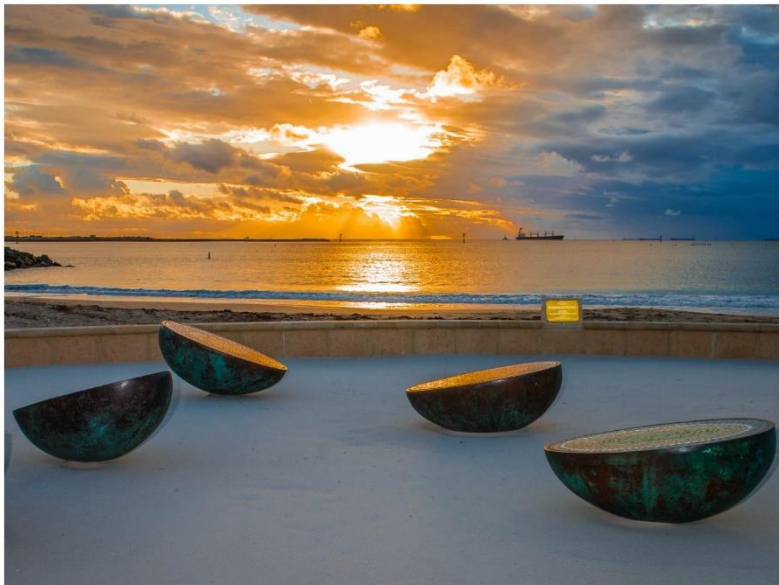




City of  
Greater Geraldton  
a vibrant future



## CITY OF GREATER GERALDTON MONTHLY MANAGEMENT REPORT



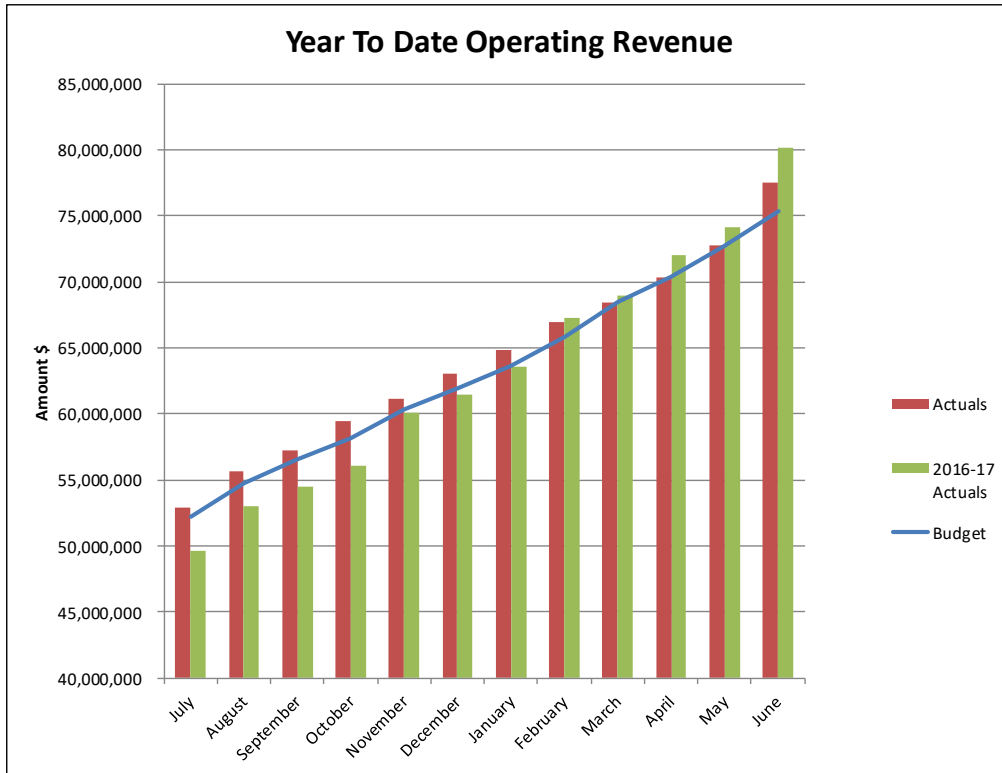
FOR THE PERIOD ENDED 30 June 2018

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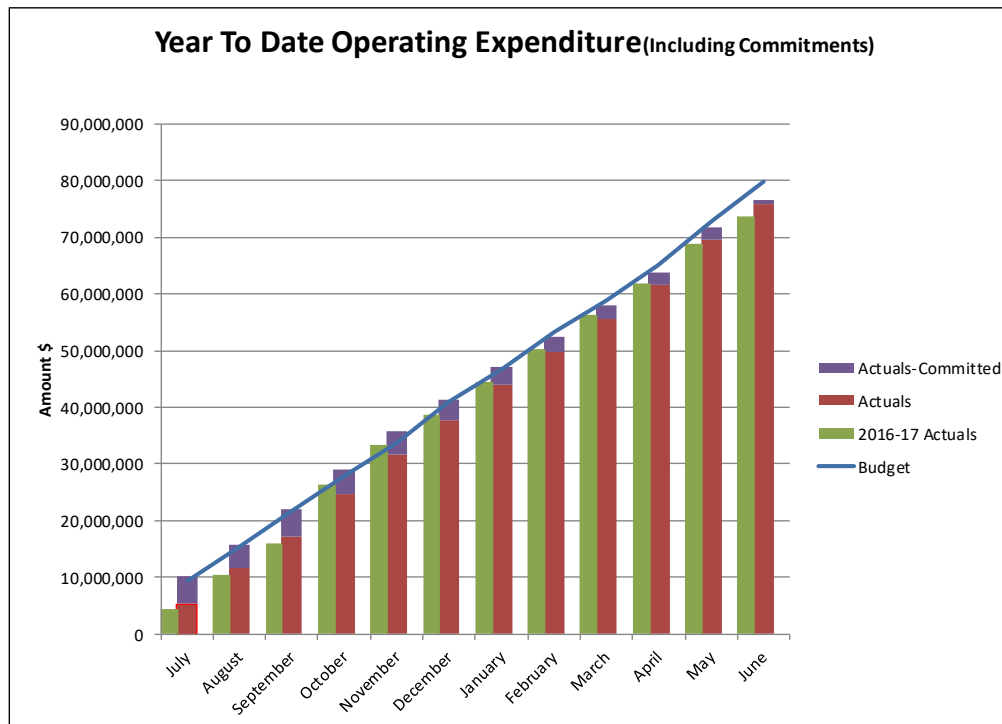
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**ECONOMIC KEY PERFORMANCE INDICATORS**



