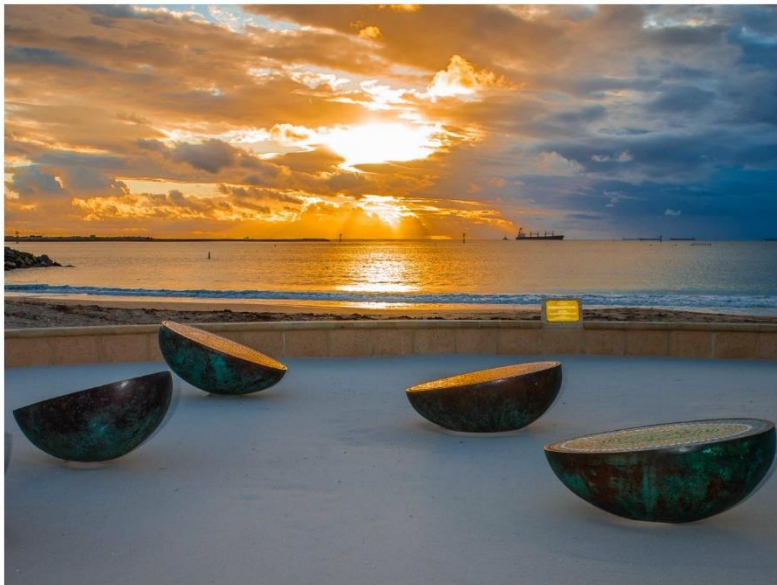




City of
Greater Geraldton
a vibrant future



CITY OF GREATER GERALDTON MONTHLY MANAGEMENT REPORT



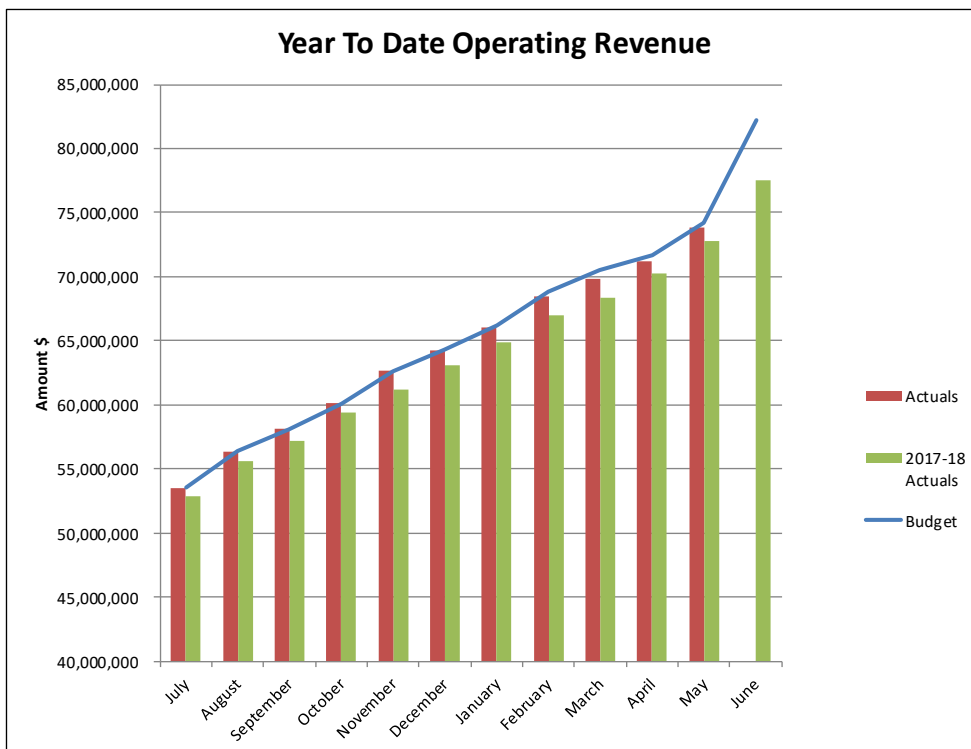
FOR THE PERIOD ENDED 31 May 2019

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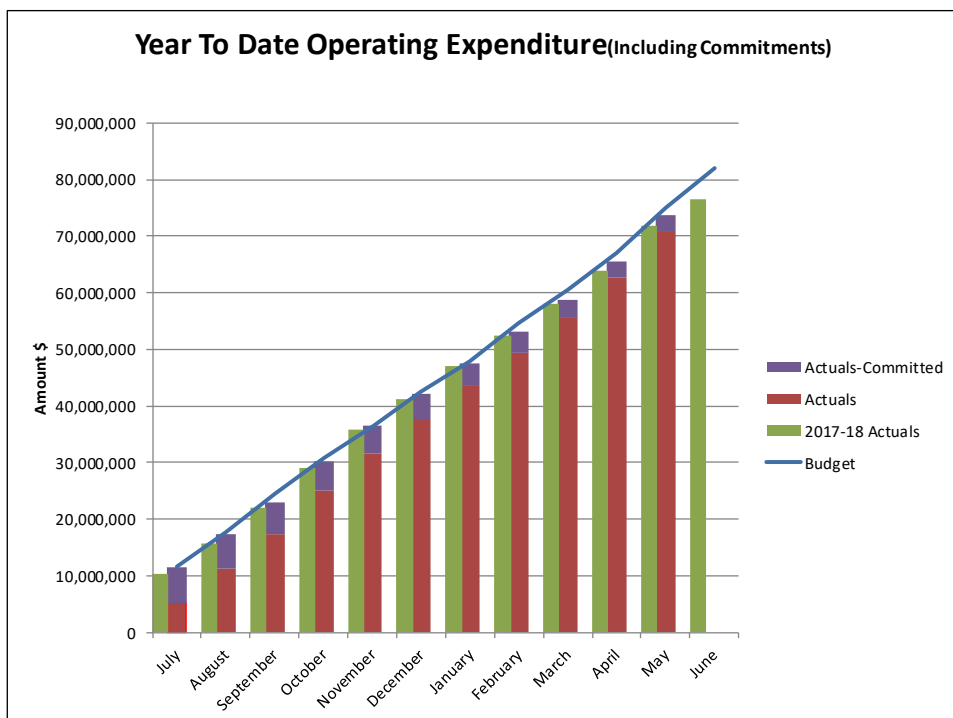
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ECONOMIC KEY PERFORMANCE INDICATORS



