,000	-	457,000
Call Centre Service	70,000	-	(70,000)	-	-	-	-
Carpark Works	35,000	-	(35,000)	-	663,556	-	663,556
Caring for Bimarras Pools - Stage 1 - Greenough River	11,536	-	(11,536)	-	-	-	-
CBD Streetscapes (Revitalisation)	-	473,000	-	473,000	1,300,645	(473,000)	1,300,645
Challenge Camps	-	25,000	-	25,000	-	(20,672)	4,328
Chapman & Greenough River Flood Project	200,000	-	(134,380)	65,620	-	(14,811)	50,809
Chapman River Corridor Capital Works	50,000	-	-	50,000	-	(50,000)	-
Chapman River Mountain Bike Track	-	102,000	-	102,000	-	(102,000)	-

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-17	Received ² 2018	Expended ³ 2018	Closing Balance ¹ 30-Jun-18	Received ² 2019	Expended ³ 2019	Closing Balance 30-Jun-19
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Chapman River Regional Park Stage 5	-	5,422	-	5,422	-	(5,422)	-
Chapman Road Foreshore	8,356,617	-	(7,077,558)	1,279,059	164,465	(1,279,059)	164,465
Chapman Wildlife Corridor CARE Stage 2	12,100	-	(12,100)	-	-	-	-
CHRMAP Project	137,500	-	(106,905)	30,595	-	(30,595)	-
Community Grants Round 16	3,463	-	(3,463)	-	-	-	-
Community Grants Round 17	4,730	-	(4,305)	425	-	(425)	-
Community Grants Round 18	28,069	-	(23,010)	5,059	-	(3,059)	2,000
Community Grants Round 19	-	11,670	-	11,670	35,000	(5,800)	40,870
Community Grants Round 20	-	-	-	-	3,088	-	3,088
Community Grants Round 21	-	-	-	-	32,569	-	32,569
Community Nursery - New Shed	120,000	-	(120,000)	-	-	-	-
Cruise Destination Welcome Initiative	-	5,000	-	5,000	-	(5,000)	-
Derna Parade Toilet	200,000	-	(192,086)	7,914	-	(7,613)	301
Drainage Works	470,847	-	(470,847)	-	-	-	-
Dual Use Pathways- Bikewest (Champion Bay)	7,000	-	-	7,000	-	-	7,000
Eastern Breakwater	130,000	-	-	130,000	-	-	130,000
Eastward Road (Old Depot Site)	1,836,655	-	(1,836,655)	-	190,000	-	190,000
Ellendale Pool Honesty Box	13,731	-	-	13,731	-	(13,731)	-

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-17	Received ² 2018	Expended ³ 2018	Closing Balance ¹ 30-Jun-18	Received ² 2019	Expended ³ 2019	Closing Balance 30-Jun-19
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Environmental Projects - Signage	50,000	-	-	50,000	-	-	50,000
Every Club	-	-	-	-	5,359	-	5,359
Fire as a Biodiversity Management Tool in the Midwest Region	-	8,000	-	8,000	-	(5,534)	2,466
Fleet Replacement	951,250	-	(951,250)	-	-	-	-
Foreshore Stabilisation	548,423	-	(548,423)	-	-	-	-
Furniture & Equipment	50,000	-	(50,000)	-	-	-	-
Geraldton Regional Visitor Centre Sustainability Grant - Signage	6,528	-	(6,528)	-	-	-	-
Geraldton Theatre Production	-	160,000	-	160,000	-	(17,365)	142,635
Grave Restoration Works Greenough Pioneer/Old Walkaway Cemeterie	22,567	-	(22,567)	-	-	-	-
Green Army Programme	10,000	-	(10,000)	-	-	-	-
Greenough River Estuary Nature Walk Trail - Stage 1	4,266	-	(4,266)	-	-	-	-
Greenough River Estuary Nature Walk Trail - Stage 2	-	4,985	-	4,985	-	(4,985)	-
Greenough River Estuary Nature Walk Trail - Stage 3	-	3,555	-	3,555	-	(2,329)	1,226
Federation Park Upgrade & Improvements	-	2,727	-	2,727	-	-	2,727
HMAS Memorial	9,204	-	-	9,204	-	-	9,204
Implementation of the Chapman River Estuary Management Plan	4,884	-	(4,884)	-	-	-	-
Install Travel Information Signage	-	-	-	-	16,000	-	16,000
IT Projects/Equipment	225,000	-	(225,000)	-	-	-	-
Kerbing Renewals	150,000	-	(150,000)	-	-	-	-
KidSport	16,562	-	(16,562)	-	-	-	-

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-17	Received ² 2018	Expended ³ 2018	Closing Balance ¹ 30-Jun-18	Received ² 2019	Expended ³ 2019	Closing Balance 30-Jun-19
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Land Developments	385,000	-	-	385,000	1,331,000	-	1,716,000
Library Regional Activity Plan	21,422	12,465	(21,422)	12,465	-	(12,465)	-
Library SirsiDynix Project	2,900	4,663	(2,900)	4,663	-	(3,700)	963
Lighting Renewal	700,000	-	(700,000)	-	-	-	-
Lighting Up Lester Avenue	454	-	(454)	-	-	-	-
Liquid Waste Pond Optimisation	-	145,000	-	145,000	-	(145,000)	-
Local Profile and Context Report Northern Planning Program	80,000	-	(80,000)	-	-	-	-
Mayoral Discretionary Fund	-	200	-	200	-	(200)	-
Menshed Community Grants Round 13 and 14 for new building	41,897	-	-	41,897	-	-	41,897
Meru Future Landfill Design	-	110,000	-	110,000	-	(110,000)	-
Meru Landfill	210,000	-	-	210,000	1,104,545	-	1,314,545
Meru Waste Transfer Station	-	90,000	-	90,000	2,289,214	(60,020)	2,319,194
Mid West Gascoyne District Recovery Project	8,598	-	(8,598)	-	-	-	-
Mid West China Connect Website	43,550	-	-	43,550	-	(43,550)	-
Mullewa Building - Insurance Payment	450,000	-	-	450,000	-	-	450,000
Mullewa Community Projects	40,000	-	(40,000)	-	-	-	-
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 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹	Received ²	Expended ³	Closing Balance ¹	Received ²	Expended ³	Closing Balance
\$	1-Jul-17	2018	2018	30-Jun-18	2019	2019	30-Jun-19

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

Grant/Subsidy/Contribution (continued)

NACC Biodiversity Grant	11,000	-	(11,000)	-	-	-	-
National Tree Day	485	-	(485)	-	-	-	-
NWCH Path	-	60,000	-	60,000	-	(9,068)	50,932
Olive Street POS	1,456,927	-	(972,045)	484,882	-	(34,779)	450,103
Park Renewals	390,000	-	(390,000)	-	-	-	-
Park Upgrade Program	-	85,000	-	85,000	-	-	85,000
Pathway Renewals	400,000	-	(400,000)	-	344,923	-	344,923
Public Arts Initiatives	40,000	-	-	40,000	-	(40,000)	-
Public Open Space - Sunset Beach Estate	-	-	-	-	45,093	-	45,093
Parking Facilities Replace Modems	11,400	-	(11,400)	-	-	-	-
Randolf Stow Young Writers Awards	1,100	-	-	1,100	-	(1,100)	-
Restoring the Chapman & Greenough - Estuaries of the Mid West - Stage 2 (Project 1)	10,000	-	(10,000)	-	-	-	-
Restoring the Chapman & Greenough - Estuaries of the Mid West - Stage 2 (Project 2)	9,091	-	(9,091)	-	-	-	-
Retention Amounts (EVO, Convic and Mitchell & Brown, WACB & RDH)	149,061	-	(75,489)	73,572	-	(7,614)	65,958

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City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹ 1-Jul-17	Received ² 2018	Expended ³ 2018	Closing Balance ¹ 30-Jun-18	Received ² 2019	Expended ³ 2019	Closing Balance 30-Jun-19
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
Grant/Subsidy/Contribution (continued)							
Road Renewals	530,000	-	(530,000)	-	74,988	-	74,988
RoadWise - Strengthening Communities	4,452	-	-	4,452	-	-	4,452
Roadwise Safe Routes To Schools - Bike Map	367	-	(367)	-	-	-	-
Roadwise Safe Routes To Schools- Surplus	689	-	(689)	-	-	-	-
Roadwise Committee One Year Action Plan	4,619	-	(4,619)	-	-	-	-
School of Rock/Battle of the Bands	-	6,682	-	6,682	-	(6,682)	-
Seniors User-Friendly Business Program	9,000	-	(3,664)	5,336	-	(2,080)	3,256
Service Agreements	-	15,000	-	15,000	-	(15,000)	-
South Tomi Project	8,000	-	-	8,000	-	-	8,000
Sport & Leisure Renewals	220,000	-	(220,000)	-	-	-	-
State Emergency Services	22,786	-	(22,786)	-	-	-	-
Stuart Road (No 24) Cash inlieu Contribution Revegetation	-	-	-	-	1,941	-	1,941
U-Turn Project	-	10,200	-	10,200	-	(10,200)	-
Verita Road Bridge	201,816	-	-	201,816	-	-	201,816
Walkaway Recreation Centre Roof Upgrade	25,000	-	(25,000)	-	-	-	-
Wonthella Bowling Club - CSRFF Contribution	-	66,666	-	66,666	-	(66,666)	-
Youth Development Program	2,848	-	(2,848)	-	-	-	-
Total Unexpended Capital Works and Grants	<u>19,890,991</u>	<u>1,784,508</u>	<u>(15,782,682)</u>	<u>5,892,817</u>	<u>10,442,030</u>	<u>(2,959,524)</u>	<u>13,375,322</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 2. Operating Revenues and Expenses (continued)