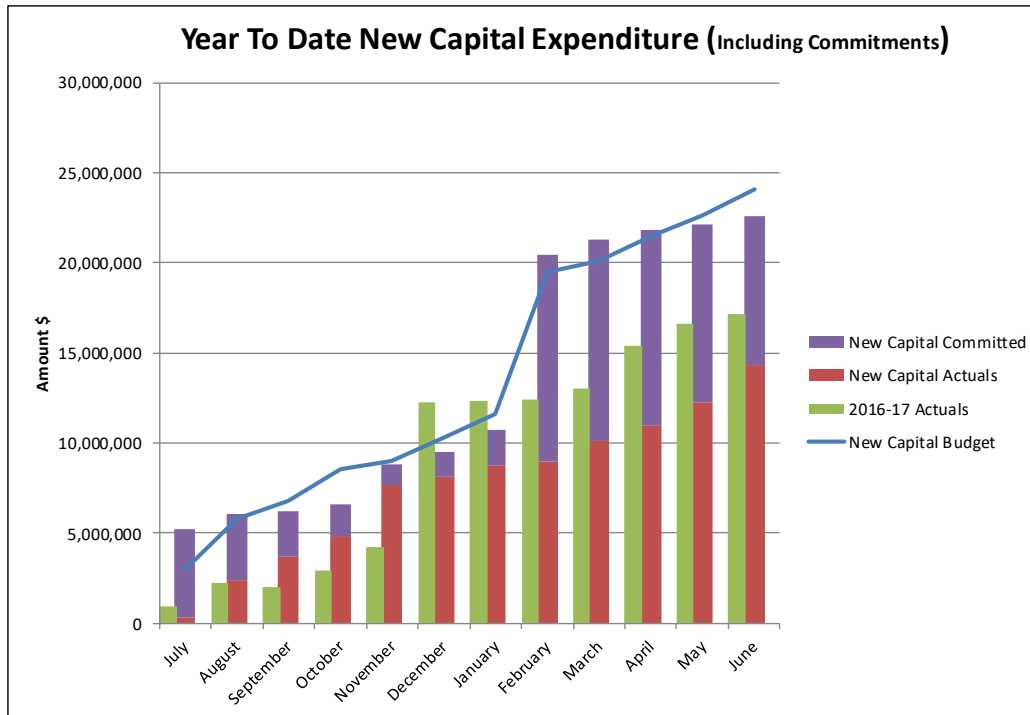
**Comments:**

- \* **Operating revenue** recorded as at 30 June is \$77,500,010
- \* **Rates** - Growth in rates revenue is expected to be below forecast due to council approved rates concessions.
- \* **Operating Grants & Subsidies** - The positive variance in Operating Grants Revenue is due to prepayments of Financial Assistance Grants (FAGS) funding for 2018/19.
- \* **Fees & Charges** final variance still to be determined as end of year processes still to be completed. Expected final figure to be just below budgeted forecast.
- \* **Interest Earnings** - While interest rates remained low - cash position enabled greater level of investment - resulting in actuals exceeding budgeted forecast
- \* **Other Revenue** Variance is due to Public Open Space Funds not applied from Trust - rolled into 2018/19.



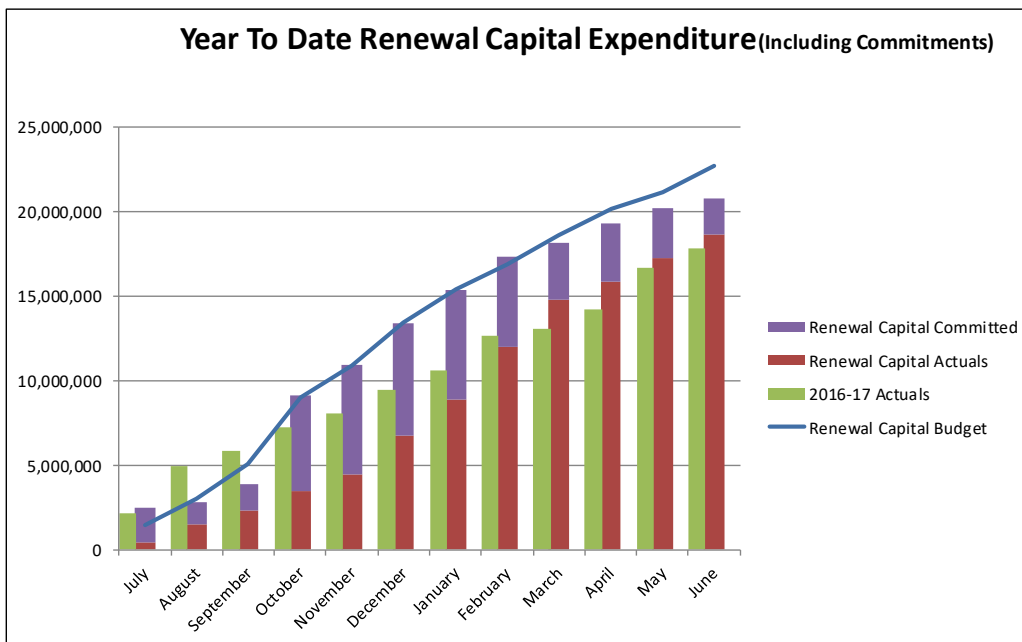
**Comments:**

- \* **Operating expenditure** recorded as at 30 June is \$76,500,042 including commitments of \$643k.
- \* **Employee Costs** has a positive variance due to Savings from lag in filling vacant positions and savings in Workers Comp premiums paid and including \$137k discount for prior year and performance base adjustments. End of year process still to be completed for accruals
- \* **Utilities and Government charges** - Expected year-end savings. Achieved to date from new supply agreements and tariff adjustments. Solar installation completed and now on-line at 3 sites (GMC, QPT and Art Gallery).
- \* **Materials & Contracts** - Final payment of 17-18 related invoices and accruals still to be processed to determine actual variance
- \* **Other Expenditure** - The variance in other Expenditure is due to increase in recognition of costs for free tipping - offset in fees and charges as internal charge.