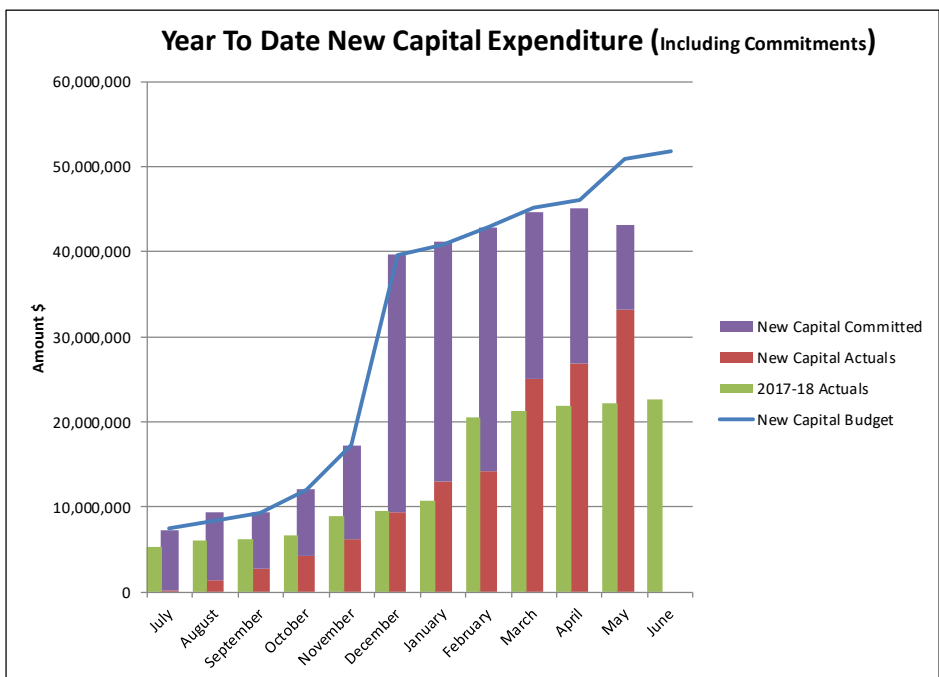
Comments:
 *Operating revenue recorded as at 31 May \$73,786,648.

- Interim rates (growth factor) currently below YTD budget forecast and expected that this deficit will continue to increase for the rest of the financial year.
- Fees & Charges below budget due to: - Parking related revenue down by \$94k; Meru Landfill income down by \$190k; Airport down by \$100k. Income from WOW festival down by \$55k; QPT related show activity income down by \$45K.



Comments:
 * Operating expenditure recorded as at 31 May is \$70,850,098 including commitments of \$2.8mil.

- EBA adjustments processed in May. Savings currently realised due to time lag in filling vacant positions.
- Materials & Contracts - Has a variance of \$0.87mil under budget. As previously reported operational expenditure on Roads continues to trend well below YTD budgeted forecast. Operating costs for fleet and plant servicing tracking well below budget and land property expense down due to reduced activity.
- Depreciation is \$348k above budget due to adjustments for new and major capital additions. Forecast depreciation expense to be above budget and year end.

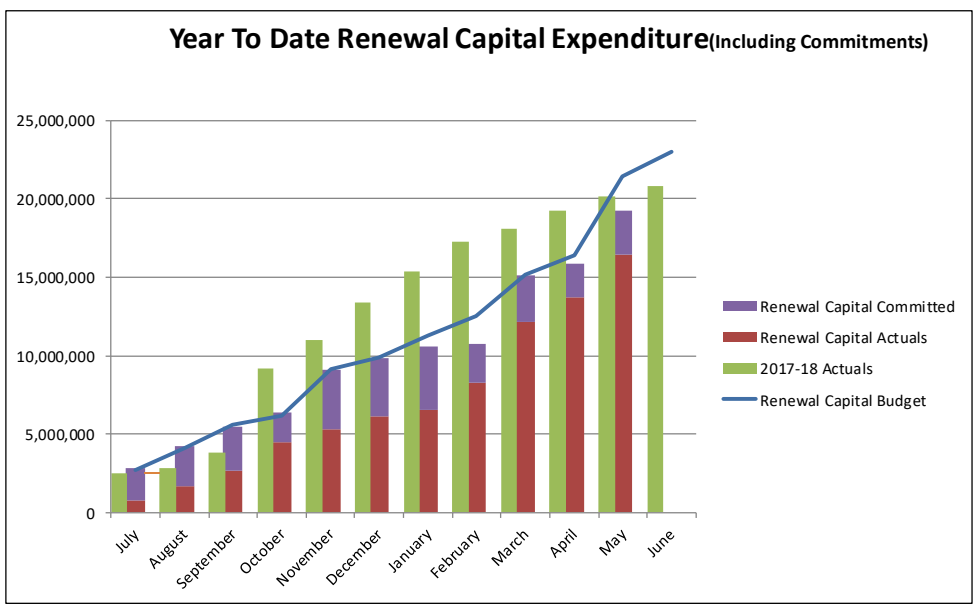


Comments:

- * New capital expenditure recorded as at 31 May is \$43,201,400 including commitments of \$10mil.
- Cape Burney land development currently profiled to commence towards the end of the financial year. Likely that commencement will now occur early on in the new financial year.
- Budget allocated to Solar PV installation on hold until review conducted on WP high voltage related costs.