	Opening Balance ¹	Received ²	Expended ³	Closing Balance ¹	Received ²	Expended ³	Closing Balance
\$	1-Jul-17	2018	2018	30-Jun-18	2019	2019	30-Jun-19

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

Grant/Subsidy/Contribution (continued)

Beresford Foreshore Coastal Protection and Enhancement ⁽⁵⁾

Total Unspent Grants, Subsidies & Contributions (WATC)

8,992,194	-	(2,379,604)	6,612,590	-	(1,904,472)	4,708,118
<u>8,992,194</u>	<u>-</u>	<u>(2,379,604)</u>	<u>6,612,590</u>	<u>-</u>	<u>(1,904,472)</u>	<u>4,708,118</u>

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 2019

Note 3. Cash and Cash Equivalents

\$	Notes	2019 Actual	2018 Actual
Cash - Unrestricted		9,467,741	12,672,677
Cash - Restricted		26,743,748	22,833,967
Total Cash and Cash Equivalents	14(a)	<u><u>36,211,489</u></u>	<u><u>35,506,644</u></u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Mullewa Reseal Reserve	12	-	1,891,285
Parking Land Reserve	12	51,759	536,187
Unexpended Capital Works & Restricted Grant Reserve	12	13,375,322	5,892,817
Employee Entitlements Reserve	12	1,600,000	1,100,000
Major Initiatives Reserve	12	31,655	31,655
Asset Renewal Reserve	12	6,942,576	6,769,432
Point Moore Reserve	12	34,318	-
Total Reserves		<u><u>22,035,630</u></u>	<u><u>16,221,376</u></u>
Unspent Grants	2(d)	4,708,118	6,612,590
Total Unspent Grants and Loans		<u><u>4,708,118</u></u>	<u><u>6,612,590</u></u>
Total Restricted Cash		<u><u>26,743,748</u></u>	<u><u>22,833,967</u></u>

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 2019

Note 4. Financial Assets

\$	Notes	2019 Actual	2018 Restated Actual
Current			
Financial Assets at Amortised Cost		5,069,939	96,789
		<u>5,069,939</u>	<u>96,789</u>
Movements in Financial Assets at Fair Value through Profit and Loss			
At beginning of the year		-	-
Revaluation to Statement of Comprehensive Income	2(a)	315,308	-
Disposals		<u>(315,308)</u>	-
At end of the year		<u>-</u>	<u>-</u>
Financial Assets at Amortised Cost			
Term Deposits with original maturities greater than 3 month		5,000,000	-
Self Supporting Loans		<u>69,939</u>	<u>96,789</u>
		<u>5,069,939</u>	<u>96,789</u>
Non-Current			
Financial Assets at Fair Value through Profit and Loss		315,308	-
Financial Assets at Amortised Cost		<u>251,541</u>	<u>321,393</u>
		<u>566,849</u>	<u>321,393</u>
Movements in Financial Assets at Fair Value through Profit and Loss			
At beginning of the year		-	-
Additions		<u>315,308</u>	-
At end of the year		<u>315,308</u>	-
Total Investments		<u>315,308</u>	<u>-</u>
Financial Assets at Fair Value through Profit and Loss			
Units in Local Government House Trust		<u>315,308</u>	-
		<u>315,308</u>	<u>-</u>
Financial Assets at Amortised Cost			
Self Supporting Loans		<u>251,541</u>	<u>321,393</u>
		<u>251,541</u>	<u>321,393</u>

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 2019

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	2019 Actual	2018 Restated Actual
Current			
Rates		4,420,221	4,336,749
Sundry Debtors		2,536,347	1,223,382
GST Net Position		668,447	669,948
Interest		42,680	87,966
Accrued Income		607,245	2,296,648
Prepayments		672,416	331,235
Less: provision for uncollectability	36	(37,271)	(19,110)
Total Current Trade & Other Receivables		8,910,085	8,926,819
Non-Current			
Rates Outstanding - Pensioners		484,303	428,740
Total Non-Current Trade & Other Receivables		484,303	428,740

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 45.

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.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 6. Inventories

\$	Notes	2019 Actual	2018 Actual
Current			
Fuel and Materials		395,360	369,503
Land Held for Resale - Cost			
- Cost of Acquisition (Internal Transfer)		332,641	-
Resalable Merchandise		129,701	117,792
Total Current Inventories		<u><u>857,702</u></u>	<u><u>487,295</u></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 2019

Note 7a. Property, Plant and Equipment

\$	Notes	2019 Actual	2018 Actual
Land - Fair Value		83,860,918	81,491,000
Land - Cost (Additions at fair value)		1,058,428	2,370,918
Less Accumulated Depreciation		-	-
		<u>84,919,345</u>	<u>83,861,918</u>
Buildings - Fair Value		105,169,071	105,796,735
Buildings - Cost (Additions at fair value)		5,466,494	1,353,450
Less Accumulated Depreciation		(3,995,821)	(2,033,310)
		<u>106,639,744</u>	<u>105,116,876</u>
Furniture and Equipment - Fair Value		1,122,545	1,863,327
Furniture and Equipment - Cost (Additions at fair value)		461,864	563,326
Less Accumulated Depreciation		-	(803,669)
		<u>1,584,409</u>	<u>1,622,984</u>
Plant and Equipment - Fair Value		12,081,066	10,621,922
Plant and Equipment - Cost (Additions at fair value)		2,442,649	2,479,622
Less Accumulated Depreciation		(4,758,568)	(3,297,663)
		<u>9,765,147</u>	<u>9,803,880</u>
Artwork - Fair Value		605,120	642,176
Artwork - Cost (Additions at fair value)		91,826	29,091
Less Accumulated Depreciation		-	-
		<u>696,946</u>	<u>671,267</u>
Total Property, Plant & Equipment	7(b)	<u><u>203,605,592</u></u>	<u><u>201,076,925</u></u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 2018		83,861,918	105,116,876	1,622,984	9,803,880	671,267	201,076,925
Additions							
- Renewal	20	-	1,835,278	224,586	2,442,649	-	4,502,513
- New	20	1,058,428	3,631,216	237,278	-	91,826	5,018,747
Disposals	21	(1,000)	(607,271)	(372,806)	(1,020,477)	(14,315)	(2,015,869)
Revaluation - (Decrements)	13	-	-	-	-	(51,832)	(51,832)
Depreciation	2(a)	-	(1,989,318)	(416,952)	(1,741,052)	-	(4,147,322)
Depreciation on Disposal		-	26,808	289,317	280,147	-	596,271
Reclassifications between Asset Classes		-	(1,373,844)	-	-	-	(1,373,844)
Property, Plant & Equipment at 30 June 2019		84,919,345	106,639,744	1,584,409	9,765,147	696,946	203,605,592
Balance as at 1 July 2017		81,491,000	105,796,735	1,479,392	9,713,081	642,176	199,122,384
Additions							
- Renewal	20	-	645,849	271,640	2,479,621	-	3,397,110
- New	20	2,370,918	707,601	291,687	-	29,091	3,399,297
Disposals	21	-	-	-	(914,791)	-	(914,791)
Depreciation	2(a)	-	(2,033,309)	(419,734)	(1,675,095)	-	(4,128,138)
Depreciation on Disposal		-	-	-	201,064	-	201,064
Property, Plant & Equipment at 30 June 2018		83,861,918	105,116,876	1,622,984	9,803,880	671,267	201,076,925

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 8a. Infrastructure

\$	Notes	2019 Actual	2018 Actual
Roads - Fair Value		589,087,247	589,087,247
Roads - Cost (Additions at fair value)		11,759,055	-
Less Accumulated Depreciation		<u>(15,723,000)</u>	<u>-</u>
		585,123,301	589,087,247
Recreation - Fair Value		39,758,260	38,384,416
Recreation - Cost (Additions at fair value)		11,755,259	-
Less Accumulated Depreciation		<u>(1,752,068)</u>	<u>-</u>
		49,761,450	38,384,416
Car Parks - Fair Value		10,416,364	10,416,364
Car Parks - Cost (Additions at fair value)		151,288	-
Less Accumulated Depreciation		<u>(434,158)</u>	<u>-</u>
		10,133,495	10,416,364
Meru Landfill - Fair Value		15,012,357	17,076,757
Meru Landfill - Cost (Additions at fair value)		3,784,025	-
Less Accumulated Depreciation		<u>(840,296)</u>	<u>-</u>
		17,956,086	17,076,757
Airport - Fair Value		30,743,294	30,743,294
Airport - Cost (Additions at fair value)		22,056,001	-
Less Accumulated Depreciation		<u>(1,238,483)</u>	<u>-</u>
		51,560,812	30,743,294
Effluent Scheme - Fair Value		586,394	586,394
Less Accumulated Amortisation		<u>(16,620)</u>	<u>-</u>
		569,774	586,394
Total Infrastructure	8(b)	<u><u>715,104,918</u></u>	<u><u>686,294,473</u></u>

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2019

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 2018		589,087,247	38,384,416	10,416,364	17,076,757	30,743,294	586,394	686,294,473
Additions								
- Renewal	20	10,546,125	4,071,777	60,581	32,919	13,044,640	-	27,756,042
- New	20	1,212,930	7,683,481	90,707	3,751,106	9,011,361	-	21,749,585
Depreciation (Expense)	2(a)	(15,723,000)	(1,752,068)	(434,158)	(840,296)	(1,238,483)	(16,620)	(20,004,624)
Reclassifications between Asset Classes		-	1,373,844	-	-	-	-	1,373,844
Other Movements		-	-	-	(2,064,401)	-	-	(2,064,401)
Infrastructure at 30 June 2019		585,123,301	49,761,450	10,133,495	17,956,086	51,560,812	569,774	715,104,918
Balance as at 1 July 2017		565,303,234	42,890,249	10,762,251	14,451,515	26,940,278	244,975	660,592,501
Additions								
- Renewal	20	14,138,204	1,703,061	846	116,538	262,057	52,110	16,272,816
- New	20	952,804	11,335,707	43,854	58,184	10,457	-	12,401,006
Revaluation - Increments	13	24,340,705	-	68,842	316,217	4,133,652	298,110	29,157,526
Revaluation - (Decrements)	13	-	(16,802,050)	-	-	-	-	(16,802,050)
Depreciation (Expense)	2(a)	(15,647,701)	(742,551)	(459,429)	(390,559)	(603,149)	(8,801)	(17,852,189)
Other Movements		-	-	-	2,524,863	-	-	2,524,863
Infrastructure at 30 June 2018		589,087,247	38,384,416	10,416,364	17,076,757	30,743,294	586,394	686,294,473

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 8c. Fixed Assets

\$

SIGNIFICANT ACCOUNTING POLICIES

Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed includes the cost of all materials, direct labour, variable, and fixed overheads.