Comments:

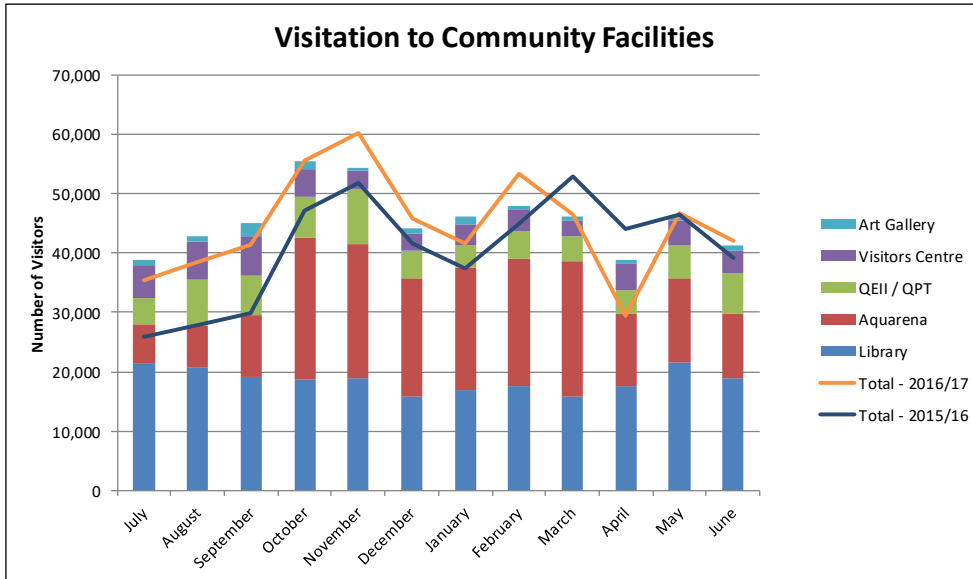
- \* New capital expenditure recorded as at 30 June is \$22,601,120 including commitments of \$8.2mil.
- \* Commitments reflect full contract value for stage 2 Beresford Project whereas budget does not reflect total estimated project cost. The Mid Year Review shifted part of Beresford projects costs to 2018-19. Variance will continue to be identified for the balance of the full year.
- \* Cape Burney and Rock's development costs "rolled-over" into 2018-19.
- \* IT Equipment & Corporate Furniture budgeted contingencies unspent



Comments:

- \* **Renewal capital expenditure** recorded as at 30 June is \$20,793,483 including commitments of \$2.2mil.
- \* **Road renewal** program completed under budget
- \* **Airport** - Security Screening and Trace Detection Equipment - budget to be revised from \$651,500 to \$85,000 as now only required to upgrade Trace Detection equipment.
- \* **QPT lighting upgrade** - expected to "rollover" into 2018-19
- \* **Fleet & Plant replacement** program completed under budget.
- \* **Anzac Terrace footpath renewal** not completed in 2017-18.
- \* **Meru** - Lining and stabilisation of septage pond & landfill design works to be "rolled-over" to 2018-19.

**SOCIAL KEY PERFORMANCE INDICATORS**

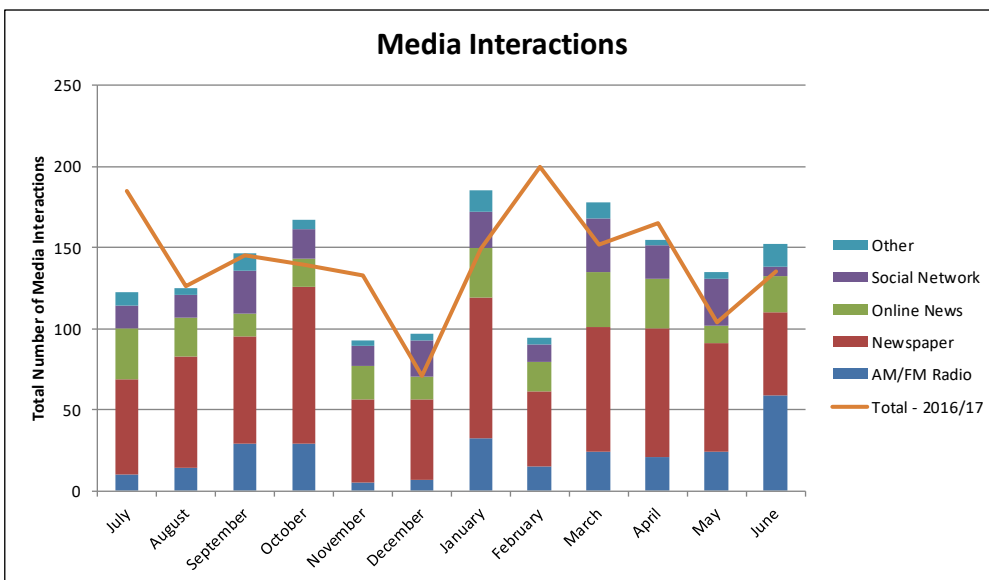


**Comments:**  
 Library visitations recorded in June was 18,965.

There was a decrease in Aquarena visits from 14,259 in May to 10,843 in June.

Art Gallery had 771 patrons through the door in June compared to 629 in May.

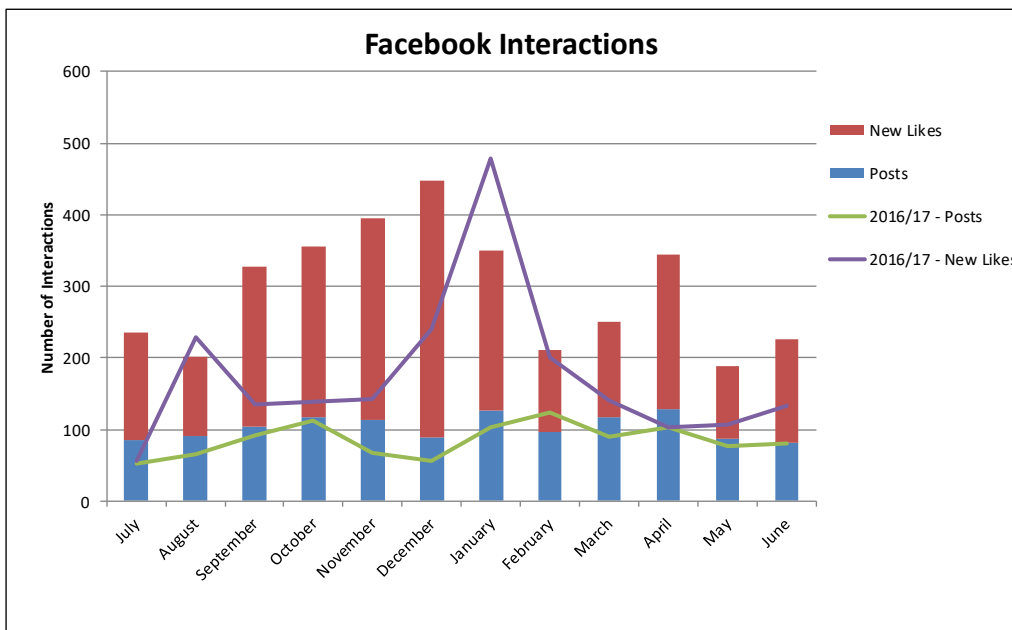
QPT bookings in June:  
 Australia Dance Extravaganza 1,450  
 Pepper Pig's Suprise - 718  
 Geraldton Music Festival - 578  
 Melbourne International Comedy Festival - 288