Major commitments for capital projects include the following:

- \$5.19m Airport Runway Project
- \$2.20m Meru Cell 5 Project

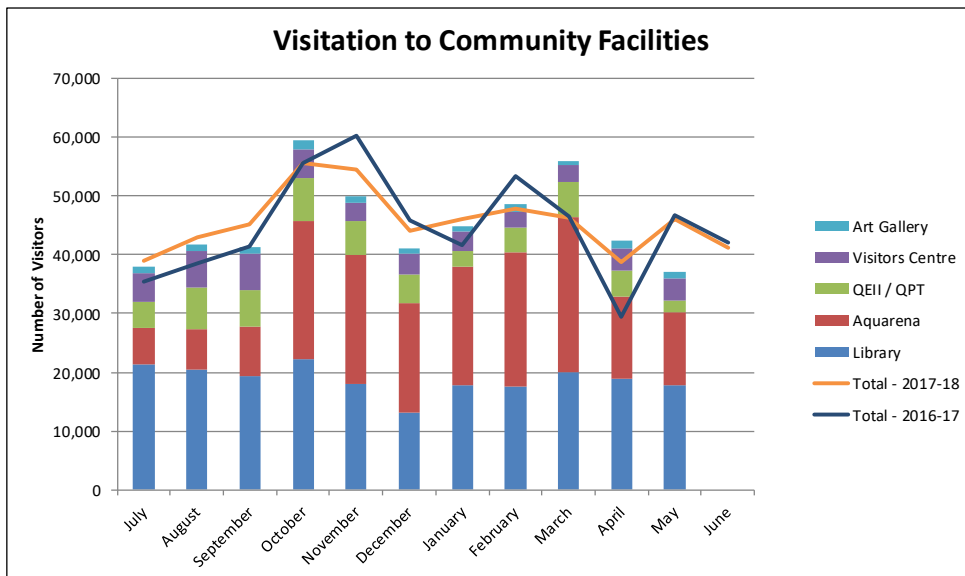


Comments:

Renewal capital expenditure recorded as at 31 May is \$19,274,427 including commitments of \$2.8 mil.

- Parks - Spalding Urban Renewal Project to be rolled over into 2019-20 (\$452k)
- Pathways - Chapman Rd decommissioning on east side - deferred (\$125k) Abraham St & Sanford St pathways to "roll over" into 2019-20.
- Hill Way turning circle construction and Maley's Bridge (\$60k) renewal works to be deferred to 2019-20.
- Carparking - Lot 601 allocated budget for carparking upgrades on hold. Spalding Park carpark to "roll over" to 2019-20.

SOCIAL KEY PERFORMANCE INDICATORS

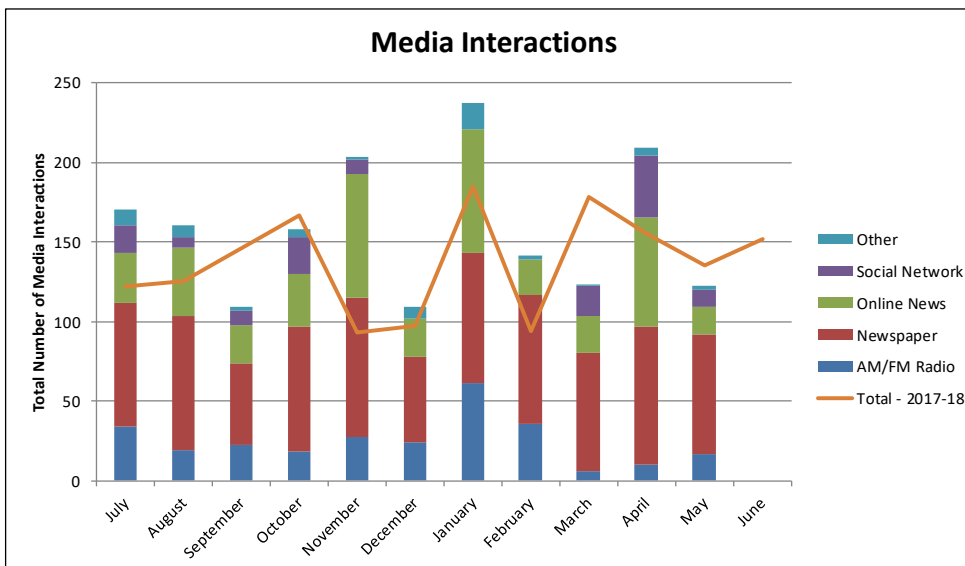


Comments:
 Library visitations recorded in May was 17,760.

There was a decrease in Aquarena visits from 13,864 in April to 12,381 in May.

Art Gallery had 1,075 patrons through the door in May compared to 1,199 April.

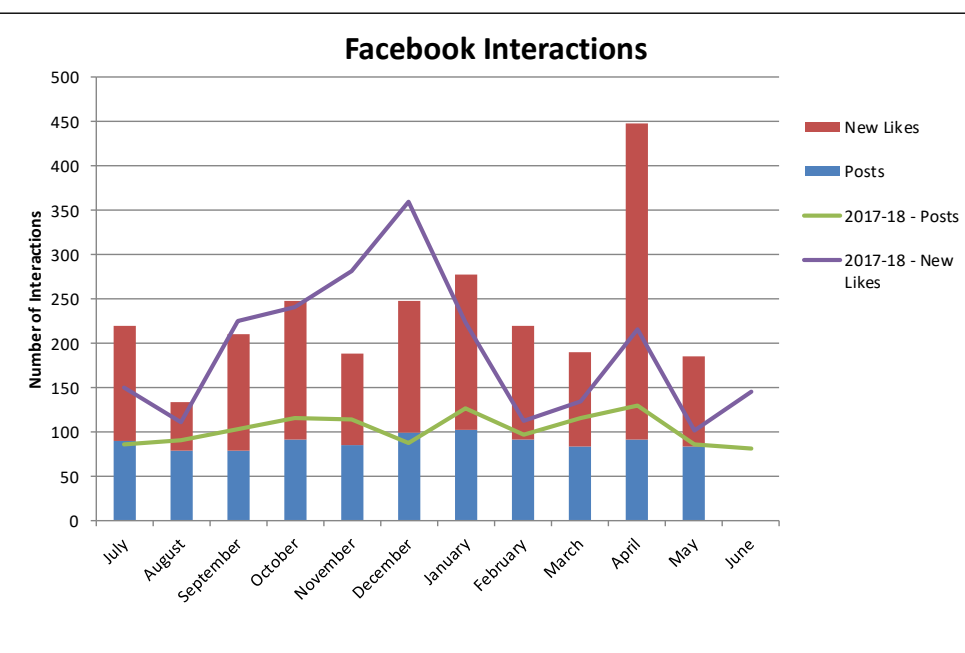
QPT bookings in May:
 The King & Queen of Country - 385
 Banff Mountain Film Festival - 232
 A Taste of Ireland - 510
 Robot Song - 385
 QPT Club Pizza & Wine Night - 180



Comments:
 Media interactions during the month of May:

- Clock tower demolition video
- Tin heads video
- Volunteer litter collection video
- Walking football video
- Rum Jungle burn CSA
- Virgin Australia withdrawing from Geraldton
- Parking Strategy
- FOGO waste trial
- Tourism chiefs visit attractions

Total media types - 5
 Total Items - 122
 Total audience - 882,566



Comments:
 City of Greater Geraldton's Facebook page visits for May resulted in 84 new posts and 101 new likes.