Revaluation

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on a basis to reflect the already consumed or expired future economic benefits of the asset.

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 asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of comprehensive income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ significantly from that determined using fair value at reporting date.

Land Under Roads

In Western Australia, all 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 fact that Local Government (Financial Management) Regulation 16(a)(i) prohibits 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 that, 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 is not included as an asset of the Council.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 8c. Fixed Assets (continued)

\$

SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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

Land	Infinite
Land (Leasehold interest)	99 years
Airport - Runway, Apron & Car Park	20 to 40 years
Buildings:	
Short Useful Life Component	8 to 149 years
Long Useful Life Component	20 to 260 years
Furniture & Equipment	5 to 13 years
Plant & Major Equipment	5 to 10 years
Minor Plant	3 to 7 years
Sealed Roads & Streets	20 to 50 years
Bridges	60 to 90 years
Car Parks Sealed	20 to 40 years
Culverts	40 to 60 years
Dams, Reservoirs & Weirs	25 to 45 years
Footpaths - Slab	65 to 85 years
Footpaths - Concrete	15 to 35 years
Foundations	25 to 45 years
Kerb & Channels	40 to 60 years
Street Lights	20 to 30 years
Sewerage Piping	70 to 90 years
Water Reticulation/Irrigation	15 to 25 years
Meru Landfill	8 to 40 years
Effluent Scheme	35 to 40 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 2019

Note 9. Trade and Other Payables

\$	2019 Actual	2018 Actual
Current		
Sundry Creditors	13,883,048	7,838,032
Accrued Interest on Debentures	186,392	134,919
Accrued Salaries and Wages	368,028	397,549
Unexpended Non-Operating Grants (WATC)	4,708,118	6,612,590
Income Received in Advance	211,494	-
Total Current Trade and Other Payables	<u>19,357,080</u>	<u>14,983,090</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.

Note 10. Borrowings

Current

Secured by Floating Charge			
- Debentures	23(a)	<u>5,296,164</u>	<u>3,996,891</u>
Total Current Borrowings		<u>5,296,164</u>	<u>3,996,891</u>

Non-Current

Secured by Floating Charge			
- Debentures	23(a)	<u>33,079,050</u>	<u>20,125,131</u>
Total Non-Current Borrowings		<u>33,079,050</u>	<u>20,125,131</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 2019

Note 11. Provisions

\$	2019 Actual	2018 Actual
Current		
Annual Leave	2,380,703	2,451,994
Long Service Leave	2,174,085	2,019,764
Sick Leave	439,874	463,341
Accrued RDO's	48,503	46,568
Total Current Provisions	<u>5,043,164</u>	<u>4,981,667</u>
Non-Current		
Long Service Leave	255,038	300,060
Provision for Infrastructure Meru - Rehabilitation	10,432,004	12,496,405
Total Non-Current Provisions	<u>10,687,042</u>	<u>12,796,466</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 2019

Note 12. Reserves - Cash/Investment Backed

\$	2019 Actual	2019 Budget	2018 Actual
(a). Mullewa Reseal Reserve			
Opening Balance	1,891,285	1,891,285	1,891,285
Amount Used / Transfer from Reserve	(1,891,285)	-	-
	<u>-</u>	<u>1,891,285</u>	<u>1,891,285</u>
(b). Parking Land Reserve			
Opening Balance	536,187	54,187	536,187
Amount Used / Transfer from Reserve	(484,428)	-	-
	<u>51,759</u>	<u>54,187</u>	<u>536,187</u>
(c). Unexpended Capital Works & Restricted Grant Reserve			
Opening Balance	5,892,817	9,163,855	19,890,991
Amount Set Aside / Transfer to Reserve	10,442,030	-	1,784,508
Amount Used / Transfer from Reserve	(2,959,525)	(3,160,000)	(15,782,682)
	<u>13,375,322</u>	<u>6,003,855</u>	<u>5,892,817</u>
(d). Employee Entitlements Reserve			
Opening Balance	1,100,000	1,100,000	-
Amount Set Aside / Transfer to Reserve	500,000	450,000	1,100,000
	<u>1,600,000</u>	<u>1,550,000</u>	<u>1,100,000</u>
(e). Major Initiatives Reserve			
Opening Balance	31,655	31,655	-
	<u>31,655</u>	<u>31,655</u>	<u>31,655</u>
(f). Asset Renewal Reserve			
Opening Balance	6,769,432	3,644,984	-
Amount Set Aside / Transfer to Reserve	1,794,706	-	7,877,634
Amount Used / Transfer from Reserve	(1,621,562)	(2,080,268)	(1,108,202)
	<u>6,942,576</u>	<u>1,564,716</u>	<u>6,769,432</u>
(v). Point Moore Reserve			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	34,318	42,500	-
	<u>34,318</u>	<u>42,500</u>	<u>-</u>
Total Reserves	<u><u>22,035,630</u></u>	<u><u>11,138,198</u></u>	<u><u>16,221,376</u></u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. Reserves - Cash/Investment Backed (continued)

\$

Summary of Reserve Transfers

Transfers to Reserves

Unexpended Capital Works & Restricted Grant Reserve	10,442,030	-	1,784,508
Employee Entitlements Reserve	500,000	450,000	1,100,000
Major Initiatives Reserve	-	-	1,836,655
Asset Renewal Reserve	1,794,706	-	7,877,634
Point Moore Reserve	34,318	42,500	-
Total Transfers to Reserves	12,771,054	492,500	12,598,797

Transfers from Reserves

Mullewa Reseal Reserve	(1,891,285)	-	-
Parking Land Reserve	(484,428)	-	-
Unexpended Capital Works & Restricted Grant Reserve	(2,959,525)	(3,160,000)	(15,782,682)
Major Initiatives Reserve	-	-	(1,805,000)
Asset Renewal Reserve	(1,621,562)	(2,080,268)	(1,108,202)
Total Transfers from Reserves	(6,956,800)	(5,240,268)	(18,695,884)

Total Net Transfer to/(from) Reserves

5,814,253	(4,747,768)	(6,097,087)
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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:

Mullewa Reseal Reserve

The purpose of this reserve is to comply with clause 14.2 of the public road access agreement between the former Shire of Mullewa (now the City of Greater Geraldton) and Mount Gibson Mining Ltd.

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 year.

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.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 12. 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 13. Reserves - Asset Revaluation

\$	Notes	2019 Actual	2018 Actual
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
(a). Land			
Opening Balance		46,479,611	46,479,611
Revaluation Decrement	7(b)	-	-
		<u>46,479,611</u>	<u>46,479,611</u>
(b). Buildings			
Opening Balance		49,180,474	49,180,474
Revaluation Increment	7(b)	-	-
		<u>49,180,474</u>	<u>49,180,474</u>
(c). Plant and Equipment			
Opening Balance		1,601,370	1,601,370
		<u>1,601,370</u>	<u>1,601,370</u>
(d). Artwork			
Opening Balance		152,071	152,071
Revaluation Decrement	7(b)	(51,832)	-
		<u>100,239</u>	<u>152,071</u>
(e). Roads			
Opening Balance		397,344,499	373,003,794
Revaluation Increment	8(b)	-	24,340,705
		<u>397,344,499</u>	<u>397,344,499</u>
(f). Car Parks			
Opening Balance		10,899,811	10,830,969
Revaluation Increment	8(b)	-	68,842
		<u>10,899,811</u>	<u>10,899,811</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 13. Reserves - Asset Revaluation (continued)

\$	Notes	2019 Actual	2018 Actual
(g). Meru Landfill			
Opening Balance		1,458,254	1,142,037
Revaluation Increment	8(b)	-	316,217
		<u>1,458,254</u>	<u>1,458,254</u>
(h). Airport			
Opening Balance		20,210,775	16,077,123
Revaluation Increment	8(b)	-	4,133,652
		<u>20,210,775</u>	<u>20,210,775</u>
(i). Effluent Scheme			
Opening Balance		298,110	-
Revaluation Increment	8(b)	-	298,110
		<u>298,110</u>	<u>298,110</u>
Total Asset Revaluation Reserves		<u>527,573,143</u>	<u>527,624,975</u>

Note 14. Notes to the Statement of Cash flows

\$	Notes	2019 Actual	2019 Budget	2018 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	<u>36,211,489</u>	<u>20,660,789</u>	<u>35,506,644</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 14. Notes to the Statement of Cash flows (continued)