**Comments:**  
 Media interactions during the month of June:

- 2018/19 Budget
- Tenindewa
- Art Gallery exhibitions
- Airport Simulation/Qantas Pilot School
- Parvo Virus
- Mullewa Muster

Total media types - 6  
 Total Items - 152  
 Total audience -1,169,112



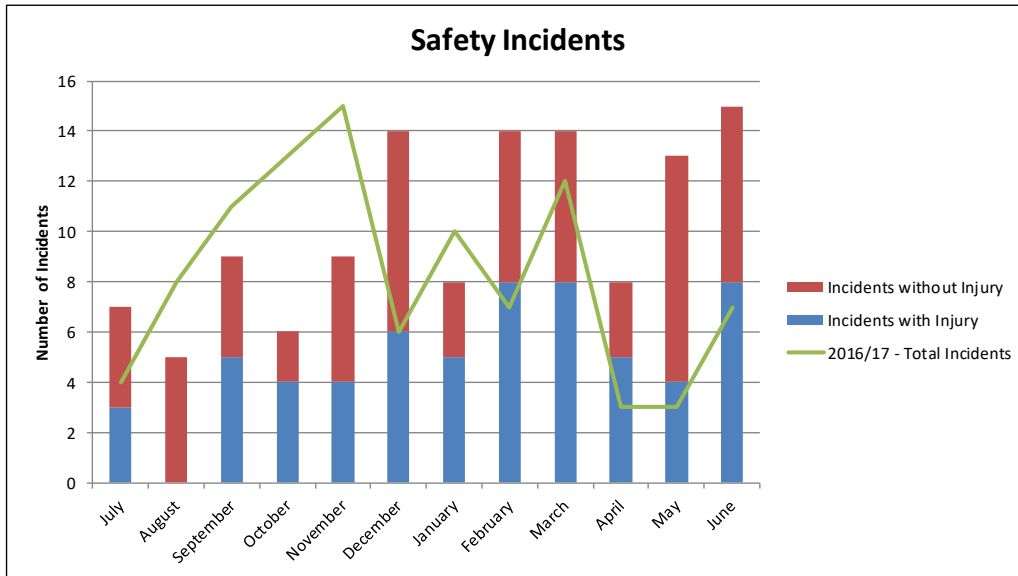
**Comments:**  
 City of Greater Geraldton's Facebook page visits for June resulted in 81 new posts and 145 new likes.

**Main Topics:**

- Chapman power poles completion – 9.3k
- Tree plantings on Beresford foreshore – 8.5k
- Dog poo reminder – 8.1k
- Plastic bag ban – 7k

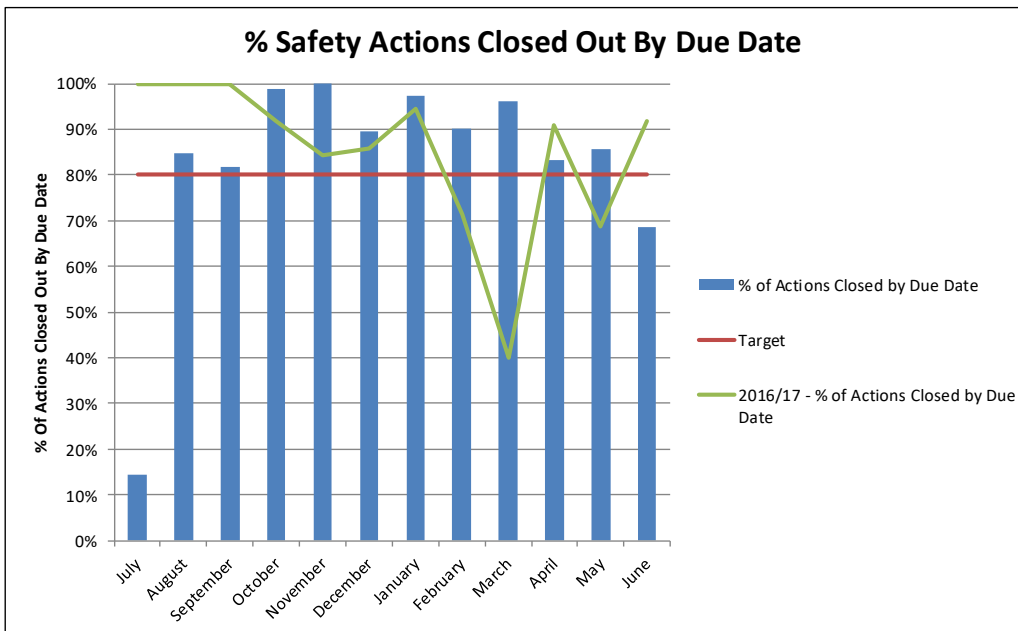
Average post reach - 5,332

**GOVERNANCE KEY PERFORMANCE INDICATORS**



Comments:  
 There were 8 incidents with an injury and 7 incidents without injury in June.

- Medical Treatment Injury - 1
- Restricted Work Injury - 1
- First Aid Injury - 2
- Minor Injury (where no first aid was administered) - 4
- Equipment Damage - 5
- Security - 1
- Near Miss - 1

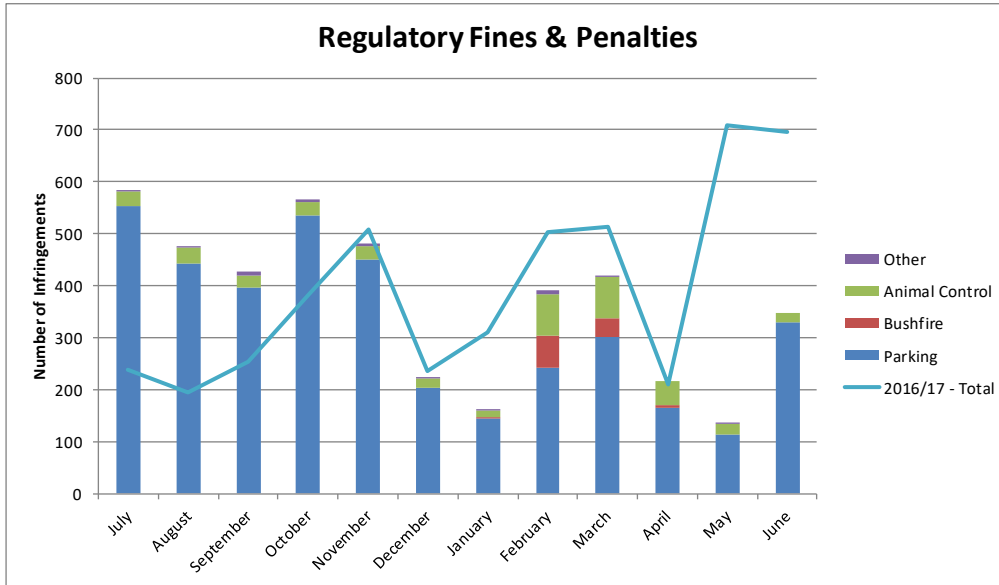


Comments:  
 30 actions were closed in June, 10 new actions were opened during the month and of the 24 open actions, 11 actions are currently overdue by more than 30 days.