Main Topics:

- Clock tower demolition video - 16.3k reach
- Tin heads video - 10.1k reach
- Volunteer litter collection video - 9k
- Walking football video - 8.6k
- Rum Jungle burn CSA - 8.5k

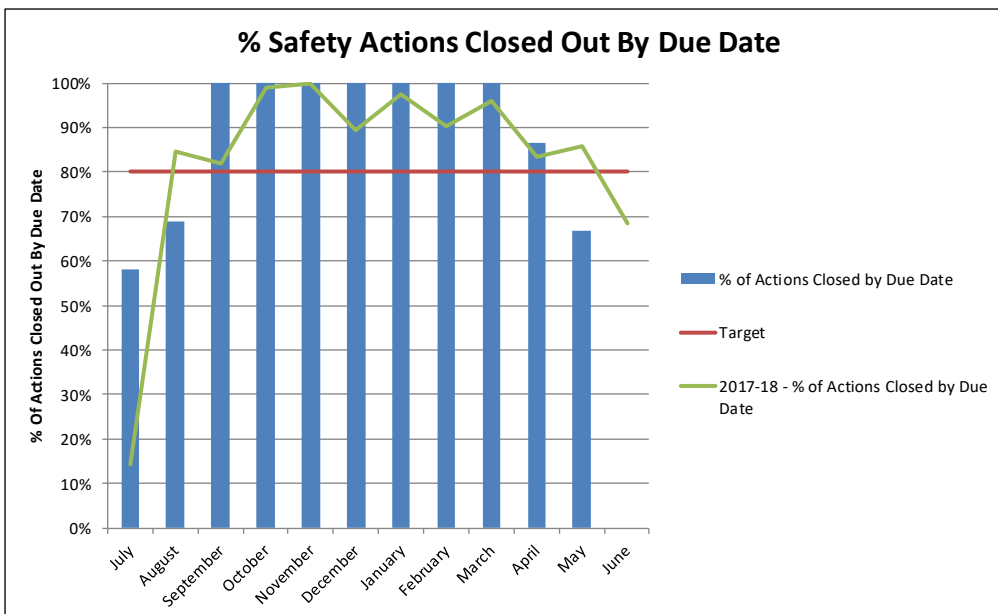
Average post reach - 5,614

GOVERNANCE KEY PERFORMANCE INDICATORS



Comments:
 There was 4 incidents with injury and 8 incidents without injury in May.

 Incidents:
 - Equipment - 3
 - Environment - 1
 - Near Miss - 1
 - Security - 2
 - Injury - 4
 - Other - 1

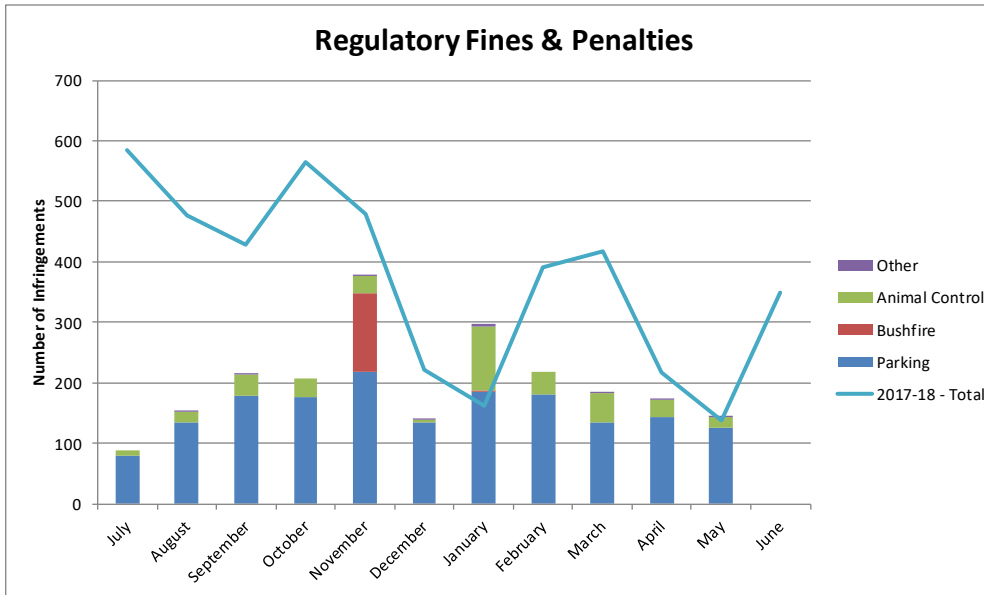


Comments:
 4 actions were closed in May, 8 new actions were opened during the month and of the 4 open actions, 2 actions are currently overdue by more than 30 days.