\$	Notes	2019 Actual	2019 Budget	2018 Actual
(b). Reconciliation of Net Cash Provided By Operating Activities to Net Result				
Net Result		21,144,374	27,835,731	(8,305,518)
Depreciation		24,151,946	23,056,302	21,980,328
Write Down (Up) in Fair Value of Investments		(315,308)	-	-
(Profit)/Loss on Sale of Assets		808,189	140,741	(58,227)
Other Non Cash Movements		3,968,874	-	16,656,791
Decrease/(Increase) in Receivables		(56,990)	71,331	3,511,136
Increase/(Decrease) in Provision for Doubtful Debts		18,161	-	(9,473)
Decrease/(Increase) in Inventories		(37,766)	4,378	157,079
Increase/(Decrease) in Payables & Accruals		4,322,517	(63,550)	(2,105,952)
Increase/(Decrease) in Accrued Interest Payable		51,473	-	(20,518)
Increase/(Decrease) in Employee Leave Entitlements		38,007	62,161	285,463
Increase/(Decrease) in Other Provisions		(2,085,933)	-	2,541,559
Grants/Contributions for the Development of Assets		(21,086,497)	(27,398,167)	(8,674,649)
Net Cash from Operating Activities		<u>30,921,046</u>	<u>23,708,927</u>	<u>25,958,020</u>

(c). Undrawn Borrowing Facilities Credit Standby Arrangements

Group Credit Facility		6,000,000	6,000,000	6,000,000
Bank Overdraft Limit		750,000	750,000	750,000
Credit Card Limit		115,000	115,000	115,000
Credit Card Balance at Balance Date		(10,095)	(15,000)	(5,471)
Total Amount of Credit Unused		<u>6,854,905</u>	<u>6,850,000</u>	<u>6,859,529</u>

Security

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

Loan Facilities

Loan Facilities - Current	10	5,296,164		3,996,891
Loan Facilities - Non-Current	10	33,079,050		20,125,131
Total Facilities in Use at Balance Date		<u>38,375,214</u>		<u>24,122,022</u>

Note 15. 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.

2) After the Financial Year 2015-2016 a contractor has made a claim against the City of Greater Geraldton concerning events related to past financial years.

The City has retained legal services and disputes the claim, and at this stage no reliable estimate can be made of the amount involved.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 16. Capital and Leasing Commitments

\$	2019 Actual	2018 Actual
(a). Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	20,753	69,357
- later than one year but not later than five years	10,036	30,789
- later than five years	-	-
Total Operating Lease Commitments	30,789	100,146
(b). Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	3,549,292	7,352,125
- land and buildings	1,213,943	254,200
- plant & equipment purchases	229,790	711,379
Total Capital Expenditure Commitments	4,993,025	8,317,703
Payable:		
- not later than one year	4,993,025	8,317,703
- later than one year but not later than five years	-	-
- later than five years	-	-
Total Capital Expenditure Commitments	4,993,025	8,317,703

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.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 17. Subsidiaries, Joint Arrangements & Associates

\$

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

Note 18. Trust Funds

	Balance	Amounts	Amounts	Balance
	1-Jul-18	Received	Paid / Transferred	30-Jun-19
\$				
BCITF	15,680	91,423	(107,103)	-
BSL - Building Services Levy (BRB)	18,266	94,119	(112,385)	-
Refundable Bonds	175,099	55,430	(230,529)	-
Verge/Footpath Bonds	126,215	3,000	(129,215)	-
Subdivision & Road Deposits	1,350,619	81,392	(1,432,010)	-
Unclaimed Monies	10,204	499	-	10,703
Roadwise Community Grants	134	-	(134)	-
Sundry	19,307	-	(19,307)	-
DUP Contributions - Cape Burney	29,463	823	(30,286)	-
DUP Contributions - Drummond Cove	416,272	11,633	(427,905)	-
DUP Contributions - Spalding	35,657	996	(36,653)	-
DUP Contributions - Strathalbyn	142,254	3,975	(146,230)	-
DUP Contributions - Mt Tarcoola	41,894	1,171	(43,064)	-
DUP Contributions - Wandina	102,876	2,875	(105,751)	-
DUP Contributions - Waggrakine	206,765	5,778	(212,543)	-
DUP Contributions - Webberton	9,869	276	(10,144)	-
DUP Contributions - Geraldton	13,310	10,061	(23,371)	-
POS Cash in Lieu	1,855,031	51,840	(65,974)	1,840,897
POS Cash in Lieu - Drummond Cove	85,114	2,379	-	87,492
POS Cash in Lieu - Glenfield	71,536	10,041	-	81,577
POS Cash in Lieu - Strathalbyn	235,040	6,568	-	241,609
POS Cash in Lieu - Utakarra	250,397	6,997	-	257,394
POS Cash in Lieu - Wandina	79,698	2,762	-	82,461
POS Cash in Lieu - Waggrakine Rural Residential	84,279	14,955	-	99,234
20A/152 Reserve 41879	42,900	-	-	42,900
Mid West Industry Road Safety Alliance	-	79,595	(26,408)	53,187
	5,417,878	538,589	(3,159,013)	2,797,454

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 19. Total Assets Classified by Function and Activity

\$	2019 Actual	2018 Actual
Governance	12,948,538	13,810,397
General Purpose Funding	4,904,524	5,045,611
Law, Order, Public Safety	2,789,150	1,160,066
Health	901,715	925,047
Education & Welfare	4,111,352	4,273,574
Housing	965,488	990,071
Community Amenities	20,925,331	20,639,725
Recreation & Culture	111,575,430	110,824,759
Transport	665,506,165	656,333,861
Economic Services	136,487	273,283
Other Property & Services	105,841,836	104,937,208
Unallocated	40,306,005	14,029,620
	<u>970,912,021</u>	<u>933,243,222</u>

Note 20. Acquisition of Assets

\$	2019 Actual	2019 Budget
<u>By Program</u>		
Governance		
Asset acquisition	269,585	510,669
Law, Order, Public Safety		
Asset acquisition	1,718,403	1,940,000
Education & Welfare		
Asset acquisition	5,218	-
Community Amenities		
Asset acquisition	3,880,613	12,035,000
Recreation & Culture		
Asset acquisition	12,474,416	14,025,616
Transport		
Asset acquisition	33,899,470	37,020,841
Economic Services		
Asset acquisition	40,071	4,929,690
Other Property & Services		
Asset acquisition	6,739,113	2,188,000
	<u>59,026,889</u>	<u>72,649,816</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 20. Acquisition of Assets (continued)

\$		2019 Actual	2019 Budget
By Class			
<i>Property, Plant & Equipment</i>	7(b)		
- Land		1,058,428	8,558,690
- Buildings		5,466,494	-
- Furniture and Equipment		461,864	801,669
- Plant and Equipment		2,442,649	2,408,000
- Artwork		91,826	80,000
<i>Infrastructure</i>	8(b)		
- Roads		11,759,055	12,301,007
- Recreation		11,755,259	11,737,950
- Car Parks		151,288	836,000
- Meru Landfill		3,784,025	11,770,000
- Airport		22,056,001	24,156,500
		<u>59,026,889</u>	<u>72,649,816</u>

Note 21. 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		1,000	-	-	-	(1,000)	-
Buildings		607,271	-	30,000	-	(550,463)	-
Furniture and Equipment		372,806	-	-	-	(83,489)	-
Plant and Equipment		1,020,477	734,741	581,409	594,000	(158,922)	(140,741)
Artwork		14,315	-	-	-	(14,315)	-
Total		<u>2,015,869</u>	<u>734,741</u>	<u>611,409</u>	<u>594,000</u>	<u>(808,189)</u>	<u>(140,741)</u>

\$	2019 Actual	2019 Budget	2018 Actual
Summary			
Profit on Asset Disposals	39,391	54,728	134,149
Loss on Asset Disposals	(847,580)	(195,469)	(75,922)
Net Profit/(Loss) on Disposal of Assets	<u>(808,189)</u>	<u>(140,741)</u>	<u>58,227</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 22. Financial Ratios

\$	Amounts 2019	Indicator 2019	Target	Prior Periods 2018 2017	
<i>Liquidity Ratio</i>					
1. Current Ratio ⁽¹⁾					
Current Assets less Restricted Current Assets	24,305,467	1.04 : 1	> 1.00 : 1	1.28	1.42
Current Liabilities less Liabilities Associated with Restricted Assets	23,388,290				
<i>Debt Ratio</i>					
2. Debt Service Cover Ratio ⁽²⁾					
Operating Surplus before Interest and Depreciation Exp Principal and Interest Repayments	25,252,025 5,039,019	5.01 : 1	> 2.00 : 1	4.50	5.48
<i>Coverage Ratio</i>					
3. Own Source Revenue Coverage Ratio ⁽³⁾					
Own Source Operating Revenue	71,316,302	89.19%	> 40%	89.05%	91.31%
Operating Expense	79,960,332				
<i>Financial Performance Ratio</i>					
4. Operating Surplus Ratio ⁽⁴⁾					
Operating Revenue less Operating Expense	57,877	0.08%	> 1%	-0.25%	6.42%
Own Source Operating Revenue	71,316,302				
<i>Asset Management Ratios</i>					
5. Asset Consumption Ratio ⁽⁵⁾					
Depreciated Replacement Cost of Depreciable Assets	917,494,766	72.44%	> 50%	74.12%	70.92%
Current Replacement Cost of Depreciable Assets	1,266,589,194				
6. Asset Sustainability Ratio ⁽⁶⁾					
Capital Renewal and Replacement Expenditure	32,258,556	133.57%	90-110%	89.49%	77.53%
Depreciation Expense	24,151,946				
7. Asset Renewal Funding Ratio ⁽⁷⁾					
NPV of Planned Capital Renewals over 10 years	240,632,116	94.69%	75-95%	103.20%	104.11%
NPV of Required Capital Expenditure over 10 years	254,118,161				

Notes

- (1) This is a modified commercial ratio designed to focus on the liquidity position of the Council that has arisen from past year's transactions.
- (2) This ratio is the measurement of Council's ability to repay its debt including lease payments.
- (3) This ratio is the measurement of Council's ability to cover its costs through its own revenue efforts.
- (4) This ratio is a measure of Council's ability to cover its operational costs and have revenues available for capital funding or other purposes.
- (5) This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.
- (6) This ratio indicates whether Council is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.
- (7) This ratio is a measure of the ability of Council to fund its projected asset renewal / replacements in the future.