Comments:  
 10 inspections were scheduled in June and 1 was completed.

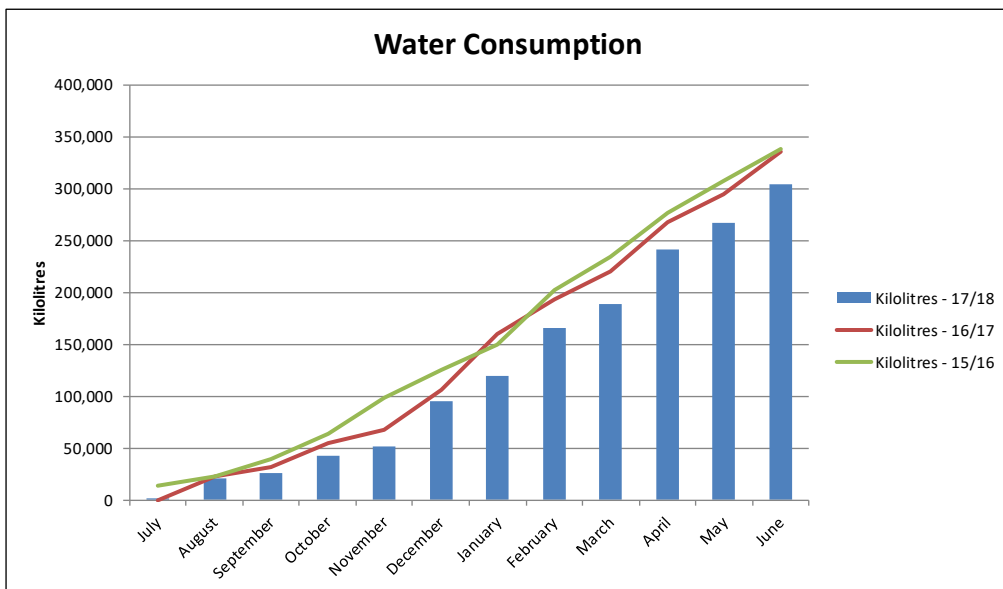
**ENVIRONMENTAL KEY PERFORMANCE INDICATORS**



Comments:  
 Fines issued in June:  
 Parking: 330  
 Animal Control: 18  
 Bushfires Act: 0  
 Other: 0

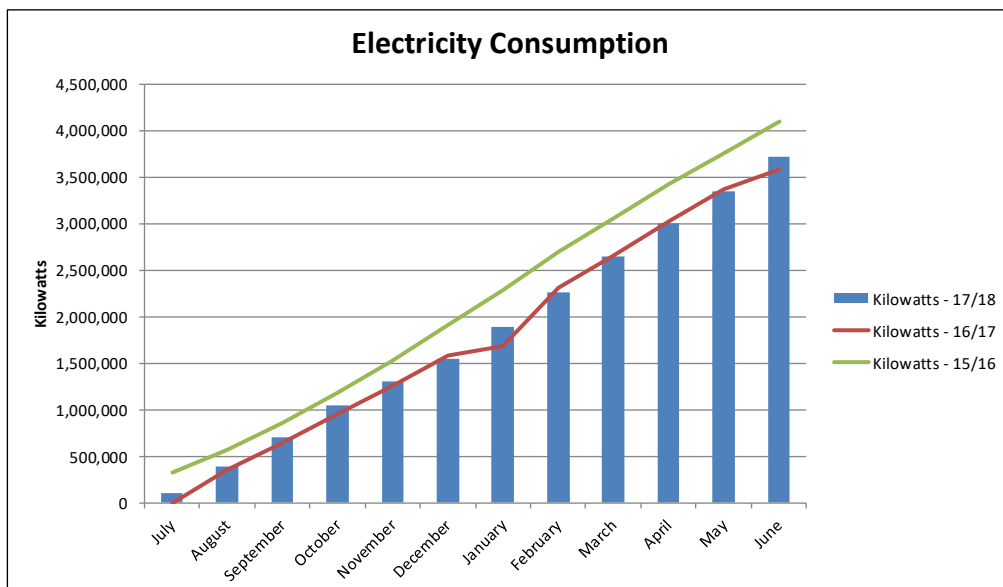
This compares to 696 for the same time last year.

Infringements issued will vary month to month and year to year depending on available ranger resources and the prioritising of ranger tasks for that individual month.



Comments:  
 Total kilolitres used up to 30 June is 303,970 compared to 334,987 last year.

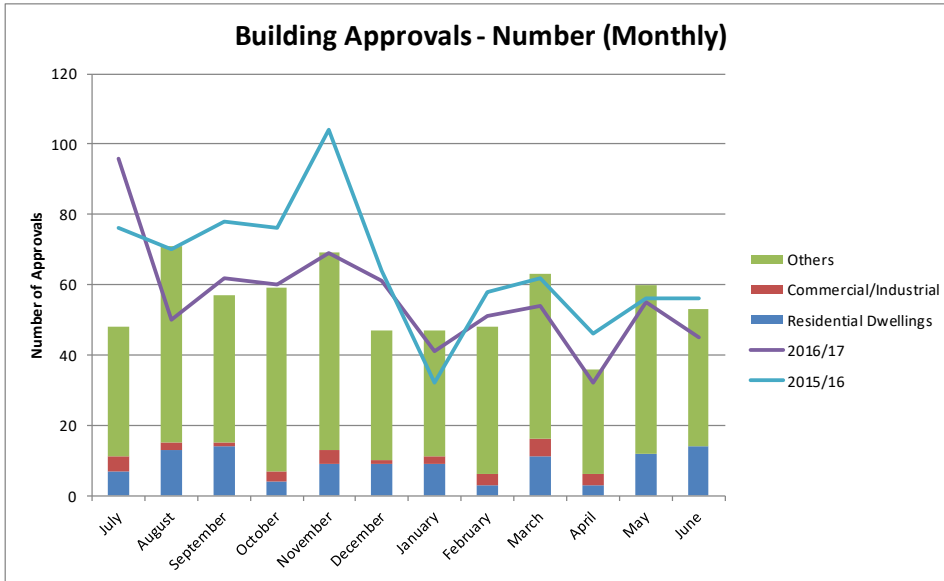
Variable billing periods do not allow for precise correlation to the previous financial year.