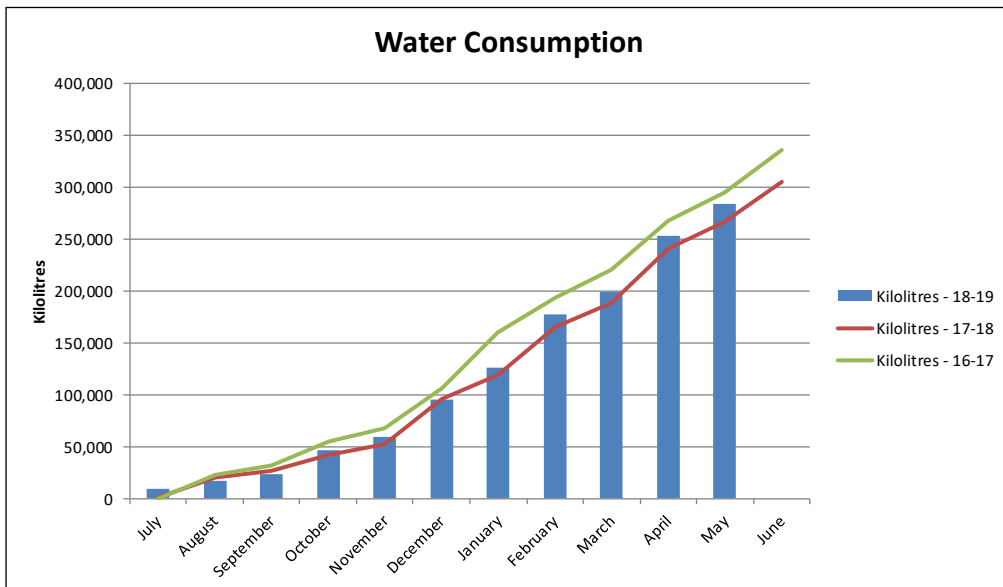


Comments:
 38 inspections were scheduled in May and 30 inspections were completed.

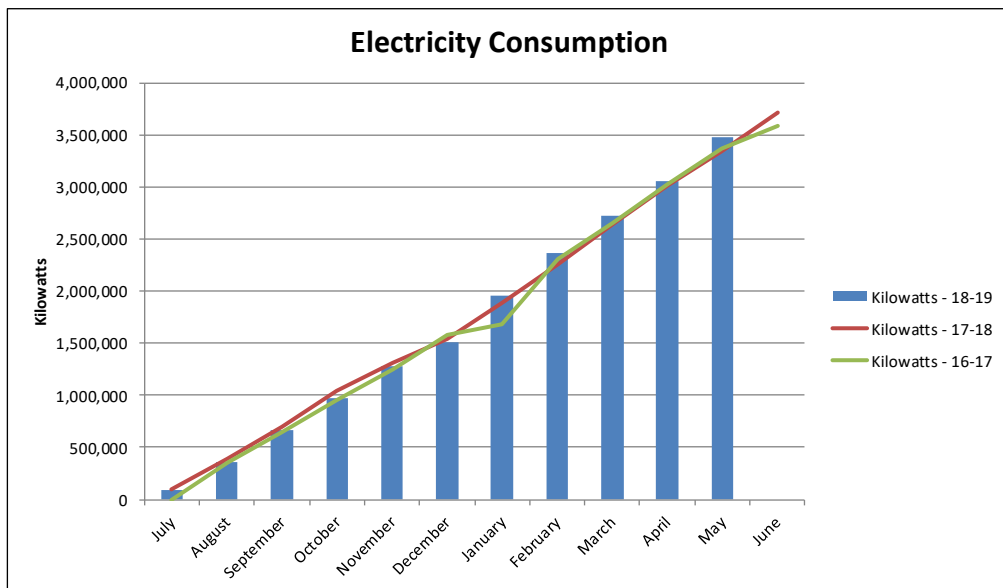
ENVIRONMENTAL KEY PERFORMANCE INDICATORS



Comments:
 Fines issued in May:
 Parking: 125
 Animal Control: 19
 Bushfires Act: 0
 Other: 1
 This compares to 137 for the same period last year.

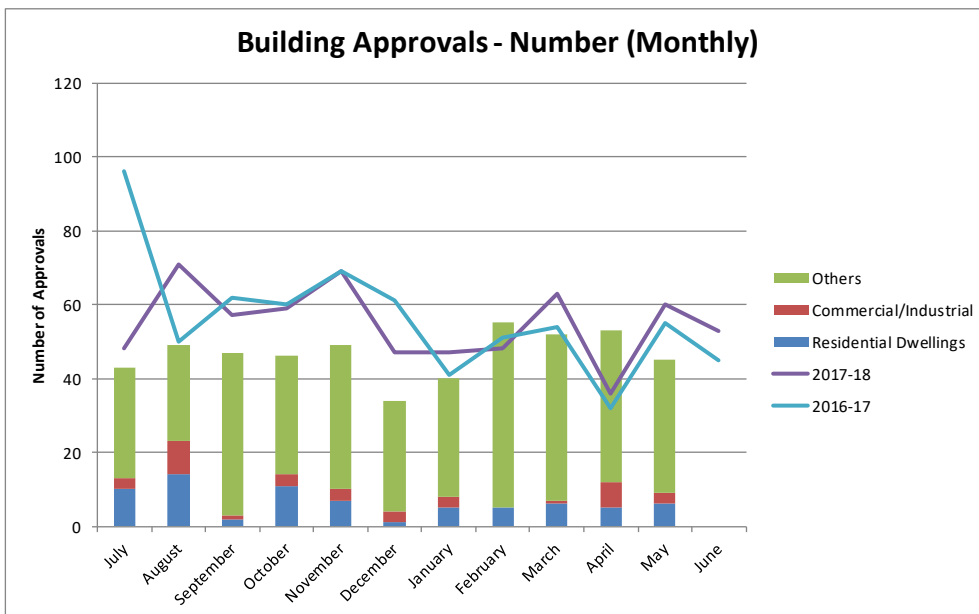


Comments:
 Total kilolitres used up to 31 May is 283,163 compared to 266,650 last year.
 Variable billing periods do not allow for precise correlation to the previous financial year.
 Rainfall for calendar year to 31 May, 2019 (Geraldton) was less than 15mm compared to the mean (1877 to 2019) of 118mm