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2019

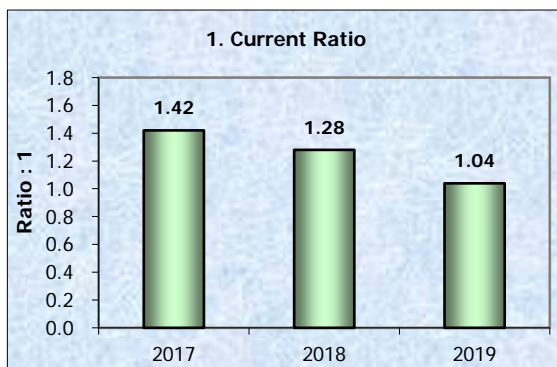
Note 22. Financial Ratios (continued)

The Current Ratio, Debt Service Coverage Ratio and Operating Surplus Ratio are distorted by the early payment of Financial Assistance Grants (FAGS) for the financial year 2018-2019 in the amount of \$3,042,332 (2017-18: \$3,058,237) on the 18 of June 2019.

These Financial Assistance Grants are in accordance with AASB 1004 recognised in the Operating Revenue of the financial year 2018-2019.

The table below shows the impact on the disclosure of ratios comparing both scenarios:

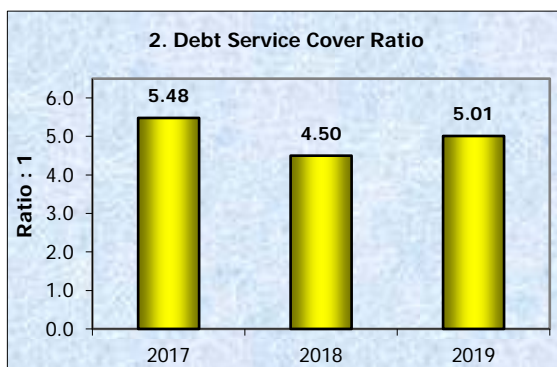
	Current Ratio	Debt Service Coverage ratio	Operating Surplus Ratio
FAGS included	1.04	5.01	0.08%
FAGS excluded	0.91	4.41	-4.18%



Purpose of Current Ratio

To assess the liquidity position of the Council that has arisen from past year's transactions.

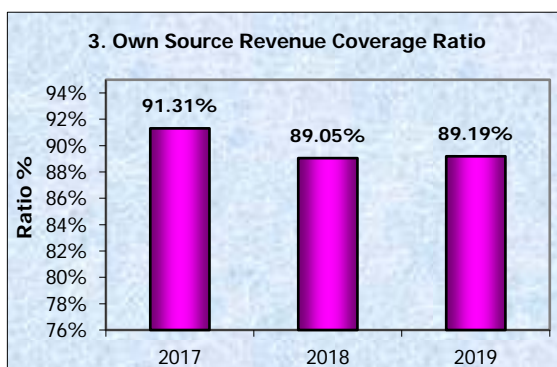
2018/19 Ratio	1.04 : 1
----------------------	-----------------



Purpose of Debt Service Cover Ratio

To assess Council's ability to repay its debt including lease payments.

2018/19 Ratio	5.01 : 1
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Purpose of Own Source Revenue Coverage Ratio

To assess Council's ability to cover its costs through its own revenue efforts.

2018/19 Ratio	89.19%
----------------------	---------------

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2019

Note 22. Financial Ratios (continued)

<p>4. Operating Surplus Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>6.42%</td> </tr> <tr> <td>2018</td> <td>-0.25%</td> </tr> <tr> <td>2019</td> <td>0.08%</td> </tr> </tbody> </table>	Year	Ratio %	2017	6.42%	2018	-0.25%	2019	0.08%	<p>Purpose of Operating Surplus Ratio</p> <p>To assess Council's ability to cover its operational costs and have revenues available for capital funding or other purposes.</p>	<p>2018/19 Ratio 0.08%</p>
Year	Ratio %									
2017	6.42%									
2018	-0.25%									
2019	0.08%									
<p>5. Asset Consumption Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>70.92%</td> </tr> <tr> <td>2018</td> <td>74.12%</td> </tr> <tr> <td>2019</td> <td>72.44%</td> </tr> </tbody> </table>	Year	Ratio %	2017	70.92%	2018	74.12%	2019	72.44%	<p>Purpose of Asset Consumption Ratio</p> <p>To assess the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.</p>	<p>2018/19 Ratio 72.44%</p>
Year	Ratio %									
2017	70.92%									
2018	74.12%									
2019	72.44%									
<p>6. Asset Sustainability Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>77.53%</td> </tr> <tr> <td>2018</td> <td>89.49%</td> </tr> <tr> <td>2019</td> <td>133.57%</td> </tr> </tbody> </table>	Year	Ratio %	2017	77.53%	2018	89.49%	2019	133.57%	<p>Purpose of Asset Sustainability Ratio</p> <p>To indicate whether Council is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.</p>	<p>2018/19 Ratio 133.57%</p>
Year	Ratio %									
2017	77.53%									
2018	89.49%									
2019	133.57%									
<p>7. Asset Renewal Funding Ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>104.11%</td> </tr> <tr> <td>2018</td> <td>103.20%</td> </tr> <tr> <td>2019</td> <td>94.69%</td> </tr> </tbody> </table>	Year	Ratio %	2017	104.11%	2018	103.20%	2019	94.69%	<p>Purpose Asset Renewal Funding Ratio</p> <p>To assess the ability of Council to fund its projected asset renewal / replacements in the future.</p>	<p>2018/19 Ratio 94.69%</p>
Year	Ratio %									
2017	104.11%									
2018	103.20%									
2019	94.69%									

City of Greater Geraldton

Notes to the Financial Statements
for the year ended 30 June 2019

Note 23. Information on Borrowings

\$	Borrowing Institution	Interest Rate %	Principal 1-Jul-18	New Loans	Principal Repayments		Principal 30-Jun-19		Interest Repayments		
					Actual	Budget	Actual	Budget	Actual	Budget	
(a). Debenture Repayments											
Governance											
- 262 Office Redevelopment	WATC	3.89%	523,274	-	102,312	102,312	420,962	420,962	17,891	18,875	
Law, Order, Public Safety											
- NEW 276 Animal Pound Facility	WATC	1.99%	-	1,900,000	-	-	1,900,000	1,900,000	6,165	-	
Community Amenities											
- NEW 278 Meru Resource Recovery Facility	WATC	2.24%	-	7,000,000	-	-	7,000,000	7,000,000	25,565	-	
Recreation & Culture											
- 82 Tarcoola Park Tennis Club SSL	*	WATC	7.36%	4,541	-	3,600	2,190	941	-	208	70
- 96 Geraldton Yacht Club SSL	*	WATC	3.16%	250,000	-	21,623	21,623	228,377	228,377	7,649	7,731
- 268 Foreshore Stabilisation & Protection		WATC	3.09%	877,785	-	114,162	114,162	763,623	763,623	25,692	26,248
- 264 Aquarena Upgrade		WATC	4.36%	1,301,652	-	194,239	194,239	1,107,413	1,107,413	52,922	54,658
- 271 QPT Air-Conditioning Replacement		WATC	2.92%	2,673,106	-	301,234	301,234	2,371,872	2,371,872	74,310	75,872
- 263 Recreation Ground Grandstand		WATC	4.36%	813,533	-	121,399	121,417	692,133	691,708	33,076	34,143
- 272 MUF, Youth Precinct, Beach Access Ramp		WATC	3.21%	3,620,395	-	228,430	228,430	3,391,965	3,391,965	113,094	114,396
- 259 Verita Road		WATC	4.72%	1,818,355	-	489,600	489,600	1,328,754	1,328,754	78,727	80,116
- 257 Geraldton Hockey Association	*	WATC	4.81%	101,278	-	27,239	27,239	74,040	74,040	4,427	4,548
- NEW 277 Beresford Foreshore		WATC	2.24%	-	1,850,000	-	-	1,850,000	1,850,000	6,757	-
- 253 Geraldton Yacht Club SSL	*	WATC	6.26%	22,263	-	12,424	12,426	9,838	9,814	941	1,104
- 251 Geraldton Hockey Association	*	WATC	6.14%	40,182	-	31,900	31,903	8,283	8,220	1,629	1,738
- 260 Aquarena Renewal Stage 1		WATC	3.89%	1,360,513	-	266,020	266,046	1,094,502	1,093,617	46,508	49,041
Transport											
- 269 Airport Projects		WATC	3.09%	2,209,092	-	287,308	287,308	1,921,784	1,921,784	64,659	66,059
- 261 Airport Paid Parking Facilities		WATC	3.89%	784,912	-	153,468	153,468	631,444	631,443	26,836	28,312
- 258 Airport Buffer Land		WATC	4.72%	525,302	-	141,440	141,440	383,862	383,862	22,743	23,145
- 234 Lot 8 Chapman Road - Car Park		WATC	5.09%	112,523	-	112,523	112,264	-	-	2,284	2,866
- 252 Plant Purchases for 2009/2010		WATC	6.06%	265,242	-	148,140	148,157	117,101	116,811	11,097	12,732
- 273 Verita Road Stage 1		WATC	2.45%	1,097,189	-	208,883	208,883	888,306	888,306	25,164	25,610
- 270 Airport Technology Park		WATC	2.74%	1,020,171	-	503,145	503,145	517,025	517,026	23,701	24,530
- NEW 275 Airport Runway Overlay		WATC	2.82%	-	7,500,000	-	-	7,500,000	7,500,000	34,484	-