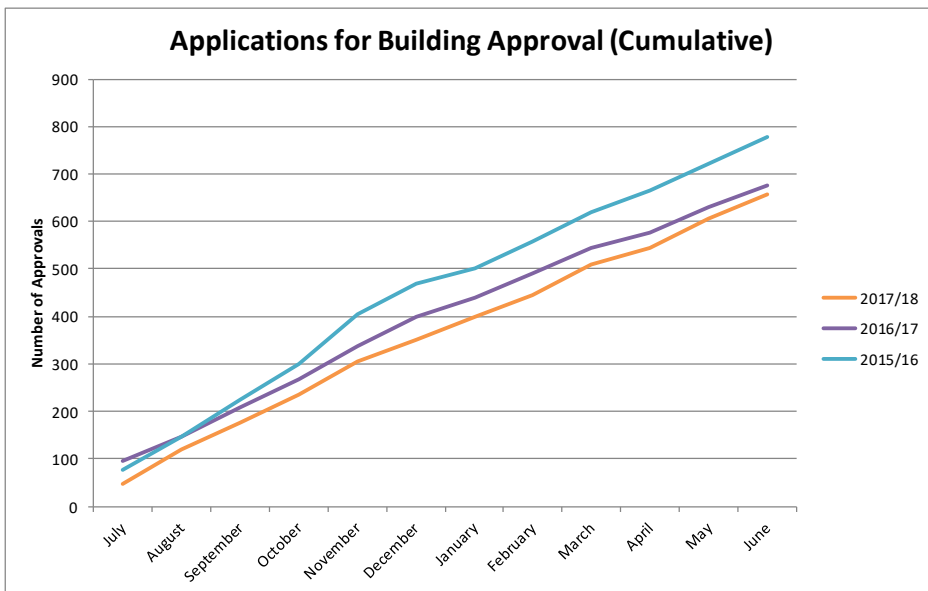
Comments:  
 Total kilowatts used up to 30 June is 3,710,217 compared to 3,582,989 last year.

Variable billing periods do not allow for precise correlation to the previous financial year.

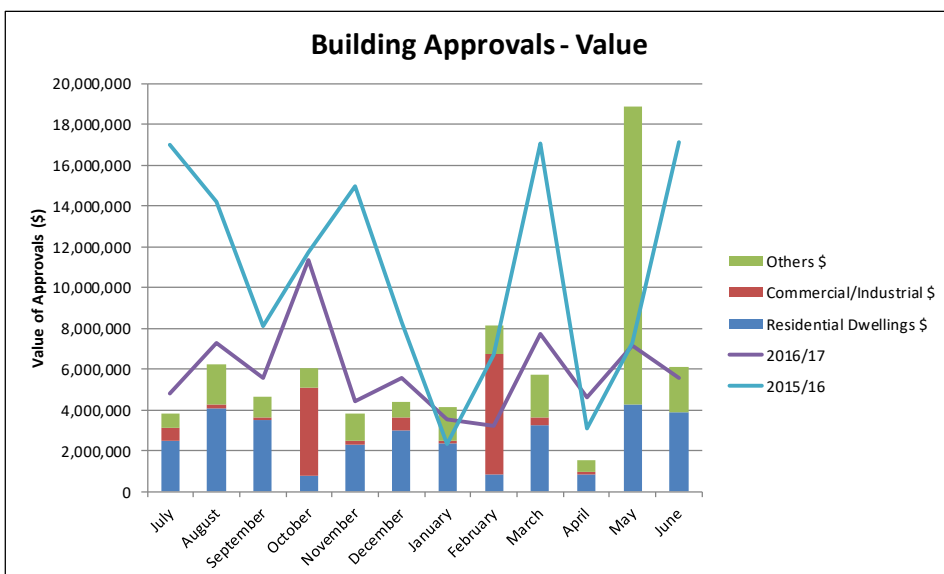
**BUILDING APPROVAL STATISTICS**



Comments:  
 "Others" classification includes buildings such as gazebo, patio, retaining walls, sheds, swimming pools etc.  
 Residential approvals for the year to the end of June were 108 compared with 102 at the same time last year.  
 Commercial approvals are at 28 as at the end of June compared to 42 at the same time last year.



Comments:  
 658 applications for building approvals were received year to date at the end of June. In the same period last year the City had received 676 applications.



Comments:  
 Residential dwellings came in at \$3,870,185 for the month of June compared with \$3,853,172 during the same period last year.  
 Commercial values were \$0.00 for the month of June compared with \$1,055,164 for the same period last year.  
 Values are down on previous years due to the downturn in the building sector which has seen a decrease in the number and value of Building Applications.