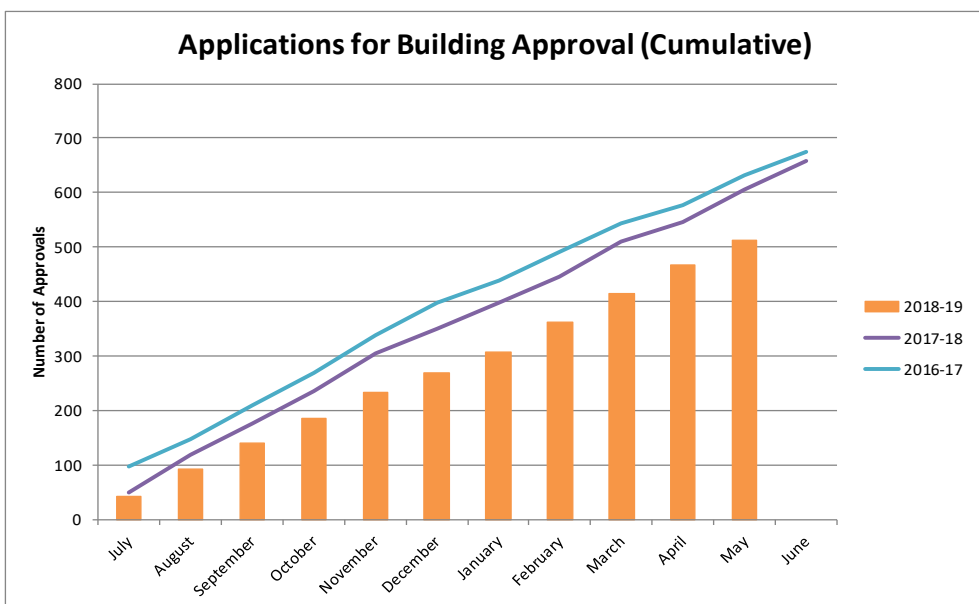
Comments:
 Total kilowatts used up to 31 May is 3,481,077 compared to 3,339,646 last year.
 Variable billing periods do not allow for precise correlation to the previous financial year.

BUILDING APPROVAL STATISTICS

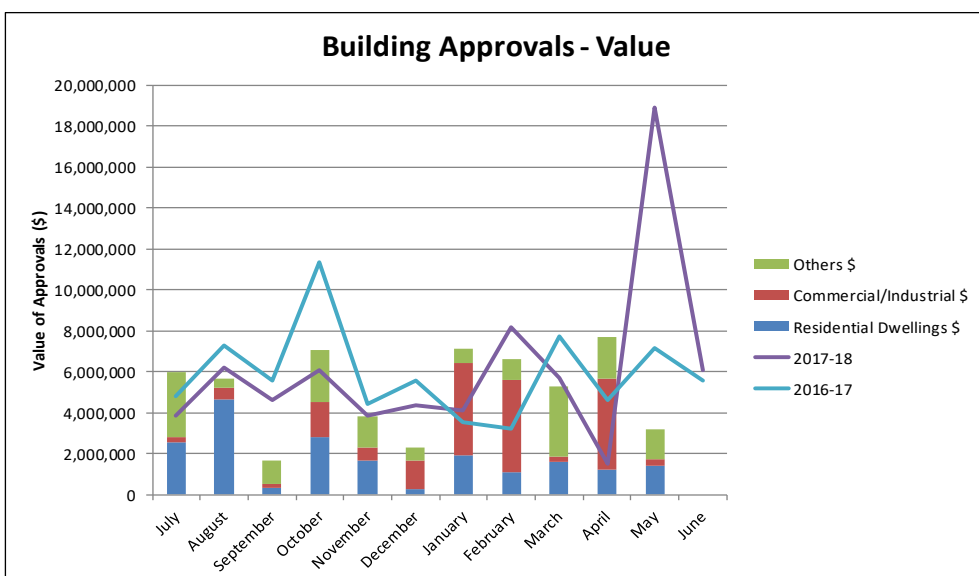


Comments:
 "Others" classification includes buildings such as gazebo, patio, retaining walls, sheds, swimming pools etc.

 Residential approvals for the year to the end of May were 72 compared with 94 at the same time last year. Commercial approvals are at 36 as at the end of May compared to 28 at the same time last year.



Comments:
 513 applications for building approvals were received as at the end of May. During the same period last year the City received 605 applications.



Comments:
 Residential dwellings came in at \$1,427,378 for the month of May compared with \$4,238,867 during the same period last year. Commercial values were \$291,480 for the month of May compared with \$0 for the same period last year (May 2018 shows a spike due to CBH silo work valued at \$13m)