(continued on next page)

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 23. Information on Borrowings (continued)

\$	Borrowing Institution	Interest Rate %	Principal 1-Jul-18	New Loans	Principal Repayments		Principal 30-Jun-19		Interest Repayments	
					Actual	Budget	Actual	Budget	Actual	Budget
(a). Debenture Repayments (continued)										
Other Property & Services										
- 265 Old Works Depot	WATC	4.36%	650,826	-	97,120	97,134	553,707	553,366	26,461	27,314
- 274 Olive Street Development	WATC	3.13%	3,379,537	-	330,572	330,572	3,048,964	3,048,964	101,948	103,213
- 266 Old Railway Building	WATC	4.36%	670,351	-	100,033	100,036	570,318	570,315	27,255	28,149
WATC Loan Guarantee Fee			-	-	-	-	-	-	180,008	209,513
			24,122,022	18,250,000	3,996,817	3,995,228	38,375,214	38,372,242	1,042,202	1,019,983

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 2019

Note 23. Information on Borrowings (continued)

\$	Amount Borrowed		Institution	Type	Term (Years)	Total	Interest	Amount Used		Balance
	Actual	Budget				Interest & Charges	Rate %	Actual	Budget	Unspent
Airport Runway Extension	7,500,000	7,500,000	WATC	P&I	20	2,364,149	2.82%	-	(7,500,000)	7,500,000
Animal Pound	1,900,000	1,900,000	WATC	P&I	7	144,828	1.99%	-	(1,900,000)	1,900,000
Beresford Foreshore	1,850,000	1,850,000	WATC	P&I	10	225,227	2.24%	-	(1,850,000)	1,850,000
Meru Resource facility	7,000,000	7,000,000	WATC	P&I	10	852,210	2.24%	-	(7,000,000)	7,000,000
	18,250,000	18,250,000				3,586,413		-	(18,250,000)	18,250,000

(b). New Debentures

\$	Date Borrowed	Balance 1-Jul-18	Borrowed	Expended	Balance 30-Jun-19
			During Year	During Year	
Olive Street Development	17/05/2017	309,722	-	(34,779)	274,943
Foreshore Stabilisation & Protection	4/05/2015	548,423	-	(214,906)	333,517
Airport Runway Extension	2/05/2019	-	7,500,000	(7,500,000)	-
Animal Pound	2/05/2019	-	1,900,000	(1,718,403)	181,597
Beresford Foreshore	2/05/2019	-	1,850,000	(1,850,000)	-
Meru Resource Facility	2/05/2019	-	7,000,000	(4,000,456)	2,999,544
		858,145	18,250,000	(15,318,544)	3,789,601

(c). Unspent Debentures

The City of Greater Geraldton established an overdraft facility of \$750,000.
The balance of the bank overdraft at 30 June 2019 was \$0 (1 July 2018: \$0).

(d). Overdraft

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 24(a). Rating Information (2018/19 Financial Year)

\$	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
Rate Type												
Differential General Rate												
CGG Residential		14.6334	15,437	202,293,839	29,602,467	85,546	(116)	29,687,898	29,602,467	382,615	10,450	29,995,532
CGG Non Residential		12.1117	1,210	87,218,137	10,563,599	32,632	6,846	10,603,077	10,563,599	173,159	-	10,736,758
CGG UV		0.7660	859	379,648,000	2,908,104	(3,467)	-	2,904,637	2,908,104	-	-	2,908,104
Sub-Total			17,506	669,159,976	43,074,170	114,711	6,731	43,195,612	43,074,170	555,774	10,450	43,640,394
Minimum Rates												
		Minimum										
CGG Residential		1,010	2,358	8,187,518	2,381,580	-	-	2,381,580	2,381,580	-	-	2,381,580
CGG Non Residential		1,010	243	1,267,584	245,430	-	-	245,430	245,430	-	-	245,430
CGG UV		1,010	201	10,651,962	203,010	-	-	203,010	203,010	-	-	203,010
Sub-Total			2,802	20,107,064	2,830,020	-	-	2,830,020	2,830,020	-	-	2,830,020
								46,025,632				46,470,414
Discounts/Concessions	27(a)							(152,542)				(155,774)
								45,873,090				46,314,640
Specified Area Rate	25							-				-
Totals								45,873,090				46,314,640

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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

\$	Notes	2019 Carried Fwd Actual	2018 Brought Fwd Actual
Current Assets			
Cash - Unrestricted	3	9,467,741	12,672,677
Cash - Restricted Reserves	3	22,035,630	16,221,376
Cash - Restricted Unspent Grants	2(d)	4,708,118	6,612,590
Investments	4	5,069,939	96,789
Rates - Current	5	4,420,221	4,336,749
Sundry Debtors	5	2,499,076	1,204,272
GST Receivable	5	668,447	669,948
Other Receivables	5	1,322,341	2,715,849
Inventories			
- Fuel and Materials	6	395,360	369,503
- Land Held for Resale	6	332,641	-
- Other	6	129,701	117,792
		51,049,215	45,017,545
Current Liabilities			
Sundry Creditors	9	13,883,048	7,838,032
Accrued Interest on Debentures	9	186,392	134,919
Accrued Salaries and Wages	9	368,028	397,549
Other Current Trade and Other Payables	9	4,919,612	6,612,590
Current Employee Benefits Provision	11	4,554,788	4,471,759
Other Current Provisions	11	488,376	509,909
Current Loan Liability	10	5,296,164	3,996,891
		29,696,408	23,961,649
Net Current Assets		21,352,807	21,055,896
Less:			
Reserves - Restricted Cash	3	(22,035,630)	(16,221,376)
Self Supporting Loan Principal Repayments		(96,785)	(71,015)
Add Back:			
Current Loan Liability	10	5,296,164	3,996,891
Surplus/(Deficit)		4,516,556	8,760,395

(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 2019

Note 25. Specified Area Rate (2018/19 Financial Year)

\$

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

Note 26. Service Charges (2018/19 Financial Year)

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

Note 27. Discounts, Incentives, Concessions & Write-offs (2018/19 Financial Year)

	Total	Budget
\$	Cost / Value	Cost / Value

(a) Discounts/Concessions

General Rates	152,542	155,774
	<u>152,542</u>	<u>155,774</u>

Discounts

Council offers no discounts for early payment of rates or any other debts to Council.

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

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 27. Discounts, Incentives, Concessions & Write-offs (2018/19 Financial Year)

\$	Notes	Total Cost / Value	Budget Cost / Value
(b). Write-Offs			
Rate Assessment	2(a)	334,495	-
General Debtors	2(a)	<u>22,523</u>	<u>-</u>
		<u>357,018</u>	<u>-</u>

Note 28. Interest Charges and Instalments (2018/19 Financial Year)

\$	Interest Rate %	Admin. Charge	Actual Revenue	Budgeted Revenue
Interest on Unpaid Rates	11.00%	-	557,214	480,000
Interest on Instalments Plan	5.50%	-	183,958	188,000
Pensioner Deferred Interest	0.00%	-	<u>11,621</u>	<u>12,000</u>
			<u>752,793</u>	<u>680,000</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 \$12.00 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.

The total amount of revenue from the imposition of interest and instalments charges is \$905,741 (2017-18: \$890,791).

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 29. Fees & Charges

\$	2019 Actual	2019 Budget	2018 Actual
Governance	15,195	15,424	13,291
General Purpose Funding	319,949	306,000	305,139
Law, Order, Public Safety	320,899	326,160	411,730
Health	76,864	85,600	81,757
Education and Welfare	18,535	30,000	27,882
Community Amenities	12,094,547	12,326,831	11,609,203
Recreation and Culture	1,928,488	2,384,298	2,354,403
Transport	5,711,138	6,119,000	6,007,101
Economic Services	892,078	882,300	682,769
Other Property and Services	1,096,622	970,081	910,070
	<u>22,474,314</u>	<u>23,445,694</u>	<u>22,403,346</u>

There were no changes during the year to the amount of the fees and charges detailed in the original budget.

Note 30. Grants, Subsidies & Contributions

\$	2019 Actual	2018 Actual
Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:		
(a). By Nature & Type		
Operating Grants, Subsidies and Contributions	8,701,906	8,411,475
Non-Operating Grants, Subsidies and Contributions	21,086,497	8,674,649
	<u>29,788,403</u>	<u>17,086,124</u>

(b). By Program

Governance	71,346	84,195
General Purpose Funding	6,093,896	6,049,303
Law, Order, Public Safety	193,462	194,661
Education & Welfare	271,526	234,041
Community Amenities	72,660	230,906
Recreation & Culture	2,573,063	3,253,520
Transport	16,963,145	6,541,200
Economic Services	188,793	153,808
Other Property & Services	3,360,512	344,490
	<u>29,788,403</u>	<u>17,086,124</u>

Included within the Operating Grants, Subsidies and Contributions total of \$8,701,906 is \$627,765 in reimbursements and recoveries.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 31. Employee Numbers

\$	2019 Actual	2018 Actual	2017 Actual
The number of full-time equivalent employees at balance date	282	283	282

At 30 June 2019 the City's approved organisational structure: 299 FTE (2018: 296 FTE).