## CITY OF GREATER GERALDTON

## STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 30 June 2018

	Current Budget	Current YTD Budget	YTD Actual	YTD Major Commitments	Variances (commtments incl)		
					\$	%	
<b>Operating Income</b>							
Rates	44,963,763	44,963,763	44,878,143		85,620	0.2%	X
Operating Grants & Subsidies	4,180,846	4,180,846	7,246,987		-3,066,141	-73.3%	X
Contributions Reimbursements & Donations	1,000,524	1,000,524	1,121,274		-120,750	-12.1%	X
Fees & Charges	22,514,828	22,514,828	21,796,655		718,173	3.2%	X
Interest Earnings	1,648,332	1,648,332	1,716,991		-68,659	-4.2%	X
Other	859,596	859,596	625,295		234,301	27.3%	X
Profit On Disposal Of Assets	127,816	127,816	114,665		13,151	10.3%	X
	<b>75,295,705</b>	<b>75,295,705</b>	<b>77,500,010</b>		<b>-2,204,305</b>	<b>-2.9%</b>	
<b>Operating Expenditure</b>							
Employee Costs	-27,760,111	-27,760,111	-27,043,475		-716,636	2.6%	X
Materials & Contractors	-22,843,979	-22,843,979	-19,716,647	-614,806	-2,512,526	11.0%	X
Utility & Govt Charges	-3,184,235	-3,184,235	-2,799,618	-17,131	-367,486	11.5%	X
Insurance	-709,567	-709,567	-637,835	0	-71,732	10.1%	X
Interest/Borrowing Costs	-1,162,422	-1,162,422	-893,180	0	-269,242	23.2%	X
Other Expenditure	-2,322,801	-2,322,801	-2,759,134	-11,523	447,856	-19.3%	X
Depreciation On Assets	-21,770,436	-21,770,436	-21,953,051	0	182,615	-0.8%	X
Loss On Disposal Of Assets	-113,030	-113,030	-53,642	0	-59,388	52.5%	X
	<b>-79,866,581</b>	<b>-79,866,581</b>	<b>-75,856,582</b>	<b>-643,460</b>	<b>-3,366,539</b>	<b>4.2%</b>	
<b>NET OPERATING</b>	<b>-4,570,876</b>	<b>-4,570,876</b>	<b>1,643,428</b>	<b>-643,460</b>	<b>-5,570,844</b>	<b>121.9%</b>	
<b>Non-Cash Expenditure and Revenue</b>							
(Profit) / Loss on Asset Disposals	-14,786	-14,786	-61,023		46,237	-312.7%	X
Depreciation on Assets	21,770,436	21,770,436	21,953,051		-182,615	-0.8%	X
	<b>21,755,650</b>	<b>21,755,650</b>	<b>21,892,028</b>		<b>-136,378</b>	<b>-0.6%</b>	
<b>Capital Expenditure</b>							
Purchase Land	-3,021,753	-3,021,753	-2,369,949	-5,483	-646,321	21.4%	X
Purchase Buildings	-2,406,076	-2,406,076	-1,264,535	-221,222	-920,319	38.2%	X
Purchase Plant and Equipment	-2,940,714	-2,940,714	-2,479,622	-429,374	-31,718	1.1%	✓
Purchase Furniture and Equipment	-438,000	-438,000	-251,941	-59,037	-127,022	29.0%	X
Purchase Infrastructure Assets - Roads	-13,462,985	-13,462,985	-11,374,716	-995,983	-1,092,286	8.1%	X
Purchase Infrastructure Assets - Parks	-19,428,796	-19,428,796	-11,546,562	-8,330,037	447,803	-2.3%	X
Purchase Infrastructure Assets - Airport	-870,500	-870,500	-284,169	0	-586,331	67.4%	X
Purchase Infrastructure Assets - Meru	-527,000	-527,000	-174,722	-79,003	-273,275	51.9%	X
Purchase Infrastructure Assets - Other	-3,280,254	-3,280,254	-2,790,564	-354,929	-134,761	4.1%	X
Purchase Intangibles	-385,000	-385,000	-381,605	-1,150	-2,245	0.6%	✓
Self Supporting Loan Paid Out	-250,000	-250,000	-250,000	0	0	0.0%	✓
Repayment of Debentures	-3,978,365	-3,978,365	-3,978,379	0	14	0.0%	✓
	<b>-50,989,443</b>	<b>-50,989,443</b>	<b>-37,146,764</b>	<b>-10,476,218</b>	<b>-3,366,461</b>	<b>6.6%</b>	
<b>Capital Revenue</b>							
Non Operating Grants & Subsidies	13,468,006	13,468,006	6,401,921		7,066,085	52.5%	X
Proceeds from Disposal of Assets	620,950	620,950	662,845		-41,895	-6.7%	✓
Proceeds from New Debentures	250,000	250,000	250,000		0	0.0%	✓
Self-Supporting Loan Principal Income	71,014	71,014	71,010		4	0.0%	✓
Council Loan Principle Income	0	0	0		0		
	<b>14,409,970</b>	<b>14,409,970</b>	<b>7,385,776</b>		<b>7,024,194</b>	<b>48.7%</b>	
<b>Reserves</b>							
Transfers to Reserves	-7,317,175	-7,317,175	-4,780,510		-2,536,665	34.7%	
Transfers from Reserves	21,579,531	21,579,531	8,535,205		13,044,326	60.4%	
	<b>14,262,356</b>	<b>14,262,356</b>	<b>3,754,695</b>		<b>10,507,661</b>	<b>73.7%</b>	<b>X</b>
<b>Current Funding Surplus (Deficit)</b>	<b>-5,132,343</b>						

## MAJOR VARIANCES

### Operating Revenue

Operating revenue recorded as at 30 June is \$77,500,010. Operating income is showing an overall variance of \$2,204,305 over budget. The variance consists of the following:

- **Rates** - Growth in rates revenue is expected to be below forecast due to council approved rates concessions.
- **Operating Grants & Subsidies** - The positive variance in Operating Grants Revenue is due to prepayments of Financial Assistance Grants (FAGS) funding for 2018/19.
- **Contributions Reimbursements & Donations** - Increase above forecast budget in reimbursement of rates recovery charges
- **Fees & Charges** final variance still to be determined as end of year processes still to be completed. Expected final figure to be just below budgeted forecast.
- **Interest Earnings** - While interest rates remained low - cash position enabled greater level of investment - resulting in actuals exceeding budgeted forecast
- **Other Revenue** Variance is due to Public Open Space Funds not applied from Trust - rolled into 2018/19.

### Operating Expenditure

Operating expenditure recorded as at 30 June is \$75,846 582 plus commitments of \$643,460. The overall variance for operating expenditure is \$3,366,539 under budget. The variance consists of the following components:

- **Employee Costs** has a positive variance of \$716,636 due to Savings from lag in filling vacant positions and savings in Workers Comp premiums paid and including \$137k discount for prior year and performance base adjustments. End of yearend processes still to be completed for accruals.
- **Materials & Contracts** - Final payment of 17-18 related invoices and accruals still to be processed to determine actual variance.
- **Utilities and Government charges** has a variance (less than budget) of \$367,486. Expected year-end savings achieved to date from new supply agreements and tariff adjustments. Solar installation completed and now on-line at 3 sites (GMC, QPT and Art Gallery).
- **Insurance** – Positive variance of \$71,732 under budget. Savings for year-end related to new policy agreements.
- **Interest/Borrowing costs** - Accruals still to be processed as part of EOY finalisation.
- **Other Expenditure** has a variance of \$447,856 over budget - The variance is due to increase in recognition of costs for free tipping which is offset in fees and charges as an internal charge.

### Capital Expenditure

Capital Expenditure recorded as at 30 June is \$43,394,603 that includes commitments of \$10,476,218. This shows a variance of \$3,366,475 under budget. The variance is due to the following:

**Buildings** - Timing of QPT lighting upgrade - expected to "rollover" into 2018-19.

**Plant & Equipment** - Fleet & Plant replacement program completed under budget.

**Infrastructure Roads** - Road renewal program completed under budget.

**Infrastructure Parks** - Commitments reflect full contract value for stage 2 Beresford Project whereas budget does not reflect total estimated project cost. The mid-year review shifted part of Beresford projects costs to 2018-19.