CITY OF GREATER GERALDTON

STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 May 2019

	Current Budget	Current YTD Budget	YTD Actual	YTD Major Commitments	Variances (commtments incl)	
					\$	%
Operating Income						
Rates	46,314,639	46,148,467	45,946,248		202,219	0.4%
Operating Grants & Subsidies	7,491,632	4,198,991	4,284,570		-85,579	-2.0%
Contributions Reimbursements & Donations	1,011,735	877,195	957,555		-80,360	-9.2%
Fees & Charges	23,333,435	21,122,392	20,664,407		457,985	2.2%
Interest Earnings	1,665,191	1,422,440	1,406,328		16,112	1.1%
Other	2,346,563	476,014	501,726		-25,712	-5.4%
Profit On Disposal Of Assets	54,728	8,000	25,814		-17,814	-222.7%
	82,217,923	74,253,499	73,786,648		466,851	0.63%
Operating Expenditure						
Employee Costs	-27,874,614	-25,361,388	-25,101,323	-34,631	-225,434	0.9%
Materials & Contractors	-22,559,143	-20,601,241	-16,629,384	-2,774,843	-1,197,014	5.8%
Utility & Govt Charges	-3,067,426	-2,766,224	-2,588,396	-5,929	-171,899	6.2%
Insurance	-711,417	-710,364	-717,413	0	7,049	-1.0%
Interest/Borrowing Costs	-1,019,983	-751,714	-751,714	0	0	0.0%
Other Expenditure	-3,024,853	-2,951,492	-2,504,107	-5,278	-442,107	15.0%
Depreciation On Assets	-23,601,685	-21,661,207	-22,219,638	0	558,431	-2.6%
Loss On Disposal Of Assets	-195,469	-179,179	-338,124		158,945	-88.7%
	-82,054,590	-74,982,809	-70,850,099	-2,820,681	-1,312,029	1.7%
NET OPERATING	163,333	-729,310	2,936,549	-2,820,681	-845,178	115.9%
Non-Cash Expenditure and Revenue						
(Profit) / Loss on Asset Disposals	140,741	171,179	312,310		-141,131	-82.4%
Depreciation on Assets	23,601,685	21,661,207	22,219,638		-558,431	-2.6%
	23,742,426	21,832,386	22,531,948		-699,562	-3.2%
Capital Expenditure						
Purchase Land	-2,757,800	-2,818,800	-631,745	-1,417,549	-769,506	27.3%
Purchase Buildings	-7,027,330	-5,919,079	-4,981,601	-707,482	-229,996	3.9%
Purchase Plant and Equipment	-2,618,000	-2,657,999	-1,455,692	-1,097,070	-105,237	4.0%
Purchase Furniture and Equipment	-936,669	-767,831	-320,802	-187,143	-259,886	33.8%
Purchase Infrastructure Assets - Roads	-9,954,785	-9,250,866	-8,292,893	-375,054	-582,919	6.3%
Purchase Infrastructure Assets - Parks	-13,906,950	-11,381,455	-10,590,609	-1,043,737	252,891	-2.2%
Purchase Infrastructure Assets - Airport	-24,647,834	-20,722,121	-17,514,002	-5,192,283	1,984,164	-9.6%
Purchase Infrastructure Assets - Meru	-7,752,000	-5,172,000	-2,894,123	-2,200,115	-77,762	1.5%
Purchase Infrastructure Assets - Other	-5,138,175	-4,491,629	-2,972,628	-736,987	-782,014	17.4%
Repayment of Debentures	-3,995,227	-3,414,582	-3,416,175	0	1,593	0.0%
	-78,734,770	-66,596,362	-53,070,270	-12,957,420	-568,672	0.9%
Capital Revenue						
Non Operating Grants & Subsidies	21,839,557	20,669,037	10,728,918		9,940,119	48.1%
Proceeds from Disposal of Assets	594,000	474,822	428,732		46,090	9.7%
Proceeds from New Debentures	18,250,000	18,250,000	18,250,000		0	0.0%
Self-Supporting Loan Principal Income	95,380	87,222	88,561		-1,339	-1.5%
Council Loan Principle Income	0	0	0		0	
	40,778,937	39,481,081	29,496,211		9,984,870	25.29%
Reserves						
Transfers to Reserves	-492,500	0	0		0	
Transfers from Reserves	9,952,454	-4,613,293	-4,613,293		0	0.0%
	9,459,954	-4,613,293	-4,613,293		0	0.0%
Current Funding Surplus (Deficit)	-4,590,120					

MAJOR VARIANCES

Operating Revenue

Operating income recorded as at 31 May is \$73,786,648. Operating income is showing an overall variance of \$466,851 under budget.

- Rates – Interim rates (growth factor) currently below YTD budget forecast and expected that this deficit will continue to increase for the rest of the financial year.
- Fees & Charges – Variance below budget due to: - Parking related revenue down by \$94k; Meru Landfill income down by \$190k; Airport down by \$100k. Income from WOW festival down by \$55k; QPT related show activity income down by \$45K.

Operating Expenditure

Operating expenditure recorded as at 31 May is \$70,850,098 including commitments of \$2,820,681. The overall variance for operating expenditure is \$1,312,029 under budget.

- Employee Costs – EBA adjustments were processed in May. Savings currently realised due to time lag in filling vacant positions.
- Materials & contracts has a variance of \$1,197,014 under budget. As previously reported operational expenditure on Roads continues to trend well below YTD budgeted forecast. Operating costs for fleet and plant servicing tracking well below budget and land property expense down due to reduced activity.
- Utility & Government Charges have a variance of \$171,899 under budget - It is forecast that there will be savings achieved at year end. The City has recently entered into new Power Supply agreements where unit rates are lower than previous agreements for contestable sites.
- Depreciation – Variance is due to new assets being activated.
- Loss on Disposal of Assets – Variance is due to the demolition of the Triton Place toilet block which was subsequently removed from our asset register resulting in a loss of \$183k and the disposal of housing in Mullewa resulting in a loss of \$128k.
- Other Expenditure – is \$442k under budget this is due to: underspend in the Community Grants Program (\$91k), City Resources (\$58k), Vehicle Expenses (\$125k) and QPT Shows (\$109k)

Capital Expenditure

Capital Expenditure recorded as at 31 May is \$66,027,690 including commitments of \$12,957,420. This shows a variance of \$568,672 under budget.

- Land - Cape Burney land development currently profiled to commence towards the end of the financial year. Likely that commencement will now occur early on in the new financial year.
- Roads - Hill Way turning circle construction and Maley's Bridge renewal works to be deferred to 2019-20.
- Parks - Spalding Urban Renewal Project to be rolled over into 2019-20.
- Airport - Budget allocated to Solar PV installation on hold until review conducted on WP high voltage related costs.
- Infrastructure Assets Other - Lot 601 allocated budget for car parking upgrades on hold. Abraham St & Sanford St pathways to "roll over" into 2019-20.
- Major commitments for capital projects include the following:
 - \$5.19mil Airport Runway Project
 - \$2.20mil Meru Cell 5 Project

Capital Revenue

Capital Revenue recorded as at 31 May is \$29,496,211. This shows a variance of \$9,984,870 under budget.