Note 32. Councillor Remuneration

\$	2019 Actual	2019 Budget	2018 Actual
The following fees, expenses and allowances were paid to council members and the mayor.			
Meeting Fees	391,884	360,000	376,168
Members Allowance	90,420	124,000	90,420
Members IT and Telephone Allowance	52,500	52,500	50,358
Travelling Expenses	12,019	15,500	13,244
Conference Expenses	13,374	25,000	23,028
Councillor Training	13,820	25,000	21,353
	574,017	602,000	574,571

Note 33. Employee Costs

Wages and Salaries	19,023,357	24,065,769	19,218,134
Employee Leave Entitlements	4,914,270	42,025	4,923,048
Superannuation	3,054,417	2,984,124	3,012,720
Workers' Compensation Insurance	269,155	487,068	151,436
Protective Clothing & Uniforms	74,643	46,591	75,023
Recruitment Costs	56,430	80,000	82,207
Training Costs (other than Salaries & Wages)	137,886	89,037	144,193
Other	142,079	100,000	132,524
	27,672,236	27,894,614	27,739,286

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2019

Note 33. Employee Costs (continued)

\$	Salary Range	2019 Actual	2018 Actual
Employee Remuneration			
Set out below, in bands of \$10,000 is the number of employees entitled to an annual salary of 100,000 or more.			
Details			
LG Administration Regulations 19 B	100,000 - 109,999	14	10
	110,000 - 119,999	4	3
	120,000 - 129,999	4	1
	130,000 - 139,999	6	4
	140,000 - 149,999	1	2
	150,000 - 159,999	1	-
	160,000 - 169,999	1	-
	170,000 - 179,999	1	1
	190,000 - 200,999	1	2
	200,000 - 210,000	-	-
	250,000 - 259,999	1	1

Note 34. Major Land Transactions

There were no Major Land Transactions during 2018/19.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 \$5.26M in 2018-19 (2017-18: \$5.3M).

Operating surpluses from airport operations are utilised to maintain and improve existing airport infrastructure, and provide for development of future infrastructure. During 2018-19, capital outlays on Airport Infrastructure (including buildings) amounted to nearly \$22.1M (2017-18: \$0.3M), the new airport runway accounting for \$22.1M. Funding totalling \$16.5M was provided by Federal and State Governments.

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 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.

Operating Income	5,263,023	5,282,218
Operating Expenditure	(3,155,500)	(2,718,536)
Depreciation Expense	(1,587,978)	(954,315)
Operating Result	519,545	1,609,367
Capital Income	21,255,004	42,500
Capital Expenditure	(23,213,951)	(1,447,525)
Operating Result	(1,958,947)	(1,405,025)
Total Net Trading Undertaking	(1,439,402)	204,342
Current Assets		
Receivables	846,971	703,716
Total Current Assets	846,971	703,716
Non-Current Assets		
Land	12,826,812	12,826,812
Buildings	15,809,803	16,087,460
Furniture & Equipment	10,863	21,677
Airport Infrastructure	51,561,057	30,743,294
Total Non-Current Assets	80,208,535	59,679,243
Total Assets	81,055,506	60,382,959
Current Liabilities		
Creditors & Provisions	(4,804,728)	(139,012)
Borrowings	(1,404,695)	(1,085,362)
Total Current Liabilities	(6,209,423)	(1,224,374)
Non-Current Liabilities		
Borrowings	(9,549,420)	(3,454,115)
Total Non-Current Liabilities	(9,549,420)	(3,454,115)
Total Liabilities	(15,758,843)	(4,678,489)
Net Assets	65,296,663	55,704,470

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 \$5.37M in 2018-19 (2017-18: \$5.23M). During 2018-19, capital outlays on Meru Infrastructure amounted to around \$3.88M (2017-18: \$0.17M) with majority of the spend going towards the construction of Cell 5 and lining of the second liquid waste pond.

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.

Operating Income	5,372,755	5,237,661
Operating Expenditure	(3,229,735)	(3,339,319)
Depreciation Expense	(859,217)	(409,072)
Operating Result	1,283,803	1,489,270
Capital Income	7,000,000	-
Capital Expenditure	(3,880,363)	(174,722)
Operating Result	3,119,637	(174,722)
Total Net Trading Undertaking	4,403,440	1,314,548
Current Assets		
Receivables	139,484	42,768
Total Current Assets	139,484	42,768
Non-Current Assets		
Land	2,223,000	2,223,000
Buildings	441,076	361,407
Airport Infrastructure	17,815,706	16,994,561
Total Non-Current Assets	20,479,782	19,578,968
Total Assets	20,619,266	19,621,736
Current Liabilities		
Creditors & Provisions	(755,453)	(285,124)
Borrowings	(631,940)	-
Total Current Liabilities	(1,387,393)	(285,124)
Non-Current Liabilities		
Provisions	(10,462,004)	(12,496,405)
Borrowings	(6,368,059)	-
Total Non-Current Liabilities	(16,830,063)	(12,496,405)
Total Liabilities	(18,217,456)	(12,781,529)
Net Assets	2,401,810	6,840,207

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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	
		2019	2018	2019	2018
Financial Assets					
Cash and Cash Equivalents	3	36,211,489	35,506,644	36,211,489	35,506,644
Receivables (Current & Non-Current)	5	9,394,388	9,355,559	9,394,388	9,773,742
		<u>45,605,878</u>	<u>44,862,203</u>	<u>45,605,878</u>	<u>45,280,386</u>
Financial Liabilities					
Payables (Current & Non-Current)	9	19,357,080	14,983,090	19,357,080	14,983,090
Borrowings (Current & Non-Current)	10	38,375,214	24,122,022	38,375,214	24,122,022
		<u>57,732,294</u>	<u>39,105,112</u>	<u>57,732,294</u>	<u>39,105,112</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 2019

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-19	30-Jun-18
Impact of a 1% ⁽¹⁾ movement in interest rates on cash and investments		
Equity	362,115	355,066
Statement of Comprehensive Income	362,115	355,066

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 2019

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.

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-19 %	30-Jun-18 %
Percentage of Rates and Annual Charges		
Current	93.62%	93.35%
Overdue	6.38%	6.65%
Percentage of Other Receivables		
Current	68.39%	94.75%
Overdue	31.61%	5.25%

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.

Expected credit loss assessment as at 1 July 2018 and 30 June 2019

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 2019

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 2019:

	2019 Gross carrying amount \$	2019 ECL under AASB 9 as at 30 June 2019 \$	2018 Impairment under AASB 139 as at 30 June 2018 \$
Not Past Due	1,699,622	24,984	-
Past Due 31-60 Days	716,582	10,534	-
Past Due 61-90 Days	29,906	440	-
More than 90 Days	89,296	1,314	-
Impairment	-	-	19,110
Total	<u>2,535,406</u>	<u>37,271</u>	<u>19,110</u>

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

	2019 \$	2018 \$
Receivables		
Fully Performing	1,699,622	1,072,530
Past due:		
- 31 to 60 days overdue	716,582	120,274
- 61 to 90 days overdue	29,906	11,415
- Greater than 90 days overdue	89,296	32,557
- Impaired	(37,271)	(19,110)
Total	<u>2,498,135</u>	<u>1,217,665</u>

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 (ie. 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
2019					
Payables	19,357,080	-	-	19,357,080	19,357,080
Borrowings	5,296,164	17,152,731	15,926,319	38,375,214	38,375,214
	24,653,244	17,152,731	15,926,319	57,732,294	57,732,294
2018					
Payables	14,983,090	-	-	14,983,090	14,983,090
Borrowings	3,996,891	13,307,526	6,817,605	24,122,022	24,122,022
	18,979,981	13,307,526	6,817,605	39,105,112	39,105,112

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-19		30-Jun-18	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank Loans - Fixed	3.02%	38,375,214	3.54%	24,122,022
		<u>38,375,214</u>		<u>24,122,022</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 2019

Note 37. Fair Value Measurements

\$

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

- Infrastructure, Property, Plant and Equipment
- 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).