**Airport** - Security Screening and Trace Detection Equipment - expenditure revised from \$651,500 to \$85,000 as now only required to upgrade Trace Detection equipment.

**Meru** - Lining and stabilisation of septage pond to be "roll-over" to 2018-19 - design completed and Department of Water & Environmental Regulation approval received.

**Pathways** - Anzac Terrace footpath renewal not completed in 2017-18.

**Land** - Cape Burney and Rock's development costs "rolled-over" into 2018-19.

### **Capital Revenue**

Non-operating Grants has a variance of \$7,066,085 under budget. The large variance is due to timing of Beresford Foreshore Project milestone payments. Payment claims submitted (accrual adjustment to be processed to recognise income being received in 2017-18)

### **Reserves**

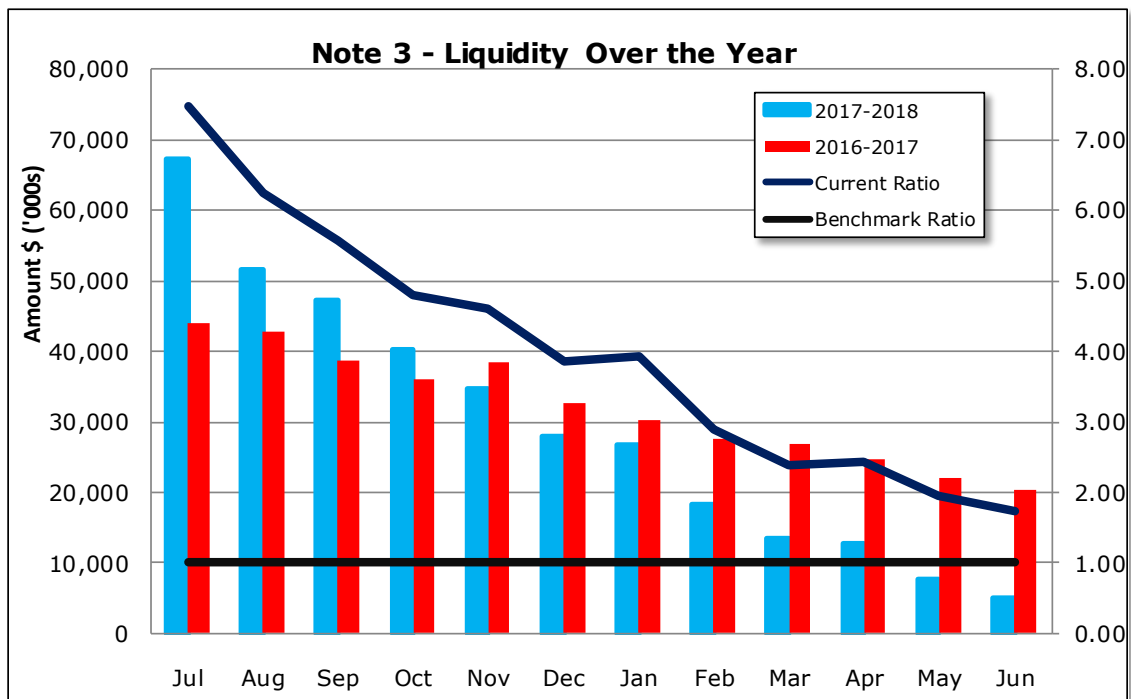
End of year transfers, to and from reserves, are still to be processed.

**NET CURRENT FUNDING POSITION**

**City of Greater Geraldton  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30 June 2018**

**Note 3: NET CURRENT FUNDING POSITION**

	Positive=Surplus (Negative=Deficit)		
	2017-2018		2016-2017
	This Period	Last Period	This Period
	\$	\$	\$
<b>Current Assets</b>			
Cash at Bank			
Municipal Account	10,549,952	12,145,358	22,432,717
Reserve Account	18,343,928	18,314,473	10,537,870
Restricted Assets	9,112,590	9,090,548	8,992,194
Total Cash at Bank	38,006,470	39,550,379	41,962,781
Receivables			
Prepayments	294,728	275,693	329,316
Tax Recoverable	335,971	373,270	204,314
Sundry Debtors	768,739	928,664	4,162,391
Rates Receivable	4,345,195	4,409,629	3,893,544
Inventories	523,139	544,446	583,459
<b>Total Current Assets</b>	44,274,241	46,082,081	51,135,805
<b>Less: Current Liabilities</b>			
Creditors and Provisions	2,987,717	2,044,834	2,827,263
Current Borrowings	4,234,413	4,212,581	3,817,827
Employee Entitlements	4,636,491	4,636,491	4,670,556
	11,858,620	10,893,906	11,315,645
Less: Cash Restricted	(27,456,518)	(27,405,020)	(19,530,064)
<b>Net Current Funding Position</b>	<b>4,959,103</b>	<b>7,783,155</b>	<b>20,290,096</b>



**MONTHLY INVESTMENT REPORT**

**City of Greater Geraldton  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 30 June 2018**

**Note 4 - Monthly Investment Report**

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @30/06/2018	Percentage of Portfolio
<b>Commonwealth</b>							
BOS Call Account - Muni	A1+	On Demand	1.80%	3,925,394		3,925,394	
BOS Call Account - Reserve	A1+	On Demand	1.80%	3,801,912		3,801,912	
<b>Subtotal</b>				<b>7,727,306</b>	<b>-</b>	<b>7,727,306</b>	<b>27.3%</b>
<b>Westpac</b>							
Reserve Investment 281	A1+	27/7/2018	2.79%	8,000,000		8,000,000	
<b>Subtotal</b>				<b>8,000,000</b>	<b>-</b>	<b>8,000,000</b>	<b>28.3%</b>
<b>Bankwest</b>							
Call Account	A1+	On Demand	1.80%	-	-	-	
Municipal Investment 279	A1+	6/8/2018	2.40%	6,000,000	24,460	6,024,460	
<b>Subtotal</b>				<b>6,000,000</b>	<b>24,460</b>	<b>6,024,460</b>	<b>21.3%</b>
<b>Bendigo Bank</b>							
Reserve Investment 282	A2	6/9/2018	2.70%	4,541,416		4,541,416	
<b>Subtotal</b>				<b>4,541,416</b>	<b>-</b>	<b>4,541,416</b>	<b>16.1%</b>
<b>AMP Bank</b>							
Reserve Investment 282	A1	15/10/2018	2.75%	2,000,000		2,000,000	
<b>Subtotal</b>				<b>2,000,000</b>	<b>-</b>	<b>2,000,000</b>	<b>7.1%</b>
<b>Total Funds Invested</b>				<b>23,727,306</b>	<b>24,460</b>	<b>28,293,182</b>	<b>100.0%</b>