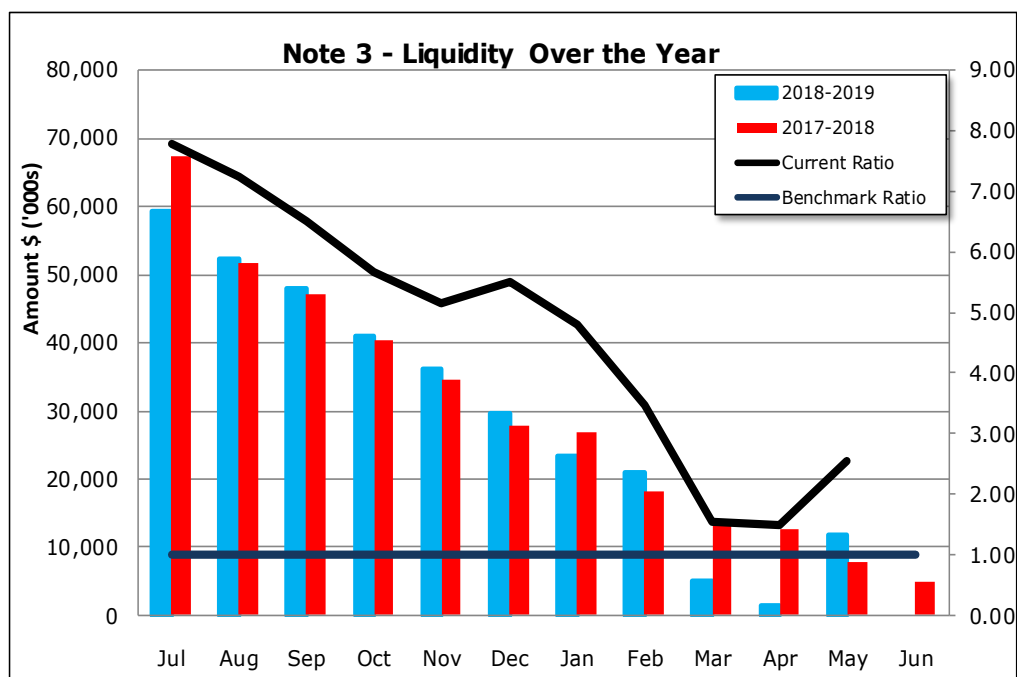
- Grants - \$4.2m of State RADS funding for Airport received in May. In June, expecting to receive Commonwealth funds (\$7.255m) for Airport as required milestone for % of completion is expected to have been achieved.
- Proceeds from Disposal of Assets - Final contingent of replaced plant & vehicles currently at auction. Majority of budgeted proceeds expected to be received May/June.
- \$18.25mil of new WATC loans received in May. \$7.50mil for the Airport, \$1.90mil for the Animal Pound facility, \$1.85mil for Beresford Foreshore and \$7.00mil for the Meru Resource Recovery facility.

NET CURRENT FUNDING POSITION

City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2019

Note 3: NET CURRENT FUNDING POSITION

	Positive=Surplus (Negative=Deficit)		
	2018-2019		2017-2018
	This Period	Last Period	This Period
	\$	\$	\$
Current Assets			
Cash at Bank			
Municipal Account	15,249,084	6,149,189	12,145,358
Reserve Account	11,608,082	11,608,082	18,314,473
Restricted Assets	4,708,118	4,690,953	9,090,548
Total Cash at Bank	31,565,284	22,448,224	39,550,379
Receivables			
Prepayments	305,352	244,881	275,693
Tax Recoverable	448,625	380,354	373,270
Sundry Debtors	1,505,404	1,425,169	928,664
Rates Receivable	4,588,020	5,412,529	4,409,629
Inventories	488,844	456,775	544,446
Total Current Assets	38,901,530	30,367,932	46,082,081
Less: Current Liabilities			
Creditors and Provisions	2,335,225	3,827,472	2,044,834
Current Borrowings	3,430,170	3,929,693	4,212,581
Employee Entitlements	4,973,818	4,978,340	4,636,491
	10,739,213	12,735,505	10,893,906
Less: Cash Restricted	(16,316,200)	(16,299,035)	(27,405,020)
Net Current Funding Position	11,846,116	1,333,392	7,783,155

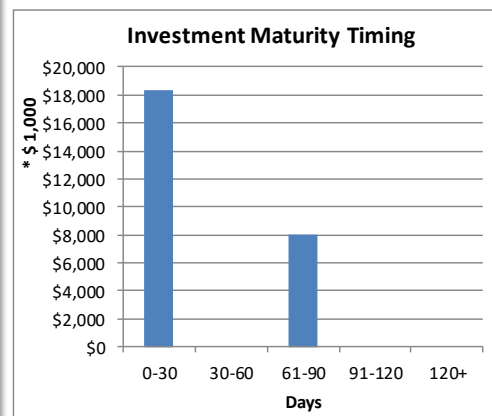
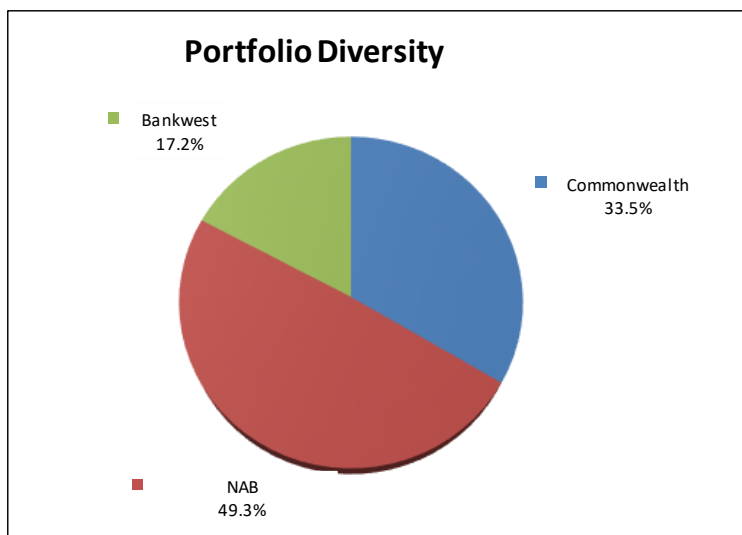


MONTHLY INVESTMENT REPORT

**City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 31 May 2019**

Note 4 - Monthly Investment Report

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @31/05/2019	Percentage of Portfolio
Commonwealth							
BOS Call Account - Muni	A1+	On Demand	1.80%	6,840,599		6,840,599	
BOS Call Account - Reserve	A1+	On Demand	1.80%	2,000,000		2,000,000	
Subtotal				8,840,599	-	8,840,599	33.51%
NAB							
Reserve Investment 290	A1+	28/6/2019	2.75%	5,000,000		5,000,000	
Municipal Investment 292	A1+	5/8/2019	2.34%	8,000,000		8,000,000	
Subtotal				13,000,000	-	13,000,000	49.27%
Bankwest							
Call Account	A1+	On Demand	1.80%	-	1,980	1,980	
Reserve Investment 289	A1+	5/6/2019	2.78%	4,541,416		4,541,416	
Subtotal				4,541,416	1,980	4,543,396	17.22%
Total Funds Invested				26,382,015	1,980	26,383,995	100.0%



Graph Data - Portfolio Diversity		
Commonwealth		33.5%
NAB		49.3%
Bankwest		17.2%
		100%