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

2019	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	
Financial Assets					
Investments					
- "Designated At Fair Value on Initial Recognition"	30/06/19	-	-	315,308	315,308
- "Loans and Receivables"	30/06/19	-	-	5,321,480	5,321,480
Receivables	30/06/19	-	-	9,394,388	9,394,388
Total Financial Assets		-	-	15,031,176	15,031,176
Financial Liabilities					
Payables	30/06/19	-	-	19,357,080	19,357,080
Loans / Advances	30/06/19	-	-	38,375,214	38,375,214
Total Financial Liabilities		-	-	57,732,294	57,732,294
Property, Plant & Equipment					
- Land	30/06/17	-	84,919,345	-	84,919,345
- Buildings	30/06/17	-	-	106,639,744	106,639,744
- Furniture & Equipment	30/06/19	-	-	1,584,409	1,584,409
- Plant & Equipment	30/06/16	-	9,765,147	-	9,765,147
- Artwork	30/06/19	-	696,946	-	696,946
Total Property, Plant & Equipment		-	95,381,438	108,224,153	203,605,592
Infrastructure					
- Roads	30/06/18	-	-	585,123,301	585,123,301
- Recreation	30/06/18	-	-	49,761,450	49,761,450
- Car Parks	30/06/18	-	-	10,133,495	10,133,495
- Meru Landfill	30/06/18	-	-	17,956,086	17,956,086
- Airport	30/06/18	-	-	51,560,812	51,560,812
- Effluent Scheme	30/06/18	-	-	569,774	569,774
Total Infrastructure		-	-	715,104,918	715,104,918

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 37. Fair Value Measurements (continued)

\$

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

2018	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	
Financial Assets					
Receivables	30/06/18	-	-	9,773,742	9,773,742
Total Financial Assets		-	-	9,773,742	9,773,742
Financial Liabilities					
Payables	30/06/18	-	-	14,983,090	14,983,090
Loans / Advances	30/06/18	-	-	24,122,022	24,122,022
Total Financial Liabilities		-	-	39,105,112	39,105,112
Property, Plant & Equipment					
- Land	30/06/17	-	83,861,918	-	83,861,918
- Buildings	30/06/17	-	1,338,000	103,778,876	105,116,876
- Furniture & Equipment	30/06/16	-	-	1,622,984	1,622,984
- Plant & Equipment	30/06/16	-	9,803,880	-	9,803,880
- Artwork	14/11/14	-	671,267	-	671,267
Total Property, Plant & Equipment		-	95,675,065	105,401,860	201,076,925
Infrastructure					
- Roads	30/06/18	-	-	589,087,247	589,087,247
- Recreation	30/06/18	-	-	38,384,416	38,384,416
- Car Parks	30/06/18	-	-	10,416,364	10,416,364
- Meru Landfill	30/06/18	-	-	17,663,151	17,663,151
- Airport	30/06/18	-	-	30,743,294	30,743,294
Total Infrastructure		-	-	686,294,473	686,294,473

(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 2019

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 (ie. 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 2017.

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 with accounting standards at Fair Value. Fair Value is defined as:

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

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 the 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 that 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 been 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 2019

Note 37. Fair Value Measurements (continued)

\$

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

Infrastructure

AIRPORT

AVP Valuers & Asset Management have completed a valuation of Infrastructure assets with the effective date of valuation 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.

MERU LANDFILL

AVP Valuers & Asset Management have 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. The approach applied for each component was -

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

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 (2018-2019: \$10,432,004.06) 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, Streetlighting, 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 2019

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 - 1/7/17	-	104,458,735	1,479,392	565,303,234	671,241,361
Purchases (GBV)	-	1,353,450	563,327	15,091,008	17,007,785
Depreciation & Impairment	-	(2,033,309)	(419,734)	(15,647,701)	(18,100,744)
FV Gains - Other Comprehensive Income	-	-	-	24,340,705	24,340,705
Closing Balance - 30/6/18	-	103,778,876	1,622,985	589,087,246	41,348,490
Purchases (GBV)	-	5,466,494	461,864	11,759,055	17,687,413
Disposals (WDV)	-	(607,271)	(372,806)	-	(980,077)
Depreciation & Impairment	-	(1,962,510)	(127,635)	(15,723,000)	(17,813,145)
Transfer between Asset Classes	-	(1,373,844)	-	-	(1,373,844)
Closing Balance - 30/6/19	-	105,301,745	1,584,408	585,123,301	56,681,982
	Recreation	Car Parks	Meru Landfill	Airport	Total
Opening Balance - 1/7/17	42,890,249	10,762,251	14,696,490	26,940,278	95,289,268
Purchases (GBV)	13,038,768	44,700	226,832	272,514	13,582,814
Depreciation & Impairment	(742,551)	(459,429)	(399,360)	(603,149)	(2,204,489)
Other movement	(16,802,050)	68,842	3,139,190	4,133,652	(9,460,366)
Closing Balance - 30/6/18	38,384,416	10,416,364	17,663,152	30,743,295	97,207,227
Purchases (GBV)	11,755,258	151,288	3,784,025	20,840,258	36,530,829
Depreciation & Impairment	(1,752,068)	(434,158)	(856,916)	(1,238,483)	(4,281,625)
Other movement	1,373,844	-	(2,064,401)	-	(690,557)
Closing Balance - 30/6/19	49,761,450	10,133,494	18,525,860	50,345,070	128,765,874

(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 2019

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

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Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

Note 39. Investment Properties

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

Note 40. Intangible Assets

	2019 Carrying Amount	2018 Carrying Amount
Intangible Assets are as follows;		
Opening Values:		
Gross Book Value (1/7)	104,144	-
Net Book Value - Opening Balance	104,144	-
Movements for the year		
- Purchases	-	104,144
Closing Values:		
Gross Book Value (30/6)	104,144	104,144
Total Intangible Assets - Net Book Value ¹	104,144	104,144
¹ The Net Book Value of Intangible Assets represent:		
- Laneway Easement	104,144	104,144
	104,144	104,144

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

Note 41. Equity - Retained Earnings and Reserves Adjustments

Council made no correction of errors or made voluntary changes in any accounting policies during the current reporting period.

Note 42. Discontinued Operations

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

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 43. Events occurring after the Reporting Period

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Events that occur between the end of the reporting period (ending 30 June 2019) 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 dd/mm/yy.

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 2019.

(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 2019 and which are only indicative of conditions that arose after 30 June 2019.

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

Note 44. 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 2019

Note 44. Transactions with Related Parties (continued)

\$	2019	2018
(c) Key Management Personnel (continued)		
The compensation paid to Key Management Personnel comprises:		
Short-Term Employee Benefits	1,473,262	1,393,531
Post-Employment Benefits	165,216	120,511
Long-Term Benefits	15,414	21,270
Total	1,653,892	1,535,312

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.

Council has determined that no material transactions with related parties have occurred during the financial year 2018-2019.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 45. Initial Application of Australian Accounting Standards

\$

AASB 9 - Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement: impairment: and hedge accounting.

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the City's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The adoption of AASB 9 has 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) assets approach. AASB 9 requires the City to recognise an allowance for ECLs for all financial assets not held at fair value through P/L.

In summary refer to Note 4 for the classifications, 30 June 2018 comparatives have been restated for comparison.

Note 46. New Accounting Standards and Interpretations

New Accounting Standards and Interpretations for Application in Future Years

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the City.

This note explains management's assessment of the new and amended pronouncements that are relevant to the City, the impact of the adoption of AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income for Not-for-Profit Entities. These standards are applicable to future reporting periods and have not yet been adopted.

a) Revenue from Contracts with Customers

The City will adopt AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the City will adopt the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019.

City of Greater Geraldton

Notes to the Financial Statements

for the year ended 30 June 2019

Note 46. New Accounting Standards and Interpretations (continued)

\$	AASB 118 Carrying Amount 30 June 2019	Re- Classification	AASB 15 Carrying Amount 01 July 2019
In summary the following adjustments are expected to be made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):			
Contract assets	-	1,670,877	1,670,877
Contract Liabilities - Current			
Unspent Grants, Contributions and Reimbursements	-	(222,385)	(222,385)
Adjustment to retained surplus from adoption of AASB 15	-	1,448,492	1,448,492

b) Leases

The City will adopt AASB 16 from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the City has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB 16 recognised on 1 July 2019. In applying the AASB 16 under the specific transition provisions chosen, the City will not restate comparatives for prior reporting periods.

On adoption of AASB 16, the City will recognise lease liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. These lease liabilities will be measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019.

On adoption of AASB 16, the City will recognise a right-of-use asset in relation to a lease which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is to be measured as if AASB 16 had been applied since its commencement date by the carrying amount but discounted using the lessee's incremental borrowing rate as on 1 July 2019. Application of AASB 16 Leases will have minimal impact on the City.

On adoption of AASB 16 Leases (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the City is not required to make any adjustments on transition for leases for which the underlying asset is of low value. 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).

c) Income for Not-For-Profit Entities

The City will adopt AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the City will adopt the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019.

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance give rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 there is no impact to the City's accumulated surplus as prepaid rates have been treated as a liability and no income recognised by the City until the rates have been struck. When the taxable event occurs the financial liability will be extinguished and the City will recognise income for the prepaid rates that have not been refunded.

City of Greater Geraldton

Notes to the Financial Statements for the year ended 30 June 2019

Note 47. 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

Graeme Bylund
Steve Douglas
Lewis Freer
David Caudwell
Michael Reymond
Tarleah Thomas
Jennifer Critch
Robert Hall
Victor Tanti
Neil McIlwaine
Natasha Colliver
Simon Keemink
Sally Elphick
Jerry Clune

Other Information

ABN: 55 907 677 173



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the City of Greater Geraldton

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the City of Greater Geraldton which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the City of Greater Geraldton:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2019 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 of my report. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1a to the annual financial report, which describes the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996, does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. My opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of an annual financial report that is free from material misstatement, whether due to fraud or error.

In preparing the annual 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 and 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 Responsibility for the Audit of the Financial Report

The objectives of my audit are to obtain reasonable assurance about whether the annual 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 annual financial report.

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

- Identify and assess the risks of material misstatement of the annual financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the annual financial report, including the disclosures, and whether the annual financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) All required information and explanations were obtained by me.
- (ii) All audit procedures were satisfactorily completed.
- (iii) In my opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

Other Matter

The annual financial report of the City for the year ended 30 June 2018 was audited by another auditor who expressed an unmodified opinion on that annual financial report. The financial ratios for 2016-17 and 2017-18 in Note 22 of the audited annual financial report were included in the audited annual financial report for those years.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the annual financial report of the City of Greater Geraldton for the year ended 30 June 2019 included 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited annual financial report to confirm the information contained in this website version of the annual financial report.



DON CUNNINGHAME
ACTING DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
29 October 2019



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